

Comprehensive Annual Financial Report

Transit
System
of the
Year



For Fiscal Years Ended December 31, 2014 and 2013



UTAH TRANSIT AUTHORITY

UTA Mission Statement

Utah Transit Authority
strengthens and connects communities
thereby enabling individuals to pursue a fuller life
with greater ease and convenience
by leading through partnering, planning and wise investments
of physical, economic and human resources.

Comprehensive Annual Financial Report

For Fiscal Years Ended
December 31, 2014 and 2013

Finance Department

Robert K. Biles
Vice President, Finance

Danyce Steck
Comptroller



UTAH TRANSIT AUTHORITY

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Introductory



For Fiscal Years Ended December 31, 2014 and 2013





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Salt Lake City, Utah 84101
1-888-RIDE-UTA
www.rideuta.com

June 10, 2015

To the Board of Trustees
Utah Transit Authority and
Citizens within the UTA Service Area

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Utah Transit Authority (the Authority) for the fiscal years ended December 31, 2014 and 2013. This document has been prepared by the Authority's Finance Department using the guidelines recommended by the Government Finance Officers Association of the United States and Canada and conforms to accounting principles generally accepted in the United States of America and promulgated by the Governmental Accounting Standards Board.

This report contains financial statements and statistical data which provide full disclosure of all the material financial operations of the Authority. The financial statement and statistical information are the representation of the Authority's management which bears the responsibility for their accuracy, completeness and fairness.

The financial statements have been prepared on the accrual basis of accounting in conformance with generally accepted accounting principles. The Authority is accounted for as a single enterprise fund. This CAFR is indicative of the Authority's commitment to provide accurate, concise and high-quality financial information to the residents of its service area and to all other interested parties.

The Authority

The Utah Transit Authority was incorporated on March 3, 1970 under authority of the Utah Public Transit District Act of 1969 for the purpose of providing a public mass transportation system for Utah communities. The Authority is governed by a 16 member board of trustees which is the legislative body of the Authority and determines all questions of Authority policy. Twelve members of the Board of Trustees, including one non-voting member, are appointed by each county, municipality or combination of municipalities which have been annexed to the Authority. The Board also includes one member who is appointed by the State Transportation Commission who acts as a liaison between the Authority and the Transportation Commission, one member of the board is appointed by the Governor, one member is appointed by the Speaker of the Utah State House of Representatives and one member is appointed by the President of the State Senate.

All fifteen voting members have an equal vote as the Board of Trustees passes ordinances and sets policies for the Authority.

The responsibility for the operation of the Authority is held by the President/CEO in accordance with the direction, goals and policies of the Authority's Board of Trustees. The President/CEO has full charge of the acquisition, construction, maintenance, and operation of the facilities of the Authority and of the administration of the business affairs of the Authority. The President/CEO supervises the executive staff which includes the Vice President of Communications and Customer Focus, Vice President of Finance, Vice President of Operations, Chief Business Solutions and Technology Officer, Chief Development Officer, Chief Planning Officer, Chief Safety and Security Officer/Chief of Staff, and Senior Advisor to the President/CEO.

The President/CEO, General Counsel and the Internal Auditor for the Authority report to the Board of Trustees. An organizational chart which illustrates the reporting relationships follows in the introductory section.

The Regional General Managers and the General Managers of Special Services, Commuter Rail and LightRail report to the Chief Operating Officer. The corporate executive staff meets weekly to coordinate management of the affairs of the organization. The executive staff meets at least monthly in a policy forum to review and set management policies and set goals and objectives for the organization. The Authority serves the largest segment of population in the State of Utah known as the Wasatch Front. The Authority's service area lies in the region commonly referred to as the Wasatch Front. The service area extends from the Wasatch Mountains on the east to the Great Salt Lake on the west, is approximately 100 miles long and 30 miles wide, and consists of an area of approximately 1,400 square miles that covers all or portions of six (6) principal counties (Box Elder, Davis, Salt Lake, Tooele, Utah and Weber). The service area also includes a small portion of Juab County. The total population within the six principal counties is approximately 2,300,000 which represents approximately 79% of the state's total population.



TRAX Blue Line

Current Year Review

The mission statement developed by the Authority's Board of Trustees continues to guide the activity and direction of the Transit Authority. The mission statement is:

Utah Transit Authority strengthens and connects communities, thereby enabling individuals to pursue a fuller life with greater ease and convenience by leading through partnering, planning, and wise investment of physical, economic and human resources.

System ridership increased to over 46.2 million riders in 2014, a 4.9% increase over 2013 system ridership of 44.1 million. A portion of this ridership increase is attributable to the Authority's transition to automatic passenger counters (APC's) on the bus system. An analysis of ridership using the sampling method used for reporting 2013 indicated an actual increase of 2.2%, with the remaining increase attributed to the APC modification.

Passenger revenues decreased by \$1.0 million, a 2.0% decrease over 2013 passenger revenues.



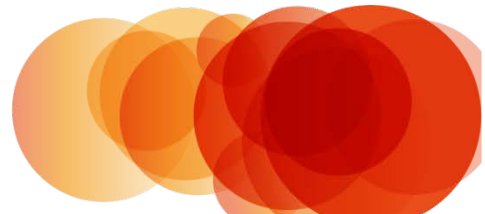
CNG Bus in front of the State Capital in Salt Lake City

During 2014, the Utah Transit Authority continued to work with our developer partners on our transit oriented development sites. The Sandy Civic Center TRAX station site had approvals from Sandy City and the UTA Board of Trustees for the first two phases of development. A ground breaking ceremony was held for the first phase apartment complex and design was finalized on the phase two project, an office building for the Utah Division of Child and Family Services. Entitlement work was underway for a phase three office building. At the Jordan Valley TRAX station, utility construction began on the phase one project consisting of 272 apartments surrounding the two existing parking structures. In Clearfield, the developer is working to finalize design of the first phases of both residential and flex office/light industrial phases of that project. A conceptual master plan has been approved for the Provo Intermodal Hub site. Market studies and due diligence efforts were underway at the Ogden, North Temple, Salt Lake Central and 3900 South Meadowbrook locations.

For a more complete review of the Authority's current year financial activities, please refer to section two which contains the Independent Auditors' Report, Management's Discussion and Analysis, the Financial Statements and accompanying notes.



Light rail service in front of the Joseph Smith Memorial Building



Future Plans

The Utah Transit Authority continues to develop a superior transportation system for the Wasatch Front. The Frontlines 2015 program was completed with all lines in operation by August of 2013, over two years ahead of schedule.

After placing FrontRunner South in service in December 2012, UTA placed three lines in service in 2013. The airport line opened in April, which extended the Green Line to include service from the Arena Station to the Airport. The Draper extension of the Blue line opened in August, extending service from Sandy to Draper. In December the Sugarhouse Streetcar line opened.



Sugarhouse Streetcar

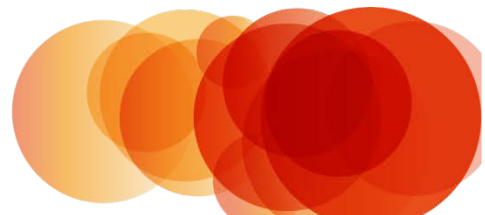
The next tier of projects will be a significant departure from the five large projects included in the 2015 program. UTA's future transit capital development program will almost certainly consist of a greater number of smaller and more diverse projects. Smaller projects will require a more flexible management approach and a more nimble staff. The rights-of-way that we have enjoyed and enabled us to more easily construct large projects have mostly been utilized. UTA's focus will turn to the integration of the bus and rail networks and the use of bus rapid transit and streetcar networks to be high capacity feeders to the TRAX and FrontRunner lines.

Another priority for UTA is the use of buses that operate on compressed natural gas (CNG). In 2013, the authority placed 24 buses that operate using CNG into operation. Another 23 CNG buses will be placed in operation in 2015. UTA's first CNG fueling station will be opened in summer 2015.



FrontRunner at Salt Lake City Intermodal Center

Next tier projects are those which have either the planning priority or local support to have begun specific studies on the projects. Horizon projects are projects where there is interest or planning priority but not to the level to have either a specific feasibility study or an alternative analysis under way. In the horizon category, the list includes projects that are very large, long lead time projects which require early planning. Facilities projects are proposed with major new or improved facilities being planned in the UTA system. The key to moving these next tier projects into the design and construction phase is identifying and gaining commitments for funding. The modes being studied include bus, bus rapid transit, streetcar transit, light rail transit, commuter rail transit, high speed rail and intermodal centers to serve and connect the various modes.



The Economic Condition and Outlook

The Utah Governor’s Office of Planning and Budget produces the 2014 Economic Outlook. The Economic Outlook focuses on an estimated summary of the previous year and a forecast for the forthcoming year. The primary goal of the report is to improve the reader’s understanding of the Utah economy. The report is a collaborative effort of both public and private entities which devote a significant amount of time to this report ensuring that it contains the latest economic and demographic information. Below is just an excerpt from the Economic Outlook.

For more detailed information, the entire report is available on the Governor’s Office of Planning and Budget website, <http://gomb.utah.gov/budget-policy>.



Downtown Salt Lake City

Overview of the Economy – Utah has recovered more rapidly than the nation after the Great Recession. For the U.S., employment grew 1.8 percent in 2014, compared to 3.0 percent for Utah. While employment increased during 2014, Utah’s unemployment rate also improved to 3.6 percent, lower than the rate of 4.4 in 2013. Though housing stabilized, with 16,000 building permits issued in

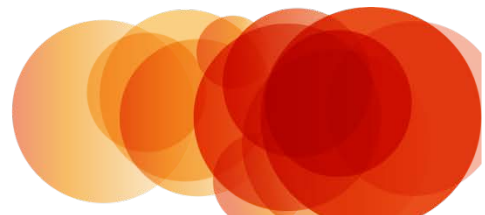
2014, home-building is not leading the economy as it does during a typical recovery.

Outlook 2015 – Utah’s employment is expected to grow at 2.5 percent, below its long-term average, while the nation remains at 1.8 percent. If wage growth accelerates in the early months of 2015 then employment growth could increase. The unemployment rate will remain stable at 3.6 percent. The residential construction sector will see modest improvement with dwelling unit permits expected to increase to 17,500.

The State of Utah economic growth continued through 2014 with non-farm employment increasing by 38,600 jobs. Notable employment expansions for the year include the construction industry growing by roughly 7.0 percent above 2013, the transportation industry with growth of approximately 4.0 percent, and professional and business services posting growth of around 4.5 percent. Non-farm employment is expected to increase by approximately 33,400 jobs in 2015. Utah’s total personal income grew by 4.1 percent in 2014 and is expected to increase by another 4.7 percent in 2014. These positive trends are reflected in UTA’s sales tax collection growth with 2014 collections exceeding 2013 collections by 5.4 percent.



eBay buildings in Draper, Utah



Debt Administration

The Authority has sold Sales Tax Revenue Bonds to partially finance the purchase and construction of various capital assets, and to refund other outstanding bond issues. Payment of debt service on the outstanding bonds is secured by a pledge of sales tax revenues and other revenues of the Authority.



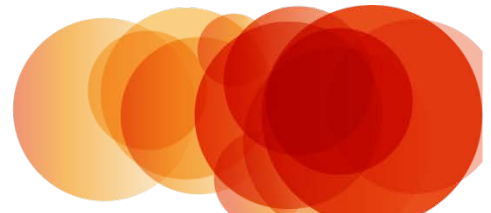
Event at the University of Utah on the TRAX Red Line

During 2014, the Authority issued its \$80,370,000 Subordinated Sales Tax Revenue Refunding Bonds, Series 2014A, along with its \$62,000,000 Subordinated Sales Tax Revenue Refunding Bonds, Series 2014B. The Series 2014A&B bonds were issued to refund the then outstanding balance of its \$175,000,000 Subordinated Sales Tax Revenue Bonds, Series 2006A&B. As of December 31, 2014, the Authority had \$2,060,954,109 in outstanding bonds.



Ogden Bus Hub

For a more complete review of the Authority's financing activities please refer to Section Two which contains the Independent Auditors' Report, Management's Discussion and Analysis, the Financial Statements and accompanying notes.



Independent Audit

State law requires that the Authority cause an independent audit to be performed on an annual basis. The Authority's independent auditors, Deloitte & Touche LLP, have rendered an unqualified audit report on the Authority's financial statements. The Auditor's report on the financial statements with accompanying notes is included in the Financial Section of the Comprehensive Annual Financial Report.

The Authority also has a single audit of all federally funded programs administered by this agency as a requirement for continued funding eligibility. The Single Audit is mandatory for most local governments including the Utah Transit Authority.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Utah Transit Authority for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

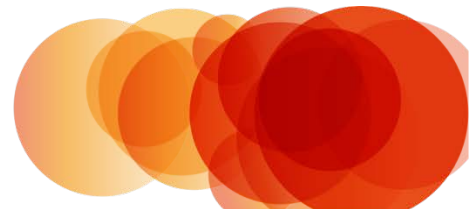
Acknowledgments

The preparation of the Comprehensive Annual Financial Report on a timely basis requires dedicated extra efforts of the staff of several departments. I wish to express my appreciation to all department staff and managers who contributed to this report with special recognition to Teri Black, Executive Assistant; Danyce Steck, Comptroller; Dennis Bitner, Assistant Comptroller; the Accounting Department Employees of UTA; Blair Lewis, Graphic Artist; Eric Vance, Photographer, and Mike Black, Amateur Photographer and TRAX Supervisor.

