Annual Comprehensive Financial Report

For Fiscal Year Ended December 31, 2023

UTA

UTAH TRANSIT AUTHORITY

a Component Unit of the State of Utah

THE GREAT SEAL OF THE STATE OF UTAH 1896

Our Mission

We Move You

Our Vision

Leading Utah's mobility solutions and improving quality of life

UTAH TRANSIT AUTHORITY
A Component Unit of the State of Utah

Annual Comprehensive Financial Report

For Fiscal Year Ended
December 31, 2023

Finance Department

Viola Miller
Chief Financial Officer

Rob Lamph
Comptroller

UTA

UTAH TRANSIT AUTHORITY
A Component Unit of the State of Utah

COMPLIANCE SECTION (Continued)

OTHER SUPPLEMENTARY INFORMATION SECTION

Introductory

UTA

UTAH TRANSIT AUTHORITY

UTA
669 West 200 South
Salt Lake City, Utah 84101
1-888-RIDE-UTA
www.rideuta.com

June 28, 2024

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

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the Utah Transit Authority (the Authority) for the fiscal year ended December 31, 2023. 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.

Management's Assertions

Management assumes full responsibility for the completeness and reliability of the information contained in this report. Management bases their assurance upon a comprehensive framework of internal control that has been established for this purpose. To provide a reasonable basis for making these representations, management of the Authority has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient statements in conformity with GAAP. The concept of reasonable assurance recognizes that:

(1) the cost of a control should not exceed the benefit likely to be derived; and
(2) the valuation of the costs and benefits requires estimates and judgments by management.

As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Annual Comprehensive Financial Report

This report contains financial statements and statistical data which provide full disclosure of all the material financial operations of the Authority. The financial statements have been prepared on the accrual basis of accounting in conformance with generally accepted accounting principles. This ACFR 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 is also required to conduct an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditor's reports on internal control structure and compliance with applicable laws and regulations are included with this report.

The accounting firm of Crowe LLP was selected to perform an annual independent audit of the Authority's financial statements. The goal of the independent audit is to provide reasonable assurance that the Authority's financial statements for the fiscal year ended December 31, 2023, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the Authority's financial statements are fairly presented in conformity with accounting principles generally accepted in the United States of America. The audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and related Uniform Guidance. The auditor's report on the basic financial statements and schedules, including reports specifically related to the single audit, are included in this document.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Background

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 three-member full-time board of trustees. The Governor appoints nominees from the three appointing districts within the UTA service territory to serve as trustees. The names of the nominees are then forwarded to the Senate for confirmation. Once confirmed, an appointee is sworn in as a trustee.

Utah Transit Authority also has a nine-member local advisory council. The local advisory council representation includes: three members appointed by the Salt Lake County council of governments; one member appointed by the Mayor of Salt Lake City; two members appointed by the Utah County council of governments; one member appointed by the Davis County council of governments; one member appointed by the Weber County council of governments; and one member appointed by the councils of governments of Tooele and Box Elder counties. Terms for local advisory council members are indefinite.

The responsibility for the operation of the Authority is held by the board of trustees that hires, sets the salaries, and develops performance targets and evaluations for the Executive Director, Internal Auditor, and any chief level officer. The Executive Director is charged with certain responsibilities, some of which require coordination with, or providing advice to, the board of trustees. Legal counsel will be provided by the Utah Attorney General's Office. An organizational chart which illustrates the reporting relationships follows this letter of transmittal.

The executive staff meets weekly to coordinate management of the affairs of the organization. The executive staff and various other department officials meet as needed in a policy forum to review management policies and strategic direction and objectives for the organization.

The Authority serves the largest segment of population in the State of Utah known as the Wasatch Front. Its service area includes Salt Lake, Davis, Utah, and Weber Counties, the cities of Tooele and Grantsville in Tooele County and that part of Tooele County comprising the unincorporated areas of Erda, Lakepoint, Stansbury Park and Lincoln, and the cities of Brigham City, Perry and Willard in Box Elder County.

The population of the Authority's service area is approximately 2,736,179 and represents 80 percent of the state's total population.

Economy

While Utah's economy has experienced robust growth, it faces challenges typical of rapid expansion, such as infrastructure demands and housing affordability issues in urban areas. However, proactive measures by state and local governments, coupled with ongoing private sector investment, aim to address these challenges while fostering continued economic growth.

Utah's transportation needs are rapidly evolving alongside its population growth and economic development. As one of the fastest-growing states in the U.S., Utah faces significant challenges in maintaining and expanding its transportation infrastructure to support its residents and businesses effectively.

Utah's population has been steadily increasing, driven by factors such as a robust economy, job opportunities, and I high quality of life. This influx of residents places strain on existing transportation networks, leading to congestion, longer commute times, and increased wear on road and highways.

The state's urban areas, particularly along the Wasatch Front, are experiencing rapid urbanization and suburban sprawl. This growth exacerbates traffic congestion as more people commute between residential areas and employment centers. To alleviate congestion and provide alternative transportation options, there is a growing need for expanded public transit systems. These systems require continued investment and expansion to meet increasing demand and serve a broader geographic area.

Looking ahead, Utah must continue to innovate and adapt its transportation strategies to meet the evolving needs of its residents and businesses. This includes integrating smart technology into transportation systems, expanding, multimodal options, promoting transit-oriented development, and engaging in comprehensive long-term planning.

Utah's transportation needs are complex and multifaceted, requiring a coordinated effort among government agencies, private sectors, and community stakeholders. By investing in sustainable infrastructure, expanding public transit, and planning for the future growth, Utah can address current challenges and build a transportation network that supports its dynamin population and economy well into the future.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to The Authority for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2022. This was the thirtieth consecutive year that the Authority has received this prestigious award. This certificate of award is the highest form of recognition for excellence in state and local government financial reporting. In order to receive this award, the Authority must publish an easily readable and well organized comprehensive financial report whose content conforms to the program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement for Excellence in Financial Reporting is valid for a one-year period only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and are submitting it to determine eligibility for continued recognition.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated service of the entire finance team at the Authority. We wish to express our sincere appreciation for the hard work and long hours that contributed to the preparation of this report. Appreciation is also extended to the Executive Board and the various team members for their cooperation and dedicated service that made it possible to produce a report of the highest standards.

Viola Miller

Viola Miller
Chief Financial Officer
Utah Transit Authority

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Utah Transit Authority

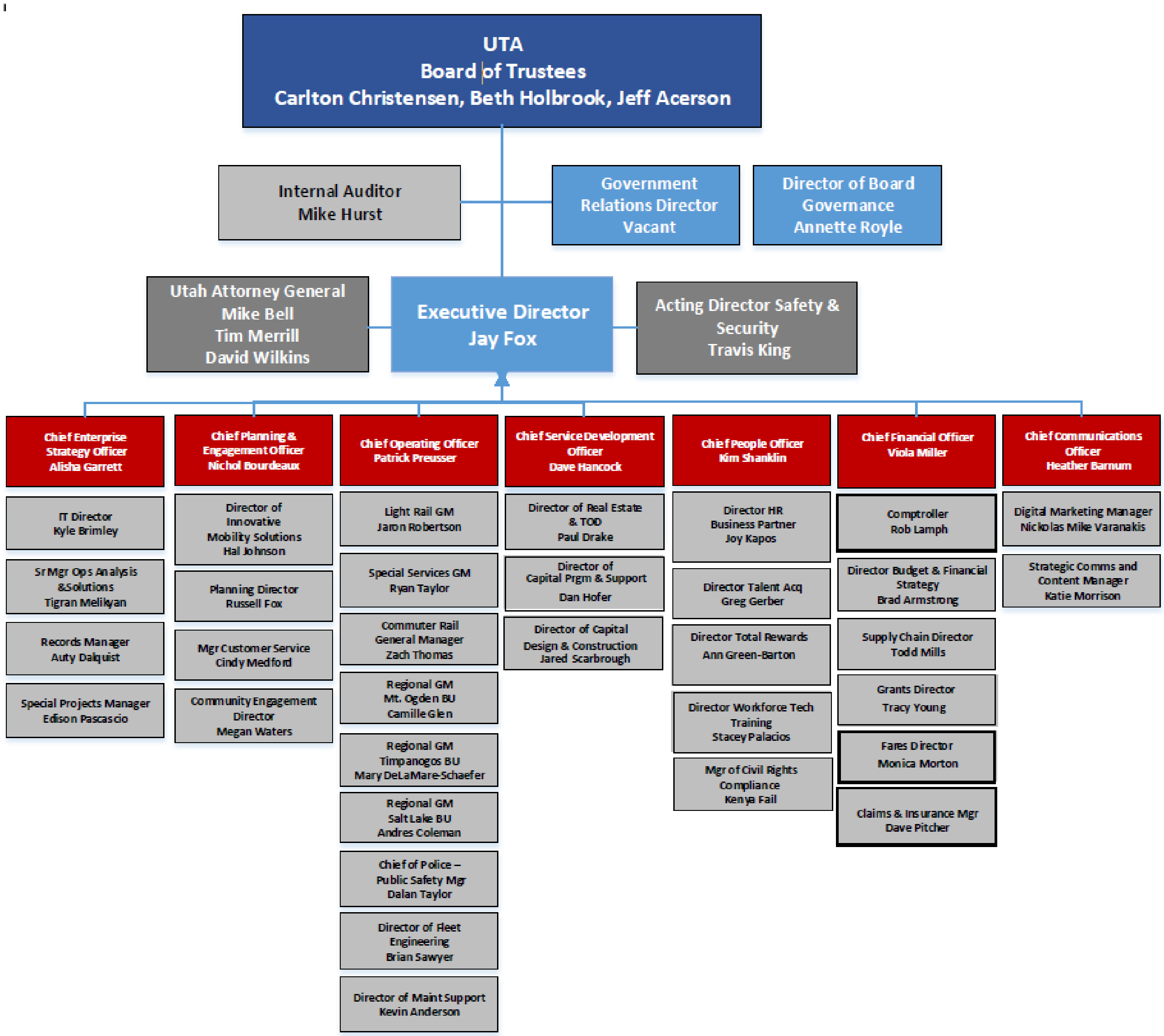
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morrill

Executive Director/CEO

UTAH TRANSIT AUTHORITY
ORGANIZATIONAL CHART
Year Ended December 31, 2023



UTA Board of Trustees

Carlton Christensen
Board Chair

Salt Lake County

Beth Holbrook
Davis, Weber and Box Elder Counties

Jeff Acerson

Tooele and Utah Counties

Administration

Board of Trustees

BOARD CHAIR	Carlton Christensen
BOARD TRUSTEE	Beth Holbrook
BOARD TRUSTEE	Jeff Acerson

Officers of the Authority

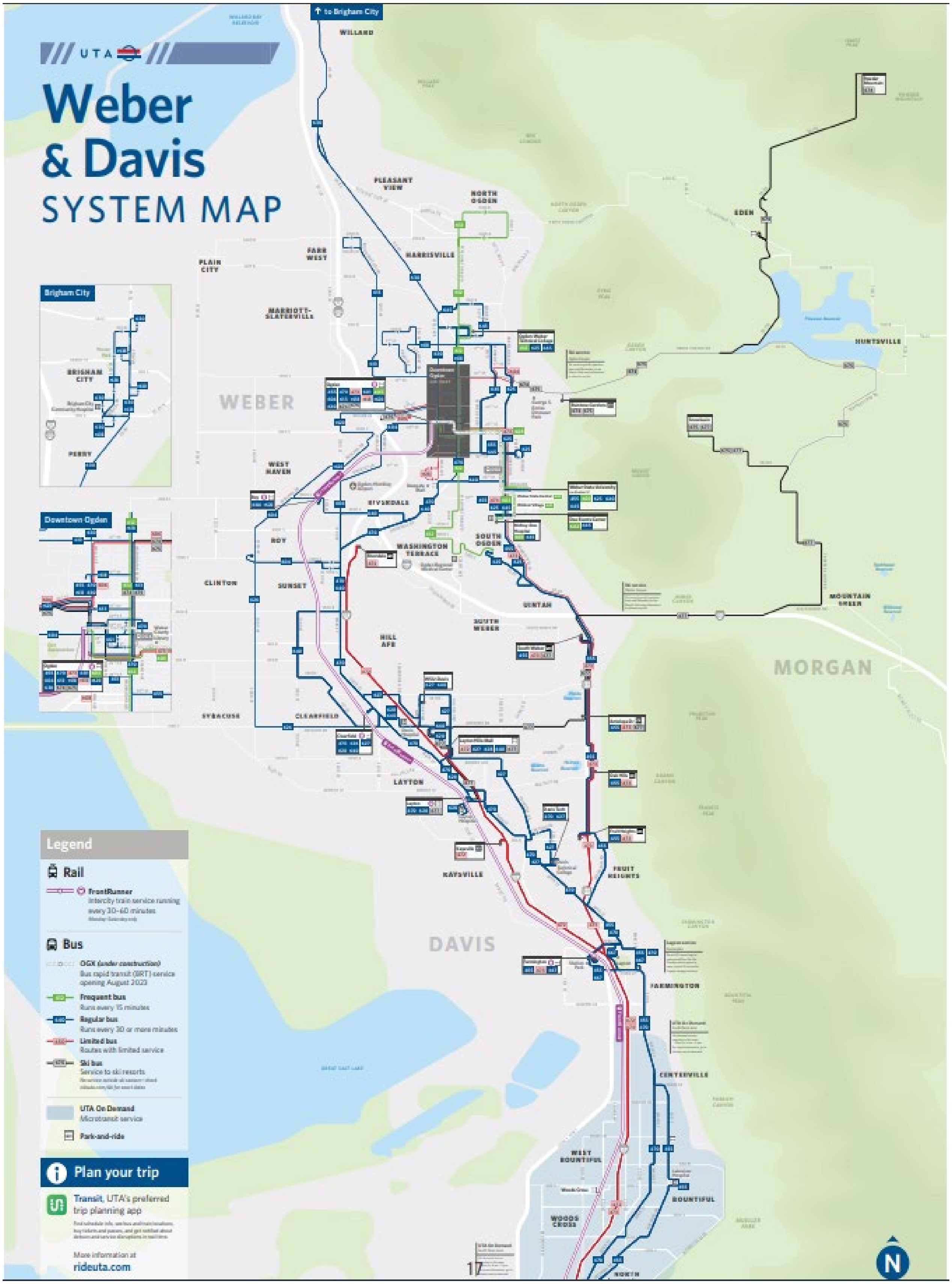
BOARD CHAIR	Carlton Christensen
EXECUTIVE DIRECTOR	Jay Fox
TREASURER	Viola Miller
CHIEF OF INTERNAL AUDIT	Mike Hurst
COMPTROLLER	Rob Lamph
SECRETARY	Annette Royle

Administration of the Authority

EXECUTIVE DIRECTOR	Jay Fox
CHIEF PLANNING AND ENGAGEMENT OFFICER	Nichol Bourdeaux
CHIEF FINANCIAL OFFICER	Viola Miller
CHIEF OPERATING OFFICER	Patrick Preusser
CHIEF PEOPLE OFFICER	Kim Shanklin
CHIEF CAPITAL SERVICE OFFICER	Dave Hancock
CHIEF ENTERPRISE STRATEGY OFFICER	Alisha Garrett
CHIEF COMMUNICATION OFFICER	Heather Barnum

