



**Minutes of the Budget Work Session**  
of the  
**Board of Trustees of the Utah Transit Authority**  
Friday, October 2, 2020, 10:00 a.m. – 4:00 p.m.  
Utah Transit Authority Headquarters  
669 West 200 South, Salt Lake City, Utah  
Golden Spike Conference Rooms

**Board Members Participating:**

Carlton Christensen, Chair  
Beth Holbrook  
Kent Millington

Also participating were members of UTA staff.

---

**Call to Order and Opening Remarks.** Chair Christensen welcomed attendees and called the meeting to order at 10:01am.

**Safety First Minute.** Trustee Millington provided a brief safety message on following speed limits while driving.

**Chief Finance Officer – 2021 Draft Budget Presentation and Discussion.**

**CFO Operating Budget.** Bill Greene, UTA Chief Finance Officer, introduced the Finance Organization’s FTE structure and presented the total budget. A breakdown of the budget was given by department and compared to 2020’s budget, noting that the budget has been repurposed to use as efficiently as possible. Mr. Greene gave a breakdown of the budget by category and compared to 2020’s budget. It was reported that the changes in the 2021 budget include increasing contractual services which includes re-keying of bus cash fare boxes, increasing contractual services for technology, enhancing TVM maintenance, and transferring financial services administrator and associated costs to Farebox services.

Mr. Greene identified that key initiatives include implementing additional cash controls for Farebox services and evaluating technology in supply chain buyer area.

Chair Christensen asked about external auditing. Staff responded.

**Farebox Services.** Emily Diaz, UTA Financial Services Administrator and Farebox Manager, introduced the Farebox unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting an increase due to the re-keying of the cash boxes. It was reported that the changes in the 2021 budget include planning for increase in expenses for re-keying of fare boxes and modernizing fare box solutions for paratransit and FLEX buses.

Ms. Diaz identified that key initiatives include continuing to implement and address outstanding findings of the RSM Farebox Service Audit and fully integrating fare box assets in JDE.

The board asked questions about the timeline of re-keying and security. Ms. Diaz responded. Discussion ensued with board and staff.

**Supply Chain.** Todd Mills, UTA Senior Manager of Supply Chain, introduced the Supply Chain unit's FTE structure. Mr. Mills gave a breakdown of the budget by category and compared to 2020's budget. It was reported that the changes in the 2021 budget include increasing contractual services to improve technology and streamlining the requisition to purchase order process at UTA and increasing freight charges for centralizing the UPS/FedEx in response to A/P internal audit findings.

Mr. Mills identified that key initiatives include exploring technologies and third-party services to improve the bidding process by vendors and centralizing freight charges to the warehouse to provide better management and oversight of charges.

The board had questions on COVID-19 supplies, the requisition system, purchasing, and inventory. Mr. Mills responded. Discussion with staff ensued.

**Risk Management / Insurance.** David Pitcher, UTA Manager of Claims and Insurance, introduced the Claims and Insurance unit's FTE structure. Mr. Pitcher gave a breakdown of the budget by category and compared to 2020's budget. It was reported that the changes in the 2021 budget include increasing premiums and an overall net budget change. Key initiatives include developing an insurance portfolio handbook and developing a catastrophic loss protocol.

The board asked questions about moderating, traffic claims, paperless claims, working with the AG's Office, and property losses. Mr. Pitcher responded. Discussion ensued.

**Fares.** Monica Morton, UTA Director of Fares, introduced the Fares unit's FTE structure. A breakdown of the budget was given by department and category and compared to

2020's budget, noting a decrease in TVM maintenance. It was reported that the changes in the 2021 budget include enhancing TVM maintenance with a contracted vendor.

Ms. Morton identified that key initiatives include evaluating base fare rates and reviewing pricing parameters for pass programs.

The board had questions on business responses to telecommuting and ridership and TVM Maintenance. Ms. Morton responded. Discussion ensued.

**Accounting.** Troy Bingham, UTA Comptroller, introduced Accounting's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget. It was reported that the changes in the 2021 budget include shifting cost for paper/envelopes and postage to banking fees and higher charges for a new audit contract.

Mr. Bingham identified that key initiatives include enhancing current JDE functionality and resolving remaining outstanding internal audit findings and federal monitoring comments.

The board asked questions about JDE. Mr. Bingham responded. Discussion ensued.

**Budget and Financial Analysis.** Brad Armstrong, UTA Senior Manager for Budget and Financial Analysis, introduced the Budget and Financial Analysis unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget. It was reported that there are no substantive changes in the budget.

Mr. Armstrong identified that key initiatives include updating the transit financial plan forecast and updating the financial equity model.

The board asked questions about the flexibility of the Budget and Financial Analysis' system and the financial plan forecasting. Mr. Armstrong responded.

Chair Christensen called for a break at 11:08am.

Chair Christensen reconvened the meeting at 11:23am.

**Board of Trustees Office – 2021 Draft Budget Presentation and Discussion.** Chair Christensen introduced the FTE structure of the Board staff.

**Board Governance.** Annette Royle, UTA Director of Board Governance, introduced the Board Office FTE structure and presented the total budget. A breakdown of the budget was given by department and category and compared to 2020's budget, noting a shift of monies to IT, but otherwise being relatively flat. It was reported that the changes in the 2021 budget include moving Salesforce to the IT budget.

Ms. Royle identified that key initiatives include a strategic plan; board management software; transparent, accountable, and accessible governance; stakeholder

relationships and collaboration; and agency leadership that engages employees and builds customer confidence.

Chair Christensen commented on the function of the staff.

**Internal Audit.** Ron Ellis, UTA Director of Internal Audit, introduced the Internal Audit unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting the services budget which is held in contingency for possible external audits. It was reported that the changes in the 2021 budget include the technology contract services moving to IT's budget, IDEA software analytics acquisition moved to IT, and contingency for unexpected investigation.