Sincerely,



Robert K. Biles
Vice President, Finance
Utah Transit Authority





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

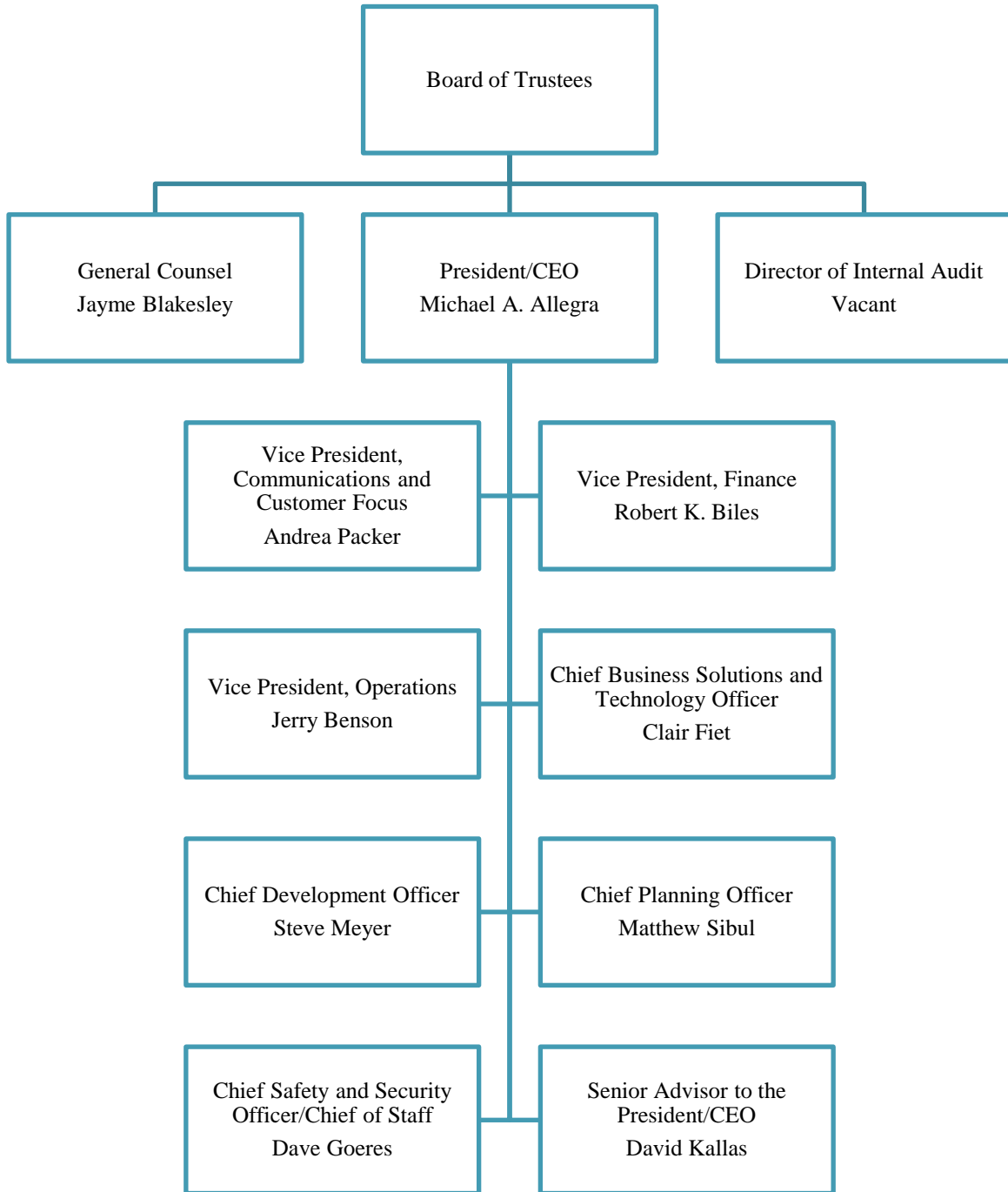
Utah Transit Authority

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

Organizational Chart



Utah Transit Authority Board of Trustees



H. David Burton
Chair



Christopher Bleak
Vice Chair



Justin Allen



Keith Bartholomew



Necia Christensen



Larry Ellertson



Jeff Hawker



Charles Henderson



Robert A. Hunter



Sheldon Killpack



Dannie R. McConkie



P. Bret Millburn



Robert W. McKinley



Michael E. Romero



Chris Sloan



Troy Walker

BOARD OF TRUSTEES APPOINTMENTS

Appointed by	Current Member	Term Ending	Term No.
President of the Senate	Justin Allen	August, 2016	2
Salt Lake City	Keith Bartholomew	March, 2015	4
Municipalities within Weber County, and the municipalities of Brigham, Perry and Willard in Box Elder County	Matthew Bell	May, 2019	1
Municipalities within Utah County	Christopher Bleak	May, 2016	2
Governor of Utah	H. David Burton	May, 2016	1
Municipalities within Weber County and the municipalities of Brigham, Perry and Willard in Box Elder County	Necia Christensen	May, 2015	4
Municipalities within Utah County	Larry Ellertson	August, 2015	3
Municipalities within Salt Lake County and the municipalities of Grantsville and Tooele in Tooele County	Jeff Hawker	October, 2016	1
Unincorporated areas in Salt Lake County	Charles Henderson	January, 2016	2
Speaker of the House	Sheldon Killpack	April, 2019	1
Utah Transportation Commission	Dannie McConkie	May, 2017	1
Municipalities within Salt Lake County, and the municipalities of Grantsville and Tooele in Tooele County	Robert W. McKinley	December, 2017	1
Municipalities within Davis County	P. Bret Millburn	August, 2016	2
The municipalities within Salt Lake County and the municipalities of Grantsville and Tooele in Tooele County	Michael Romero	March, 2015	2
Municipalities and unincorporated areas within the district that are located within a county not annexed into the UTA district	Chris Sloan	May, 2017	1
Municipalities within Salt Lake County, and the municipalities of Grantsville and Tooele in Tooele County	Troy Walker	March, 2016	1

BOARD OF TRUSTEES AND ADMINISTRATION

Board of Trustees as of May 30, 2015

Trustee	Justin Y. Allen
.....	Keith Bartholomew
.....	Christopher R. Bleak
.....	H. David Burton
.....	Necia Christensen
.....	Larry Ellertson
.....	Jeff Hawker
.....	Charles G. Henderson
.....	Robert Hunter
.....	Sheldon Killpack
.....	Dannie R. McConkie
.....	Robert W. McKinley
.....	P. Bret Millburn
.....	Michael E. Romero
.....	Chris Sloan

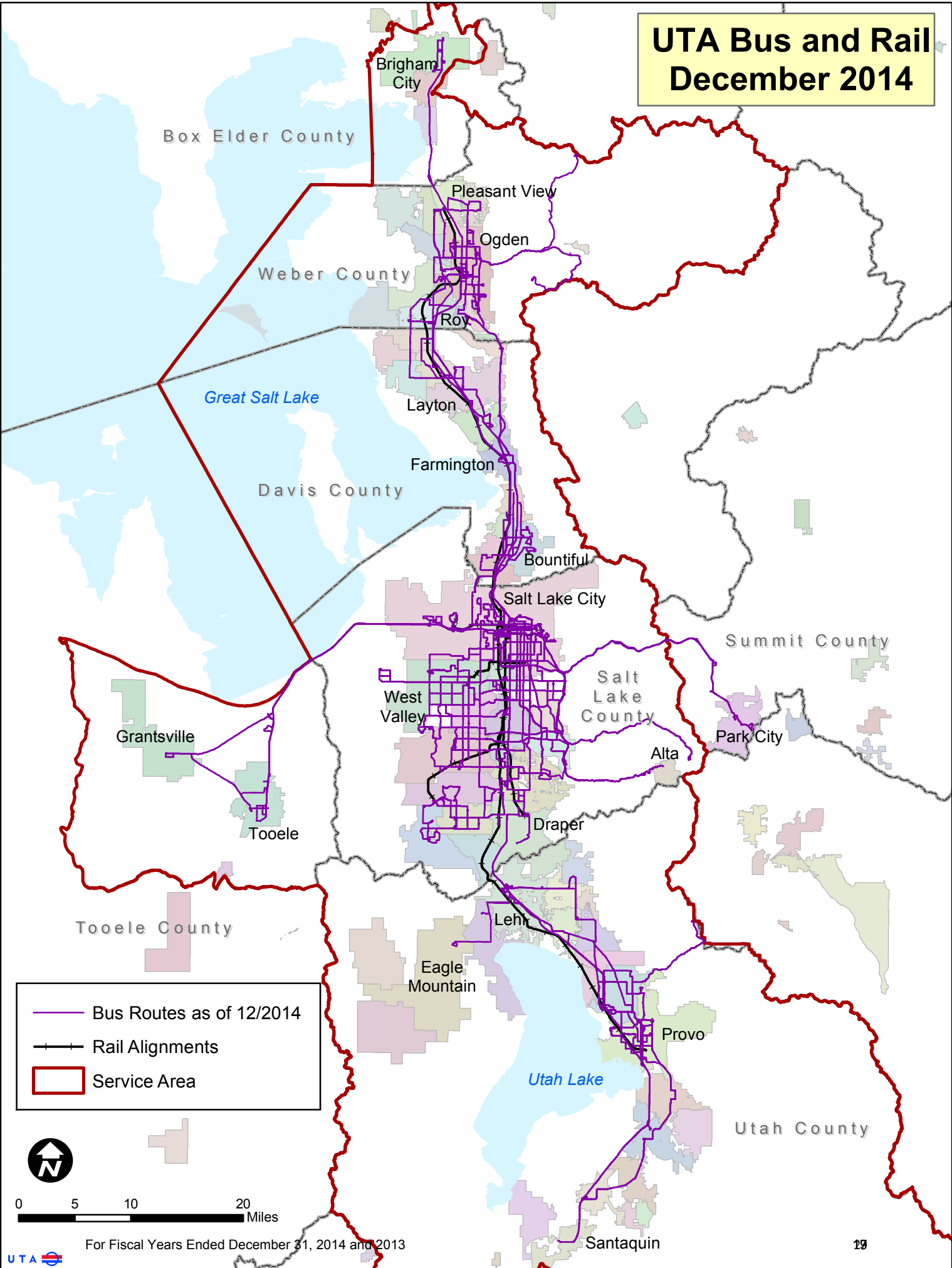
Officers of the Authority

Chairman	H. David Burton
Vice Chairman	Christopher Bleak
President/Chief Executive Officer	Michael A. Allegra
General Counsel	Jayne L. Blakesley
Secretary/Treasurer and Vice President Finance	Robert K. Biles
Comptroller	Danyce J. Steck
Director Internal Audit	Vacant

Administration of the Authority

President/Chief Executive Officer	Michael A. Allegra
Vice President Communications and Customer Focus	Andrea Packer
Vice President Finance	Robert K. Biles
Vice President Operations	Jerry R. Benson
Chief Business Solutions and Technology Officer	F. Clair Fiet
Chief Development Officer	Steve Meyer
Chief Planning Officer	Matthew Sibul
Chief Safety and Security Officer/Chief of Staff	Dave Goeres
General Counsel	Jayne L. Blakesley
Regional General Manager of Mt. Ogden Bus Services	D. Eddy Cumins
Regional General Manager of Timpanogos Bus Services	Hugh Johnson
Regional General Manager of Salt Lake Bus Services	Lorin Simpson
General Manager Special Services	Cherryl Beveridge
General Manager Commuter Rail Services	Bruce Cardon
General Manager Light Rail Services	Todd Provost

UTA Bus and Rail December 2014



Financial



For Fiscal Years Ended December 31, 2014 and 2013



INDEPENDENT AUDITORS' REPORT

Board of Trustees of
Utah Transit Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of Utah Transit Authority (the "Authority"), which comprise the statements of net position as of December 31, 2014 and 2013, and the related statements of revenues, expenses, and changes in net position and cash flow for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Utah Transit Authority as of December 31, 2014 and 2013, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.


Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis listed in the foregoing table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Introductory Section and the Statistical Section listed in the foregoing table of contents have not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

The image shows a handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

June 10, 2015

UTAH TRANSIT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2014 and 2013

This section of Utah Transit Authority's (the Authority) annual financial report presents our discussion and analysis of the Authority's financial performance during the fiscal years ended on December 31, 2014 and December 31, 2013.

Following this Management Discussion and Analysis are the basic financial statements of the Authority, together with the notes thereto, which are essential to a full understanding of the information contained in the financial statements.

FINANCIAL STATEMENTS

The Authority's financial statements are prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP), promulgated by the Governmental Accounting Standards Board. The Authority reports as a single enterprise fund. Revenues are recognized when earned and expenses are recognized in the period in which they are incurred. See the notes to the financial statements for a summary of the Authority's significant accounting policies.

FINANCIAL HIGHLIGHTS

This year's financial statements reflect the Authority's first year of operations with no major construction or expansions of service in over 10 years which resulted in a significant reduction (77.1%) of capital contributions in 2014 as compared to 2013.

In addition, the Authority began to focus on investment opportunities for cash, and implemented a short-term, mid-term, and long-term investment strategy. The result of this focus was an increase of investment income of over 196% in 2014 compared to 2013.

In 2014, the Authority continued to work with its developer partners on transit-oriented development sites, and on the design and construction of a compressed natural gas (CNG) fueling facility located in Salt Lake City.

The Authority also continued to focus on its long-term strategic plan, including cash and debt management.

In April 2014, the Authority refunded the remaining refundable maturities for the Series 2006A and 2006B variable rate revenue bonds with a short-term fixed rate bond issue through a private placement method of sale. The intention of this issuance was to eliminate the interest rate risk from variable rate debt.

The Authority continues to recognize the importance of reserves for debt service and service stabilization. In 2014, the Board of Trustees designated \$3.65 million of budgeted debt service interest rate savings from the variable rate debt to a reserve designated for the early retirement of debt or other debt management needs.

UTAH TRANSIT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2014 and 2013

CONDENSED STATEMENTS OF NET POSITION

	2014	2013	Difference	Percent difference	2012
Assets					
Current and other assets	\$ 243,376,277	\$ 296,519,281	\$ (53,143,004)	-18%	\$ 394,701,320
Restricted and designated assets	72,152,080	68,854,712	3,297,368	5%	68,179,733
Capital assets	3,343,299,438	3,452,000,057	(108,700,619)	-3%	3,498,718,290
Total assets	<u>3,658,827,795</u>	<u>3,817,374,050</u>	<u>(158,546,255)</u>	-4%	<u>3,961,599,343</u>
Deferred outflows of resources	<u>874,723</u>	<u>1,063,462</u>	<u>(188,739)</u>	-18%	<u>1,275,411</u>
Liabilities					
Current liabilities	70,810,592	75,737,617	(4,927,025)	-7%	121,179,599
Long-term liabilities	2,160,717,256	2,165,594,991	(4,877,735)	0%	2,168,185,323
Total liabilities	<u>2,231,527,848</u>	<u>2,241,332,608</u>	<u>(9,804,760)</u>	0%	<u>2,289,364,922</u>
Deferred inflows of resources	<u>1,666,667</u>	<u>-</u>	<u>1,666,667</u>		<u>-</u>
Net position					
Net investment in capital assets	1,230,633,230	1,327,585,097	(96,951,867)	-7%	1,364,803,454
Restricted for debt service	5,737,996	4,047,060	1,690,936	42%	3,872,141
Restricted for interlocal agreement	781,038	3,125,000	(2,343,962)	-75%	-
Restricted for escrows	80,827	80,565	262	0%	80,352
Unrestricted	189,274,912	242,267,182	(52,992,270)	-22%	304,753,885
Total net position	<u>\$ 1,426,508,003</u>	<u>\$ 1,577,104,904</u>	<u>\$(150,596,901)</u>	-10%	<u>\$ 1,673,509,832</u>

A. 2014 Results

Since completion of many of the Authority's major construction projects in 2013, the amount of federal receivables were reduced from \$29.5 million in 2013 to \$12.3 million in 2014. In addition, cash and cash equivalents were reduced from \$165.7 million in 2013 to \$114.6 million in 2014 and other receivables were reduced from \$16.3 million in 2013 to \$8.6 million in 2014.

The Authority's Board remained steadfast in its dedication to building reserves for the stabilization of services and debt management. In 2014, the Board authorized the restriction of \$3.6 million from current assets.

Capital assets decreased by \$108.7 million primarily due to depreciation expense of \$163.5 million exceeding capital asset additions of \$54.8 million.

An increase in net position over time may serve as a useful indicator of a government entity's financial position. As of December 31, 2014, the Authority's net position decreased to \$1.43 billion from \$1.58 billion as of December 31, 2013 due to reduced federal funding for capital projects.

UTAH TRANSIT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2014 and 2013

CONDENSED STATEMENTS OF NET POSITION (continued)

B. 2013 Results

In 2013, the Authority invested heavily in completing many of its major construction projects. The completion of these projects reduced the amount of federal receivables from \$30.5 million in 2012 to \$29.5 million in 2013. In addition, cash and cash equivalents were reduced from \$265.7 million in 2012 to \$165.7 million in 2013. Capital assets decreased by \$46.7 million primarily due to depreciation expense of \$162.4 million exceeding capital asset additions of \$115.7 million.

The completion of construction also affected current liabilities by reducing them by over \$45 million, largely due to a reduced amount of accounts payable.

Long-term liabilities decreased by \$11.1 million due to the payment of bond principal, which was partially offset by an increase of \$8.5 million in long-term accrued interest payable for the Series 2007A Capital Appreciation bonds.

Changes in net position over time may serve as a useful indicator of a government entity's financial position. As of December 31, 2013, the Authority's net position decreased to \$1.58 billion from \$1.67 billion as of December 31, 2012 due to the completion of the major construction projects and reduced federal funding for such projects.

CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	2014	2013	Difference	Percent difference	2012
Operating revenues	\$ 51,276,890	\$ 52,044,200	\$ (767,310)	-1.5%	\$ 46,422,916
Operating expenses	395,967,724	378,224,993	17,742,731	4.7%	319,322,223
Excess of operating expenses over operating revenues	(344,690,834)	(326,180,793)	(18,510,041)	-5.7%	(272,899,307)
Non-operating revenues	273,352,444	261,463,584	11,888,860	4.5%	249,643,462
Non-operating expenses	92,122,756	87,942,920	4,179,836	4.8%	49,273,172
Loss before contributions	(163,461,146)	(152,660,129)	(10,801,017)	-7.1%	(72,529,017)
Capital contributions	12,864,246	56,255,200	(43,390,954)	-77.1%	98,811,340
Change in net position	<u>\$(150,596,900)</u>	<u>\$ (96,404,929)</u>	<u>\$(54,191,971)</u>	-56.2%	<u>\$ 26,282,323</u>
Total net position, January 1	\$1,577,104,903	\$1,673,509,832			\$1,647,227,509
Total net position, December 31	\$1,426,508,003	\$1,577,104,903			\$1,673,509,832

UTAH TRANSIT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2014 and 2013

SUMMARY OF REVENUES FOR THE YEAR ENDED DECEMBER 31

	2014	2013	Difference	Percent difference	2012
Operating revenues					
Passenger fares	\$ 48,976,890	\$ 49,977,533	\$ (1,000,643)	-2.0%	\$ 44,489,583
Advertising	2,300,000	2,066,667	233,333	11.3%	1,933,333
Total operating revenue	51,276,890	52,044,200	(767,310)	-1.5%	46,422,916
Non-operating revenues					
Contributions from other gov'ts (sales tax)	214,683,276	203,806,329	10,876,947	5.3%	196,693,543
Federal noncapital assistance	50,754,876	51,854,492	(1,099,616)	-2.1%	48,705,657
Investment income	4,313,024	1,455,039	2,857,985	196.4%	1,892,549
Other	3,601,268	4,347,724	(746,456)	-17.2%	2,351,713
Total non-operating revenue	273,352,444	261,463,584	11,888,860	4.5%	249,643,462
Capital contributions	12,864,246	56,255,200	(43,390,954)	-77.1%	98,811,340
Total revenues	\$337,493,580	\$369,762,984	\$(32,269,404)	-8.7%	\$394,877,718

A. 2014 Results

Passenger revenue showed a slight decrease of \$1.0 million (2.0%) as a result of travel patterns and patronage becoming more normalized with all rail lines in operation.

Since the Authority does not have the ability to tax, it relies on contributions dedicated by other governments for the purpose of mass transit in the form of sales tax as supplementary income to operations and development. As Utah's economy continues to improve and unemployment rates continue to decrease, this sales tax amount continues to increase. In 2014, the Authority recognized \$10.9 million (5.3%) in increased contributions of sales tax.

In 2014, the Authority focused on developing an investment policy and plan which would maximize investment income while complying with the Utah Money Management Act. The result of this work increased investment income by \$2.9 million (196.4%).

With the completion of many of the construction projects, capital contributions continued to decrease in 2014 as federal and local grants were recognized in full.

B. 2013 Results

Passenger revenue showed an increase of \$5.5 million (12.3%) as a result of increased ridership and increased light rail service due to the opening of some of the final parts of the FrontLines 2015 project. This increase may also be partially attributed to the first full year of commuter rail operation.

Since the Authority does not have the ability to tax, it relies on contributions dedicated by other governments for the purpose of mass transit in the form of sales tax as supplementary income to operations and development. As Utah's economy continues to improve and unemployment rates continue to decrease, this sales tax amount continues to increase. In 2013, the Authority recognized \$7.1 million (3.6%) in increased contributions of sales tax.

Continued investment in the transit system infrastructure decreased cash available for investments by over 62%, or \$100 million. As expected, investment income decreased with the decrease of cash.

With the completion of many of the construction projects, capital contributions decreased as federal and local grants were recognized in full.

UTAH TRANSIT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2014 and 2013

SUMMARY OF EXPENSES FOR THE YEAR ENDED DECEMBER 31

	2014	2013	Difference	Percent difference	2012
Operating expenses					
Bus service	\$ 79,107,046	\$ 78,894,435	\$ 212,611	0.3%	\$ 78,894,799
Rail service	70,407,764	61,086,101	9,321,663	15.3%	46,049,338
Paratransit service	18,764,598	18,202,211	562,387	3.1%	17,516,117
Other services	736,230	701,656	34,574	4.9%	596,583
Operations support	28,063,360	28,439,826	(376,466)	-1.3%	25,247,271
Administration	32,924,174	25,999,127	6,925,047	26.6%	24,809,820
Major investment studies	2,488,179	2,534,785	(46,606)	-1.8%	1,854,402
Depreciation	163,476,373	162,366,852	1,109,521	0.7%	124,353,893
Total operating expenses	<u>\$395,967,724</u>	<u>\$ 378,224,993</u>	<u>\$17,742,731</u>	4.7%	<u>\$319,322,223</u>

A. 2014 Results

Personnel cost for the Authority in 2014 was 68% of total operating expense less depreciation. Overall, personnel cost rose by \$3.6 million in 2014, with the majority of this increase attributable to benefits. With this increase as a reference, the operational cost for bus service actually decreased in 2014 as a result of operational efficiencies and resource utilization adjustments.

Rail service cost rose by \$9.3 million (15.3%) as a result of the expiration of purchase warranties which occurs as a new system ages. In addition, maintenance and operational costs have become more normalized in this first year of service for all light rail lines.

Administration expense increased more significantly (26.6%) as support for capital projects decreased and administrative personnel began to support operations. In addition, the Authority experienced increased costs in legal and information technology (IT). The legal increase is attributable to increased activity on the transit oriented development projects, and the IT increase is primarily due to increased development.

B. 2013 Results

Rail service cost rose by \$15 million (32.6%) as a result of a full year of operation for a commuter rail line extension and partial year operation of several light rail lines.

Paratransit service expense increased slightly (3.9%) due to increased service to accommodate the new rail service.

Operations support increased expenses by \$3.2 million (12.6%) primarily due to the increase in rail service.

Administration expense increased slightly (4.8%) primarily due to increased costs in legal, real estate and information technology (IT). Legal and real estate increase are attributable to increased activity on the transit oriented development projects, and the IT increase is primarily due to increased service levels.

The most significant increase in operating expense is depreciation, with an increase of \$38 million. This is due to an increase in depreciable capital assets from the completion of the FrontLines 2015 projects.

CAPITAL ASSET ACTIVITY

A. 2014 Results

The Authority expended approximately \$54.8 million for capital assets in 2014. Approximately \$9.7 million was expended for revenue vehicle replacements. This program included twenty (20) diesel buses and 37 RideShare vans.

In addition to revenue vehicles, the Authority expended \$19.7 million on rail infrastructure maintenance and improvements; as well as \$7.8 million on information technology (IT) which included continued development and upgrades of the infrastructure.

In 2014, the Authority expended \$9.6 million on major strategic projects. This included the Depot District (fueling and maintenance facility to support bus operations), the continued development of several Bus Rapid Transit (BRT) routes, and several other projects designed to enhance the system and passenger experience.

B. 2013 Results

The Authority expended approximately \$115.7 million for capital assets in 2013. Approximately \$15.4 million was expended for bus and paratransit revenue vehicle replacements. This program included twenty (20) compressed natural gas (CNG) buses.

In addition to revenue vehicles, the Authority expended \$12.2 million on information technology (IT). This included continued development of electronic fare cards, distance-based fares, and prepaid fare programs. Also included was a new radio communication system and several other technology upgrades.

In 2013, the Authority expended \$74.9 million on major strategic projects. This included the installation of cameras on all bus and rail vehicles as well as platforms, the continued development of several Bus Rapid Transit (BRT) routes, and several other projects designed to enhance the system and passenger experience.

Readers wanting additional information should refer to Note 4 in the notes to the financial statements.

UTAH TRANSIT AUTHORITY
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 Years Ended December 31, 2014 and 2013

DEBT ADMINISTRATION

Bond rating agencies have rated the Authority based on the types of bonds issued and an analysis of several financial conditions and influencing factors. The following chart summarizes those ratings by bond and agency:

A. Ratings Summary

Effective: April 2014

	Standard & Poor's	Fitch	Moody's
Senior Lien Bonds			
Current rating	AAA	AA	Aa2
Outlook	Stable	Stable	Stable
Subordinate Lien Fixed Rate Bonds			
Current rating	A	A+	A1
Outlook	Stable	Stable	Stable

Effective: April 2015

	Standard & Poor's	Fitch	Moody's
Senior Lien Bonds			
Current rating	AAA	AA	Aa2
Outlook	Stable	Stable	Stable
Subordinate Lien Fixed Rate Bonds			
Current rating	A+	A+	A1
Outlook	Stable	Stable	Stable

B. 2014 Debt Issuance

During 2014, the Authority issued the following subordinated lien bonds:

2014 Series revenue bonds: \$142,370,000

Proceeds from the Series 2014 bond issue were used to refund the remaining refundable maturities of the Series 2006A and 2006B variable rate revenue bonds.

C. 2013 Debt Issuance

During 2013, the Authority issued the following senior lien bonds:

2013 Series revenue bonds: \$14,005,000

Proceeds from the Series 2013 bond issue were used to refund the remaining refundable maturities of the Series 2005B revenue bonds and fund a Debt Service Reserve Fund.

D. Increase of Interest Expense

Interest expense increased from \$87.1 million in 2013 to \$91.3 million in 2014. This increase is due to interest expense in the amount of \$3.1 million which is no longer eligible for capitalization due the completion of the FrontLines 2015 projects.

Readers wanting additional information should refer to Note 8 in the notes to financial statements.

SIGNIFICANT ACTIVITIES

A. 2014 Significant Activities

The Authority placed four rails in service in 2013, two years ahead of schedule and \$300 million under budget. This unprecedented feat helped the Authority earn the 2014 American Public Transit Association System of the Year award.

In addition to adapting to full year operations for the four lines, the Authority broke ground in Sandy, Utah on the first FTA-partnered transit oriented development.

The Authority implemented a popular FAREPAY card system with over 20,000 cardholders and \$3 million in revenue.

New service options were added for Hill Air Force Base and the State of Utah, and customer amenities were enhanced at 115 system locations.

Development continued on a compressed natural gas (CNG) fleet with the acquisition of 24 CNG buses in 2013, and the construction of a CNG fueling facility to support these vehicles in 2014.

The renovation of the system's radio communications network, which serves 2,500 users, was completed in 2014.

In an effort to reduce healthcare costs and increase employee wellness, the Authority opened an on-site employee health care clinic. It also received ISO certification in Safety, Quality, and Environmental disciplines.

In 2014, the Authority developed an investment portfolio which yielded an additional \$2.9 million in investment earnings.

Finally, ridership increased by 2.17% which was more than twice the national average of 0.95%.

B. 2013 Significant Activities

In 2013, the Authority completed the FrontLines 2015 projects ahead of schedule. This multi-year project included an estimated \$2.5 billion in commuter and light rail expansions. Total cost of the projects was \$2.35 billion.

The commuter rail south extension providing service from Provo to Salt Lake City had one full year of operation in 2013.

The Airport Light Rail Line began revenue operations in April 2013.

The Draper Light Rail Line began revenue operations in August 2013.

The Sugarhouse Streetcar "S Line" began revenue operations in December 2013.

The Authority placed twenty-four (24) compressed natural gas (CNG) buses into operation, and worked on the design of a maintenance facility to house and maintain a fleet of CNG buses.

UTAH TRANSIT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended December 31, 2014 and 2013

RIDERSHIP COMPARISON

The following information provides an annual comparison of ridership by service for years 2014, 2013, and 2012.

Reported as passenger boardings in thousands

	2014	2013	Difference	Percent difference	2012
Bus service	20,165	19,445	720	3.7%	21,223
Light rail service	19,869	18,741	1,128	6.0%	17,552
Commuter rail service	4,469	3,800	669	17.6%	1,870
Paratransit service	372	746	(374)	-50.1%	715
Vanpools	1,404	1,388	16	1.2%	1,447
Total ridership	<u>46,279</u>	<u>44,120</u>	<u>2,159</u>	<u>4.9%</u>	<u>42,807</u>

In 2014, the Authority realized a 4.9% increase in ridership, with commuter rail operations seeing the largest increase as the service continues to attract the business commuter community. Light rail expansion also contributed to increased ridership.

Bus service increased in 2014 as the Authority continued to evaluate route demands and due to a change in reporting requirements by the National Transit Database that required Flex Bus services previously reported as paratransit service be reported as bus service.

Paratransit saw a significant decrease as the result of the change in reporting category explained above under bus service.

In 2013, the Authority realized a 3% increase in ridership, with commuter rail operations doubling the previous year ridership with the FrontRunner South expansion. Light rail expansion also contributed to increased ridership.

Bus service decreased in 2013 as the Authority decreased bus service and reduced commuter bus routes.

UTAH TRANSIT AUTHORITY
 FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

COMPARATIVE STATEMENTS OF NET POSITION

	<u>2014</u>	<u>2013</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 114,557,016	\$ 165,733,868
Investments	20,098,313	
Receivables		
Contributions from other governments (sales tax)	39,819,359	38,453,255
Federal grants	12,310,186	29,461,101
Other	8,646,633	16,328,499
Parts and supplies inventories	20,068,739	18,092,861
Prepaid expenses	<u>2,737,708</u>	<u>2,500,460</u>
Total Current Assets	<u>218,237,954</u>	<u>270,570,044</u>
Noncurrent Assets:		
Amount recoverable - interlocal agreement	25,138,323	25,949,237
Designated assets (Cash and cash equivalents)		
Stabilization reserves	15,440,891	11,504,111
Self-insurance reserves	<u>7,316,789</u>	<u>7,280,923</u>
Total designated assets	<u>22,757,680</u>	<u>18,785,034</u>
Restricted assets (Cash and cash equivalents)		
Escrow funds	80,827	80,565
Interlocal agreement - Mountain accord	781,038	3,125,000
Bonds funds	<u>48,532,535</u>	<u>46,864,113</u>
Total restricted assets	<u>49,394,400</u>	<u>50,069,678</u>
Property, facilities and equipment:		
Land and improvements	131,711,069	117,615,276
Rights of way	314,026,833	268,388,463
Facilities	2,659,779,176	2,607,914,859
Revenue vehicles	763,036,847	750,584,733
Other property and equipment	411,580,491	435,801,836
Construction in progress	<u>55,473,714</u>	<u>165,902,871</u>
Total property, facilities and equipment	4,335,608,130	4,346,208,038
Less accumulated depreciation and amortization	<u>(992,308,692)</u>	<u>(894,207,981)</u>
Net property, facilities and equipment	<u>3,343,299,438</u>	<u>3,452,000,057</u>
Total Noncurrent Assets	<u>3,440,589,841</u>	<u>3,546,804,006</u>
TOTAL ASSETS	<u>3,658,827,795</u>	<u>3,817,374,050</u>
DEFERRED OUTFLOWS OF RESOURCES		
Advanced debt refunding	<u>874,723</u>	<u>1,063,462</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 874,723</u>	<u>\$ 1,063,462</u>

UTAH TRANSIT AUTHORITY
 FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

COMPARATIVE STATEMENTS OF NET POSITION (continued)

	<u>2014</u>	<u>2013</u>
LIABILITIES		
Current Liabilities:		
Accounts payable-trade	\$26,123,239	\$29,852,910
Accrued liabilities, primarily payroll-related	26,221,055	30,150,767
Accrued interest	4,198,562	3,861,138
Accrued self-insurance liability	2,822,736	4,062,802
Current portion of long-term debt	11,445,000	7,810,000
Total Current Liabilities	<u>70,810,592</u>	<u>75,737,617</u>
Long-Term Liabilities:		
Long-term debt	2,101,221,208	2,116,604,960
Long-term accrued interest	57,976,113	48,990,031
Long-term self-insurance liability	1,519,935	
Total Long-term Liabilities	<u>2,160,717,256</u>	<u>2,165,594,991</u>
TOTAL LIABILITIES	<u>2,231,527,848</u>	<u>2,241,332,608</u>
DEFERRED INFLOWS OF RESOURCES		
Advanced collections	1,666,667	
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,666,667</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	1,230,633,230	1,327,585,097
Restricted for debt service	5,737,996	4,047,060
Restricted for interlocal agreement	781,038	3,125,000
Restricted for escrows	80,827	80,565
Unrestricted	189,274,912	242,267,182
TOTAL NET POSITION	<u>\$ 1,426,508,003</u>	<u>\$ 1,577,104,904</u>