Local Advisory Council Members

Name	Appointing Authority
CHAIR	
Mark Johnson	Utah County COG
VICE CHAIRS	
Troy Walker	Salt Lake County COG
Bob Stevenson	Davis Area COG
MEMBERS	
Erin Mendenhall	Salt Lake City
Neal Berube	Weber Area COG
Karen Cronin	Box Elder COG/Tooele COG
Dan Peay	Salt Lake County COG
Trent Staggs	Salt Lake County COG
Julie Fullmer	Utah County COG


to Brigham City
UTA
Weber & Davis
SYSTEM MAP
Brigham City
BRIGHAM CITY
PERRY
Downtown Ogden
WILLARD
PLEASANT VIEW
NORTH OGDEN
HARRISVILLE
FARR WEST
PLAIN CITY
MARRIOTT-SLATERVILLE
EDEN
HUNTSVILLE
WEBER
WEST HAVEN
RIVERDALE
ROY
WASHINGTON TERRACE
SOUTH OGDEN
CLINTON
SUNSET
UINTAH
SOUTH WEBER
MOUNTAIN GREEN
MORGAN
HILL AFB
SYRACUSE
CLEARFIELD
LAYTON
KAYSVILLE
FRUIT HEIGHTS
DAVIS
FARMINGTON
CENTERVILLE
WEST BOUNTIFUL
BOUNTIFUL
WOODS CROSS
NORTH
Legend
Rail
FrontRunner
Intercity train service running every 30–60 minutes
Bus
OGX (under construction)
Bus rapid transit (BRT) service opening August 2023
Frequent bus
Runs every 15 minutes
Regular bus
Runs every 30 or more minutes
Limited bus
Routes with limited service
Ski bus
Service to ski resorts
UTA On Demand
Microtransit service
Park-and-ride
Plan your trip
Transit, UTA's preferred trip planning app
More information at
rideuta.com
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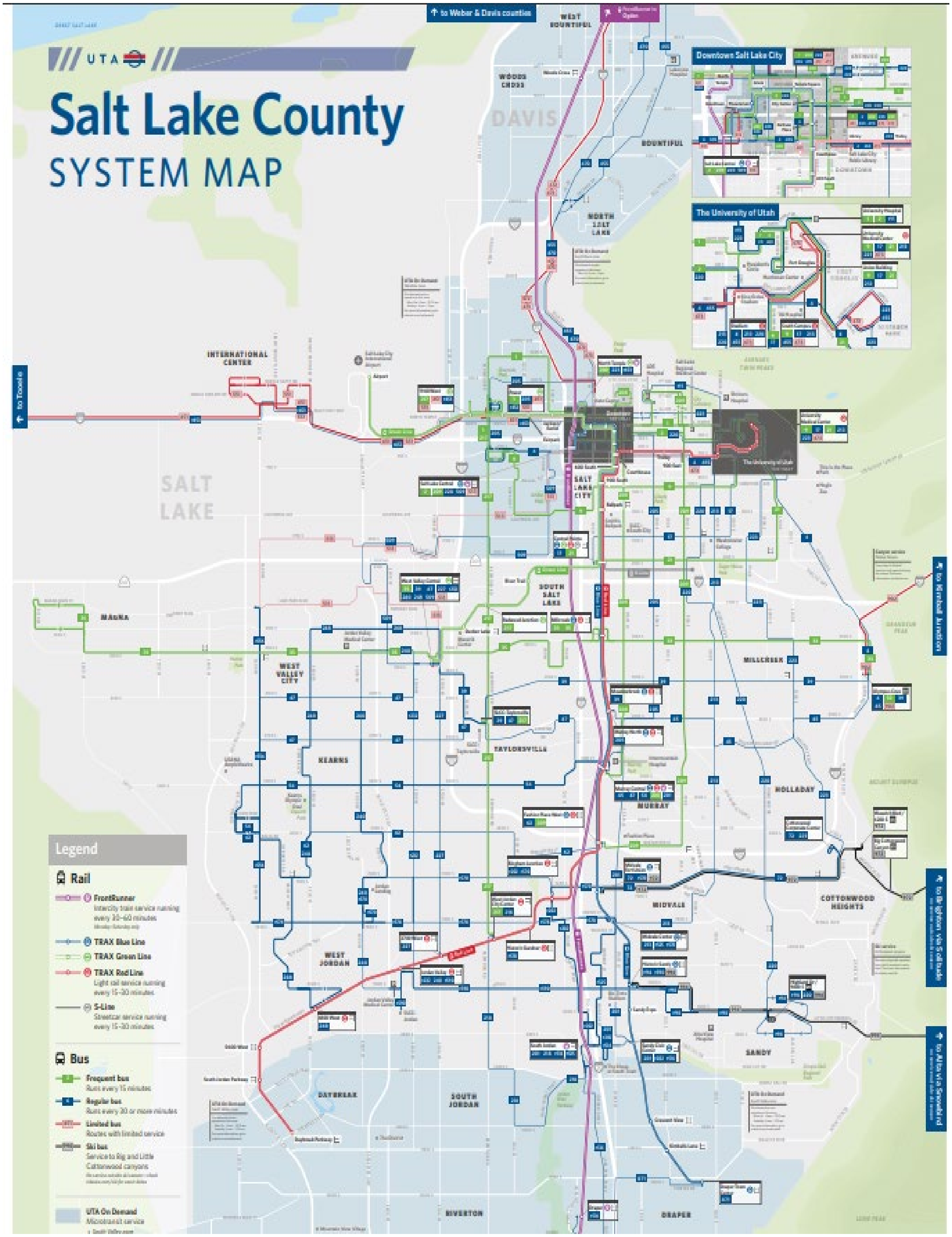
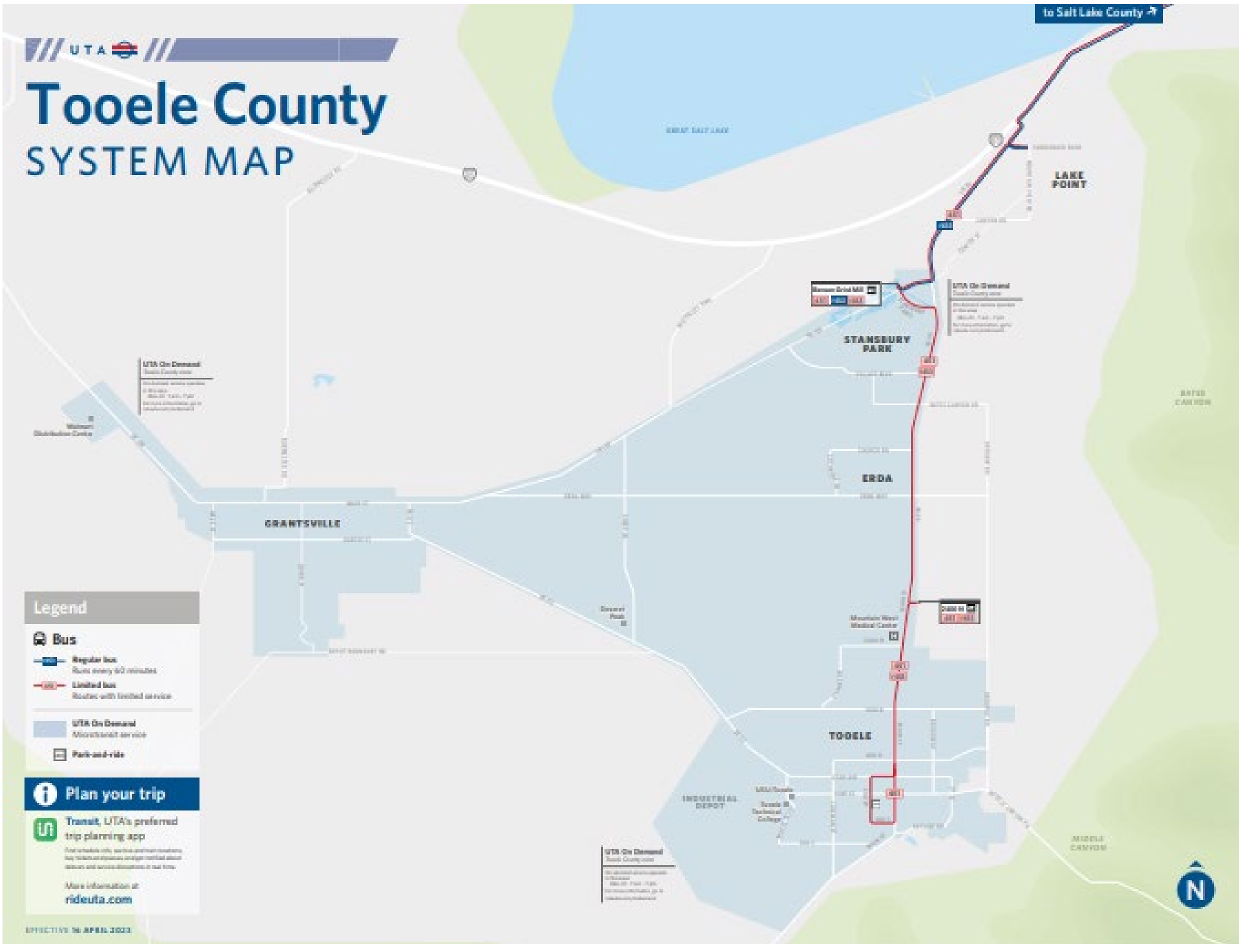

UTA
Salt Lake County
SYSTEM MAP
to Weber & Davis counties
WEST BOUNTIFUL
WOODS CROSS
DAVIS
BOUNTIFUL
NORTH SALT LAKE
Downtown Salt Lake City
The University of Utah
INTERNATIONAL CENTER
to Tooele
SALT LAKE
SALT LAKE CITY
SOUTH SALT LAKE
MAGNA
WEST VALLEY CITY
MILLCREEK
to Kimball Junction
KEARNS
TAYLORSVILLE
MURRAY
HOLLADAY
MIDVALE
COTTONWOOD HEIGHTS
WEST JORDAN
SANDY
DAYBREAK
SOUTH JORDAN
RIVERTON
DRAPER
Legend
Rail
FrontRunner
Intercity train service running every 30–60 minutes
TRAX Blue Line
TRAX Green Line
TRAX Red Line
Light rail service running every 15–30 minutes
S-Line
Streetcar service running every 15–30 minutes
Bus
Frequent bus
Runs every 15 minutes
Regular bus
Runs every 30 or more minutes
Limited bus
Routes with limited service
Ski bus
Service to Big and Little Cottonwood canyons
UTA On Demand
Microtransit service


UTA
Utah County
SYSTEM MAP
to Salt Lake, Davis, and Weber counties
SALT LAKE
RIVERTON
BLUFFDALE
DRAPER
ALPINE
HIGHLAND
CEDAR HILLS
LEHI
AMERICAN FORK
SARATOGA SPRINGS
PLEASANT GROVE
EAGLE MOUNTAIN
UTAH
LINDON
VINEYARD
OREM
PROVO
SPRINGVILLE
PALMYRA
MAPLETON
BENJAMIN
SPANISH
Downtown Provo and BYU
Legend
Rail
FrontRunner


UTA
Tooele County
SYSTEM MAP
to Salt Lake County
LAKE POINT
STANSBURY PARK
ERDA
GRANTSVILLE
TOOELE
Legend
Bus
UTA On Demand
Plan your trip
Transit, UTA's preferred trip planning app
rideuta.com

Financial

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Utah Transit Authority
Salt Lake City, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and fiduciary activities of the Utah Transit Authority (the Authority), a component unit of the State of Utah, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Authority, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 2 to the financial statements, in the year ended December 31, 2023, the entity adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

(Continued)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of required employer contributions, and schedule of investment returns, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of revenues, expenses and changes in net position budget to actual, combining statement of fiduciary net position, combining statement of changes in fiduciary net position, and the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues, expenses and changes in net position budget to actual, combining statement of fiduciary net position, combining statement of changes in fiduciary net position, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2024 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Indianapolis, Indiana
June 28, 2024

Utah Transit Authority's 2023 fiscal performance continues to demonstrate the successful implementation of its financial policies. This report provides accountability to the Authority's goals and objectives defined with its residents and adopted by the Board of Trustees. This section of the Annual Comprehensive Financial Report presents our discussion and analysis of the Authority's financial performance during the fiscal year that ended on December 31, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the Authority's financial statements, which follow this section. Due to the material relationship between the Authority and its component units (Joint Insurance Trust and Pension), the Total Reporting Entity information more accurately reflects the comprehensive financial operations of Utah Transit Authority.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this annual report consists of four parts – Management's Discussion and Analysis (MD&A), the Basic Financial Statements, other Required Supplementary Information, and a supplementary section that presents budget and actual schedules for the authority funds; and fiduciary fund schedules for the Joint Insurance Trust and Pension Trust. The basic financial statements present different views of the Authority:

- The first three statements are government-wide financial statements that provide both long-term and short-term information about the Authority's overall financial status.
- The remaining statements are fiduciary fund statements which provide information about the financial relationships in which the Authority acts solely as a trustee or agent for the benefit of others, to whom the resources belong, such as the Authority's pension and collective bargaining medical, dental and life insurance funds.

FINANCIAL HIGHLIGHTS

- The total reporting entity has positive unrestricted net position of $448,770,686 at December 31, 2023, which represents a decrease of 56,317,042 or 11.1 percent over the prior year.
- The total expenses of the Authority's increased 3 percent to $692,987,715 during fiscal year 2023, while the Authority's total revenues decreased by 18 percent to $704,349,121.
- At December 31, 2023, the Authority had $2,292,814,385, of debt outstanding, including $54,530,000 related to Utah County's Bonds for Provo-Orem Bus Rapid Transit Construction in 2019. Accordingly, liabilities and deferred inflows of the Authority at December 31, 2023 were exceeded by its assets and deferred outflows by $1,227,163,873.
- Revenues exceeded the budget by $82,425,120; alternatively, expenses were $71,064,415 over the budget. This helped to provide additional available resources to fund the Authority's reserves available for future appropriation.
- For 2023, ridership increased by 10.59 percent compared to the prior year, with Other service growing the most in 2023, at 102.55 percent. Fare revenues contributed 5.0 percent to total revenues for the Authority.

The financial statements also include note disclosures that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, the financial statements include a supplementary section with combining statements that provide details about the Authority's fiduciary funds, each of which are combined and presented in single columns in the basic financial statements.

The chart below summarizes the major features of the Authority's financial statements, including the scope and the types of financial information presented. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Major Features of Utah Financial Statements		
	Government-Wide Statements	Fund Statements Fiduciary Funds
Scope	Entire Authority (except fiduciary funds). The Authority operates in a manner similar to private businesses.	Instances in which the Authority is the trustee or agent for someone else's resources, such as the retirement plan or medical plans of employees
Required Financials Statements	Statement of net position Statement of revenues, expenses, and change in net position Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position
Basis of Accounting and Measurement Focus	Accrual basis of accounting and economic resources measurement focus	Accrual basis of accounting and economic resources measurement focus
Type of Deferred Outflow/Inflow, Asset Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both financial and capital, and short-term and long-term; the Authority's fiduciary funds do not currently contain capital assets although they could
Type of Outflow/Inflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the years, regardless of when cash is received or paid

CONDENSED STATEMENTS OF NET POSITION

	2023	2022	*Difference*	*Percent Difference*
Assets				
Current and other assets	$ 840,784,918	$ 858,367,219	*$ (17,582,301)*	*-2%*
Capital assets, net	2,915,811,396	2,889,621,291	*26,190,105*	*1%*
Total assets	3,756,596,314	3,747,988,510	*8,607,804*	*1%*
Deferred outflows of resources	95,889,906	161,487,088	*(65,597,182)*	*-41%*
Liabilities				
Current liabilities	245,326,645	217,679,168	*27,647,477*	*13%*
Long-term liabilities	2,372,454,217	2,467,772,606	*(95,318,389)*	*4%*
Total liabilities	2,617,780,862	2,685,451,774	*(67,670,912)*	*3%*
Deferred inflows of resources	7,541,485	8,221,357	*(679,872)*	*8%*
Net position				
Net investment in capital assets	718,712,320	666,552,866	*52,159,454*	*8%*
Restricted	59,680,867	44,161,873	*15,518,994*	*35%*
Unrestricted	448,770,686	505,087,728	*(56,317,042)*	*11%*
Total net position	$ 1,227,163,873	$ 1,215,802,467	$ 11,361,406	*11%*

Total assets increased by only $8.6 million dollars during the year.

Deferred outflows of resources decreased from 2022 by $65.6 million due in part to the pension gains that will be amortized over the next five years.

Current liabilities increased from 2022 due primarily to debt service payments increasing.

Deferred inflows of resources decreased from 2022 by $680 thousand due to the decrease in pension investment gains from previous periods that were amortized over five years.

Restricted net position increased from 2022 due to two factors. The Authority's higher debt service principal payments in 2023 require $9.0 million more of reserve funds. Second, an interlocal agreement with Utah County for the fourth quarter cent sales tax requires excess proceeds to be saved for future debt service payments on the 2016 debt issued by Utah County.

A change in net position over time may serve as a useful indicator of a government entity's financial position. As of December 31, 2023, the Authority's net position has increased $11.4 million from December 31, 2022. This change can be attributed to the changes in current and other assets explained earlier in this section along with a rebound in pension investments.