Mr. Ellis identified that key initiatives include updating risk analysis with key management personnel, ongoing ethics program, focusing on technology assisted risk-based auditing with acquisition of IDEA, and co-sourcing to supplement in-house talent.

The board asked questions regarding the audit plan schedule and appropriate staffing levels, software, and ability to conduct internal audits. Mr. Ellis responded. Discussion with the board ensued.

**Government Relations.** Shule Bishop, Director of Government Relations, introduced the Government Relations unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting the changes in contracts. It was reported that the changes in the 2021 budget include an increase in services contracts and a decrease in computer supplies.

Mr. Bishop identified that key initiatives include support from the Utah State Legislature for FrontRunner double track and capital investment grant for the Ogden BRT project.

The board asked about contracts, work with legislators, the upcoming legislative session, and upcoming outreach. Mr. Bishop responded. Discussion with the board ensued.

Chair Christensen called a recess at 11:54am.

Chair Christensen reconvened the meeting at 12:49pm.

### **Chief Service Development Officer – 2021 Draft Budget Presentation and Discussion.**

**CSDO Operating Budget.** Mary DeLoretto, UTA Chief Service Development Officer, introduced the Office of Service Development's FTE structure and presented the total budget, noting that planning is the largest portion of the budget. A breakdown of the budget was given by department and compared to 2020's budget. A breakdown was also given of the budget by category and compared to 2020's budget, noting wages and

fringe create the largest portion by category. It was reported that the changes in the 2021 budget include a slight decrease from 2020, an increase in the fringe benefit costs, and an increase for professional and technical services.

Ms. DeLoretto identified that key initiatives include maintaining and enhancing partnerships with local and state entities, preparing a regional transit market analysis for the Point of the Mountain/Central Corridor project, evaluating future bus fleet options, revisiting the capital program development process, supporting Salt Lake County's project to place air quality monitors on the batteries of electric buses, developing new financial modeling tools, and developing a ten year forecast of capital needs to improve safety and regulatory compliance.

The board asked about hydrogen usage in future fleets and air quality monitors. Staff responded and discussion ensued.

**Capital Development.** Manjeet Ranu, UTA Capitol Development Director, introduced the Capital Development unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting the additional offsets in capital costs. It was reported that the changes in the 2021 budget include adding one FTE, funding for updates to technical design standards, the Warm Springs seismic study, and additional allocation of staff project time.

Mr. Ranu identified key initiatives include initiating a multi-step program to identify a strategy to grow the capacity of FrontRunner, receiving an interim authorization and small starts grant agreement for the Oden-Weber BRT, Commencing federal environmental review for the Point of the Mountain and Central Corridor transit corridors, completing a feasibility study for rail extensions, and articulating a comprehensive strategy for prioritizing pursuit of federal funding opportunities.

Chair Christensen asked questions about capital costs. Staff responded. Discussion with staff and board ensued.

**Real Estate.** Paul Drake, UTA Director of Real Estate and Transit Oriented Development (TOD), introduced the Real Estate unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting the decrease due to changes in leases. It was reported that the changes in the 2021 budget include a decrease for the airport welcome center lease, maintenance for South Jordan garages moving to the

Facilities budget, an increase in maintenance obligations for Garfield Spur, and an increase in additional professional services.

Mr. Drake identified that key initiatives include collaborating with cities to complete station area plans, furthering implementation of TOD sites, continuing design for new administrative office, acquiring corridor for upcoming capital projects, developing policy to improve access to transit network, establishing a ten year strategy for TOD projects and revenue, and refining a tool to determine readiness of TOD sites.

The board asked about TOD resources, a TOD fund, working with facilities, surplus properties, and processes for department record keeping. Staff responded. Discussion ensued.

**Service Planning.** Laura Hanson, UTA Director of Office Planning, introduced the Service Planning unit's FTE structure. A breakdown of the budget was given by category and compared to 2020's budget, noting that services decreased due to using inhouse resources. A decrease is also seen on supplies due to software costing less than was anticipated. It was reported that the changes in the 2021 budget include decreases due to the result of fewer and less expensive consulting contracts.

Ms. Hanson identified that key initiatives include beginning implementation for the UTA five year service plan, developing a long range plan to increase agency alignment in decision making, leveraging resources through the joint projects committee, completing the South Utah County transit analysis. Ms. Hanson continued with key initiatives discussing completing the future of Light Rail study, updating the market segmentation analysis, and supporting UDOT, WFRC, and MAG in conducting the Decennial Household Travel Survey.

The board asked questions on the South Utah County transit analysis, the Decennial Household Travel Survey, long range decision making, and TODs and applications within communities. Staff responded. Discussion ensued.

The board went over general questions and thoughts they had from the budget presentations including:

- Adequate Personnel Resources
- State of Good Repair
- COVID Precautions
- Detailed summary year-over-year budget

- Budget category for non-departmental expenses
- Other clarifying topics

Discussion with staff ensued.

**Adjourn.** Trustee Holbrook motioned for the meeting to adjourn, with a send from Trustee Millington. The meeting was adjourned unanimously at 2:15pm.

Transcribed by Stephanie Withers  
Executive Assistant to the Board  
Utah Transit Authority  
swithers@rideuta.com  
801.287.2581

*This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials, audio, or video located at <https://www.utah.gov/pmn/sitemap/notice/631333.html> for entire content.*

*This document along with the digital recording constitute the official minutes of this meeting.*

Approved Date: November 4, 2020

DocuSigned by:  
  
9F729E1F2C184AC...

Carlton J. Christensen  
Chair, Board of Trustees