See accompanying notes to the financial statements

UTAH TRANSIT AUTHORITY
 FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES		
Passenger fares	\$ 48,976,890	\$ 49,977,533
Advertising	2,300,000	2,066,667
Total operating revenues	<u>51,276,890</u>	<u>52,044,200</u>
OPERATING EXPENSES		
Bus service	79,107,046	78,894,435
Rail service	70,407,764	61,086,101
Paratransit service	18,764,598	18,202,211
Other service	736,230	701,656
Operations support	28,063,360	28,439,826
Administration	32,924,174	25,999,127
Major investment studies	2,488,179	2,534,785
Depreciation	163,476,373	162,366,852
Total operating expenses	<u>395,967,724</u>	<u>378,224,993</u>
Excess of operating expenses over operating revenues	<u>(344,690,834)</u>	<u>(326,180,793)</u>
NON-OPERATING REVENUES (EXPENSES)		
Contributions for other governments (sales tax)	214,683,276	203,806,329
Federal preventative maintenance grants	47,760,737	47,986,240
Federal planning grants	2,994,139	3,868,252
Investment income	4,313,024	1,455,039
Other	3,601,268	4,347,724
Interest expense	(91,311,842)	(87,132,006)
Recoverable sales tax - interlocal agreement	(810,914)	(810,914)
Net non-operating revenues	<u>181,229,688</u>	<u>173,520,664</u>
LOSS BEFORE CONTRIBUTIONS	<u>(163,461,146)</u>	<u>(152,660,129)</u>
Capital contributions:		
Federal grants	8,025,628	48,669,408
Local	4,838,618	7,585,792
Total capital contributions	<u>12,864,246</u>	<u>56,255,200</u>
Change in Net Position	(150,596,900)	(96,404,929)
Total Net Position, January 1	<u>1,577,104,903</u>	<u>1,673,509,832</u>
TOTAL NET POSITION, DECEMBER 31	<u>\$ 1,426,508,003</u>	<u>\$ 1,577,104,903</u>

See accompanying notes to the financial statements

UTAH TRANSIT AUTHORITY
 FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

COMPARATIVE STATEMENTS OF CASH FLOWS

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Passenger receipts	\$ 50,069,480	\$ 52,786,656
Advertising receipts	833,333	3,366,667
Payments to vendors	(86,355,309)	(91,036,851)
Payments to employees	(109,260,833)	(108,260,192)
Employee benefits paid	(48,689,082)	(46,089,823)
Other receipts (payments)	5,524,692	3,465,048
Net cash used in operating activities	<u>(187,877,719)</u>	<u>(185,768,495)</u>
Cash flows from noncapital financing activities:		
Contributions from other governments (sales tax)	213,317,172	203,599,106
Federal preventative maintenance grants	48,033,492	44,046,034
Federal planning assistance grants	2,994,139	3,868,252
Net cash provided by noncapital financing activities	<u>264,344,803</u>	<u>251,513,392</u>
Cash flows from capital and related financing activities:		
Contributions for capital projects		
Federal	24,903,788	53,624,186
Local	2,326,120	10,550,339
Proceeds from the sale of revenue bonds	142,980,000	13,910,750
Payment of bond principal	(150,790,000)	(20,375,000)
Interest paid on revenue bonds	(85,738,349)	(83,389,505)
Purchases of property, facilities, and equipment	(42,640,237)	(140,685,105)
Proceeds from the sale of property	-	234,909
Net cash used in capital and related financing activities	<u>(108,958,678)</u>	<u>(166,129,426)</u>
Cash flows from investing activities:		
Purchases of investments	(427,081,133)	
Proceeds from the sales of investments	408,732,825	
Interest on investments	2,960,418	1,118,835
Net cash provided by investing activities	<u>(15,387,890)</u>	<u>1,118,835</u>
Net decrease in cash and cash equivalents	(47,879,484)	(99,265,693)
Cash and cash equivalents at beginning of year	234,588,580	333,854,274
Cash and cash equivalents at end of year	<u>\$ 186,709,096</u>	<u>\$ 234,588,580</u>

Reconciliation of operating loss to net cash used in operating activities:

Operating loss	\$ (344,690,834)	\$ (326,180,793)
Adjustments to reconcile excess of operating expenses over operating revenues to net cash used in operating activities:		
Depreciation	163,476,373	162,366,852
Other revenues	5,268,889	4,168,431
Changes in assets and liabilities:		
Receivables	1,865,479	1,226,512
Parts and supplies inventories	(1,975,878)	(2,819,958)
Prepaid expenses	(237,248)	(379,749)
Accounts payable - trade	(10,447,154)	(23,993,537)
Accrued liabilities	(1,137,345)	(156,253)
Net cash used in operating activities	<u>\$ (187,877,719)</u>	<u>\$ (185,768,495)</u>

See accompanying notes to the financial statements

UTAH TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2014 and 2013

NOTE 1 – DESCRIPTION OF AUTHORITY OPERATIONS AND DEFINITION OF THE ENTITY

A. Organization

The Utah Transit Authority (Authority) was incorporated on March 3, 1970 under authority of the Utah Public Transit District Act of 1969 for the purpose of providing a public mass transportation system for Utah communities.

The Authority's service area lies in the region commonly referred to as the Wasatch Front. The service area extends from the Wasatch Mountains on the east to the Great Salt Lake on the west, is approximately 100 miles long and 30 miles wide, and consists of an area of approximately 1,400 square miles that covers all or portions of six (6) principal counties (Box Elder, Davis, Salt Lake, Tooele, Utah and Weber). The service area also includes a small portion of Juab County. The total population within the six principal counties is approximately 2,300,000 which represents approximately 79% of the total population.

The Authority's operations include bus service, paratransit service for the transit disabled, rideshare and van pool programs system wide, with light rail service in Salt Lake County, and commuter rail service from Ogden to Provo.

The Authority is governed by a 16 member Board of Trustees, which is the legislative body of the Authority and determines Authority policy. Twelve members of the Board of Trustees are appointed by each county municipality or combination of municipalities annexed to the Authority. In addition, one trustee is appointed by the Governor of Utah, one is appointed by the President of the State Senate, one is appointed by the Speaker of the State House of Representatives, and one is appointed by the State Transportation Commission.

A. Reporting Entity

The Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units - An Amendment of GASB Statement No. 14*. Accordingly, the accompanying financial statements include only the accounts and transactions of the Authority. Under the criteria specified in Statements No. 14 and No. 39, the Authority has no component units nor is it considered a component unit of any municipality or government. The Authority has, however, a slight connection with some municipalities by virtue of the fact that the Board of Trustees is appointed by the municipalities served by the Authority.

These conclusions regarding the financial reporting entity are based on the concept of financial accountability. The Authority is not financially accountable for any other organizations nor are any municipalities financially accountable for the Authority. Additionally, the Authority has considered the provisions of GASB No. 39 which follows the concept of economic independence. The Authority does not raise or hold economic resources for the direct benefit of a governmental unit and other governmental units do not have the ability to access economic resources held by the Authority. This is evidenced by the fact that the Authority is a legally and fiscally separate and distinct organization under the provision of the Utah Code.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The Authority reports as a single enterprise fund and uses the accrual method of accounting and the economic resources measurement focus. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Standards for Reporting Purposes

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by GASB.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts or revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Federal Planning Assistance and Preventative Maintenance Grants

Federal planning assistance grants received from the Federal Transit Administration (FTA) and preventative maintenance grants are recognized as revenue and receivable during the period in which the related expenses are incurred and eligibility requirements are met. Passage of the Moving Ahead for Progress Act for the twenty-first century (MAP21) allows for the replacement and repair of aging infrastructure.

D. Federal Grants for Capital Expenditures

The U.S. Department of Transportation, through contracts between the Authority and the FTA, provides federal funds of 35% to 93% of the cost of property, facilities and equipment acquired by the Authority through federal grants. Grant funds for capital expenditures are earned and recorded as capital contribution revenue when the capital expenditures are made and eligibility requirements are met.

E. Classification of Revenues and Expenses

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions such as passenger revenues and advertising revenues.

Operating expenses: Operating expenses include payments to suppliers, employees, and third parties on behalf of employees and all payments that do not result from transactions defined as capital and related financing, non-capital financing, or investing activities.

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34. Examples of non-operating revenues would be the contributions from other governments (sales tax), federal grants and investment income.

Non-operating expenses: Non-operating expenses include payments that result from transactions defined as capital and related financing, non-capital financing or investing activities.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Contributions from Other Governments (Sales Tax)

As approved by the voters in serviced municipalities, sales tax for transit provides the Authority with funds for mass transit purposes. Funds are utilized for operations and for the local share of capital expenditures. Sales tax revenues are accrued as a revenue and receivable for the month in which the sales take place. The Authority does not have taxing authority in any jurisdiction; therefore, this revenue is considered a contribution from another government.

Approved Local Option Sales Tax:

Salt Lake County	0.6875%
Davis County	0.5500%
Weber County	0.5500%
Box Elder County	0.5500%
Utah County	0.5260%
Tooele County	0.3000%

G. Cash and Cash Equivalents

Cash equivalents include amounts invested in a repurchase agreement, a certificate of deposit and the Utah Public Treasurers' Investments Fund, including restricted and designated cash equivalents. The Authority considers short-term investments with an original maturity of three (3) months or less to be cash equivalents (Note 3).

H. Investments

Cash in excess of operating requirements is invested by the Authority. The Authority's investments comply with the Utah Money Management Act, and are stated at fair value, which is primarily determined based upon quoted market prices at year end (Note 3).

I. Receivables

Receivables consist primarily of amounts due to the Authority from sales tax collections, federal grants, local government partners, pass sales and investment income. Management does not believe any credit risk exists related to these receivables.

J. Parts and Supplies Inventories

Parts and supplies inventories are stated at the lower of cost (using the moving average cost method) or market. Inventories generally consist of fuel, lube oil, antifreeze and repair parts held for consumption. Inventories are expensed as used.

K. Property, Facilities and Equipment

Property, facilities and equipment are stated at historical cost. Expenditures which substantially improve or extend the useful life of property are capitalized. Routine maintenance and repair costs are expensed as incurred. Property, facilities and equipment are capitalized if they have individual costs of at least \$5,000 and a useful life of over one year.

UTAH TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2014 and 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Property, Facilities and Equipment (continued)

Except for sales of assets in which the unit fair market value is less than \$5,000 from the sale of property, proceeds from facilities and equipment purchased with funds provided by federal grants for capital expenditures are remitted to the FTA on the same percentage basis that such funds were provided by grant contracts with the FTA, or used for similar capital expenses.

Depreciation is calculated using the straight-line method over the established useful lives of individual assets as follows:

Land and Rights of Way	Not depreciated
Facilities and Land Improvements	10-50 years
Revenue Vehicles	5-25 years
Other Property and Equipment	3-10 years

Interest is capitalized when incurred in connection with the financing of construction projects. Due to the completion of construction projects, the Authority did not report any capitalized interest for the year ended December 31, 2014. For the year ended December 31, 2013, the Authority reported capitalized interest of \$3,104,011.

L. Amount Recoverable – Interlocal Agreement

In 2008, the Authority entered into an agreement with the Utah Department of Transportation (UDOT) which required the Authority to pay UDOT \$15 million in 2008 and \$15 million in 2009 for the rights to Salt Lake County's 2% of the 0.25% part 17 sales tax through the years 2045.

The Authority records such payments made to other entities for rights to future revenues as Amount Recoverable – Interlocal Agreement. This amount is amortized over the life of the agreement.

M. Compensated Absences

Vacation pay is accrued and charged to compensation expense as earned. Sick pay benefits are accrued as vested by Authority employees.

N. Risk Management

The Authority is exposed to various risks of loss related to torts; theft, damage and destruction of assets; environmental matters; worker's compensation self-insurance; damage to property; and injuries to passengers and other individuals resulting from accidents, errors and omissions.

Under the Governmental Immunity Act, the maximum statutory liability in any one accident is \$2,407,700 for incidents occurring after July 1, 2014. The Authority is self-insured for amounts up to this limit. The Authority has Railroad Liability Coverage of \$100 million per annum with \$5 million of risk retention. The Authority is self-insured for worker's compensation up to the amount of \$1 million per incident and has excess insurance for claims over this amount. The Authority has insurance for errors and omissions and damage to property in excess of \$100,000 per annum. The Authority has insurance or retains the risk depending on what is in the Authority's best interest for all other matters. There has been no significant reduction in insurance coverage or settlements in excess of insurance coverage during the last three years.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable (Note 6).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Net Position

The Authority's net position is classified as follows:

- *Net investment in capital assets:* This component of net position consists of the Authority's total investment in capital assets, net of accumulated depreciation, reduced by the outstanding debt obligations related to those assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.
- *Restricted for debt service:* This component of net position consists of that portion of net position that is restricted by debt covenants for debt service.
- *Restricted for interlocal agreement:* This component of net position consists of that portion of net position that is restricted by interlocal agreement.
- *Restricted for escrows:* This component of net position consists of that portion of net position that is restricted by escrow agreement.
- *Unrestricted:* This component of net position consists of that portion of net position that does not meet the definition of restricted or net investment in capital assets.

P. Budgetary and Accounting Controls

The Authority's annual budgets are approved by the Board of Trustees, as provided for by law. Operating and non-operating revenues and expenditures are budgeted on the accrual basis, except for depreciation. Capital expenditures and grant reimbursements are budgeted on a project basis. Multi-year projects are approved in whole, but are budgeted based on estimated annual expenses.

The Authority adopts its annual budget in December of the preceding year based on recommendations of staff and the Board Planning and Development Committee.

The first step in developing the Authority's budget is a review of the Transit Development Program and Long Range Financial Plan. This plan then acts as a focus for the development of programs and objectives. Concurrent with the development of programs and objectives, revenues for the coming year are estimated. The estimates of the coming year's revenues are then used as a guide for the Authority to determine the amount of change in service to be provided in the following year. Once the level of service for the coming year is determined, each manager develops a departmental budget.

The departmental budgets are then combined to form a preliminary budget request.

The Executive staff reviews the programs, objectives and requests to balance the total budget with the project revenues and service requirements and priorities. Once the preliminary budget is balanced, the Board Planning and Development Committee reviews the budget request.

Within 30 days after the tentative budget is approved by the Board, and at least 30 days before the Board adopts its final budget, the Board sends a copy of the tentative budget, a signature sheet and notice of the time and place for a budget hearing to the chief administrative officers and legislative bodies of each municipality and unincorporated county area within the district of the Authority.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Budgetary and Accounting Controls (continued)

Within 30 days after it is approved by the Board and at least 30 days before the Board adopts its final budget, the Board sends a copy of the tentative budget to the Governor and the Legislature for examination and comment.

Before the first day of each fiscal year, the Board adopts the final budget by an affirmative vote of a majority of all the trustees. Copies of the final budget are filed in the office of the Authority. If for any reason the Board has not adopted the final budget on or before the first day of any fiscal year, the tentative budget for such year, if approved by formal action of the Board, is deemed to be in effect for such fiscal year until the final budget for such fiscal year is adopted.

The Board may, by an affirmative vote of a majority of all trustees, adopt an amended final budget when reasonable and necessary, subject to any contractual conditions or a requirement existing at the time the need for such amendment arises.

Individual department budgets are monitored for authorized expenditures on a department total rather than on a department line-item basis.

The Board must approve all increases or decreases to the net operating expense line, total capital budget line and total operating revenue line of the Authority's operating and capital budgets.

The Authority's budgetary process follows Title 17B, Chapter 1, Section 702 of the Utah Code Annotated, as amended. The annual budget is submitted to the State Auditors' Office within 30 days of adoption.

UTAH TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2014 and 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Budgetary and Accounting Controls (continued)

The following table shows actual revenues, operating expenses, and capital expenses for 2014 compared to budget. (Depreciation expense is not a budgeted item.)