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

	2023	2022	Difference	Percent Difference
Operating revenues	$ 37,959,224	$ 35,713,144	*$ 2,246,080*	*6%*
Operating expenses	579,128,611	569,651,499	*9,477,112*	*2%*
Excess of operating expenses over operating revenues	(541,169,387)	(533,938,355)	*(7,231,032)*	*1%*
Non-operating revenues	595,096,448	741,344,880	*(146,248,432)*	*-20%*
Non-operating expenses	113,859,104	99,970,267	*13,888,837*	*14%*
Income (loss) before contributions	(59,932,043)	107,436,258	*(167,368,301)*	*-156%*
Capital contributions	71,293,449	81,642,804	*(10,349,355)*	*-13%*
Change in net position	$ 11,361,406	$ 189,079,062	*$ (177,717,656)*	*-94%*
Total net position, January 1	$1,215,802,467	$1,026,723,405		
Total net position, December 31	$1,227,163,873	$1,215,802,467		

SUMMARY OF REVENUES FOR THE YEAR ENDED DECEMBER 31

	2023	**2022**	***Difference***	***Percent Difference***
Operating				
Passenger revenue	$ 35,418,224	$ 33,499,144	*$ 1,919,080*	*6%*
Advertising	2,541,000	2,214,000	*327,000*	*15%*
Total operating revenue	37,959,224	35,713,144	*2,246,080*	*6%*
Non-operating				
Contributions from other gov'ts (sales tax)	482,427,243	480,925,766	*1,501,477*	*0%*
Federal noncapital assistance	63,625,899	215,063,965	*(151,438,066)*	*-70%*
Interest income	31,955,716	1,806,825	*30,148,891*	*1669%*
Reinvestment of proceeds from development agreements	-	19,368,007	*(19,368,007)*	*-100%*
Sale of assets	(5,116,287)	3,228,640	*(8,344,927)*	*-258%*
Build America Bond subsidy	9,426,300	9,259,376	*166,924*	*2%*
Other	12,777,577	11,692,301	*1,085,276*	*9%*
Total non-operating revenue	595,096,448	741,344,880	*(146,248,432)*	*-20%*
Capital contributions	71,293,449	81,642,804	*(10,349,355)*	*-13%*
Total revenues	$ 704,349,121	$ 858,700,828	*$ (154,351,707)*	*-18%*

Passenger revenue as a portion of total revenues increased to 5.0 percent from 3.9 percent during 2023 with advertising also seeing an increase from 2022.

Since the Authority does not have the ability to levy taxes, it relies on contributions dedicated by member governments in the form of sales tax increments. 68.5 percent of total revenues are derived from sales taxes. Sales tax revenues remained essentially the same as the prior year.

In 2023, the authority saw a decrease in federal noncapital assistance of $151.4 million from 2022 due to having received all of the one-time America Rescue Plan Act of 2021 (ARPA) funding in 2022. These allocations were based on a formula that factored in 2019 operating expenses of the Authority to determine the award amount.

Interest income saw an increase of $30.1 million due to the high interest rate market conditions in 2023.

Capital contributions decreased by $10.3 million due to state and local partners contributing less on capital projects in 2023. This can be expected, as local participation in new construction projects can vary from year to year.

SUMMARY OF EXPENSES FOR THE YEAR ENDED DECEMBER 31

	2023	2022	*Difference*	*Percent Difference*
Operating expenses				
Bus service	$ 151,499,433	$ 135,508,533	*$ 15,990,900*	*12%*
Rail service	123,526,228	121,262,026	*2,264,202*	*2%*
Demand response service	37,727,338	33,431,955	*4,295,383*	*13%*
Other services	3,691,915	3,509,781	*182,134*	*5%*
Operations support	64,509,732	62,562,572	*1,947,160*	*3%*
Administration	51,252,952	64,959,236	*(13,706,284)*	*-21%*
Depreciation and amortization	146,921,013	142,059,366	*4,861,647*	*3%*
Total operating expenses	579,128,611	563,293,469	*15,835,142*	*3%*
Non-operating expenses				
Interest expense	113,859,104	99,970,267	*13,888,837*	*-14%*
Impairment expense	-	6,358,030	*(6,358,030)*	*-100%*
Total non-operating expenses	113,859,104	106,328,297	*7,530,807*	*7%*
Total expenses	$ 692,987,715	$ 669,621,766	$ 23,365,949	*3%*

Operating expenses for 2023 increased $15.8 million over 2022. The most significant change by mode was in Demand Response service as that mode expanded. The bus and rail services continue to rebound to pre-COVID-19 pandemic levels. However, due to the age of the equipment, maintenance expenses have increased the overall cost to run the services.

Administration decreases are related to capital maintenance expenses. Capital maintenance expenses are significant, yet infrequent expenses required to keep our equipment operational. The following chart shows the amount allocated to each mode:

SUMMARY OF CAPITAL MAINTENCE EXPENSES FOR THE YEAR ENDED DECEMBER 31

	2023	2022	*Difference*	*Percent Difference*
Capital Maintenance Expenses in Projects				
Bus service	$ 16,337,658	$ 9,674,985	*$ 6,662,673*	*69%*
Rail service	28,195,489	33,064,281	*(4,868,792)*	*-15%*
Demand response service	1,412,239	115,961	*1,296,278*	*1118%*
Other service	271,260	3,105	*268,155*	*8636%*
Administration	-	17,618,396	*(17,618,396)*	*-100%*
Total capital maintenance expenses	$ 46,216,646	$ 60,476,728	*$ (14,260,082)*	*-24%*

Like most transit service agencies, personnel cost is the Authority's largest expense. Personnel cost for the Authority in 2023 was 66.1 percent of total operating expense less depreciation expense. Overall, personnel cost increased $26.2 million in 2023 due to the Authority increasing the number of positions, salaries, and fringe benefits.

SUMMARY OF OPERATING EXPENSES FOR THE YEAR ENDED DECEMBER 31

	2023	**2022**	***Difference***	***Percent Difference***
Operating expense less depreciation and amortization	$ 432,207,598	$ 421,234,103	$ 10,973,495	*2.6%*
Wages	193,544,078	167,912,455	*25,631,623*	*15.3%*
Benefits	92,237,887	91,696,739	*541,148*	*0.6%*
Operations less wages/benefits	146,425,633	161,624,909	*(15,199,276)*	*-9.4%*
Personnel cost	$ 285,781,965	$ 259,609,194	$ 26,172,771	*10.1%*
% of operating expense	66.1%	61.6%	*7.3%*	*11.9%*

Operating expense less depreciation and amortization cost increased $11 million due to the rising cost for goods, mostly fuel, and increased contractual services for information technology and human resources.

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSET ACTIVITY

	2023	2022	*Difference*	*Percent Difference*
Land	$ 416,301,444	$ 416,304,520	*$ (3,076)*	*0%*
Construction in process	188,838,231	242,275,503	*(53,437,272)*	*-22%*
Infrastructure	2,515,895,369	2,529,910,034	*(14,014,665)*	*-1%*
Building and building improvements	261,556,035	197,884,811	*63,671,224*	*32%*
Revenue vehicles	698,896,156	718,106,506	*(19,210,350)*	*-3%*
Financed revenue vehicles	123,659,672	109,431,765	*14,227,907*	*13%*
Financed non-revenue vehicles	227,237	-	*227,237*	*100%*
Equipment	79,395,978	75,716,711	*3,679,267*	*5%*
Land improvements	313,608,077	202,372,874	*111,235,203*	*55%*
Leasehold improvements	94,263,206	94,263,206	*-*	*0%*
Intangibles	82,205,962	83,004,556	*(798,594)*	*-1%*
Accumulated depreciation and amortization	(1,859,035,971)	(1,764,524,099)	*(94,511,872)*	*5%*
Total capital assets, net	$ 2,915,811,396	$ 2,904,746,387	*$ 11,065,009*	*36%*

Capital Assets

At the end of fiscal year 2023, the Authority had invested $4.8 billion in a broad range of capital assets, including land, buildings, leasehold improvements, equipment, infrastructure, and construction in progress. Land improvements and Building improvements saw the largest increases in 2023 as the authority focuses on improving and maintaining current land and building assets. The Authority saw a decrease in Construction in process due to the completion of the OGX Ogden line in August.

For more detailed Information on Capital Assets please see Note 4 on Page 57.

Long-Term Debt and Other Obligations

At year-end the Authority had total debt obligations of $2.3 billion, of which, bonded debt outstanding represented just under $2.3 billion, all of which is backed by pledged sales tax increments from each county in the Authority's service area. Of the Authority's debt, $123.3 million represents financing agreements secured solely by specified revenue vehicle that is pledged as collateral on the lien.

The Authority's total debt obligations decreased $79.7 million during the 2023 fiscal year. The key components of the 2023 activities were new financing agreements totaling $28.6 million, coupled with principal retirements of $95.5 million. More detailed information about the Authority's long-term debt is presented in Footnote 10 to the financial statements.

Bond Ratings

The Authority increased its rating with Standard & Poor's to AA+ while maintaining its ratings of AA and Aa2 with Fitch Ratings and Moody's Investors Services, respectively.

DEBT ADMINISTRATION
Effective date: September 2023

	Standard & Poor's	Fitch	Moody's
Senior Lien Bonds			
Current rating	AA+	AA	Aa2
Outlook	Positive	Stable	Stable
Subordinate Lien Fixed Rate Bonds			
Current rating	AA	AA	Aa3
Outlook	Stable	Stable	Stable

Limitations on Debt

The Authority has historically issued Sales Tax Revenue Bonds in lieu of any General Obligation Bonds. Revenue bonds do not have issue limits based on assessed valuation of properties in the Authority's district but are constrained by UTA's ability to repay the principal and interest amounts annually with pledged sales tax revenues. An important metric of the Authority's financial health is the amount of pledged sales taxes annually in relation to the debt service due in the given year, or debt service coverage ratio.

Debt Service Coverage Ratio (DSCR)	Policy Minimum DSCR Requirements	Minimum DSCR Forecasted	Year of Minimum
Senior Lien	2.0x	4.56x	2024
Subordinate Lien	1.5x	8.28x	2040

The Authority's net coverage ratio would reach a minimum of 3.12 in 2024. Adherence to other minimum debt service coverage ratios is detailed in the table below:

Year	Projected Pledged Sales Taxes	Senior Lien Debt Payments	Senior Lien Projected Debt Service Coverage Ratio	Subordinate Lien Debt Payments	Subordinate Lien Projected Debt Service Coverage Ratio	Total Debt Payments	Total Projected Debt Service Coverage Ratio
2024	459,839,154	100,748,921	4.56	46,446,219	9.90	147,195,140	3.12
2025	479,658,222	102,955,973	4.66	46,447,174	10.33	149,403,147	3.21
2026	517,743,085	106,679,401	4.85	46,451,771	11.15	153,131,172	3.38
2027	558,851,886	102,643,818	5.44	56,198,040	9.94	158,841,858	3.52
2028	597,133,240	102,639,698	5.82	56,188,016	10.63	158,827,714	3.76
2029	635,051,201	102,655,081	6.19	62,439,403	10.17	165,094,484	3.85
2030	675,376,952	102,746,042	6.57	62,415,895	10.82	165,161,937	4.09
2031	718,263,388	102,753,226	6.99	62,439,893	11.50	165,193,119	4.35
2032	763,873,114	102,499,888	7.45	62,439,607	12.23	164,939,495	4.63
2033	812,379,056	124,058,728	6.55	40,077,991	20.27	164,136,719	4.95
2034	863,965,126	124,772,196	6.96	40,080,199	21.56	164,852,395	5.24
2035	918,826,912	124,770,162	7.36	40,078,514	22.93	164,848,676	5.57
2036	977,172,421	128,137,085	7.63	34,962,723	27.95	163,099,808	5.99
2037	1,039,222,870	125,831,159	8.26	36,563,777	28.42	162,394,936	6.40
2038	1,105,213,522	123,414,270	8.96	38,980,308	28.35	162,394,578	6.81
2039	1,175,394,580	100,070,655	11.75	62,436,883	18.83	162,507,538	7.23
2040	1,250,032,136	11,763,841	106.26	150,946,856	8.28	162,710,697	7.68
2041	1,329,409,177	73,144,331	18.18	66,369,476	20.03	139,513,807	9.53
2042	1,413,826,660	116,034,878	12.18	23,475,138	60.23	139,510,016	10.13
2043	1,503,604,652	4,445,000	338.27			4,445,000	338.27
2044	1,599,083,548	4,439,300	360.21			4,439,300	360.21

ECONOMIC AND OPERATING FACTORS AND NEXT YEAR'S BUDGET

Key Economic Factors

- The fiscal year 2024 operating budget is $61.3 million lower than 2023, which is a 6.5 percent decrease from fiscal year 2023. This is primary due to lowering the capital budget.

Operating Statistics

The following information provides an annual comparison of ridership by service for years 2023 and 2022.

RIDERSHIP COMPARISON
Source: National Transit Database

	2023	2022	Difference	Percent Difference
Bus service	$ 17,895,648	$ 16,196,066	*$ 1,699,582*	*10.49%*
Light rail service	10,787,933	10,734,065	*53,868*	*0.50%*
Commuter rail service	3,741,800	3,230,521	*511,279*	*15.83%*
Demand response service	880,353	565,368	*314,985*	*55.71%*
Other service	1,482,496	731,900	*750,596*	*102.55%*
Total ridership	$ 34,788,230	$ 31,457,920	*$ 3,330,310*	*10.59%*

The Authority had a 10.59 percent increase in ridership in 2023 and continues to recover after the COVID-19 pandemic. Pre-pandemic levels of commuter ridership into Salt Lake City and Salt Lake County has not returned as of the date of this report as many businesses have encouraged telecommuting or working from home for their employees.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money received. Questions about this report or inquiries for additional information may be addressed to the Comptroller, 669 West 200 South, Salt Lake City, Utah 84101 or RLamph@rideuta.com.

UTAH TRANSIT AUTHORITY
STATEMENT OF NET POSITION
As of December 31, 2023

ASSETS	
Current Assets:	
Cash and cash equivalents	$ 294,285,844
Investments	204,789,883
Restricted cash and cash equivalents (bond funds)	16,670,316
Receivables	
Contributions from other governments (sales tax)	87,793,794
Federal grants	3,107,823
Other	14,284,562
State of Utah	14,362,634
Parts and supplies inventories	44,517,296
Prepaid expenses	1,889,532
Total Current Assets	681,701,684
Noncurrent Assets:	
Restricted cash equivalents and investments	
Interlocal agreements	35,765,416
Escrow funds	62,473,436
Self-insurance deposits	8,916,870
Total noncurrent restricted cash equivalents and investments	107,155,722
Long-term lease receivables	2,190,187
Non-depreciable capital assets	
Land	416,301,444
Construction in progress	188,838,231
Total non-depreciable capital assets	605,139,675
Depreciable/amortized capital assets	
Land improvements	313,608,077
Leasehold improvements	94,263,206
Building and building improvements	261,556,035
Infrastructure	2,515,895,369
Revenue vehicles	698,896,156
Financed revenue vehicles	123,659,672
Financed non-revenue vehicles	227,237
Equipment	79,395,978
Intangibles	82,205,962
Total depreciable/amortized capital assets	4,169,707,692
Total capital assets	4,774,847,367
Less accumulated depreciation and amortization	(1,859,035,971)
Total capital assets, net depreciation and amortization	2,915,811,396
Amount recoverable - interlocal agreement	17,840,096
Other assets	31,897,229
Total Noncurrent Assets	3,074,894,630
TOTAL ASSETS	$ 3,756,596,314

Readers wanting additional information should refer to the notes to the financial statements

DEFERRED OUTFLOWS OF RESOURCES		
Advanced debt refunding - loss on refunding	$	55,677,171
Deferred outflows of resources related to pension		40,212,735
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$	95,889,906
LIABILITIES		
Current Liabilities:		
Accounts payable		
Other	$	42,114,626
State of Utah		5,000,000
Lease and subscription		4,568,023
Accrued liabilities, primarily payroll-related		9,408,835
Current portion of compensated absences		10,665,017
Current portion of accrued interest		2,974,444
Current portion of interlocal loan		1,645,000
Current portion of long-term debt		79,821,083
Accrued-self-insurance liability		1,671,735
Unearned revenues:		
Other		10,106,140
State of Utah		77,351,742
Total Current Liabilities		245,326,645
Long-Term Liabilities		
Long-term compensated absences		6,719,749
Long-term deposits		72,557
Long-term lease and subscription payable		6,858,848
Long-term accrued interest		5,171,092
Interlocal loan		52,885,000
Long-term debt		2,158,463,302
Net pension liability		142,283,669
Total Long-term Liabilities		2,372,454,217
TOTAL LIABILITIES	$	2,617,780,862
DEFERRED INFLOWS OF RESOURCES		
Advanced debt refunding - gain on refunding	$	4,800,248
Deferred inflows of resources for leases		2,317,246
Deferred inflows of resources related to pension		423,991
TOTAL DEFERRED INFLOWS OF RESOURCES	$	7,541,485
NET POSITION		
Net investment in capital assets	$	718,712,320
Restricted for:		
Debt service		16,670,316
Interlocal agreements		35,765,416
Self-insurance deposits		7,245,135
Unrestricted		448,770,686
TOTAL NET POSITION	$	1,227,163,873

Readers wanting additional information should refer to the notes to the financial statements

UTAH TRANSIT AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
Year Ended December 31, 2023

OPERATING REVENUES	
Passenger fares	$ 35,418,224
Advertising	2,541,000
Total operating revenues	37,959,224
OPERATING EXPENSES	
Bus service	151,499,433
Rail service	123,526,228
Demand response service	37,727,338
Other service	3,691,915
Operations support	64,509,732
Administration	51,252,952
Depreciation and amortization	146,921,013
Total operating expenses	579,128,611
EXCESS OPERATING EXPENSES OVER OPERATING REVENUES	(541,169,387)
NON-OPERATING REVENUES (EXPENSES)	
Contributions from other governments (sales tax)	482,427,243
Federal operating grants	63,625,899
Investment income	31,955,716
Net loss on sale of capital assets	(5,116,287)
Other	12,777,577
Interest expense	(113,859,104)
Build America Bond subsidies	9,426,300
Net non-operating revenues	481,237,344
INCOME (LOSS BEFORE CAPITAL CONTRIBUTIONS)	(59,932,043)
CAPITAL CONTRIBUTIONS	
Federal grants	45,176,230
Local	26,509,011
Capital contribution	(391,792)
TOTAL CAPITAL CONTRIBUTIONS	71,293,449
CHANGE IN NET POSITION	$ 11,361,406
Total Net Position, January 1	$ 1,215,802,467
Total Net Position, December 31	$ 1,227,163,873

Readers wanting additional information should refer to the notes to the financial statements

Cash flows from operating activities:	
Passenger receipts	$ 35,270,511
Advertising receipts	993,000
Other receipts	12,747,618
Payments to vendors	(146,733,419)
Payments to employees	(189,567,660)
Employee benefits paid	(89,383,499)
Net cash used in operating activities	(376,673,449)
Cash flows from noncapital financing activities:	
Sales tax receipts	466,657,444
Federal operating/maintenance grants	64,706,262
Net cash provided by noncapital financing activities	531,363,706
Cash flows from capital and related financing activities:	
Contributions for capital projects	
Federal	56,904,631
Local	44,141,543
Payments of bonds	(91,345,000)
Payments on interlocal loan	(1,595,000)
Build America Bond subsidies received	9,426,300
Bond Interest payments	(80,661,947)
Proceeds from financing agreements	28,582,868
Payment on financing agreements	(11,200,824)
Payments on leases/subscriptions	(4,340,617)
Purchases of capital assets	(164,867,318)
Proceeds from the sale of property	398,371
Net cash used in capital and related financing activities	(214,556,993)
Cash flows from investment activities:	
Interest on investments	31,955,716
Purchases of investments	(33,850,909)
Net cash used in investing activities	(1,895,193)
Net change in cash and cash equivalents	(61,761,929)
Cash and cash equivalents at beginning of year	435,191,525
Cash and cash equivalents at end of year	$ 373,429,596

Reconcilation of Cash to the Statement of Net Position		
Cash and cash equivalents at year end from statement of cash flows		373,429,596
Cash as reported on the Statement of Net Position		
Cash and cash equivalents	$	294,285,844
Restricted cash and cash equivalents		
Bonds funds		16,670,316
Escrow funds		62,473,436
Total cash and cash equivalents	$	373,429,596
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$	(541,169,387)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization		146,921,013
Other nonoperating revenues		12,777,577
Changes in deferred outflow/inflow of resources and net pension liability:		
Deferred outflows of resources related to pension		27,761,949
Deferred inflows of resources relatd to pensioin		(98,603)
Net pension liability		(23,940,971)
Total changes in deferred outflow/inflow of resources and net pension liability		3,722,375
Changes in assets and liabilities:		
Accounts and leases receivable		(3,100,973)
Parts and supplies inventories		(5,066,355)
Prepaid expenses		(223,289)
Accounts payable - Other and State of Utah		7,699,045
Accrued liabilities		3,462,258
Unearned reveue		(1,695,713)
Total changes in assets and liabilities		1,074,973
Net cash used in operating activities	$	(376,673,449)
Information about nonash investing, capital, and financing activities:		
Change in fair value of investments	$	(2,055,268)
Capital asset acquisitions in accounts payable and project retainage		6,208,178

	Pension and Other Employment Benefit Trust Funds
ASSETS	
Cash in bank	$ 9,648,116
Cash in Utah State Treasury	948,596
Total cash	10,596,712
Investments	
Global equities	208,846,835
Fixed income	76,330,147
Private equity	108,527
Real assets	20,579,235
Money market	7,009,566
Total Investments	312,874,310
Prepaid benefits	2,083,871
Deposits	104,795
Receivables	
Dividends receivable	25,267
Accounts receivable - benefits	2,721
Accounts receivable - contributions	714,462
Total receivables	742,450
TOTAL ASSETS	326,402,138
LIABILITIES	
Benefits payable	55,905
Accounts payable	2,496,091
TOTAL LIABILITIES	2,551,996
NET POSITION	
Restricted for:	
Pension	314,576,911
Benefits other than pension	9,273,231
Total net position	$ 323,850,142

Readers wanting additional information should refer to the notes to the financial statements

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year Ended December 31, 2023

	Pension and Other Employment Benefit Trust Funds
ADDITIONS	
Employer contributions	$ 52,586,415
Participant voluntary contributions	807,986
Total contributions	53,394,401
Net investment income	
Net appreciation in fair value of investments	42,389,098
Interest	478,601
Dividends	2,515,721
Total Investment Income	45,383,420
Less: investment expense	663,076
Net investment income	44,720,344
TOTAL ADDITIONS	98,114,745
DEDUCTIONS	
Monthly benefits paid	36,357,389
Lump sum distributions	7,190,036
Administrative expense	646,855
TOTAL DEDUCTIONS	44,194,280
CHANGE IN NET POSITION	$ 53,920,465
Total Net Position, January 1	$ 269,929,677
Total Net Position, December 31	$ 323,850,142

Readers wanting additional information should refer to the notes to the financial statements

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

A. Organization

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

The Authority is governed by a three-member full-time board of trustees. The Governor appoints nominees from the three appointing districts within the UTA service territory to serve as trustees. The names of the nominees are then forwarded to the Senate for confirmation. Once confirmed, an appointee is sworn in as a trustee. The trustees serve for a term of four (4) years. There is no limit to the number of terms a trustee may serve.

Utah Transit Authority also has a nine-member local advisory board. The local advisory board representation includes: three members appointed by the Salt Lake County council of governments; one member appointed by the Mayor of Salt Lake City; two members appointed by the Utah County council of governments; one member appointed by the Davis County council of governments; one member appointed by the Weber County council of governments; and one member appointed by the councils of governments of Tooele and Box Elder counties. Terms for local advisory board members are indefinite.

B. Reporting Entity

The accompanying financial statements include only the accounts and transactions of the Authority. Under the criteria specified in Statements No. 14, No. 39 and No. 84 the Authority has two component units that are fiduciary funds in the financial statements.

1. The Joint Insurance Trust is for current employee benefit premium to be held in trust until premiums are paid for the union employees of the Authority. Financial statements are included in the supplementary schedules. Separate financial statements are not created.
2. The Utah Transit Authority Employee Retirement Plan is a post-employment pension plan for all employees of the Authority. Financial statements are included in the supplementary schedules. Separate financial statements are not created.

The Authority is considered a component unit of State of Utah.

These conclusions regarding the financial reporting entity are based on the concept of financial accountability. The Authority is accountable for a separate employee pension from the Utah State Retirement System and jointly administers a joint insurance trust with the collective bargaining group that represents active union employees. 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 another governmental units. Also, other governments 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 State Code.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The Authority reports as a single enterprise fund and two additional fiduciary funds for its employee pension and joint insurance trust. These funds 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.

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 Operating Grants

Federal planning assistance, operating and preventive maintenance grants are received from the Federal Transit Administration (FTA) and are recognized as revenue and receivable during the period in which the related expenses are incurred and eligibility requirements are met.

D. Federal Grants for Capital Expenditures

The U.S. Department of Transportation, through contracts between the Authority and the FTA, provides federal funds of 3.6% to 100% 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 incurred, 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 from transactions defined as capital and related financing, non-capital financing or investing activities.

F. Contributions from Other Governments

The counties and municipalities who receive transit services from the Authority have agreed to contribute a portion of sales tax to the Authority in exchange for service. These contributions are received by the Authority approximately 60 days after the collection of the sales tax, and as such are recorded as an accrual to revenue and receivable during that period.

Local Options Sales Tax – 2024 Updates

	Local Option Transportation Sales Tax in UTA's Service Area								Sales Tax Rate Received by UTA
County	Mass Transit Tax (0.25% or 0.30%)*	Additional Mass Transit Tax (0.25%)	Mass Transit Fixed Guideway Tax (0.30%)	County Option Transportation Tax (0.25%)	County Airport, Highway, Public Transit Tax (0.10% or 0.25%)	4th Quarter (0.25%)	Supplemental State Sales & Use Tax (0.05%)	Local Option Transit (Up to 0.20%)	
	1st "Quarter"	2nd "Quarter" Option	2nd "Quarter" Option	3rd "Quarter" Option	3rd "Quarter" Option	4th "Quarter"		5th "Quarter" (if all 4 Quarters imposed)	
	MT UCA 59-12-2213	MA UCA 59-12-2214	MF UCA 59-12-2216	CT UCA 59-12-2217	HH UCA 59-12-2218	AT UCA 59-12-2219	SM UCA 59-12-2203	CP UCA 59-12-2220	
Weber	0.25%	0.25%	Ineligible	0.25%	Ineligible	0.25%	0.05%	Eligible	0.65
Davis	0.25%	0.25%	Ineligible	0.25%	Ineligible	0.25%	0.05%	Eligible	0.65
Salt Lake	0.30%	0.25%	Ineligible	0.25%	Ineligible	0.25%	Ineligible	Eligible	0.7875
Utah	0.25%	Ineligible	0.30%	Ineligible	0.25%	0.25%	Ineligible	0.2%	0.626
Tooele (six cities)	0.30%	Eligible	Ineligible	0.25%	Ineligible	0.25%	Ineligible	Currently ineligible	0.65
Box Elder (three cities)	0.30%	Repealed 11.23	Ineligible	Eligible	Ineligible	0.25%	Ineligible	Currently ineligible	0.55

Receiving this tax
Ineligible
Eligible
Funding Reduced
Funding Increased

The following percentage of sales have been authorized as Local Option Sales Tax and dedicated to support transit:

Salt Lake County	0.7875%
Davis County	0.6500%
Weber County	0.6500%
Box Elder County	0.5500%
Utah County	0.6260%
Tooele County	0.6500%

G. Cash and Investments

Cash and investments include cash on hand, demand deposits, and amounts invested in a repurchase agreement, a certificate of deposit and the Utah Public Treasurers' Investments Fund, including restricted 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. Restricted Cash and Cash Equivalents and Investments

Restricted cash and cash equivalents are defined as funds restricted by legal requirement(s) outside of the Authority.

The Authority is required to place monthly deposits in trust for next year's principal and interest on the bonds and these funds are restricted per the bond covenants.	$ 16,670,316
The Authority has entered interlocal agreements with Box Elder County and Utah County to restrict a certain increment of sales taxes collected in their county for future service expansion and bond repayment.	$ 35,765,416
The Authority has issued bonds and leases in 2019, 2022, and 2023 for projects that are not complete to date and has entered into interlocal agreement to establish escrow accounts for specific projects.	$ 62,473,436
The Authority is required to maintain certain accounts in connection with being self-insured in the State of Utah.	$ 8,916,870

I. 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. Designations include funds to stabilize operations and debt service in the case of changing economic environments.

The following amounts were considered designated by the Board of Trustees as of December 31 of the respective years:

General reserve	$ 76,600,000
Service sustainability reserve	12,800,000
Capital replacement reserve	56,500,000
Debt reduction reserve	30,000,000
Total designated cash and cash equivalents	$ 175,900,000

- *Designated for general reserves* – This component of cash including the risk reserve, funded at a level equal to at least twelve percent (12%) of the Authority's budgeted operating expense, excluding non-operating expense, to be used as a working capital account throughout the year. The Board has chosen to fund this reserve at eighteen percent (18%). The Treasurer will manage the use of the funds in the general operating reserve. *(Utah Transit Authority Board Policy No. 2.1 Financial Management)*
- *Designated for service sustainability reserves* - This component of cash consists of three percent (3%) of the Authority's annual operating budget expenses for the purpose of preserving service levels when the Authority is facing a revenue shortfall or cost overrun due to extraordinary circumstances, such as an economic downturn or rapid rise in fuel prices or any combination of such events. The Board of Trustees must give its prior approval before funds in the bond reserve are used. *(Utah Transit Authority Board Policy No. 2.1 Financial Management)*
- *Designated for capital replacement reserves* – This component of cash consists of one percent (1%) of the property, facilities, and equipment cost as reported in the annual comprehensive financial report to be used for capital repair or replacement costs due to extraordinary circumstances. The Board of Trustees must give its prior approval before funds in the capital replacement reserve are used. *(Utah Transit Authority Board Policy No. 2.1 Financial Management)*
- *Designated for debt reduction reserves* – This component of cash consists of debt service savings from refunded bond issues. In April 2020, in accordance with the Board's Policy No. 2.1 – Financial Management, the Board reaffirmed continuing the debt reduction reserve and the primary purpose to be primarily early retirement of outstanding debt.

J. Investments

Cash in excess of operating requirements is invested by the Treasurer. The Authority's investments comply with the Utah Money Management Act.

K. Receivables

Receivables consist primarily of amounts due to the Authority from sales tax collections, federal grants, and local government partners, pass sales and investment income. Accounting reviews all receivables that age past 120 days and follows up on contract terms for payment. This minimizes credit risk exists related to these receivables and allows for no current provision for bad debts.

The Authority's lease receivables are measured at the present value of the lease payments expected to be received during the lease term. Deferred inflows of resources are recorded for the leases at the initiation of each lease in an amount equal to the initial recording of the lease receivable adjusted for lease payments received at or before the lease commencement date. The deferred inflows of resources are amortized on a straight-line basis over the individual lease terms.

L. 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.

M. Capital Assets

Capital assets include land and land improvements, right of way, buildings and building improvements, infrastructure, vehicles, equipment, intangibles, as well as any leased capital assets in these categories. Capital assets, other than infrastructure and intangible software, are defined by UTA policy as asset with an initial, individual cost of $5,000 or more. Infrastructure capital assets are defined as assets with an initial, individual cost of $50,000 or more. Intangible software capital assets are defined as assets with an initial, individual software license cost of $10,000 or more, or $100,000 or more per software. Right to Use capital assets are those with and initial lease payable value of at least $10,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized, but are charged to operating expense as incurred. Upon disposal of capital assets, the accounts are relieved of the related costs and accumulated depreciation, and the resulting gains or losses are reflected in the statement of revenues, expenses, and changes in net position.

Depreciation of capital assets is recorded using the straight-line method over the estimated useful lives of the assets. The exceptions to this are the intangible right to use lease assets which are amortized over the life of the lease.

Depreciable capital assets are assigned the following estimated useful lives:

	Years
Land improvements	10 to 20
Leasehold improvements	50
Building and building improvements	20 to 50
Infrastructure	5 to 75
Revenue service vehicles	4 to 35
Financed revenue service vehicles	4 to 14
Equipment	4 to 20
Intangible assets	
Software	5 to 10
Easements	20 to 50
Right to use leased land	2 to 10
Right to use leased buildings	2 to 6

N. 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.

O. Other Assets

The Authority has entered into development agreements:

Thackeray Garn at South Jordan FrontRunner Station
In a prior year, land was transferred to the development in exchange for structured parking and $1,500,000 in a capital account, with a corresponding percentage interest in future profits at the site.