	2014 Budget	2014 Actual	Favorable (Unfavorable) Variance
<u>Revenues</u>			
Passenger revenues	\$ 50,000,000	\$ 48,976,890	\$ (1,023,110)
Advertising	2,250,000	2,300,000	50,000
Contributions from other governments (sales tax)	216,022,000	214,683,276	(1,338,724)
Federal non-capital assistance	49,437,000	50,754,876	1,317,876
Investment income	2,803,000	4,313,024	1,510,024
Other income	4,991,600	3,601,268	(1,390,332)
Total revenues	325,503,600	324,629,334	(874,266)
<u>Operating Expenses</u>			
Bus services	83,169,738	79,107,046	4,062,692
Rail services	71,999,679	70,407,764	1,591,915
Paratransit services	19,048,502	18,764,598	283,904
Other services	360,560	736,230	(375,670)
Operations support	31,648,359	28,063,360	3,584,999
Administration	29,608,384	32,924,174	(3,315,790)
Major investment studies	758,000	2,488,179	(1,730,179)
Total operating expenses	236,593,222	232,491,351	4,101,871
<u>Non-Operating Expenses (Revenues)</u>			
Interest expense (net of federal subsidy)	87,195,174	91,311,842	(4,116,668)
Debt service reserve contribution	1,000,000	1,000,000	-
Amortized charges	810,914	810,914	-
Disposition of real estate	(5,000,000)	-	(5,000,000)
Total non-operating expenses	84,006,088	93,122,756	(9,116,668)
<u>Capital Expenses</u>			
Revenue vehicles	16,010,660	10,486,982	5,523,678
Information technology	6,848,376	6,886,839	(38,463)
Facilities, maintenance and admin equipment	3,617,459	6,526,902	(2,909,443)
Major strategic projects	33,281,076	10,969,635	22,311,441
Transit-oriented development	7,137,200	1,499,435	5,637,765
State of good repair	27,461,918	11,052,912	16,409,006
Rail projects	5,390,000	7,352,573	(1,962,573)
Total capital expenses	\$ 99,746,689	\$ 54,775,278	\$ 44,971,411

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Recent Accounting Pronouncements

GASB Statement 72
Fair Value Measurement and Application
Issued: February 2015

This statement addresses accounting and fair value reporting issues related to fair value measurements by clarifying the definition of fair value, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. This statement establishes a three-level hierarchy of inputs to valuation techniques used to measure fair value. This statement is effective for the Authority's fiscal year beginning January 1, 2016.

GASB Statement 71
Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68
Issued: November 2013

This statement addresses an issue regarding application of the transition provision of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This statement is effective for the Authority's fiscal year beginning January 1, 2015.

GASB Statement 68
Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27
Issued: June 2012

This statement replaces the requirements of Statement No. 27, *Accounting for Pension by State and Local Governmental Employers*, and Statement No. 50, *Pension Disclosures*, as they relate to government entities that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria.

This statement requires entities providing defined benefit pension to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). This statement is effective for the Authority's fiscal year beginning January 1, 2015.

UTAH TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2014 and 2013

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments are carried at fair value and consist of the following at December 31:

	2014	2013
Demand Deposits		
Unrestricted	\$ (3,817,534)	\$ (9,333,958)
Restricted		
Interlocal agreement	59,448	
Repurchase Agreement	14,071,165	19,028,017
Utah Public Treasurers' Investment Fund	103,713,401	155,417,689
Other Cash	589,984	622,120
	114,616,464	165,733,868
 Certificate of Deposit - Escrow Fund Restricted	 35,034	 35,033
 Utah Public Treasurers' Investment Fund		
Restricted		
Bond Funds	48,532,535	46,864,113
Escrow Funds	45,794	45,532
Interlocal agreement	721,589	3,125,000
Designated		
Self-Insurance Fund	7,316,789	7,280,923
Debt Service Reserve Fund	4,873,244	1,217,736
Stabilization Fund	10,567,647	10,286,375
	72,057,598	68,819,679
Total cash and cash equivalents	\$ 186,709,096	\$ 234,588,579
	2014	
	Fair Value	Weighted Average Remaining Maturity
Investments		
U.S. Agencies	\$ 4,967,390	2.5 years
Corporate Bonds	15,130,923	1.4 years
Total Investments	20,098,313	

A. Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents are defined as funds restricted by legal requirement(s) outside of the Authority. The Authority is required to maintain certain accounts in connection with the issuance of bonds which are restricted as to their use per the bond covenants.

The Authority is currently acting as the trustee of funds restricted for use for a consortium of other governments called the Mountain Accord.

UTAH TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2014 and 2013

NOTE 3 – CASH, CASH EQUIVALENTS AN INVESTMENTS (continued)

B. Designated Cash and Cash Equivalents

Designated cash and cash equivalents are considered designated through action by the Authority's Board of Trustees and have no outside legal restrictions.

C. Deposits

Deposits and investments for the Authority are governed by the Utah Money Management Act (*Utah Code Annotated*, Title 51, Chapter 7, "the Act") and by rules of the Utah Money Management Council (the Council). Following are discussions of the Authority's exposure to various risks related to its cash management activities.

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be recovered. The Authority's policy for managing custodial credit risk is to adhere to the Act. The Act requires all deposits of the Authority to be in a *qualified depository*, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Council.

At December 31, 2014 and 2013, the balances in the Authority's bank demand deposit accounts and certificate of deposit accounts according to the bank statements totaled approximately \$438,221 and \$492,019, respectively, of which \$250,000 were covered by Federal depository insurance. The difference between this balance and the amount recorded in the financial statements is primarily due to outstanding checks.

E. Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The Authority's policy for limiting the credit risk of investments is to comply with the Act.

The Authority is authorized to invest in the Utah Public Treasurers' Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to the participants on an amortized cost basis. The income, gains and losses, net of administration fees of the PTIF are allocated based upon the participants' average daily balances.

As of December 31, 2014 and 2013, the Authority had investments of \$175,771,000 and \$224,237,368, respectively, with the PTIF. The maximum adjusted weighted average maturity of the portfolio does not exceed 90 days. The PTIF pool has not been rated. The Authority chooses to state its financial position in the pool at the lower of estimated fair value, or amortized cost basis.

F. Interest Rate Risk

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The Authority manages its exposure to declines in fair value by investing mainly in the PTIF. The Authority's policy relating to specific investment-related risk is to adhere to the Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the fund to be invested. The maximum adjusted weighted average maturity of the portfolio does not exceed 90 days.

UTAH TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2014 and 2013

NOTE 4 – PROPERTY, FACILITIES AND EQUIPMENT

Construction in progress of \$55,473,714 and \$165,902,871 at December 31, 2014 and 2013, respectively, consists of costs incurred in connection with the Authority’s rail projects. These costs consist principally of engineering, design, and construction work associated with obtaining the necessary rights-of-way and construction of the projects.

	Balance 12/31/2013	Increases	Transfers	Decreases	Balance 12/31/2014
Capital assets not being depreciated					
Land	\$ 107,453,195	\$ -	\$ 14,185,194	\$ -	\$ 121,638,389
Rights of way	268,388,463	784,740	44,853,630	-	314,026,833
Construction in process	165,902,871	26,610,908	(137,040,065)	-	55,473,714
Total capital assets not being depreciated	541,744,529	27,395,648	(78,001,241)	-	491,138,936
Capital assets being depreciated					
Facilities	2,607,914,859	8,154,360	44,098,777	(388,820)	2,659,779,176
Revenue vehicles	750,584,734	10,486,981	5,525,436	(3,560,304)	763,036,847
Other property and equipment	435,801,835	8,738,289	28,374,528	(61,334,161)	411,580,491
Land improvements	10,162,081	-	2,500	(91,901)	10,072,680
Total capital assets being depreciated	3,804,463,509	27,379,630	78,001,241	(65,375,185)	3,844,469,194
Less accumulated depreciation					
Facilities	(402,605,646)	(79,739,165)	-	388,357	(481,956,454)
Revenue vehicles	(243,989,942)	(38,465,570)	-	3,560,304	(278,895,208)
Other property and equipment	(239,179,815)	(44,723,955)	-	61,335,099	(222,568,671)
Land improvements	(8,432,578)	(547,682)	-	91,901	(8,888,359)
Total accumulated depreciation	(894,207,981)	(163,476,373)	-	65,375,661	(992,308,692)
Capital assets being depreciated, net	2,910,255,528	(136,096,743)	78,001,241	476	2,852,160,502
Total capital assets, net	\$ 3,452,000,057	\$(108,701,095)	\$ -	\$ 476	\$3,343,299,438
	Balance 12/31/2012	Increases	Transfers	Decreases	Balance 12/31/2013
Capital assets not being depreciated					
Land	\$ 104,158,925	\$ 5,390	\$ 3,288,880	\$ -	\$ 107,453,195
Rights of way	214,710,700	1,595,991	52,081,772	-	268,388,463
Construction in process	1,528,411,781	29,765,072	(1,392,273,982)	-	165,902,871
Total capital assets not being depreciated	1,847,281,406	31,366,453	(1,336,903,330)	-	541,744,529
Capital assets being depreciated					
Facilities	1,487,355,317	45,298,119	1,075,380,693	(119,270)	2,607,914,859
Revenue vehicles	594,517,517	21,014,838	142,746,775	(7,694,396)	750,584,734
Other property and equipment	299,810,418	17,818,348	118,435,759	(262,690)	435,801,835
Land improvements	9,615,499	206,479	340,103	-	10,162,081
Total capital assets being depreciated	2,391,298,751	84,337,784	1,336,903,330	(8,076,356)	3,804,463,509
Less accumulated depreciation					
Facilities	(328,625,009)	(74,099,907)	-	119,270	(402,605,646)
Revenue Vehicles	(204,331,413)	(47,297,896)	-	7,639,367	(243,989,942)
Other property and equipment	(198,990,003)	(40,451,913)	-	262,101	(239,179,815)
Land improvements	(7,915,442)	(517,136)	-	-	(8,432,578)
Total accumulated depreciation	(739,861,867)	(162,366,852)	-	8,020,738	(894,207,981)
Capital assets being depreciated, net	1,651,436,884	(78,029,068)	1,336,903,330	(55,618)	2,910,255,528
Total capital assets, net	\$3,498,718,290	\$ (46,662,615)	\$ -	\$ (55,618)	\$3,452,000,057

UTAH TRANSIT AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

NOTE 5 – FEDERAL FINANCIAL ASSISTANCE

The Authority receives a portion of its funding from federal preventative maintenance grants, which totaled \$47,760,737 and \$47,986,240 for the years ended December 31, 2014 and 2013, respectively.

NOTE 6 – SELF-INSURANCE CLAIMS LIABILITY

Changes in the accrued claims liability in 2014 and 2013 were as follows:

	<u>Beginning liability</u>	<u>Claims and changes in estimates</u>	<u>Claim payments</u>	<u>Ending liability</u>
2014	\$ 4,062,802	\$ 3,062,530	\$ (2,782,661)	\$ 4,342,671
2013	\$ 4,815,203	\$ 2,565,786	\$ (3,318,187)	\$ 4,062,802

NOTE 7 – EMPLOYEE BENEFIT PLANS

A. Pension Plans

The Utah Transit Authority Employee Retirement Plan (the “Plan”) is a single-employer defined benefit plan that covers all eligible employees and provides retirement benefits to Plan members and their beneficiaries. The Plan also provides disability benefits to Plan members. The Plan’s provisions were adopted by a resolution of the Authority’s Board of Trustees, which appoints those who serve as trustees of the Plan. Any amendments to the Plan are adopted by a resolution of the Authority’s Board of Trustees.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information of that plan. This report may be requested from the Authority’s Comptroller’s Office.

By mail: Utah Transit Authority
 Comptroller’s Office
 669 West 200 South
 Salt Lake City, UT 84101

By email: FEvans@rideuta.com

By phone: (801) 287-2523

UTAH TRANSIT AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

- *Funding policy and annual pension cost*

Through December 31, 2014, contributions to the Plan were recommended by an annual actuarial report and are approved by the Authority’s Board of Trustees. As of January 1, 2014, a contribution based on a percentage of payroll was approved by the Authority’s Board of Trustees. This percentage will be reviewed by the Board of Trustees annually as updated actuarial valuation reports become available. The Board of Trustees approved a contribution rate of 14% for 2014, and 15% for 2015.

The Authority’s annual cost for the current year and related information for the Plan is as follows:

Contribution rates	
Plan members	None
Authority	Annual rate determined by the Board
Actuarial valuation date	January 1, 2014
Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll for remaining unfunded liability
Remaining amortization period	20 year open amortization period assuming 4% payroll growth per annum
Asset valuation method	Equal to market value of assets less unrecognized returns in each of the last five (5) years
Actuarial assumptions	
Investment rate of return	7.5% per year
Projected salary increase	6% per year for the first five (5) years of employment, 4% per year thereafter
Inflation rate assumption	3% per year
Annual required contributions	\$14,757,446
Interest on net pension obligations	-
Adjustment to annual required contributions	-
Annual pension cost	<u>\$14,757,446</u>
Contributions made in cash	\$15,366,694

Year ended	Annual pension cost (APC)	Percentage of APC contributed	Increase (decrease) in net pension obligation	Balance net pension obligation/ (prepaid)
12/31/2014	\$ 14,757,446	104.13%	\$ (609,248)	\$ 400,599
12/31/2013	\$ 14,351,661	92.93%	\$ 1,014,193	\$ 1,009,847
12/31/2012	\$ 12,201,911	95.44%	\$ 555,929	\$ (4,346)

UTAH TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2014 and 2013

NOTE 7 – EMPLOYEE BENEFIT PLANS (continued)

- *Schedule of funding progress*

Actuarial valuation date	Actuarial value of assets	Actuarial accrued liability (AAL) using entry age normal	Unfunded AAL (UAAL)	Funded ratio	Approximate covered payroll	UAAL as a percentage of covered payroll
	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
1/1/2014	\$130,546,313	\$235,908,403	\$105,362,090	55.34%	\$106,590,548	98.85%
1/1/2013	\$118,878,693	\$222,734,287	\$103,855,594	53.37%	\$102,099,985	101.72%
1/1/2012	\$116,576,222	\$201,406,385	\$ 84,830,163	57.88%	\$ 96,750,285	87.68%

B. Defined Compensation Plan

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all employees on a voluntary basis and permits them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. As part of its fiduciary role, the Authority has an obligation of due care in selecting the third party administrators. In the opinion of management, the Authority has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan. The deferred compensation assets are held by third party plan administrators and are generally invested in money market funds, stock or bond mutual funds or guarantee funds as selected by the employee.

NOTE 8 – LONG-TERM DEBT

The following provides detailed information about each of the Authority’s debt issuances along with a summary of the long-term debt activity for the year.

A. Series 2005A Revenue Bond

Purpose: Refunding of the 1997 Series Revenue Bonds
Interest rates: 3.25-5.25%
Original amount: \$20,630,000

Debt service requirements to maturity, including interest

Year ending December 31	Principal	Interest	Total
2015	\$ 1,330,000	\$ 637,263	\$ 1,967,263
2016	1,400,000	567,263	1,967,263
2017	1,470,000	491,925	1,961,925
2018	1,550,000	412,650	1,962,650
2019	1,635,000	329,044	1,964,044
2020-2022	5,450,000	439,425	5,889,425
	<u>\$ 12,835,000</u>	<u>\$ 2,877,570</u>	<u>\$ 15,712,570</u>

UTAH TRANSIT AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

NOTE 8 – LONG TERM DEBT (continued)

B. Series 2005B Revenue Bond

Purpose:	Construction of commuter rail north
Interest rates (Original maturities):	3.50-5.00%
Interest rates (Remaining maturities):	4.00%
Original amount:	\$175,000,000

A portion of these bonds were refunded in advance of their maturity in 2007 with the Series 2007A Capital Interest bonds and the Series 2007A Capital Appreciation bonds. Bonds were refunded in the amount of \$142,625,000 with maturity dates of December 15, 2016 through December 15, 2035.

Proceeds of the Series 2007A bonds used for the refunding were deposited in an irrevocable trust escrow fund consisting of U.S. Treasury Certificates of Indebtedness. The investments held in the escrow fund will bear interest and mature in amounts sufficient to pay the interest due on the refunded portion of the 2005B bonds as they become due on December 15, 2016.

A further portion of these bonds were refunded in advance of their maturity in 2013 with the Series 2013 revenue bonds. Bonds were refunded in the amount of \$12,925,000 with maturity dates of December 15, 2015 through December 15, 2025.

The principal amount on the refunded Series 2005B bonds as of December 31, 2013 is \$155,550,000.