Boulder Ventures at Jordan Valley TRAX Station
In January 2022, the Authority took actions with the developer to sell another phase of the development for an additional gain of $20,816,913, bringing the current investment to $5,259,958 in undeveloped land and $23,556,995 of proceeds from completed phases of the development which were reinvested for a percentage interest in future profits at the site.

Hamilton Partners at Sandy TRAX Station
In a prior year, $1,580,316 of land value was conveyed to a joint venture entity for capital account and a percentage interest in future profits at the site.

P. Lease Payable

The Authority has entered into right to use leases for buildings and land. The Authority recognizes a lease liability and an intangible right-to-use lease asset. The Authority recognizes lease liabilities with an initial, individual value of $10,000 or more. At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Authority uses the interest rate charged by the holder of the current year finance purchase agreement that most closely matches the life of the lease.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Authority is reasonably certain to exercise.

The Authority monitors changes in circumstances that would require a remeasurement of its right to use lease assets and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Q. Compensated Absences

Vacation pay is accrued biweekly and charged to department's compensated absence expense as earned by employees.

Sick pay benefits are accrued biweekly by employees but are not considered compensable until an employee meets the requirements to vest in the pension. This typically occurs when an employee has 5 years of service and is at least 55 years of age. Compensated absences have a maximum for administration employees of 900 hours of sick, but there is no maximum number of hours for collectively bargained employees. Employees that do not retire at the end of their tenure at the Authority forfeit all sick leave, so compensated absences are reduced yearly to reflect those choices by employees.

R. 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 $3 million for incidents occurring after May 1, 2019. The Authority carries an excess umbrella policy of $10 million over a $7 million self-insurance reserve. 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.

S. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Transit Authority Employee Retirement Plan and Trust ("the Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

T. 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 and amortization, 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 the amount restricted by bond covenants for debt service.
- *Restricted for interlocal agreements:* This component of net position consists of the amounts restricted by interlocal agreements with Utah County and the municipalities of Willard, Perry and Brigham City in Box Elder County.
- *Self-insurance deposits:* This component of net position consists of the fund amount set aside for the Authority's self-insured programs.
- *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. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

U. Deferred Outflows of Resources

Deferred outflows of resources are reported in a separate section, immediately following assets in the Statement of Net Position. Deferred outflows of resources represent a consumption of resources that benefit future periods and will be recognized in future periods as an expense when they are used. The Authority has the following deferred outflows of resources:

- Deferred loss on refunding
- Deferred outflows of resources related to pensions

V. Deferred Inflows of Resources

Deferred inflows of resources are reported in a separate section, immediately following liabilities in the Statement of Net Position. Deferred inflows of resources represent an acquisition of resources that will be used in future periods and will be recognized in future periods as a revenue.

The Authority has the following deferred inflows of resources:

- Deferred gain on refunding
- Deferred inflows for leases
- Deferred inflows of resources related to pensions

W. Implemented Accounting Pronouncements

GASB Statement 94
Public-Private and Public-Public Partnerships and Availability Program Arrangements
Takes effect for reporting period beginning after June 15, 2022.
No significant effect on the Authority's financial statements as a result of adoption.

GASB Statement 96
Subscription-Based Information Technology Arrangements
Takes effect for reporting periods beginning after June 15, 2022.

This new accounting standard (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than the subscription payments, including implementation codes of a SBITA; and (4) requires note disclosures regarding a SBITA.

As a result of implementation, the Authority reported a right-to-use SBITA asset and a corresponding SBITA liability of $15,125,096 as of January 1, 2023. There was no impact on beginning net position as a result of the implementation. See notes 4 and 5.

X. Future Accounting Pronouncements

GASB Statement 100
Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62
Takes effect for reporting periods beginning after June 15, 2023
The Authority has not yet determined the impact of this statement on the financial statements.

GASB Statement 101
Compensated Absences
Takes effect for reporting periods beginning after December 15, 2023
The Authority has not yet determined the impact of this statement on the financial statements.

GASB Statement 102
Certain Risk Disclosures
Takes effect for reporting periods beginning after July 15, 2024
The Authority has not yet determined the impact of this statement on the financial statements.

GASB Statement 103
Financial Reporting Model Improvements
Takes effect for reporting periods beginning after June 15, 2025
The Authority has not yet determined the impact of this statement on the financial statements.

NOTE 3 – CASH AND CASH EQUIVALENTS

Unrestricted Cash and Investments

Consisting of the following as of December 31, 2023

Zions Bank	$ 24,615,170
Cash on Hand	266,499
Public Treasurers Investment Fund (PTIF)	269,404,175
Total Cash and Cash Equivalents	294,285,844
Chandler Investments	
Money Market	13,795,051
US Government Issues	190,994,832
Total Unrestricted Investments	204,789,883
Total Unrestricted Cash and Investments	$ 499,075,727

Restricted Cash and Investments

Consisting of the following as of December 31, 2023

Bond Funds (Zions Bank)		$ 16,670,316
Escrow Funds		
Chase Lease	$ 8,068,259	
Bank of America Lease (PTIF)	53,713,803	
Bond Proceeds (Zions Bank)	691,374	62,473,436
Interlocal Agreements		
Box Elder	$ 19,152,330	
Perry	253,932	19,406,262
Self Insurance Deposits		
Zions Risk Account		(366,482)
Total Restricted Cash and Cash Equivalents		98,183,532
Interlocal Agreements		
Chandler Investment-Utah County		
Money Market	$ 2,106,379	
US Government Issues	13,706,941	
Corporate Issues	545,834	16,359,154
Self Insurance Deposits		
Chandler Investment-Self Insurance		
Money Market	$ 43,299	
US Government Issues	8,106,175	8,149,474
Chandler Investment-Catastophic		
Money Market	$ 4,433	
US Government Issues	1,114,450	
Corporate Issues	14,995	1,133,878
Total Restricted Investments		25,642,506
Total Restricted Cash and Investments		123,826,038
Total Unrestricted and Restricted Cash and Investments		$ 622,901,765

	Unrestricted	Restricted	Total
Money market	$ 13,795,051	$ 2,154,111	$ 15,949,162
U.S. Government issues	190,994,832	22,927,566	213,922,398
Corporate issues	-	560,829	560,829
Total investments	$ 204,789,883	$ 25,642,506	$ 230,432,389

Cash Deposits

All cash not on hand at the Authority is maintained in qualified public depositories.

Investments

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.

- *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, 2023, the balance in the Authority's bank demand deposit accounts and certificate of deposit accounts according to the bank statements totaled $24,615,169 of which $250,000 was covered by Federal depository insurance.

- *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 Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first-tier" by two nationally recognized statistical rating organizations, one of which must be Moody's investor Service or Standard & Poor's; bankers acceptances; obligations of the U.S. treasury and U.S. government sponsored enterprise; bonds and notes of political subdivision of the state of Utah; fixed rate corporate obligations and variable rated securities rated "A" or higher by two nationally recognized statistical rating services as defined in 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 pooled investment fund is fixed-rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations. 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.

- *Concentration of Credit Risk* – To minimize credit risk, the Authority looks to diversify the investments with any one issuer. All corporate investments are less than 1% of the total investment and do not represent a concentration of credit risk to the portfolio as of

December 31, 2023. A concentration of credit risk does exist with the FFCB and FHLB investments, in US Agencies, which represent 11.09% and 14.03% of the total investment, respectively.

- *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 by strictly complying with its Investment Policy which complies with the Act. 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 following are the Authority's investment as of December 31, 2023:

Investment	Moody/S&P/Fitch Credit Quality (Rating)	Amount	Credit Exposure as a % of Total Investment
Corporate Bonds			
Bank of New York Mellon Corp	A1/A-/AA-	119,750	0.05%
Federal Farm Credit Banks	Aaa/AA+/AAA	306,255	0.13%
Reality Income Corp	A3/A-/NR	119,829	0.05%
Toyota Motor Credit Corp	A1/A+/A+	14,995	0.01%
U.S. Government Issues			
FHLMCMTN Maturity < 1YR	Aaa/AA+/AAA	149,603	0.06%
FHLMCMTN Maturity > 1YR	Aaa/AA+/AAA	1,212,532	0.53%
Federal Farm Credit Banks Maturity < 1YR	Aaa/AA+/AAA	15,733,381	6.83%
Federal Farm Credit Banks Maturity > 1YR	Aaa/AA+/AAA	9,813,592	4.26%
Federal Home Loan Banks Maturity < 1YR	Aaa/AA+/AAA	18,453,501	8.01%
Federal Home Loan Banks Maturity > 1YR	Aaa/AA+/AAA	13,883,998	6.03%
US Treasury Note Maturity < 1YR		33,459,666	14.52%
US Treasury Note Maturity > 1YR		121,216,125	52.60%
Total Corporate Bonds/U.S. Government Issues		$ 214,483,227	93.08%

Investments	Less than 1 year	1-5 years	6-10 years	Total
Money Market	$ 15,949,162	$ -	$ -	$ 15,949,162
U.S. Government Issues	61,876,362	149,124,843	2,921,193	213,922,398
Corporate Issues	560,829	-	-	560,829
	$ 78,386,353	$ 149,124,843	$ 2,921,193	$ 230,432,389

- *Fair Value of Investments* – The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

  The three levels of the fair value hierarchy under GASB Statement 72 are described as follows:

  Level 1: Inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. Examples of markets in which inputs might be observable include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

  Level 2: Inputs include:

  - Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in markets that are not active;
  - Inputs other than quoted prices that are observable for the asset or liability such as:
    - Interest rates and yield curves observable at commonly quoted intervals
    - Implied volatilities
    - Credit spreads
  - Market-corroborated inputs.

  If the asset or liability has a specified (contractual) term, the Level 2 input is required to be observable for substantially the full term of the asset or liability.

  Level 3: A government should develop Level 3 inputs using the best information available under the circumstances, which might include the government's own data. In developing unobservable inputs, a government may begin with its own data, but it should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants.

The Authority invests with Zions Capital Advisors, Chandler Investments, and the Utah Public Treasurers Investment Fund. All three of these organizations meet the requirements of the Utah Money Management Act. The following are the Authority's investments as of December 31, 2023 by fair value measurement:

		Fair Value Measurements		
	12/31/2023	Level 1	Level 2	Level 3
Chandler Investments				
U.S. Government Issues	$ 213,922,398	$ -	$ 213,922,398	$ -
Corporate Bonds	560,829	-	560,829	-
Money Market	15,949,162	15,949,162	-	-
Total Investments by Fair Value Level	$ 230,432,389	$ 15,949,162	$ 214,483,227	$ -

NOTE 4 – CAPITAL ASSETS

	Balance 1/1/2023 As Restated	Increases	Transfers	Decreases	Balance 12/31/23
Capital assets not being depreciated/amortized					
Land	$ 416,304,520	$ -	$ -	$ (3,076)	$ 416,301,444
Construction in Progress	242,275,503	168,746,279	-	(222,183,551)	188,838,231
Total capital assets not being depreciated/amortized	658,580,023	168,746,279	-	(222,186,627)	605,139,675
Capital assets being depreciated/amortized					
Land Improvements	202,372,874	110,015,255	1,219,948	-	313,608,077
Leasehold Improvements	94,263,206	-	-	-	94,263,206
Buildings and Building Improvements	197,884,811	64,530,487	(823,448)	(35,815)	261,556,035
Infrastructure	2,529,910,034	181,593	-	(14,196,258)	2,515,895,369
Revenue Vehicles	718,106,506	20,984,398	2,182,455	(42,377,203)	698,896,156
Financed Revenue Vehicles	109,431,765	16,822,137	(2,594,230)	-	123,659,672
Financed Non-Revenue Vehicles	-	227,237	-	-	227,237
Equipment	75,716,711	4,068,901	15,275	(404,909)	79,395,978
Intangibles					
Software	45,851,008	85,428	-	(373,963)	45,562,473
Easements	10,801,351	-	-	(7,236)	10,794,115
Other Intangibles	9,885,590	-	-	(528,415)	9,357,175
Right to Use Leased Buildings	473,030	25,592	-	-	498,622
Right to Use Leased Land	868,481	-	-	-	868,481
Right to Use Subscription*	15,125,096	-	-	-	15,125,096
Total capital assets being depreciated/amortized	4,010,690,463	216,941,028	-	(57,923,799)	4,169,707,692
Less: Accumulated depreciation/amortization					
Land Improvements	(112,410,997)	(11,221,910)	(955,709)	-	(124,588,616)
Leasehold Improvements	(9,674,274)	(2,435,296)	-	-	(12,109,570)
Buildings and Building Improvements	(92,294,341)	(6,910,448)	566,308	42,914	(98,595,567)
Infrastructure	(995,588,438)	(72,873,580)	-	8,085,187	(1,060,376,831)
Revenue Vehicles	(429,714,460)	(25,912,994)	(2,167,867)	42,150,986	(415,644,335)
Financed Revenue Vehicles	(29,765,474)	(10,265,958)	2,498,331	-	(37,533,101)
Equipment	(62,975,796)	(4,764,710)	144,365	1,234,009	(66,362,132)
Intangibles					
Software	(26,778,402)	(8,160,205)	(85,428)	-	(35,024,035)
Easements	(861,903)	-	-	-	(861,903)
Other Intangibles	(4,067,344)	(152,693)	-	896,045	(3,323,992)
Right to Use Leased Buildings	(102,385)	(8,314)	-	-	(110,699)
Right to Use Leased Land	(290,285)	(23,664)	-	-	(313,949)
Right to Use Subscription	-	(4,191,241)	-	-	(4,191,241)
Total accumulated depreciation/amortization	(1,764,524,099)	(146,921,013)	-	52,409,141	(1,859,035,971)
Capital assets being depreciated/amortized, net	2,246,166,364	70,020,015	-	(5,514,658)	2,310,671,721
Total capital assets, net	$ 2,904,746,387	$ 238,766,294	$ -	$ (227,701,285)	$ 2,915,811,396

*Balances as of January 1, 2023 were restated upon implementation of GASB 96.

Depreciation/amortization expense by mode that mirrors the Statement of Revenues, Expenses, and Changes in Net Position.

Depreciation/Amortization Expense by mode:	
Bus service	$ 31,075,832
Rail service	101,615,205
Demand response service	7,286,951
Other service	6,943,025
	$ 146,921,013

During 2023, UTA evaluated its subscription-based technology arrangements related to GASB Statement 96. As a result, intangible assets for right to use subscriptions of $15,125,096 were recorded for assets identified as right to use subscription assets in accordance with GASB 96.

NOTE 5 – LEASE AND SOFTWARE SUBSCRIPTION ACTIVITIES

A. Lessee Activities

The Authority has entered into several lease agreements with third parties for the right to use buildings and land. A lease liability is recorded at the inception of the lease.

The following is a summary of the Authority's lease activity during the year ended 2023:

	Balance as of 1/1/2023	Additions	Reductions	Balance as of 12/31/2023	Due in Less than a Year
Buildings	$ 309,046	$ -	$ (80,117)	$ 228,929	$ 62,565
Land	333,346	-	(160,705)	172,641	86,469
Total lease payable	$ 642,392	$ -	$ (240,822)	$ 401,570	$ 149,034

The future principal and interest payments related to these leases are as follows:

	Interest	Principal	Total
Buildings			
2024	$ 2,236	$ 62,565	$ 64,801
2025	1,460	64,386	65,846
2026	730	53,380	54,110
2027	115	41,519	41,634
2028	-	7,079	7,079
Total for buildings	4,541	228,929	233,470
Land			
2024	1,685	86,469	88,154
2025	1,216	21,921	23,137
2026	847	22,383	23,230
2027	493	18,656	19,149
2028	357	3,126	3,483
2029 - 2033	802	20,086	20,888
Total for land	5,400	172,641	178,041
Total liability	$ 9,941	$ 401,570	$ 411,511

B. Lessor Activities

The Authority has entered into several lease agreements for third parties to use Authority land and buildings. A lease receivable and a deferred inflow of resources is recognized at the commencement of the lease.

	Balance as of 1/1/2023	Additions	Reductions	Balance as of 12/31/2023	Due in Less than a Year
Buildings	$ 58,709		$ (35,885)	$ 22,824	$ 7,232
Land	2,537,677	22,815	(198,948)	2,361,544	186,948
Total lease receivable	$ 2,596,386	$ 22,815	$ (234,833)	$ 2,384,368	$ 194,180

The future principal and interest proceeds related to leases are as follows:

	Interest	Principal	Total
Buildings			
2024	$ 801	$ 7,232	$ 8,033
2025	410	7,600	8,010
2026	1	7,992	7,993
Total for Buildings	1,212	22,824	24,036

	Interest	Principal	Total
Land			
2024	$ 114,820	$ 186,948	$ 301,768
2025	108,375	95,748	204,123
2026	104,271	80,153	184,424
2027	102,253	20,695	122,948
2028	102,169	2,602	104,771
2029-2033	507,392	16,391	523,783
2034-2038	503,916	11,046	514,962
2039-2043	501,073	12,910	513,983
2044-2048	497,702	16,275	513,977
2049-2053	492,761	20,967	513,728
2054-2058	486,988	25,762	512,750
2059-2063	479,700	33,050	512,750
2064-2068	470,608	42,142	512,750
2069-2073	458,349	54,401	512,750
2074-2078	442,941	69,810	512,751
2079-2083	423,163	89,587	512,750
2084-2088	397,996	114,754	512,750
2089-2093	365,194	147,556	512,750
2094-2098	323,373	189,377	512,750
2099-2103	269,511	243,239	512,750
2104-2108	200,840	311,910	512,750
2109-2113	112,259	400,491	512,750
2114-2118	14,731	175,730	190,461
Total for Land	7,480,385	2,361,544	9,841,929
Total Receivable	$ 7,481,597	$ 2,384,368	$ 9,865,965

C. Software Subscription Activities

The Authority has entered into several software as a service agreements. Agreements are recorded at the net present value of the future payment and amortized over the life of the agreement.

The following is a summary of the Authority's software subscription activity during the year ended 2023:

	Balance as of 1/1/2023 as Restated	Additions	Reductions	Balance as of 12/31/2023	Due in Less than a Year
Subscription liabilities	$ 15,125,096	$ -	$ (4,099,795)	$ 11,025,301	$ 4,418,989

The future principal and interest payments related to these subscription liabilities are as follows:

	Interest	Principal	Total
2024	$ 184,604	$ 4,418,989	$ 4,603,593
2025	116,033	2,777,567	2,893,600
2026	78,628	1,882,179	1,960,807
2027	43,255	1,035,414	1,078,669
2028	38,064	911,152	949,216
Total	$ 460,584	$ 11,025,301	$ 11,485,885

NOTE 6 – FEDERAL FINANCIAL ASSISTANCE

The Authority receives a portion of its funding through the U.S. Department of Transportation's Federal Transit Administration (FTA) in the form of federal preventative maintenance, federal operating assistance, and federal capital assistance grants. The majority of these grants require the Authority to participate in the funding of the service and/or capital project. The FTA retains ownership in assets purchased with federal funds.

Operating assistance	
Federal preventive maintenance grants	$ 62,979,534
Federal operating assistance – ARPA grant	248,517
Federal operating assistance – CRRSAA grant	223,493
Federal operating assistance	174,355
	63,625,899
Capital projects	
Federal capital projects	45,176,230
Total federal assistance	$ 108,802,129

NOTE 7 – SELF-INSURANCE CLAIMS LIABILITY

Changes in the accrued claims liability in 2023, 2022 and 2021 were as follows:

	Beginning Liability	Claims Incurred and Changes in Estimates	Claim Payments	Ending Liability
2023	$ 1,567,267	$ 3,473,209	$ (3,368,741)	$ 1,671,735
2022	1,061,173	3,590,181	(3,084,087)	$ 1,567,267
2021	1,017,333	4,032,321	(3,988,481)	$ 1,061,173

There were no significant reductions in coverage from prior years. As show in the table above there were no instances in the past three years where settlements exceeded insurance coverage. Please refer to Note 2, Section R for liability limits.

The Authority's Self-Insurance and Worker's Compensation plans are fully funded. Losses are charged to operations as incurred. The liability for unpaid losses for self-insurance is determined using case-basis evaluations. Claims liabilities include allocated loss adjustment expenses and are reported net of estimated claims. Due to limited historical experience of the Utah Transit Authority's Self-Insurance and Worker's Compensation, there exists a significant range of variability around the best estimate of the ultimate cost of setting all unpaid claims. Accordingly, the amount of the liability for unpaid losses and related liabilities and the related provisions included in financial statements may be more or less than the actual cost of settling all unpaid claims. Adjustments to claim liabilities are made annually, based on subsequent developments and experience, and are included in operations as made.

NOTE 8 – PENSION PLANS

A. General Information

Defined Compensation Plan

The 457 Deferred Compensation Plan is offered by the Authority to its employees. The plan was 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 Authority will match $2 for every $3 the employee contributes up to 2% of the employee's annual salary. In 2023, the Authority contributed $2,696,239. 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 Authority also has the right to change the amount of the employer match. 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.

Defined Contribution Plan

The 401a Defined Contribution Plan is offered by the Authority to provide reasonable retirement security for select employees. The plan was created in accordance with Internal Revenue Code Section 401(a). The plan is available to the Board of Directors, the Executive Director, and the Chief Officer positions as an alternative to the Authority's current pension plan. The Authority will contribute 15.5% of the annual salary of each

Trustee who has elected this option. In 2023, the Authority contributed $117,844. The Defined Contribution plan 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 Authority also has the right to change the amount of the employer match. The Defined Contribution Plan's 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.

Retiree Medical Account

A Retiree Medical Account (RMA) is offered by the Authority to its employees. The plan was created in accordance with Internal Revenue Code Section 401(h). The plan is available to all collective bargaining employees at the start of employment and permits the Authority to contribute 1.33 hours of personal time per pay period to a defer tax account until retirement years. The Authority also allows the remaining employees at the end of their employment to create an account to defer taxes on their final pay out of unused sick leave upon retirement into a retiree medical account. In 2023, the Authority contributed $718,371. The deferred medical funds are not available to employees until termination, retirement, or death and can only be used for medical expenses with tax penalty.

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 Authority also has the right to change the amount contributed in the collective bargaining agreement (CBA). The funds 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.

Defined Benefit Plan

The Utah Transit Authority Employee Retirement Plan is a single employer non-contributory defined benefit pension plan which includes all employees of the Authority who are eligible and who have completed six months of service. The Plan is a qualified government plan and is not subject to all of the provisions of ERISA.

As a defined benefit pension plan, the Authority contributes such amounts as are necessary, on an actuarially determined basis, to provide assets sufficient to meet the benefits to be paid. Required employee contributions were discontinued effective June 1, 1992. Participants may make voluntary contributions as described below. Interest on existing account balances is credited at 5% per year.

Although the Authority has not expressed any intention to do so, the Authority has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. In the event the Plan terminates, the trustee will liquidate all assets of the Plan and will determine the value of the trust fund as of the next business day following the date of such termination. The trustee will allocate assets of the Plan among the participants and beneficiaries as required by law.

As of February 2016, U.S. Bank began serving as the administrator and custodian of the Plan, with Cambridge Associates, LLC (CA) serving as a third-party investment manager.

B. Reporting

The Plan is administered by the Pension Committee that consists of five (5) members, three (3) appointed by the Authority and two (2) appointed by the Amalgamated Transit Union Local 382 in accordance with a collective bargaining agreement. The members of the Pension Committee may (but need not) be participants in the Plan. In the absence of a Pension Committee, the Plan Administrator assumes the powers, duties and responsibilities of the Pension Committee with respect to the administration of the Plan.

C. Membership

The Plan's membership consisted of the following:

Active Participants	January 1, 2023
Fully Vested	1,623
Partially Vested	-
Not Vested	848
Inactive Participants Not Receiving Benefits	535
Retirees and Beneficiaries Receiving Benefits	799
Total	3,805

D. Benefit Terms

Retirement Benefits
Employees with five or more years of service are entitled to annual pension benefits beginning at normal retirement age 65, or any age with 37.5 years of service in the Plan.

For administration participants who began participating in the Plan prior to January 1, 1994, the annual benefit is based on a retirement benefit formula equal to:

- 2.3% of average compensation multiplied by the participant's years of service (not exceeding 20 years), plus
- 1.5% of the average compensation multiplied by the participant's years of service in excess of 20 years (but such excess not to exceed nine years of service), plus
- 0.5% for one year plus 2.0% for years in excess of 30 years not to exceed 75% of average compensation.

For all other active participants, the annual benefit is based on a retirement benefit formula equal to:

- 2.0% of average compensation multiplied by the participant's years of service (not to exceed 37.5 years or 75% of average compensation)

Upon termination of employment, members may leave their retirement account intact for future benefits based on vesting qualification or withdraw the accumulated funds in their individual member account and forfeit service credits and rights to future benefits upon which the contributions were based.

If employees terminate employment before rendering three years of service, they forfeit the right to receive their non-vested accrued plan benefits.

Early Retirement Benefits
The Plan allows for early retirement benefits if the participant has not reached the age of 65 but is at least age 55 with a vested benefit. Benefits under early retirement are equal to the value of the accrued pension, if the participant had retired at the age of 65, reduced 5% per year if the payments begin before age 65.

Disability Benefits
The Plan allows for disability benefits. A member who becomes permanently disabled after 5 years of service will immediately receive the greater of the actuarially-reduced monthly accrued benefit or $90 per month, reduced by any Authority sponsored disability plans. Payment of the disability benefit ends at age 65.

Death Benefits
If a participant's death occurs before age 55, but after 5 years of service, the present value of the participant's accrued vested benefit is payable to the participant's beneficiary in the form of a single lump sum regardless of the amount.

If a participant's death occurs after age 55 and 5 years of service, the participant's beneficiary can elect to receive a benefit equal to the greater of:

1) A survivor's pension as if the participant had retired on the date before the death with a 100% joint and survivor annuity in effect, or
2) The present value of the survivor's pension, or
3) If a spouse of 2 or more years or a minor child, the participant's contribution with interest, plus 50% of the average compensation, payable in the form of a lump sum, or
4) A 10-year term certain.

A participant may elect a joint and survivor annuity with 100%, 75% or 50% to be continued to the beneficiary upon the death of the participant.

Lump Sum Distributions
Payment in a lump sum, regardless of amount, may be made with the participant's written consent. Effective September 1, 2012, a participant who has not previously received benefits may elect a partial lump sum payment with the remaining part to be paid in the same manner as the traditional annuity.

During 2023, 47 participants elected to receive their benefit in the form of lump sum distribution. Lump sum distributions collectively totaled $7,190,036. Individuals are removed from the Plan's membership if they choose to take all of their benefit as a lump sum distribution.

E. Contributions

Employer Contribution Requirements
Contributions are received from the Authority in the amount determined by the Pension Committee and approved by the Board of Trustees based on funding levels recommended by the Plan's actuary. The contribution rate for 2023 was 16.0% of employee salaries.

Participant Voluntary Contributions
A participant who is vested in the Plan may make voluntary contributions into the Plan, and transfer funds from the Employee 457 Deferred Compensation Plan, for the purpose of purchasing "permissive service credit" (as defined in Internal Revenue Code Section 415(N)(3)(A)), in the Plan. No more than 5 years of "permissive service credit" may be purchased. Any purchase of "permissive service credit" must be made in the final year of employment with the Authority.

F. Method of Accounting

The Plan prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, under which benefits and expenses are recognized when due and payable and revenues are recorded in the accounting period in which they are earned and become measureable in accordance with the terms of the Plan. Accordingly, the valuation of investments is shown at fair value and both realized and unrealized gains (losses) are included in net appreciation and depreciation in fair value of investments.

The plan reports in accordance with the requirements of GASB 67.

G. Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Net Pension Liability
At December 31, 2023, the Authority reported a net pension liability of $142,283,669. The net pension liability was measured as of December 31, 2023 and was determined by an actuarial valuation as of January 1, 2023 and rolled-forward using updated procedures.

Date	Total Pension Liability	Plan Fiduciary Net Position	Employers Net Pension Liability/(Asset)	Plan Fiduciary Net Position as a Percentage of the Total Plan Liability	Projected Covered Payroll	Net Position Liability as a Percentage Of Covered Payroll
12/31/2023	$ 456,860,580	$ 314,576,911	$ 142,283,669	68.86%	$ 173,115,453	82.19%

Deferred Outflows of Resources and Deferred Inflows of Resources
At December 31, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ (423,991)	$ 13,586,806
Change of assumptions	-	8,425,068
Net difference between projected and actual earnings	-	18,200,861
Total	$ (423,991)	$ 40,212,735

Pension Expense

For the year ended December 31, 2023, the Authority recognized pension expense of $33,764,242. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ending December 31,	Amount
2024	$ 11,641,798
2025	14,335,728
2026	14,803,992
2027	(2,471,819)
2028	1,369,961
Thereafter	109,084
Total	$ 39,788,744

Actuarial Methods and Assumptions

The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	7.00% per annum for the first five (5) years of employment; 4.00% per annum thereafter
Investment rate of return	6.75%, net of investment expenses
Mortality	RP-2014 Blue Collar Mortality Table, with MP-2014 Project Scale (Pre-retirement; Employee Table; Post-retirement Annuitant Table)
Bond Buyer General Obligation 20-Bond Municipal Bond Index	3.72%

The actuarial assumptions used in the January 1, 2023 valuation were based on the results of an actuarial experience study.

Actuarial valuation of the Plan involves estimates of the reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The last experience study was performed for the five consecutive calendar years ending December 31, 2008.

- Actuarial Cost Method – Entry Age Normal
- Employer Annual Payroll Growth Including Inflation – 4.00%
- Retirement Age – Table of rates by age and eligibility
- Cost of Living Adjustments – None
- Percent of Future Retirements Electing Lump Sum – 20%

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed contribution rates as recommended by the Authority's Pension Committee and approved by the Board of Trustees. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive participants. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In accordance with GASB 67 regarding the disclosure of the sensitivity of the net pension liability to changes in the discount rate, the table below presents the net pension liability using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate 1.00% lower (5.75%) or 1.00% higher (7.75%) than the current rate.

The following sensitivity analysis assumes rate volatility of plus and minus one percent of the discount rate of 6.75%.

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net pension liability	$ 208,156,349	$ 142,283,669	$ 88,095,612

Schedule of changes in total pension liability, plan fiduciary net position, and net pension liability

The following table shows the change to the total pension liability, the plan fiduciary net position, and the net pension liability during the year.

	Increase (Decrease)		
	Total Pension Liability [a]	Plan Fiduciary Net Position [b]	Net Pension Liability [a]-[b]
Balances as of January 1, 2022	$ 428,657,305	$ 262,432,665	$ 166,224,640
Charges for the year			
Service cost	14,308,127	-	14,308,127
Interest on total pension liability	29,160,956	-	29,160,956
Differences between expected and actual experience	6,654,184	-	6,654,184
Changes of assumptions	-	-	-
Employer contributions	-	30,041,866	(30,041,866)
Member voluntary contributions	346,127	346,127	-
Net investment income	-	44,606,252	(44,606,252)
Benefit payments	(22,266,119)	(22,266,119)	-
Administrative expenses	-	(583,880)	583,880
Balance as of December 31, 2023	$ 456,860,580	$ 314,576,911	$ 142,283,669

H. Investments

All Plan investments are stated at fair value. Most types of marketable or actively traded investments are priced by nationally known vendors. In the event that an investment is not priced by the primary vendor, the Custodian (US Bank) engages a secondary vendor or other source. See Note 3 - Investments, Fair Value Measurements.

Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Investment Policy
The Pension Committee has adopted an Investment Policy Statement (IPS). The IPS is reviewed by the Pension Committee once a year and was amended effective October 2022 to revise the asset classes. A normal weighting is now indicated for each asset class. The IPS was also amended to provide a list of prohibited investments.

In setting the long-term asset policy for the Plan, the Committee has opted to provide a minimum and maximum allowable allocation to the major asset classes. The aggregate exposure to each of the asset classes is to remain within the following ranges:

	Policy Allocation	
	Target Allocation	Target Range
Global equity	56%	36% - 76%
Private equity	10%	0% - 20%
Real assets	7%	3% - 11%
Fixed income	25%	15% - 35%
Cash and equivalents	2%	0% - 5%

Rate of Return
The long-term rate of return is selected by the Plan's Pension Committee after a review of the expected inflation and long-term real returns, reflecting expected volatility and correlation. The assumption currently selected is 6.75% per annum, net of investment expenses.

Target Allocations
The long-term rate of return is selected by the Plan's Pension Committee after a review of expected inflation and long-term real returns, reflecting expected volatility and correlation. Best estimates of the compound nominal rates of return for each major asset class included in the Plan's target asset allocations as of December 31, 2023, is summarized in the table below.