Debt service requirements of the remaining bond to maturity, including interest

Year ending December 31	Principal	Interest	Total
2015	\$ 2,525,000	\$ 50,500	\$ 2,575,500

C. Series 2006C Revenue Bond

Purpose:	Refunding of the 2002A Series revenue bonds
Interest rates:	5.00-5.25%
Original amount:	\$134,650,000

Debt service requirements to maturity, including interest

Year ending December 31	Principal	Interest	Total
2015	\$ 4,340,000	\$ 6,520,100	\$ 10,860,100
2016	4,570,000	6,291,925	10,861,925
2017	4,825,000	6,051,019	10,876,019
2018	5,085,000	5,790,881	10,875,881
2019	5,350,000	5,516,963	10,866,963
2020-2024	31,425,000	22,932,656	54,357,656
2025-2029	40,830,000	13,499,588	54,329,588
2030-2032	30,155,000	2,429,306	32,584,306
	\$ 126,580,000	\$ 69,032,438	\$ 195,612,438

UTAH TRANSIT AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

NOTE 8 – LONG TERM DEBT (continued)

D. Series 2007A Capital Appreciation/Capitalized Interest Bond(s)

Purpose: Partial refunding of the 2005B revenue bonds; construction and acquisition of improvements to the transit system.

Interest rates

Capital Appreciation Bonds: 4.55-5.05%
 Capital Interest Bonds: 5.00%

Original amount

Capital Appreciation Bonds: \$132,329,109
 Capital Interest Bonds: \$128,795,000

Debt service requirements to maturity, including interest

Capital Appreciation Bonds:

Year ending December 31	Principal	Interest	Total
2015	\$ -	\$ -	\$ -
2016	-	-	-
2017	-	-	-
2018	10,329,334	6,605,666	16,935,000
2019	9,771,326	7,163,674	16,935,000
2020-2024	41,563,997	43,086,004	84,650,001
2025-2029	31,829,585	52,820,415	84,650,000
2030-2034	26,858,428	65,871,572	92,730,000
2035-2037	11,976,439	38,823,560	50,799,999
	\$ 132,329,109	\$ 214,370,891	\$ 346,700,000

Capital Interest Bonds:

Year ending December 31	Principal	Interest	Total
2015	\$ -	\$ 6,439,750	\$ 6,439,750
2016	2,320,000	6,381,750	8,701,750
2017	2,455,000	6,262,375	8,717,375
2018	2,565,000	6,136,875	8,701,875
2019	2,710,000	6,005,000	8,715,000
2020-2024	13,710,000	28,508,500	42,218,500
2025-2029	26,425,000	23,699,875	50,124,875
2030-2034	56,455,000	14,564,375	71,019,375
2035-2037	22,155,000	553,875	22,708,875
	\$ 128,795,000	\$ 98,552,375	\$ 227,347,375

UTAH TRANSIT AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

NOTE 8 – LONG TERM DEBT (continued)

F. Series 2008A Revenue Bond

Purpose: Cost of acquisition and construction of certain improvements to the Authority's transit system.
 Interest rates: 4.75-5.25%
 Original amount: \$700,000,000

Debt service requirements to maturity, including interest

Year ending December 31	Principal	Interest	Total
2015	\$ -	\$ 35,278,075	\$ 35,278,075
2016	-	35,278,075	35,278,075
2017	-	35,278,075	35,278,075
2018	19,225,000	34,797,450	54,022,450
2019	20,235,000	33,785,656	54,020,656
2020-2024	118,245,000	151,858,350	270,103,350
2025-2029	152,250,000	117,852,563	270,102,563
2030-2034	194,875,000	75,226,688	270,101,688
2035-2038	195,170,000	20,915,006	216,085,006
	<u>\$ 700,000,000</u>	<u>\$ 540,269,938</u>	<u>\$ 1,240,269,938</u>

G. Series 2009A Revenue Bond

Purpose: Cost of acquisition and construction of certain improvements to the Authority's transit system.
 Interest rates: 4.00-5.00%
 Original amount: \$44,550,000

Debt service requirements to maturity, including interest

Year ending December 31	Principal	Interest	Total
2015	\$ -	\$ 2,194,000	\$ 2,194,000
2016	-	2,194,000	2,194,000
2017	-	2,194,000	2,194,000
2018	-	2,194,000	2,194,000
2019	-	2,194,000	2,194,000
2020-2024	13,530,000	9,465,250	22,995,250
2025-2029	27,930,000	4,226,000	32,156,000
	<u>\$ 41,460,000</u>	<u>\$ 24,661,250</u>	<u>\$ 66,121,250</u>

UTAH TRANSIT AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

NOTE 8 – LONG TERM DEBT (continued)

H. Series 2009B Federally Taxable-Issuer Subsidy “Build America Bonds”

The Authority has elected to treat the 2009B bonds as “Build America Bonds” for the purposes of the American Recovery and Investment Act of 2009 (the Recovery Act) and to receive a cash subsidy from the United States Treasury in connection therewith. Pursuant to the Recovery Act, the Authority anticipated cash subsidy payments from the United States Treasury equal to 35% of the interest payable on the 2009B bonds. However due to federal sequestration, the Authority’s subsidy payments for 2014 were discounted by 7.2%, or \$391,162. The Authority has projected a continued discount of this subsidy in 2015 of 7.3%, or \$396,594.

Purpose: Cost of acquisition and construction of certain improvements to the Authority’s transit system.
 Interest rates: 5.937%
 Original amount: \$261,450,000

Debt service requirements to maturity, including interest

Year ending December 31	Principal	Interest	Total	Scheduled Federal Subsidy Payment	Estimated * Federal Subsidy Payment
2015	\$ -	\$ 15,522,287	\$ 15,522,287	\$ 5,432,800	\$ 5,036,206
2016	-	15,522,287	15,522,287	5,432,800	5,036,206
2017	-	15,522,287	15,522,287	5,432,800	5,036,206
2018	-	15,522,287	15,522,287	5,432,800	5,036,206
2019	-	15,522,287	15,522,287	5,432,800	5,036,206
2020-2024	-	77,611,433	77,611,433	27,164,002	25,181,029
2025-2029	-	77,611,433	77,611,433	27,164,002	25,181,029
2030-2034	80,735,000	68,115,943	148,850,943	23,840,580	22,100,218
2035-2039	180,715,000	31,620,314	212,335,314	11,067,110	10,259,211
	<u>\$261,450,000</u>	<u>\$332,570,558</u>	<u>\$594,020,558</u>	<u>\$116,399,695</u>	<u>\$107,902,518</u>

*Estimate is based on 7.3% discount

UTAH TRANSIT AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

NOTE 8 – LONG TERM DEBT (continued)

I. Series 2010A Federally Taxable-Issuer Subsidy “Build America Bonds”

The Authority has elected to treat the 2010A bonds as “Build America Bonds” for the purposes of the American Recovery and Investment Act of 2009 (the Recovery Act) and to receive a cash subsidy from the United States Treasury in connection therewith. Pursuant to the Recovery Act, the Authority anticipated cash subsidy payments from the United States Treasury equal to 35% of the interest payable on the 2010A bonds. However due to federal sequestration, the Authority’s subsidy payments for 2017 were discounted by 7.2%, or \$287,532. The Authority has projected a continued discount of this subsidy in 2015 of 7.3%, or \$291,525.

Purpose: Cost of acquisition and construction of certain improvements to the Authority’s transit system.
 Interest rates: 5.705%
 Original amount: \$200,000,000

Debt service requirements to maturity, including interest

Year ending December 31	Principal	Interest	Total	Scheduled Federal Subsidy Payment	Estimated * Federal Subsidy Payment
2015	\$ -	\$ 11,410,000	\$ 11,410,000	\$ 3,993,500	\$ 3,701,975
2016	-	11,410,000	11,410,000	3,993,500	3,701,975
2017	-	11,410,000	11,410,000	3,993,500	3,701,975
2018	-	11,410,000	11,410,000	3,993,500	3,701,975
2019	-	11,410,000	11,410,000	3,993,500	3,701,975
2020-2024	-	57,050,000	57,050,000	19,967,500	18,509,873
2025-2029	-	57,050,000	57,050,000	19,967,500	18,509,873
2030-2034	-	57,050,000	57,050,000	19,967,500	18,509,873
2035-2039	78,970,000	52,762,407	131,732,407	18,466,842	17,118,763
2040	121,030,000	3,452,381	124,482,381	1,208,333	1,120,125
	<u>\$ 200,000,000</u>	<u>\$ 284,414,788</u>	<u>\$484,414,788</u>	<u>\$ 99,545,176</u>	<u>\$92,278,378</u>

*Estimate is based on 7.3% discount

UTAH TRANSIT AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

NOTE 8 – LONG TERM DEBT (continued)

J. Series 2012A Revenue Bond

Purpose: Refunding of \$32,020,000 of the 2006AB variable rate bonds; refunding of \$100,000,000 of the 2011AB variable rate bonds; and the cost of acquisition and construction of certain improvements to the Authority’s transit system.
 Interest rates: 4.00-5.00%
 Original amount: \$295,520,000

Debt service requirements to maturity, including interest

Year ending December 31	Principal	Interest	Total
2015	\$ 3,245,000	\$ 13,889,900	\$ 17,134,900
2016	5,275,000	13,719,500	18,994,500
2017	4,245,000	13,507,875	17,752,875
2018	-	13,401,750	13,401,750
2019	-	13,401,750	13,401,750
2020-2024	12,265,000	65,820,625	78,085,625
2025-2029	18,580,000	61,693,250	80,273,250
2030-2034	16,375,000	56,852,475	73,227,475
2035-2039	70,660,000	50,422,550	121,082,550
2040-2042	164,875,000	14,863,125	179,738,125
	<u>\$ 295,520,000</u>	<u>\$ 317,572,800</u>	<u>\$ 613,092,800</u>

K. Series 2013 Revenue Bond

Purpose: Refunding of \$12,925,000 of the 2005B revenue bonds; debt service reserve
 Interest rates: 1.33%
 Original amount: \$14,005,000

Debt service requirements to maturity, including interest

Year ending December 31	Principal	Interest	Total
2015	\$ 5,000	\$ 186,167	\$ 191,167
2016	5,000	186,100	191,100
2017	5,000	186,034	191,034
2018	13,985,000	93,000	14,078,000
	<u>\$ 14,000,000</u>	<u>\$ 651,301</u>	<u>\$ 14,651,301</u>

UTAH TRANSIT AUTHORITY
 NOTES TO THE FINANCIAL STATEMENTS
 Years Ended December 31, 2014 and 2013

NOTE 8 – LONG TERM DEBT (continued)

L. Series 2014AB Revenue Bond

Purpose: Refunding of \$142,980,000 of the 2006A and 2006B revenue bonds
 Interest rates: 1.35-1.60%
 Original amount: \$142,370,000

Debt service requirements to maturity, including interest

<u>Year ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ -	\$ 2,076,995	\$ 2,076,995
2016	-	2,076,995	2,076,995
2017	80,370,000	1,534,498	81,904,498
2018	62,000,000	496,000	62,496,000
	<u>\$ 142,370,000</u>	<u>\$ 6,184,488</u>	<u>\$ 148,554,488</u>

UTAH TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2014 and 2013

NOTE 8 – LONG TERM DEBT (continued)

	Balance 12/31/2013	Additions	Reductions	Balance 12/31/2014	Amount due within one year
Bonds					
Series 2005A Revenue Bond	\$ 14,105,000	\$ -	\$ (1,270,000)	\$ 12,835,000	\$ 1,330,000
Series 2005B Revenue Bond	4,925,000	-	(2,400,000)	2,525,000	2,525,000
Series 2006A Revenue Bond	71,490,000	-	(71,490,000)	-	-
Series 2006B Revenue Bond	71,490,000	-	(71,490,000)	-	-
Series 2006C Revenue Bond	130,715,000	-	(4,135,000)	126,580,000	4,340,000
Series 2007A Capital Appreciation Bond	132,329,109	-	-	132,329,109	-
Series 2007A Current Interest Bond	128,795,000	-	-	128,795,000	-
Series 2008A Revenue Bond	700,000,000	-	-	700,000,000	-
Series 2009A Revenue Bond	44,550,000	-	-	44,550,000	-
Series 2009B Build America Bond	261,450,000	-	-	261,450,000	-
Series 2010A Build America Bond	200,000,000	-	-	200,000,000	-
Series 2012A Revenue Bond	295,520,000	-	-	295,520,000	3,245,000
Series 2013 Revenue Bond	14,005,000	-	(5,000)	14,000,000	5,000
Series 2014 Revenue Bond	-	142,370,000	-	142,370,000	-
	<u>2,069,374,109</u>	<u>142,370,000</u>	<u>(150,790,000)</u>	<u>2,060,954,109</u>	<u>11,445,000</u>
Unamortized Premiums					
Series 2005A Revenue Bond	572,378	-	(119,237)	453,141	-
Series 2005B Revenue Bond	-	-	-	-	-
Series 2006C Revenue Bond	10,679,153	-	(1,030,154)	9,648,999	-
Series 2007A Current Interest Bond	8,312,039	-	(532,209)	7,779,830	-
Series 2008A Revenue Bond	7,862,988	-	(979,668)	6,883,320	-
Series 2009A Revenue Bond	1,995,998	-	(186,830)	1,809,168	-
Series 2012A Revenue Bond	29,797,400	-	(1,806,694)	27,990,707	-
Series 2013 Revenue Bond	-	1,366,683	(266,293)	1,100,390	-
	<u>59,219,955</u>	<u>1,366,683</u>	<u>(4,921,085)</u>	<u>55,665,555</u>	<u>-</u>
Unamortized Discount					
Series 2008A Revenue Bond	(4,179,103)	-	225,647	(3,953,456)	-
	<u>(4,179,103)</u>	<u>-</u>	<u>225,647</u>	<u>(3,953,456)</u>	<u>-</u>
Total bonds	<u><u>\$2,124,414,962</u></u>	<u><u>\$143,736,683</u></u>	<u><u>\$(155,485,438)</u></u>	<u><u>\$2,112,666,208</u></u>	<u><u>\$11,445,000</u></u>

UTAH TRANSIT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
Years Ended December 31, 2014 and 2013

NOTE 9 – COMMITMENTS AND CONTINGENCIES

The Authority is a defendant in various matters of litigation and has other claims pending as a result of activities in the ordinary courses of business. Management and legal counsel believe that by reason of meritorious defense, by insurance coverage or statutory limitations, these contingencies will not result in a significant liability to the Authority in excess of the amounts provided as accrued self-insurance liability in the accompanying financial statements.

As of December 31, 2014, the Authority also has purchasing commitments of approximately \$8.7 million for revenue vehicles, and approximately \$21.3 million to be paid to other contractors.

NOTE 10 – SUBSEQUENT EVENTS

The Authority has performed an evaluation of subsequent events through June 10, 2015 which is the date the basic financial statements were available to be issued.

In February 2015, the Authority issued \$860,660,000 in Series 2015A revenue bonds for the refunding of some or all of the Series 2007A, Series 2008A, Series 2009A, and Series 2012A revenue bonds resulting in a net present value savings of \$77.7 million.

Statistical



For Fiscal Years Ended December 31, 2014 and 2013



UTAH TRANSIT AUTHORITY

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

NET POSITION – 10 years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net Position as of December 31										
Capital investment in net assets	\$1,230,633,230	\$1,328,648,559	\$1,364,803,454	\$1,366,337,801	\$1,133,832,808	\$ 953,013,398	\$ 766,098,289	\$ 652,232,055	\$ 550,959,844	\$ 505,892,844
Restricted	6,599,861	7,252,625	3,952,493	3,929,644	4,071,242	3,813,103	3,932,060	3,966,065	4,681,691	3,840,055
Unrestricted	189,274,912	241,203,720	304,753,885	276,960,064	505,464,819	527,478,988	439,343,658	455,924,673	119,477,125	114,655,298
	<u>\$1,426,508,003</u>	<u>\$1,577,104,903</u>	<u>\$1,673,509,832</u>	<u>\$1,647,227,509</u>	<u>\$1,643,368,869</u>	<u>\$1,484,305,489</u>	<u>\$1,209,374,007</u>	<u>\$1,112,122,793</u>	<u>\$ 675,118,660</u>	<u>\$ 624,388,197</u>

*Years prior to 2011 were not restated for the adoption of GASB Statement No. 65, which was effective during 2013.