	Target Asset Allocation	Expected Range
Global equities	66%	6.8%
Fixed income	25%	5.3%
Liquid diversifiers	0%	0.0%
Real assets	7%	6.4%
Cash and equivalents	2%	5.5%
Total	100%	6.7%

The 6.75% assumed investment rate of return is comprised of an inflation rate of 2.40% and a real return of 4.35% net of investment expense.

I. Payment of Benefits

Benefit payments to participants are recorded upon distribution.

J. Administrative Expenses

Expenses for the administration of the Plan are budgeted and approved by the Pension Committee. Administrative expenses are paid from investment earnings. Plan expenses are paid from Plan assets. For the year ended December 31, 2023 the Plan paid $583,880 of administrative expenses.

K. Tax Status

The Plan operates under an exemption from federal income taxes pursuant to Section 501(a) of the Internal Revenue Code as a defined benefit plan.

L. Mutual Fund Asset Coverage

The Securities and Exchange Commission requires mutual fund companies to obtain fidelity bond coverage for the assets under their control. The bond coverage varies in amounts depending on the mutual fund.

M. Cash Deposits

Custodial credit risk for cash deposits is the risk in the event of a bank failure, the Plan's cash deposits may not be returned. The Federal Deposit Insurance Corporation (FDIC) insures up to $250,000 per depositor per institution. Cash deposits and account balances in excess of $250,000 are uninsured and uncollateralized.

The Plan considers short-term investments with an original maturity of three months or less to be cash equivalents.

Cash held in banking institution(s)	$ 483,881

N. Risks and Uncertainties

The Plan utilizes various investments which, in general are exposed to various risks such as interest rate risk, credit risk and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

O. Credit Risk

Credit risk for investments is in the risk that the counterparty to an investment will not fulfill its obligations. The Plan's rated investments are show below.

Fixed income:		
2023	$ 76,330,147	AA/Aa Rated

P. Investment Interest Rate Risk

Investment interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The table below shows the maturities of the Plan's investments.

Fixed income:		
2023	$ 76,330,147	Average effective duration: 5.3 years Average effective maturity: 7.5 years

Q. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The following amounts represent 5% or more of the Plan's fiduciary net position and investments as of December 31, 2023 invested with any one organization.

Equity funds:	
Two Sigma Active US All Cap &	$ 31,933,155
Vanguard 500 Index Fund	$ 23,317,694
Investments	
Fixed income:	
IR+M Core Bond Fund II	$ 29,843,329
iShares 7-10 Year Treasury Bond EFT	$ 21,721,294

	Investment Assets at Fair Value as of December 31, 2023
	Level 1
Money Market Funds	$ 5,569,231
Global Equity	95,011,605
Fixed Income	32,543,424
Total investments at Fair Value	$ 133,124,260

R. Net Asset Value per Share

The following tables provide additional disclosures concerning the investments measured at fair value based on NAV as of December 31, 2023.

	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Global equities	$ 113,835,230	$ -	Daily	Daily
Private equity	108,527	-	Daily	Daily
Real assets	20,579,235	-	Daily	Daily
Fixed income	43,786,723	-	Daily	Daily
Total	$ 178,309,715	$ -		

Global Equity – intended to provide capital appreciation, current income, and growth of income mostly through the ownership of public equities representing an ownership interest in a company. The objective for investment managers in this category is to exceed the results represented by the annualized return of the MSCI All Country World Index, net over annualized rolling three to five-year time periods.

Private Equity – the object of private equity investments, including buyouts, venture capital, secondaries, private credits, and distressed assets, is to provide the Plan with a return in excess of public markets over longer periods of time. These investments are illiquid and require capital to be locked up for 7-12 years on average. Due to the higher risk nature of these strategies, a program of private equity investments will be diversified by vintage year, strategy, geography, and manager. A private equity program requires multi-year commitment and is built over several years. The Investment Advisor will monitor the funded and unfunded commitment levels relative to asset allocation and Fund cash levels to ensure adequate liquidity to meet capital calls as well as spending needs.

Real Assets – intended to provide real return through investments which has inflation sensitive characteristics. Investments could include REITs, natural resource equities, MLPs, inflation linked bonds and commodities.

Fixed Income – intended to provide diversification and protection against downward moves in the equity market and serves as a deflation hedge and a predictable source of income. Weighted average duration of the allocation will be within 1 year of the Barclays Capital Aggregate Bond Index, as measured on a quarterly basis.

S. Employer Contribution Requirements

The Authority's contribution rate consists of (1) an amount for normal cost, the estimated amount necessary to finance benefits earned by participants during the current year, and (2) an amount for amortization of the unfunded or excess funded actuarial accrued liability over the service life of the vested participants in preparation for the Authority's adoption of GASB 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The rates are determined using the entry age actuarial cost method.

SCHEDULE OF FIDUCIARY NET POSITION

	UTA Employee Retirement and Trust
ASSETS	
Cash in Bank	$ 483,881
Investments	
Global equities	208,846,835
Fixed income	76,330,147
Private equity	108,527
Real assets	20,579,235
Money market	5,569,231
Total investments	311,433,975
Prepaid benefits	2,083,871
Receivables	
Dividends receivable	25,267
Accounts receivable - benefits	2,721
Accounts rceivable - contributions	662,409
Total receivables	690,397
TOTAL ASSETS	314,692,124
LIABILITIES	
Benefits payable	55,905
Accounts payable	59,308
TOTAL LIABILITIES	115,213
NET POSITION	
Restricted for pension	$ 314,576,911

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION

	UTA Employee Retirement Trust
ADDITIONS	
Employer contributions	$ 30,041,866
Participant voluntary contributions	346,127
Total contributions	30,387,993
Net investment income	
Net appreciation in fair value of investments	42,376,481
Interest	377,126
Dividends	2,515,721
Total investment income	45,269,328
Less: investment expense	663,076
Net investment income	44,606,252
TOTAL ADDITIONS	74,994,245
DEDUCTIONS	
Monthly benefits paid	15,076,083
Lump sum distributions	7,190,036
Administrative expense	583,880
TOTAL DEDUCTIONS	22,849,999
CHANGE IN NET POSITION	$ 52,144,246
Total net position (restricted), January 1	$ 262,432,665
Total net position (restricted), December 31	$ 314,576,911

NOTE 9 – JOINT INSURANCE TRUST

A. General Information

The Union and the Authority have agreed on February 1, 1989 that specific amounts of money paid for insurance benefit purposes for the union members be controlled by a trust. The trust should also control any additional amounts paid by the union member shall be deposited in same agreed upon trust account.

B. Reporting Entity

The trust is administered by the Joint Insurance Committee that consists of seven (7) members, one (1) neutral member agreed upon by the Union and the Authority, three (3) appointed by the Amalgamated Transit Union Local 382 in accordance with a collective bargaining agreement and three members of staff appointed by the Authority. The members of the Joint Insurance Committee may (but need not) be participants in the trust.

C. Membership

The Plan's membership consisted of:

	December 31, 2023
Active participants	1,452
Inactive participants not receiving benefits	241
Total	1,693

D. Benefit Terms

Insurance Benefits
The Amalgamated Transit Union (ATU) and the Authority have established, through various collectively bargaining agreements, provisions for payment of medical, dental, vision, life, accident, and short-term disability insurances.

E. Contributions

Employer Contribution Requirements
Contributions from the Authority are determined by based on the current collective bargaining agreement.

Participant Matching Contributions
A participant is an employee of the Authority who is eligible for insurance benefits under the collective bargaining agreement or is eligible for Consolidated Omnibus Budget Reconciliation Act (COBRA). Certain insurance plans in the trust require participants to pay a portion of the premiums or all of the premium to participate.

F. Method of Accounting

The Plan prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, under which benefits and expenses are recognized when due and payable and revenues are recorded in the accounting period in which they are earned. Accordingly, the valuation of investments is shown at fair value and both realized and unrealized gains (losses) are included in net appreciation and depreciation in fair value of investments.

SCHEDULE OF FIDUCIARY NET POSITION

	Joint Insurance Trust
ASSETS	
Cash in Bank	$ 9,164,235
Cash in Utah State Treasury	948,596
Total cash	10,112,831
Investments - money market	1,440,335
Deposits	104,795
Receivables	52,053
TOTAL ASSETS	11,710,014
LIABILITIES	
Accounts payable	2,436,783
TOTAL LIABILITIES	2,436,783
NET POSITION	
Restricted for benefits other than pension	$ 9,273,231

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION

	Joint Insurance Trust
ADDITIONS	
Employer contributions	$ 22,544,549
Participant voluntary contributions	461,859
Total contributions	23,006,408
Net investment income	
Net appreciation in fair value of investments	12,617
Interest	101,475
Total investment income	114,092
TOTAL ADDITIONS	23,120,500
DEDUCTIONS	
Monthly benefits paid	21,281,306
Administrative expense	62,975
TOTAL DEDUCTIONS	21,344,281
CHANGE IN NET POSITION	$ 1,776,219
Total net position (restricted), January 1	$ 7,497,012
Total net position (restricted), December 31	$ 9,273,231

NOTE 10 – LIABILITIES

The Authority issues revenue, capital interest, and capital appreciation bonds along with financing leases in order to provide funding for long-term capital improvements and acquisitions of capital assets. In some instances the full faith and credit of the Authority are pledged to secure the debt, while some are limited to pledge revenues stated in the bond. Leasehold interests in the vehicle being financed act as security for financing lease agreements.

Related to bonds, the Authority's interest payments are typically semiannual on June 15th and December 15th. Interest expense is accrued for the 16 remaining days of December as part of accrued interest. In 2019, Utah County and the Authority agreed a new 4th quarter cent sales tax in Utah County for transit would be exclusively used to repay any obligation be accrued by the Authority related to the Utah Valley Express bus route.

In addition, the Authority has long term obligations related to compensated absences which represent obligations to employees for unused vacation leave balances or guaranteed health saving account contributions at retirement for unused sick leave balances. General revenues are used to liquidate compensated absence balances and other long-term obligations.

In the event of default, the Trustee for the bonds may pursue any available remedy by suit at law on in equity to enforce the payment of the principal of, premium, in any, and interest on the Bonds the Outstanding or to enforce any obligations of the Authority. However, the Authority's obligations with respect to the Bonds are limited to Pledged Revenues. (Amended and Restated General Indenture of Trust, dated September 1, 2002).

For those debts for which collateral or a leasehold interest has been pledged, the most likely remedy in the event of default would be though other possible remedies include acceleration of all unpaid payments on the debt, possession of pledged property by the debtor, and any necessary legal actions against the Authority to cure the default. (The Authority's Current Standard Lease Purchase Agreement Language)

In prior years, the Authority has refunded certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. Accordingly, the trust account assets and the liability for the refunded bonds are not included in the Authority's financial statements.

DIRECT BORROWINGS

Beginning in 2015, UTA has secured financing agreements annually for the purchase of buses, paratransit vehicles and vanpool commuter vans. The financing agreements from 2015 through 2019 were secured from Banc of America Public Capital Corporation and the financing agreements from 2020 through 2021 were secured through JP Morgan Chase Bank. In December 2022, the Authority entered into a five-year master financing agreement for 2022-2026 that has an index rate guarantee for the term of the agreement. These finance agreements lien title of the vehicles owned by the Authority and therefore these agreements are reported as financed purchases, rather than leases, in the financial statements.

On December 22, 2016, Utah County issued a $65 million Subordinated Transportation Sales Tax Revenue Bond to be used for the construction of the Utah Valley Express bus route. The Authority and Utah County have entered into an inter-local agreement that requires the Authority to reimburse Utah County for all bond costs (principal, interest, and cost of issuance) prior to December 31, 2028.

	Amount Outstanding	Amount Due Within One Year	Accrued Interest	Amount of Collateral
Direct Borrowings:				
Inter-local Loan:				
On December 22, 2016, Utah County issued a $65 million Subordinated Transportation Sales Tax Revenue Bond to be used for the construction of the Utah Valley Express bus route. The Authority and Utah County have entered into an inter-local agreement that requires the Authority to reimburse Utah County for all bond costs (principal, interest, and cost of issuance) prior to December 31, 2028. In 2021, the Authority will remit $2,649,245.50 to Utah County for repayment of prior design cost incurred by Utah County, $3,460,616 of principal on variable rate loan for first year operations of route, and $199,480.44 of interest on the variable rate loan per the terms of Utah County 4th Quarter Cent Sales Tax Interlocal Agreement. As of November 2021, UTA only owes the remaining bond principal and interest on the 2016 Utah County Subordinated Transportation Sales Tax Revenue Bond.	$ 54,530,000	$ 1,645,000	$ 296,714	$ -
Subtotal: Direct Borrowings - Inter-local loans:	$ 54,530,000	$ 1,645,000	$ 296,714	$ -
Financing Agreements:				
$5,283,500 12-Year Financing Agreement, Series 2015, issued July 17, 2015, maturing monthly from August 17, 2015 through July 17, 2027, with interest payable monthly at rate of 2.0908%. A leasehold interest in 10 CNG buses and equipment is pledged as security for the debt.	$ 1,718,657	$ $ 466,738	$ $ -	$ $ 2,447,216
$2,480,000 12-Year Financing Agreement, Series 2016, issued September 27, 2016, maturing monthly from October 27, 2016 through September 27, 2028, with interest payable monthly at rate of 1.6322%. A leasehold interest in 5 ski buses and equipment is pledged as security for the debt.	1,040,084	212,314	-	1,384,545
$24,390,000 12-Year Financing Agreement, Series 2017, issued November 30, 2017, maturing monthly from December 31, 2017 through November 30, 2029, with interest payable monthly at rate of 2.2440%. A leasehold interest in 47 buses and equipment is pledged as security for the debt.	12,840,482	2,053,101	-	16,603,356
$12,496,000 12-Year Financing Agreement, Series 2018, issued November 28, 2018, maturing monthly from December 28, 2018 through November 30, 2030, with interest payable monthly at rate of 3.2950%. A leasehold interest in 24 buses, 2 trolleys, and their associated equipment is pledged as security for the debt.	7,797,222	1,020,557	-	9,440,403
$5,190,000 12-Year Financing Agreement, Series 2019, issued August 8, 2019, maturing monthly from September 8, 2019 through August 8, 2031, with interest payable monthly at rate of 2.2200%. A leasehold interest in 10 buses and equipment is pledged as security for the debt.	3,473,065	420,219	-	3,877,555
$2,730,000 5-Year Financing Agreement, Series 2019, issued August 8, 2019, maturing monthly from September 8, 2019 through August 8, 2024, with interest payable monthly at rate of 1.9100%. A leasehold interest in 30 FLEX/Paratransit vehicles and equipment is pledged as security for the debt.	387,241	366,385	-	1,646,349
$9,530,000 14-Year Financing Agreement, Series 2020, issued December 5, 2020, maturing monthly from January 3rd, 2021 through December 3, 2034, with interest payable monthly at rate of 1.5050%. A leasehold interest in 20 buses and equipment is pledged as security for the debt.	7,617,372	635,385	-	9,466,942
$3,060,000 6-Year Financing Agreement, Series 2020, issued December 5, 2020, maturing monthly from January 3, 2021 through December 3, 2026, with interest payable monthly at rate of .88%. A leasehold interest in 25 Flex/Paratransit vehicles and 35 RideShare vans and equipment is pledged as security for the debt.	1,549,269	512,394	-	9,048,227
$28,160,000 14-Year Financing Agreement, Series 2021, issued December 28, 2021, maturing monthly from January 28th, 2022 through December 28, 2035, with interest payable monthly at rate of 1.855%. A leasehold interest in 50 buses and equipment is pledged as security for the debt.	24,570,434	1,845,305	-	27,108,075