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

CHANGE IN NET POSITION – 10 years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Operating revenues	\$ 51,276,890	\$ 52,044,200	\$ 46,422,916	\$ 41,527,090	\$ 36,893,396	\$ 35,163,780	\$ 34,906,043	\$ 25,641,509	\$ 24,627,104	\$ 22,239,683
Operating expenses	395,967,724	378,224,993	319,322,223	288,531,160	257,267,580	255,931,379	223,794,244	195,976,473	186,931,529	176,883,380
Operating loss	(344,690,834)	(326,180,793)	(272,899,307)	(247,004,070)	(220,374,184)	(220,767,599)	(188,888,201)	(170,334,964)	(162,304,425)	(154,643,697)
Non-operating revenues	181,299,688	173,520,664	200,370,290	205,877,440	219,663,490	220,089,438	216,032,690	218,100,208	174,652,182	143,694,283
Income (loss) before capital contributions	(163,461,146)	(152,660,129)	(72,529,017)	(41,126,630)	(710,694)	(678,161)	27,144,489	47,765,244	12,347,757	(10,949,414)
Capital contributions	12,864,246	56,255,200	98,811,340	44,985,270	159,744,074	275,609,643	70,106,725	389,238,889	38,382,706	24,032,024
Change in net position	\$ (150,526,900)	\$ (96,404,929)	\$ 26,282,323	\$ 3,858,640	\$ 159,033,380	\$ 274,931,482	\$ 97,251,214	\$ 437,004,133	\$ 50,730,463	\$ 13,082,610

*Years prior to 2011 were not restated for the adoption of GASB Statement No. 65, which was effective during 2013.

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

REVENUES BY SOURCE – 10 years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Operating	\$51,276,890	\$52,044,200	\$46,422,916	\$41,527,090	\$36,893,396	\$35,163,780	\$34,906,043	\$25,641,509	\$24,627,104	\$22,239,683
Sales taxes	214,683,276	203,806,329	196,693,543	183,091,524	171,893,732	171,854,169	188,547,380	191,688,539	138,546,093	121,832,629
Investment	4,313,024	1,455,039	1,892,549	3,672,397	3,827,161	9,389,045	16,070,989	9,149,060	9,827,487	4,104,985
Other	3,601,268	4,347,724	2,351,713	3,483,140	2,929,254	2,797,757	1,425,891	1,287,668	9,268,901	744,290
	273,874,458	261,653,292	247,360,721	231,774,151	215,543,543	219,204,751	240,950,303	227,766,776	182,269,585	148,921,587
Federal grants										
Preventive maintenance grants	47,760,737	47,986,240	46,719,891	47,735,443	46,500,000	44,974,000	32,908,557	26,772,123	25,013,649	25,349,419
Operating grants	2,994,139	3,868,252	1,985,766	11,583,980	12,637,764	15,224,723	12,768,044	4,724,497	6,319,476	3,117,145
Capital grants	8,025,628	48,669,408	85,168,542	44,864,016	156,727,641	256,527,803	65,383,547	386,037,075	37,270,784	23,265,156
	58,780,504	100,523,900	133,874,199	104,183,439	215,865,405	316,726,526	111,060,148	417,533,695	68,603,909	51,731,720
Other capital contributions	4,838,618	7,585,792	13,642,798	121,254	3,046,433	19,081,840	4,723,178	3,201,814	1,111,922	766,868
	\$337,493,580	\$369,762,984	\$394,877,718	\$336,078,844	\$434,455,381	\$555,013,117	\$356,733,629	\$648,502,285	\$251,985,416	\$201,420,175

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

EXPENSES HISTORY BY FUNCTION – 10 years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Bus service	\$79,107,046	\$78,894,435	\$78,894,799	\$81,208,651	\$79,522,988	\$79,054,373	\$82,136,736	\$74,210,355	\$69,471,137	\$67,536,664
Rail service	70,407,764	61,086,101	46,049,338	38,135,480	33,787,601	34,681,800	29,938,257	18,502,185	16,346,071	14,610,796
Paratransit service	18,764,598	18,202,211	17,516,117	16,054,555	14,570,401	14,595,021	14,879,263	13,134,705	12,076,802	11,670,170
Other service	736,230	701,656	596,583	535,897	589,356	517,571	321,241	646,080	908,646	866,127
Operations support	28,063,360	28,439,826	25,247,271	21,643,830	23,147,075	26,083,512	23,561,835	20,713,291	18,806,425	17,398,728
Administration ¹	35,412,353	28,533,912	26,664,222	26,340,573	22,286,055	26,105,521	22,215,090	22,709,608	22,516,649	18,447,146
Depreciation	163,476,373	162,366,852	124,353,893	104,612,174	83,364,104	74,893,581	50,741,822	46,060,249	46,805,799	46,353,749
Interest ²	91,311,842	87,132,004	48,462,258	42,878,130	17,313,507	23,050,963	35,455,355	15,521,679	14,323,424	11,454,185
Recoverable sales tax, interlocal ³	810,914	810,914	810,914	810,914	810,914	1,099,293	232,816	-	-	-
	<u>\$488,090,480</u>	<u>\$466,167,911</u>	<u>\$368,595,395</u>	<u>\$332,220,204</u>	<u>\$275,392,001</u>	<u>\$280,081,635</u>	<u>\$259,482,415</u>	<u>\$211,498,152</u>	<u>\$201,254,953</u>	<u>\$188,337,565</u>

*Years prior to 2011 were not restated for the adoption of GASB Statement No. 65, which was effective during 2013.

¹ Includes major investment studies

² Reported as non-capitalized interest

³ See notes to the financial statements, Note 2.K

UTAH TRANSIT AUTHORITY
STATISTICAL SECTION
Years Ended December 31, 2014 and 2013

SALES TAX COLLECTED BY COUNTY – 10 years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Box Elder	\$1,418,268	\$1,300,577	\$1,279,794	\$1,226,730	\$1,269,478	\$1,297,586	\$1,155,713	\$843,922	\$722,768	\$655,277
Davis	21,459,683	20,023,042	18,692,038	17,880,017	16,964,089	17,091,892	17,857,247	19,967,595	18,241,307	15,895,090
Salt Lake	139,199,088	132,741,112	129,169,357	120,094,110	112,379,366	112,076,511	125,688,483	124,548,526	87,418,635	77,384,293
Tooele	1,384,631	1,349,366	1,364,179	1,207,539	1,227,109	1,136,816	1,221,602	1,200,289	1,082,912	940,717
Utah	33,752,513	31,905,764	30,576,235	27,743,162	25,397,367	25,222,227	27,401,909	27,916,622	15,068,649	12,775,863
Weber	17,469,093	16,486,468	15,611,940	14,939,966	14,656,323	15,029,137	15,222,426	17,211,585	16,011,822	14,181,389
	<u>\$214,683,276</u>	<u>\$203,806,329</u>	<u>\$196,693,543</u>	<u>\$183,091,524</u>	<u>\$171,893,732</u>	<u>\$171,854,169</u>	<u>\$188,547,380</u>	<u>\$191,688,539</u>	<u>\$138,546,093</u>	<u>\$121,832,629</u>

TRANSIT SALES TAX RATES BY COUNTY – 10 years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Box Elder	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.3000%	0.2500%	0.2500%	0.2500%
Davis	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5000%	0.5000%	0.5000%	0.5000%
Salt Lake	0.6875%	0.6875%	0.6875%	0.6875%	0.6875%	0.6875%	0.6875%	0.6338%	0.4375%	0.4375%
Tooele	0.3000%	0.3000%	0.3000%	0.3000%	0.3000%	0.3000%	0.3000%	0.2500%	0.2500%	0.2500%
Utah	0.5260%	0.5260%	0.5260%	0.5260%	0.5260%	0.5260%	0.5260%	0.4800%	0.2500%	0.2500%
Weber	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%	0.5000%	0.5000%	0.5000%	0.5000%

PRINCIPAL CONTRIBUTORS OF SALES TAX – 10 years

	2014			2005		
	Rank	Percentage of taxable sales	Amount	Rank	Percentage of taxable sales	Amount
Salt Lake County	1	64.84%	\$ 139,199,088	1	63.52%	\$ 77,384,293
Utah County	2	15.72%	33,752,513	4	10.49%	12,775,869
Davis County	3	10.00%	21,459,683	2	13.05%	15,895,090
Weber County	4	8.14%	17,469,093	3	11.64%	14,181,389
Box Elder Count	5	0.66%	1,418,268	6	0.54%	655,277
Tooele County	6	0.64%	1,384,631	5	0.77%	940,717
			<u>\$ 214,683,276</u>			<u>\$ 121,832,629</u>

The Authority does not have taxing authority, and therefore is the recipient of contributions from other governments in the form of sales tax collected specifically to support mass transit within the government's boundaries.

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

FARES – 10 years

Effective Date	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
		(4/1/13)	(4/1/12)	(5/1/11)	(11/1/10)	(4/1/09)	(1/1/08)	(7/1/07)		
Cash Fares										
Base Fare	\$2.50	\$2.50	\$2.35	\$2.25	\$2.00	\$2.00	\$1.75	\$1.60	\$1.50	\$1.40
Senior Citizen/Disabled	1.25	1.25	1.15	1.10	1.00	1.00	0.85	0.80	0.75	0.70
Ski Bus	4.50	4.50	4.25	4.00	3.50	3.50	4.00	3.25	3.00	2.75
Paratransit (Flextrans)	4.00	4.00	3.50	2.75	2.50	2.50	2.25	2.05	2.05	2.00
Commuter Rail Base Rate	2.50	2.50	2.35	2.25	2.00	3.00	2.50	n/a	n/a	n/a
Commuter Rail Additional Station	0.60	0.60	0.55	0.50	0.50	0.50	0.50	n/a	n/a	n/a
Commuter Rail Maximum Rate	10.30	10.30	5.10	5.25	5.00	6.00	5.50	n/a	n/a	n/a
Exrpress	5.50	5.50	5.25	5.00	4.50	4.50	4.00	3.25	3.00	2.75
Streetcar	2.50	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Monthly Passes										
Adult	\$83.75	\$83.75	\$78.50	\$75.00	\$67.00	\$67.00	\$58.50	\$53.50	\$50.00	\$47.00
Minor	62.75	62.75	58.75	56.25	49.75	49.75	43.50	40.00	37.00	35.00
College Student	62.75	62.75	58.75	56.25	49.75	49.75	43.50	40.00	n/a	n/a
Senior Citizen/Disabled	41.75	41.75	39.25	37.50	33.50	33.50	28.25	26.75	25.00	23.50
Express	198.00	198.00	189.00	180.00	162.00	162.00	145.00	107.00	100.00	95.00
Paratransit	n/a	n/a	n/a	n/a	n/a	84.00	76.00	69.00	69.00	68.00
Other Fares										
Day Pass	\$6.25	\$6.25	\$5.75	\$5.50	\$5.00	\$5.00	\$4.50	\$4.25	\$4.00	\$3.50
Family Pass	n/a	n/a	n/a	n/a	n/a	13.75	12.50	n/a	n/a	n/a
Group Pass	15.00	15.00	14.00	13.50	12.00	n/a	n/a	n/a	n/a	n/a
Summer Youth	n/a	n/a	n/a	n/a	n/a	99.50	87.00	40.00	40.00	40.00
Token - 10-Pack	22.50	22.50	21.00	20.25	17.75	17.75	17.50	14.25	13.00	13.00
Paratransit - 10-Ride Ticket	40.00	40.00	35.00	30.00	25.00	22.00	20.00	18.50	18.50	18.00
Paratransit - 30-Ride Ticket	n/a	n/a	n/a	n/a	n/a	54.00	48.50	n/a	n/a	n/a
Ski Day Pass	n/a	n/a	n/a	8.00	7.00	7.00	7.00	6.00	6.00	6.00

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

DEBT COVERAGE RATIOS – 10 years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Sales tax collection	\$214,683,276	\$203,806,329	\$196,693,543	\$183,091,524	\$171,893,732	\$171,854,169	\$188,547,380	\$191,688,539	\$138,546,093	\$121,832,629
Debt service requirement										
Principal	7,810,000	7,450,000	7,615,000	7,300,000	6,960,000	6,665,000	6,395,000	6,135,000	4,090,000	3,900,000
Interest net of federal subsidies	85,907,816	84,319,531	71,837,998	71,932,011	63,782,164	59,841,145	43,952,198	24,061,595	18,014,334	11,213,020
Total debt service requirement	93,717,816	91,769,531	79,452,998	79,232,011	70,742,164	66,506,145	50,347,198	30,196,595	22,104,334	15,113,020
Coverage	2.29	2.22	2.48	2.31	2.44	2.65	3.97	6.49	6.57	8.15

UTAH TRANSIT AUTHORITY
STATISTICAL SECTION
Years Ended December 31, 2014 and 2013

DEMOGRAPHIC AND ECONOMIC STATISTICS – 10 years

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Population	2,303,781	2,266,836	2,233,268	2,201,736	2,158,269	2,110,991	2,060,110	2,003,981	1,952,366	1,912,903
Personal income (in millions)	\$85,916,480	\$82,025,459	\$77,738,053	\$73,036,786	\$71,636,728	\$74,033,176	\$71,400,077	\$65,822,299	\$59,240,113	\$54,283,933
Per capita personal income	\$37,294	\$36,185	\$34,809	\$33,172	\$33,192	\$35,070	\$34,658	\$32,846	\$30,343	\$28,378
Utah unemployment rate	4.0%	5.6%	6.0%	7.5%	6.0%	3.7%	2.6%	2.9%	4.1%	5.0%

Source: US Dept of Commerce, Bureau of Economic Analysis, Regional Data (www.bea.gov)
 Unemployment rate - Utah Department of Workforce Services

2014 data not available at time of report

PRINCIPAL EMPLOYERS – 10 years

Employer	Industry	2013			2006			
		Employees	Rank	% Total Employment	Employees	Rank	% Total Employment	
Intermountain Healthcare	Healthcare	20,000+	1	1.5%	Intermountain Healthcare	20,000+	1	1.6%
State of Utah	Government	20,000+	2	1.5%	State of Utah	20,000+	2	1.6%
University of Utah (including hospital)	Higher education/healthcare	20,000+	3	1.3%	University of Utah (including hospital)	15,000-19,999	3	1.4%
Brigham Young University	Higher education	15,000-19,999	4	1.3%	Brigham Young University	15,000-19,999	4	1.4%
WalMart	Retail	15,000-19,999	5	1.3%	WalMart	10,000-14,999	5	1.4%
Hill Air Force Base	Government	10,000-14,999	6	1.3%	Hill Air Force Base	10,000-14,999	6	1.4%
Davis School District	Public education	7,000-9,999	7	0.6%	Davis School District	7,000-9,999	9	0.7%
Granite School District	Public education	7,000-9,999	8	0.6%	Granite School District	7,000-9,999	7	0.7%
Utah State University	Higher education	7,000-9,999	9	0.6%	Utah State University	5,000-6,999	10	0.7%
US Department of Treasury	Government	5,000-6,999	10	0.7%	US Department of Treasury	5,000-6,999	15	0.7%
Smith's Food and Drug Center	Retail	5,000-6,999	11	0.7%	Smith's Food and Drug Center	5,000-6,999	12	0.7%
Alpine School District	Public education	5,000-6,999	12	0.7%	Alpine School District	5,000-6,999	14	0.7%
Jordan School District	Public education	5,000-6,999	13	0.7%	Jordan School District	7,000-9,999	8	0.7%
Salt Lake County	Government	5,000-6,999	14	0.7%	Salt Lake County	5,000-6,999	13	0.7%
US Postal Service	Government	4,000-4,999	15	0.7%	US Postal Service	5,000-6,999	16	0.7%

Source: www.jobs.utah.gov/wi/bups/em/annualreport/xxannual/ (Department of Workforce Services)
 Data prior to 2006 not available

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

FULL-TIME EQUIVALENT EMPLOYEES – 10 years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Bus operations	991	928	963	950	998	1,023	1,050	1,008	937	977
Rail operations	576	526	506	425	335	314	293	233	176	166
Paratransit operations	189	176	168	168	140	141	141	143	142	138
Other services	10	10	12	11	11	11	10	8	8	7
Support services	332	304	293	284	239	249	256	225	247	226
Administration	208	210	217	224	238	242	224	193	164	160
Total	2,306	2,153	2,159	2,062	1,961	1,980	1,974	1,810	1,674	1,674

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

TREND STATISTICS – 10 years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Passengers										
Bus service ²	20,165,174	19,695,711	21,222,669	21,560,358	21,716,864	20,657,019	23,395,624	23,279,164	21,598,690	22,364,690
Rail service	24,337,451	22,814,274	19,421,608	16,944,264	14,790,418	14,707,601	16,182,145	16,272,468	15,203,660	14,323,780
Paratransit service ¹	372,499	383,453	715,034	683,336	509,625	500,242	478,242	492,994	476,039	482,969
Vanpool service	1,404,285	1,387,816	1,446,766	1,417,183	1,346,949	1,353,697	1,657,697	1,305,076	1,316,599	1,062,961
Total passengers	46,279,409	44,281,254	42,806,077	40,605,141	38,363,856	37,218,559	41,713,708	41,349,702	38,594,988	38,234,400
Revenue Miles										
Bus service	15,660,520	15,706,028	15,091,645	15,869,340	16,412,862	16,777,762	16,759,734	16,690,142	16,732,379	16,804,912
Rail service	11,784,146	11,681,251	7,905,460	6,019,693	5,312,506	5,568,699	4,412,001	2,818,235	2,827,710	2,744,947
Paratransit service	2,513,535	2,932,842	3,252,193	4,094,325	2,799,362	2,928,929	2,939,442	3,699,770	3,727,323	4,178,335
Vanpool service	6,859,802	7,053,191	7,553,978	8,042,756	7,342,322	7,800,016	9,177,917	7,012,873	6,900,915	5,562,007
Total revenue miles	36,818,003	37,373,312	33,803,276	34,026,114	31,867,052	33,075,406	33,289,094	30,221,020	30,188,327	29,290,201
Total Miles										
Bus service	17,864,847	17,191,018	16,553,983	17,416,367	18,820,702	19,342,359	19,398,050	19,480,877	19,548,645	19,772,165
Rail service	11,814,332	11,773,929	7,987,022	6,073,807	5,365,270	5,626,707	4,454,559	2,836,899	2,841,912	2,758,761
Paratransit service	2,844,468	3,493,247	4,088,027	5,256,369	3,473,129	3,637,806	3,637,255	4,341,576	4,393,853	4,932,165
Vanpool service	6,859,802	7,053,191	7,553,978	8,042,756	7,342,322	7,800,016	9,177,917	7,012,873	6,900,915	5,635,116
Total miles	39,383,449	39,511,385	36,183,010	36,789,299	35,001,423	36,406,888	36,667,781	33,672,225	33,685,325	33,098,207
Passengers per Mile										
Bus service	1.29	1.25	1.41	1.36	1.32	1.23	1.40	1.39	1.29	1.33
Rail service	2.07	1.95	2.46	2.81	2.78	2.64	3.67	5.77	5.38	5.22
Paratransit service	0.15	0.13	0.22	0.17	0.18	0.17	0.16	0.13	0.13	0.12
Vanpool service	0.20	0.20	0.19	0.18	0.18	0.17	0.18	0.19	0.19	0.19
Total passengers per mile	1.26	1.18	1.27	1.19	1.20	1.13	1.25	1.37	1.28	1.31

¹Flex routes reported under Bus service from Paratransit service beginning in 2013

² In April 2014, the Federal Transportation Administration approved the Authority's use of automatic passenger counters (APC's) for bus service. Passengers in 2014 reflect sampling counts for the first quarter of the year and APC counts for the remaining year.

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

TREND STATISTICS – 10 years (continued)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenue Hours										
Bus service	1,108,894	933,662	834,985	866,268	897,294	904,282	895,943	888,544	887,049	898,268
Rail service	487,435	641,914	536,066	388,826	295,227	374,300	326,610	243,349	252,935	232,517
Paratransit service	164,527	191,016	227,013	300,760	201,994	211,369	208,896	247,572	265,712	262,247
Total revenue hours	1,760,856	1,766,592	1,598,064	1,555,854	1,394,515	1,489,951	1,431,449	1,379,465	1,405,696	1,393,032
Passengers per Revenue Hour										
Bus service	18.18	17.05	25.42	24.89	24.20	22.84	26.11	26.20	24.35	24.90
Rail service	49.93	54.82	36.23	43.58	50.10	39.29	49.55	66.87	60.11	61.60
Paratransit service	2.26	4.57	3.15	2.27	2.52	2.37	2.29	1.99	1.79	1.84
Total passengers per revenue hour	25.48	24.28	25.88	25.19	26.54	24.07	27.98	29.03	26.52	26.68
Total System										
Fare revenue	\$48,976,890	\$49,977,533	\$44,489,583	\$39,693,757	\$35,160,063	\$33,530,449	\$33,439,374	\$24,308,176	\$23,506,417	n/a
Operating expense ³	\$232,491,351	\$215,858,141	\$194,968,330	\$183,918,986	\$173,903,476	\$181,037,798	\$173,052,423	\$149,916,224	\$140,125,730	n/a
Cost per revenue mile	\$6.31	\$5.78	\$5.77	\$5.41	\$5.46	\$5.47	\$5.20	\$4.96	\$4.64	n/a
Cost per passenger	\$5.02	\$4.87	\$4.55	\$4.53	\$4.53	\$4.86	\$4.15	\$3.63	\$3.63	n/a
Fare revenue per passenger	\$1.06	\$1.13	\$1.04	\$0.98	\$0.92	\$0.90	\$0.80	\$0.59	\$0.61	n/a

³ Operating expense less depreciation

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

OPERATING INDICATORS AND CAPITAL ASSETS – 10 years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Number of bus routes	121	119	125	119	127	128	120	117	124	128
Number of rail routes										
Light rail	4	4	3	3	3	3	3	3	3	3
Commuter rail	1	1	1	1	1	1	1	-	-	-
Bus service miles (weekday)	56,538	55,733	64,186	64,493	67,012	68,537	68,051	60,436	60,676	61,851
Rail service miles (weekday)										
Light rail	8,547	8,216	6,978	5,107	3,910	3,684	3,365	3,166	3,478	3,147
Commuter rail	4,638	4,488	2,390	2,327	2,469	2,725	2,725	-	-	-
Average passengers (weekday)	161,339	152,644	152,934	142,186	134,736	141,047	139,911	122,621	133,124	126,629
Buses	535	493	570	495	496	501	481	585	519	518
Paratransit vehicles (buses/vans)	84	113	110	112	96	101	105	102	99	101
Rail vehicles										
Light rail	146	146	122	122	55	55	55	69	54	51
Commuter rail	81	81	57	55	37	37	34	-	-	-
Vanpool vehicles	479	470	494	485	414	403	452	456	389	288
Park and ride lots (owned and shared)	174	171	149	128	121	124	129	128	126	106
Bus stops	6,250	6,273	6,333	6,600	6,645	6,410	6,380	6,975	7,301	7,902
Rail stations										
Light rail	51	51	41	41	28	28	28	25	25	24
Commuter rail	16	16	16	7	8	8	8	-	-	-

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

2013 PERFORMANCE MEASURES – LIGHT RAIL

City	ID	Agency	<u>Service Efficiency</u>		<u>Cost Effectiveness</u>		<u>Service Effectiveness</u>	
			Operating Expense per Vehicle Revenue Mile	Operating Expense per Vehicle Revenue Hour	Operating Expense per Passenger Mile	Operating Expense per Unlinked Passenger Trip	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	8001	UTA	\$6.87	\$83.78	\$0.53	2.39	2.87	35.02
Baltimore, MD	3034	MTA	11.60	231.29	0.64	4.37	2.66	52.96
Buffalo, NY	2004	NFT Metro	23.77	270.89	1.42	3.69	6.45	73.45
Charlotte, NC	4008	CATS	15.22	239.04	0.53	2.66	5.72	89.87
Cleveland, OH	5015	GCRTA	14.92	222.51	0.68	4.04	3.69	55.05
Dallas, TX	6056	DART	16.55	334.33	0.63	5.12	3.23	65.24
Denver, CO	8006	RTD	8.56	153.33	0.43	3.67	2.33	41.83
Houston, TX	6008	Metro	18.58	220.82	0.69	1.62	11.44	135.97
Minneapolis, MN	5027	Metro Transit	14.03	197.86	0.60	3.19	4.40	62.01
Newark, NJ	2080	NJ Transit	41.07	579.45	1.81	5.54	7.41	104.57
Phoenix, AZ	9209	VMR	11.81	170.53	0.29	2.01	5.88	84.85
Pittsburgh, PA	3022	Port Authority	25.52	324.07	1.56	6.42	3.98	50.51
Portland, OR	0008	Tri-Met	12.87	188.07	0.46	2.54	5.08	74.18
Sacramento, CA	9019	RTD	12.76	230.28	0.66	3.70	3.45	62.21
San Diego, CA	9026	MTS	8.55	140.67	0.38	2.23	3.83	62.97
San Jose, CA	9013	VTA	21.50	347.59	1.19	6.42	3.35	54.14
St Louis, MO	7006	BSDA	9.43	225.92	0.42	3.66	2.58	61.74
Average			\$15.69	\$239.80	\$0.73	\$3.58	4.44	66.56
Maximum			41.07	579.45	1.81	6.42	11.44	135.97
Minimum			8.55	140.67	0.29	1.62	2.33	41.83
Standard Deviation			8.27	105.81	0.46	1.47	2.32	23.65

Source: 2013 National Transit Database

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

2013 PERFORMANCE MEASURES – BUS

City	ID	Agency	<u>Service Efficiency</u>		<u>Cost Effectiveness</u>		<u>Service Effectiveness</u>	
			Operating Expense per Vehicle Revenue Mile	Operating Expense per Vehicle Revenue Hour	Operating Expense per Passenger Mile	Operating Expense per Unlinked Passenger Trip	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	8001	UTA	\$ 7.28	120.36	\$ 1.44	\$ 5.68	1.28	21.20
Charlotte, NC	4008	CATS	7.42	102.37	0.76	3.49	2.12	29.31
Dallas, TX	6056	DART	9.13	118.44	1.61	6.56	1.39	18.06
Denver, CO	8006	RTD	8.82	120.12	0.78	4.10	2.15	29.29
Ft Worth, TX	6007	The T	7.82	85.84	1.41	4.44	1.76	19.35
Houston, TX	6008	Metro	9.18	120.69	0.98	5.02	1.83	24.05
Jacksonville, FL	4040	JTA	7.17	105.37	0.85	5.60	1.28	18.82
Memphis, TN	4003	MATA	7.77	121.47	0.91	4.95	1.57	24.54
Minneapolis, MN	5027	Metro Transit	11.43	131.77	0.93	3.75	3.04	35.10
Oceanside, CA	9030	NCTD	7.17	91.59	1.03	4.91	1.46	18.65
Pittsburgh, PA	3022	Port Authority	14.32	186.14	1.30	5.09	2.81	36.54
Portland, OR	0008	Tri-Met	12.51	147.53	1.04	4.08	3.07	36.19
Sacramento, CA	9019	Sacramento RT	12.52	138.69	1.49	5.35	2.34	25.90
San Jose, CA	9013	VTA	15.27	183.90	1.35	6.90	2.21	26.65
St Louis, MO	7006	BSDA	7.87	107.36	0.95	4.94	1.59	21.72
Tampa, FL	4041	HART	7.72	97.33	0.80	3.98	1.94	24.44
Average			\$ 9.59	\$ 123.69	\$ 1.10	\$ 4.93	1.99	25.61
Maximum			15.27	186.14	1.61	6.90	3.07	36.54
Minimum			7.17	85.84	0.76	3.49	1.28	18.06
Standard Deviation			2.72	29.06	0.28	0.96	0.59	6.22

Source: 2013 National Transit Database

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

2013 PERFORMANCE MEASURES – DEMAND RESPONSE

City	ID	Agency	<u>Service Efficiency</u>		<u>Cost Effectiveness</u>		<u>Service Effectiveness</u>	
			Operating Expense per Vehicle Revenue Mile	Operating Expense per Vehicle Revenue Hour	Operating Expense per Passenger Mile	Operating Expense per Unlinked Passenger Trip	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	8001	UTA	\$ 6.54	\$ 100.38	\$ 4.25	\$ 50.00	0.13	2.01
Buffalo, NY	2004	NFT Metro	4.93	87.05	4.31	46.30	0.11	1.88
Cleveland, OH	5015	GCRTA	6.00	86.36	6.02	42.40	0.14	2.04
Dallas, TX	6056	DART	4.99	70.74	2.90	40.51	0.12	1.75
Denver, CO	8006	RTD	4.68	70.15	4.40	38.15	0.12	1.84
Las Vegas, NV	9045	RTC	4.50	68.66	3.26	35.52	0.13	1.93
Orlando, FL	4035	LYNX	2.69	42.75	2.44	31.08	0.09	1.38
Phoenix, AZ	9032	Valley Metro	5.39	72.49	4.75	44.70	0.12	1.62
Portland, OR	0008	Tri-Met	4.92	68.66	3.50	34.61	0.14	1.98
San Antonio, TX	6011	VIA Metro	3.60	66.67	2.74	0.59	0.12	2.18
San Diego, CA	9026	MTS	4.41	76.84	3.05	28.38	0.16	2.71
San Jose, CA	9013	VTA	3.66	76.35	2.68	29.96	0.12	2.55
Seattle, WA	0001	KC Metro	6.35	91.49	5.19	55.67	0.11	1.64
St. Louis, MO	7006	BSDA	4.17	70.38	3.66	37.00	0.11	1.90
Average			\$ 4.77	\$ 74.93	\$ 3.80	\$ 38.92	0.12	1.96
Maximum			6.54	100.38	6.02	55.67	0.16	2.71
Minimum			2.69	42.75	2.44	28.38	0.09	1.38
Standard Deviation			1.08	13.74	1.06	8.15	0.02	0.35

Source: 2013 National Transit Database

UTAH TRANSIT AUTHORITY
 STATISTICAL SECTION
 Years Ended December 31, 2014 and 2013

2013 PERFORMANCE MEASURES – COMMUTER RAIL

City	ID	Agency	<u>Service Efficiency</u>		<u>Cost Effectiveness</u>		<u>Service Effectiveness</u>	
			Operating Expense per Vehicle Revenue Mile	Operating Expense per Vehicle Revenue Hour	Operating Expense per Passenger Mile	Operating Expense per Unlinked Passenger Trip	Unlinked Passenger Trips per Vehicle Revenue Mile	Unlinked Passenger Trips per Vehicle Revenue Hour
Salt Lake City, UT	8001	UTA	\$ 7.05	\$ 359.49	\$ 0.33	\$ 9.36	0.75	38.39
Albuquerque, NM	6111	RMRTD	19.37	751.05	0.56	24.86	0.78	30.21
Baltimore, MD	8006	MTA	21.38	247.45	0.67	3.40	2.98	72.86
Chesterton, IN	5104	NICTD	10.57	377.45	0.38	10.95	0.97	34.46
Dallas, TX	6056	DART	23.56	544.85	0.67	12.89	1.83	42.28
Minneapolis, MN	5027	Metro Transit	33.07	1,178.54	0.89	22.55	1.47	52.26
Newark, NJ	2080	NJ Transit	15.10	511.76	0.41	11.44	1.32	44.72
Oceanside, CA	9030	NCTD	13.48	536.05	0.42	11.52	1.17	46.54
Pompano Beach, FL	4077	TRI-Rail	18.34	566.35	0.50	13.82	1.33	40.99
San Carlos, CA	9134	CalTrain	15.48	543.79	0.28	6.22	2.49	87.36
Seattle, WA	40	Sound Transit	23.58	783.50	0.60	13.00	1.81	60.26
Average			\$ 18.27	\$ 581.84	\$ 0.52	\$ 12.73	1.54	50.03
Maximum			33.07	1,178.54	0.89	24.86	2.98	87.36
Minimum			7.05	247.45	0.28	3.40	0.75	30.21
Standard Deviation			7.16	252.67	0.18	6.26	0.70	17.25

Source: 2013 National Transit Database