	Amount Outstanding	Amount Due Within One Year	Accrued Interest	Amount of Collateral
$3,859,500 6-Year Financing Agreement, Series 2021, issued December 28, 2021, maturing monthly from January 28, 2022 through December 28, 2027, with interest payable monthly at rate of 1.35%. A leasehold interest in 27 Flex/Paratransit vehicles and 35 RideShare vans and equipment is pledged as security for the debt.	$ 2,607,556	$ 638,756	$ -	$ 2,341,269
$24,987,407 14-Year Financing Agreement, Series 2022, issued December 16, 2022, maturing monthly from January 16, 2023 through December 16, 2036, with interest payable monthly at rate of 4.1233%. A leasehold interest in 36 buses and equipment is pledged as security for the debt.	23,640,591	1,403,815	-	10,122,323
$1,223,154 8-Year Financing Agreement, Series 2022, issued December 16, 2022, maturing monthly from January 16, 2023 through December 16, 2030, with interest payable monthly at rate of 4.0278%. A leasehold interest in 31 nonrevenue vehicles and equipment is pledged as security for the debt.	1,090,931	137,687	-	1,155,921
$7,525,250 6-Year Financing Agreement, Series 2022, issued December 16, 2022, maturing monthly from January 16, 2023 through December 28, 2028, with interest payable monthly at rate of 4.0192%. A leasehold interest in 53 Flex/Paratransit vehicles and 86 RideShare vans and equipment is pledged as security for the debt.	6,393,829	1,178,313	-	-
$15,684,868 14-Year Financing Agreement, Series 2023, issued December 29, 2023, maturing monthly from January 29, 2024 through December 29, 2037, with interest payable monthly at rate of 4.3148%. A leasehold interest in various buses and equipment is pledged as security for the debt.	15,684,868	834,146	-	-
$10,000,000 10-Year Financing Agreement, Series 2023, issued December 29, 2023, maturing monthly from January 29, 2024 through December 29, 2033, with interest payable monthly at rate of 4.0278%. A leasehold interest in Commuter Rail vehicles and equipment is pledged as security for the debt.	10,000,000	828,217	-	-
$2,898,000 8-Year Financing Agreement, Series 2023, issued December 29, 2023, maturing monthly from January 29, 2023 through December 29, 2031, with interest payable monthly at rate of 4.0805%. A leasehold interest in Various non-revenue vehicles and equipment is pledged as security for the debt.	2,898,000	312,751	-	-
Subtotal: Direct Borrowings - Financing Agreements:	$ 123,309,600	$ 12,866,083	$ -	$ 94,642,181
Total Direct Borrowings:	$ 177,839,600	$ 14,511,083	$ 296,714	$ 94,642,181
Other Related Debt:				
Revenue Bonds				
$134,650,000 Senior Revenue bonds, Series 2006C, issued October 24, 2006, maturing annually from June 15, 2007 through June 15, 2032, with interest payable semiannually at rates from 5.00% - 5.25%	$ 77,955,000	$ 6,970,000	$ 355,577	$ -
$668,655,000 Senior Revenue bonds, Series 2015A, issued February 25, 2015, maturing annually from June 15, 2015 through June 15, 2025, with interest payable semiannually at rates from 4.384-4.895%.	63,475,000	30,820,000	339,037	-
$192,005,000 Subordinate Revenue bonds, Series 2015A, issued February 25, 2015, maturing annually from June 15, 2015 through June 15, 2026, with interest payable semiannually at rates of 5.00%.	28,410,000	7,100,000	(3,240,000)	-
$126,780,000 Subordinate Revenue bonds, Series 2016, issued August 24,2016, maturing annually from December 15, 2016 through December 15, 2031, with interest payable semiannually at rates from 3.00 - 4.00%.	126,780,000	-	191,763	-

	Amount Outstanding	Amount Due Within One Year	Accrued Interest	Amount of Collateral
$83,765,000 Senior Revenue bonds, Series 2018, issued March 15, 2018, maturing annually from June 15, 2018 through December 15, 2036, with interest payable semiannually at rates from 3.722 - 5.00%.	$ 82,265,000	$ -	$ 147,390	$ -
$115,540,000 Subordiate Revenue bonds, Series 2018, issued March 15, 2018, maturing annually from June 15, 2018 through December 15, 2041 with interest payable semiannually at rates from 3.125-5.00%.	102,840,000	3,745,000	198,310	-
$61,830,000 Senior Revenue bonds, Series 2019A, issued November 26, 2019, maturing annually from June 15, 2020 through December 15, 2044, with interest payable semiannually at rates from 3.00-5.00%.	61,830,000	-	104,579	-
$188,810,000 Senior Revenue bonds, Series 2019B, issued November 26, 2019, maturing annually from June 15, 2020 through December 15, 2042, with interest payable semiannually at a rate of 3.443%.	103,940,000	-	2,467,018	-
$59,070,000 Subordinate Revenue bonds, Series 2019B, issued November 26, 2019, maturing annually from June 15, 2020 through December 15, 2042, with interest payable semiannually at rates from 3.393-3.643%.	59,070,000	-	87,851	-
$216,650,000 Taxable Senior Lien Sales Tax Revenue bonds, Series 2020, issued March 19, 2020, maturing annually from June 15, 2020 through December 15, 2038, with interest payable semiannually at rates from .937-2.774%.	198,980,000	4,210,000	192,887	-
$74,750,000 Subordinate Revenue bonds, Series 2020B, issued November 12,2020, maturing annually from June 15, 2021 through December 15, 2039, with interest payable semiannually at rates from 2.375-2.97%.	65,795,000	-	220,273	-
$431,625,000 Senior Revenue bonds, Series 2021A, issued November 10, 2021, maturing annually from June 15, 2022 through December 15, 2036, with interest payable semiannually at a rate from .0347 to 2.589%.	415,980,000	8,300,000	362,872	-
$16,220,000 Subordinate Revenue bonds, Series 2021A, issued November 10, 2021, maturing annually from June 15, 2022 through December 15, 2037, with interest payable semiannually at a rate from 0.547 to 2.989%.	15,770,000	250,000	19,046	-
$77,600,000 Senior Revenue bonds, Series 2023, issued October 3, 2023, maturing annually from June 15, 2024 through December 15, 2042, with interest payable semiannually at of 5.0%.	77,600,000	-	-	-
Subtotal: Other Related Debt - Revenue Bonds:	$ 1,480,690,000	$ 61,395,000	$ 1,446,603	$ -
Current Interest Bonds				
$128,795,000 Subordinate Current Interest Debt, Series 2007A, issued June 19, 2007, maturing annually from December 15, 2007 through June 15, 2035, with interest payable semiannually at a rate of 5.00%.	$ 110,595,000	$ 5,560,000	$ 108,948	$ -
Subtotal: Other Related Debt - Current Interest Bonds:	$ 110,595,000	$ 5,560,000	$ 108,948	$ -

	Amount Outstanding	Amount Due Within One Year	Accrued Interest	Amount of Collateral
Build America Bonds				
$261,450,000 Senior Debt, Series 2009B, issued May 21, 2009, maturing annually from December 15, 2009 through June 15, 2029, with interest payable semiannually at a rate of 5.937%. The authority elected to treat the 2009B bonds as "Build America Bonds" for the purpose 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 anticipates cash subsidy payments from the United States Treasury equal to 35% less sequestration ($5,199,578) of the interest payable on the 2009B bonds.	$ 261,450,000	$ -	$ 646,762	$ -
$200,000,000 Subordinate Debt, Series 2010A, issued October 20, 2010, maturing annually from June 15, 2011 through June 15, 2040, with interest payable semiannually at a rate of 5.705%. The authority elected to treat the 2010A bonds as "Build America Bonds" for the purpose 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 anticipates cash subsidy payments from the United States Treasury equal to 35% less sequestration ($3,822,065) of the interest payable on the 2010A bonds.	200,000,000	-	475,417	-
Subtotal: Other Related Debt - Build America Bonds:	$ 461,450,000	$ -	$ 1,122,179	$ -
Captial Appreciation Bonds				
$18,911,498 Capital Appreciation Subordiate Debt, Series 2016, issued August 24, 2016, maturing December 15, 2032 at a rate of 3.32%	$ 18,911,498	$ -	$ 5,171,092	$ -
Subtotal: Other Related Debt - Capital Appreciation Bond:	$ 18,911,498	$ -	$ 5,171,092	$ -
Total Other Related Debt:	$ 2,071,646,498	$ 66,955,000	$ 7,848,822	$ -
Total of Direct Borrowings and Other Related Debt:	$ 2,249,486,098	$ 81,466,083	$ 8,145,536	$ 94,642,181

Annual repayment requirements on the Direct Borrowings are:

Inter-local Loan

	Principal	Interest	Total
Year ending December 31,			
2024	$ 1,645,000	$ 1,729,692	$ 3,374,692
2025	1,700,000	1,677,512	3,377,512
2026	1,750,000	1,623,588	3,373,588
2027	1,805,000	1,568,078	3,373,078
2028	1,865,000	1,510,824	3,375,824
2029	45,765,000	1,451,666	47,216,666
Total	$ 54,530,000	$ 9,561,360	$ 64,091,360

Financing Agreements

	Principal	Interest	Total
Year ending December 31,			
2024	$ 12,866,083	$ 3,626,557	$ 16,492,640
2025	12,858,824	3,264,802	16,123,626
2026	13,229,828	2,893,763	16,123,591
2027	12,877,514	2,513,426	15,390,940
2028	12,238,316	2,135,058	14,373,374
2029-2033	41,874,554	6,162,347	48,036,901
2034-2037	17,364,481	1,020,251	18,384,732
Total	$ 123,309,600	$ 21,616,204	$ 144,925,804

OTHER RELATED DEBT

The Sales Tax Revenue Bonds are payable from and secured by UTA's sales and use tax revenue. UTA is required to maintain certain minimum deposits, as defined in the Indenture of Trust, to meet debt service requirements. Sales Tax Revenue Bonds debt service requirements to maturity are as follows:

Other Related Debt

	Principal	Interest	Total
Year ending December 31,			
2024	$ 66,955,000	$ 80,240,139	$ 147,195,139
2025	72,045,000	77,358,147	149,403,147
2026	78,095,000	75,036,172	153,131,172
2027	85,750,000	73,091,858	158,841,858
2028	88,165,000	70,662,714	158,827,714
2029-2033	505,276,498	319,249,256	824,525,754
2034-2038	616,950,000	200,640,393	817,590,393
2039-2043	554,100,000	54,587,058	608,687,058
2044	4,310,000	129,300	4,439,300
Total	$ 2,071,646,498	$ 950,995,037	$ 3,022,641,535

CHANGES IN DEBT LONG-TERM LIABILITIES

Long-term debt liability activity for the year ended December 31, 2023 was as follows:

	Balance 1/1/23	Additions	Reductions	Balance 12/31/23	Due Within One Year
Direct Borrowings					
Financing Lease Agreements	$ 105,927,556	$ 28,582,868	$ (11,200,824)	$ 123,309,600	$ 12,866,083
Inter-local Loan	56,125,000	-	(1,595,000)	54,530,000	1,645,000
Total Direct Borrowings	162,052,556	28,582,868	(12,795,824)	177,839,600	14,511,083
Other Related Debt					
Sales Tax Revenue Bonds	1,566,735,000	77,600,000	(163,645,000)	1,480,690,000	61,395,000
Current Interest Bonds	115,895,000	-	(5,300,000)	110,595,000	5,560,000
Build America Bonds	461,450,000	-	-	461,450,000	-
Capital Appreciation Bonds	18,911,498	-	-	18,911,498	-
Insurance premiums/ (discounts)	47,495,019	3,154,898	(7,321,630)	43,328,287	-
Total Other Related Debt	2,210,486,517	80,754,898	(176,266,630)	2,114,974,785	66,955,000
Total Direct Borrowings and Other Related Debt	$2,372,539,073	$ 109,337,766	$ (189,062,454)	$ 2,292,814,385	$ 81,466,083

Compensated Absences	Balance 1/1/2023	Additions	Reductions	Balance 12/31/23	Due Within One Year
Total Vacation Liability	$ 9,614,244	$ 11,881,203	$ (10,527,989)	$ 10,967,458	$ 9,435,637
Total Sick Liability	5,763,838	1,143,959	(490,489)	6,417,308	1,229,380
Total Compensated Absences	$ 15,378,082	$ 13,025,162	$ (11,018,478)	$ 17,384,766	$ 10,665,017

NOTE 11 – 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, 2023, the Authority also has purchasing commitments of $145.8 million for capital projects. The largest of these commitments are as follows:

- $25.5 million Fares Systems Replacement Program
- 10.6 million Maintenance System & OWATS Replacement
- 10.3 million Traction Power Rehabilitation and Replacement
- 9.2 million Ogden-Weber State University Bus Rapid Transit
- 7.4 million South Valley Transit
- 5.7 million Rail Rehab and Replacement
- 5.2 million Light Rail Vehicle Overhaul
- 5.1 million Mid-Valley Connector
- 4.2 million Light Rail Red Signal Enforcement
- 3.3 million Commuter Rail Engine Overhaul
- 3.1 million Maintenance of Way Training Yard
- 2.9 million Volkswagen Settlement Bus Replacements
- 2.7 million Bus Stop Enhancements
- 2.6 million Train Control Rehabilitation and Replacement
- 2.6 million Vanpool Replacement
- 2.2 million FrontRunner Double Tracking
- 1.9 million Chief People Office HRIS system app
- 1.9 million Program Management and Support
- 1.8 million Operator Restrooms Systemwide
- 1.2 million Point of the Mountain Project
- 1.2 million South Davis BRT
- 1.1 million Rail Switches and Trackwork Controls Replacement
- 1.1 million Mt. Ogden Admin Building Expansion
- 1.1 million Salt Lake Central HQ Office

Required Supplementary Information

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS – 10 YEARS

	2023	2022	2021	2020
Total Pension Liability				
Service cost	$ 14,308,127	$ 12,293,940	$ 12,597,159	$ 10,653,870
Interest on total pension liability	29,160,956	27,443,651	25,639,471	24,263,256
Voluntary member contributions	346,127	116,525	334,301	83,988
Differences between expected and actual experience	6,654,184	(621,195)	9,188,520	4,292,503
Assumption changes or inputs	-	6,482,520	-	11,421,251
Benefits paid	(22,266,119)	(22,309,358)	(19,196,735)	(19,648,551)
Net change in total pension liability	28,203,275	23,406,083	28,562,716	31,066,317
Total pension liability - beginning	428,657,305	405,251,222	376,688,506	345,622,189
Total pension liability - ending (a)	456,860,580	428,657,305	405,251,222	376,688,506
Plan Fiduciary Net Position				
Contributions - employer	$ 30,041,866	$ 27,132,518	$ 25,207,307	$ 24,273,996
Contributions - members	346,127	116,525	334,301	83,988
Net investment income	44,606,252	(56,561,527)	28,830,047	33,846,259
Benefits paid	(22,266,119)	(22,309,358)	(19,196,735)	(19,648,551)
Administrative expense	(583,880)	(554,229)	(471,288)	(407,938)
Net change in plan fiduciary net position	52,144,246	(52,176,071)	34,703,632	38,147,754
Plan fiduciary net position - beginning	262,432,665	314,608,736	279,905,104	241,757,350
Plan fiduciary net position - ending (b)	314,576,911	262,432,665	314,608,736	279,905,104
Net pension liability / (asset) - ending (a-b)	$ 142,283,669	$ 166,224,640	$ 90,642,486	$ 96,783,402
Plan fiduciary net position as a percentage of the total pension liability	68.86%	61.22%	77.63%	74.31%
Projected covered payroll	$ 173,115,453	$160,831,897	$153,983,509	$152,297,365
Net pension liability as a percentage of covered payroll	82.19%	103.35%	58.87%	63.55%

Schedule is intended to show information for 10 years.

	2019	2018	2017	2016
Total Pension Liability				
Service cost	$ 10,244,115	$ 9,550,863	$ 8,368,262	$ 7,711,706
Interest on total pension liability	22,947,802	21,512,781	20,368,031	19,604,345
Voluntary member contributions	298,803	223,572	697,576	437,923
Differences between expected and actual experience	3,347,505	4,893,150	4,915,564	(927,077)
Assumption changes or inputs	-	-	5,079,447	(3,955,702)
Benefits paid	(17,302,699)	(15,474,819)	(13,008,142)	(12,980,615)
Net change in total pension liability	19,535,526	20,705,547	26,420,738	9,890,580
Total pension liability - beginning	326,086,663	305,381,116	278,960,378	269,069,798
Total pension liability - ending (a)	345,622,189	326,086,663	305,381,116	278,960,378
Plan Fiduciary Net Position				
Contributions - employer	$ 24,008,192	$ 22,355,434	$ 20,506,163	$ 19,603,952
Contributions - members	298,803	223,572	697,576	437,923
Net investment income	40,648,932	(16,629,921)	30,598,620	7,591,211
Benefits paid	(17,302,699)	(15,474,819)	(13,008,142)	(12,980,615)
Administrative expense	(434,427)	(440,279)	(324,912)	(249,141)
Net change in plan fiduciary net position	47,218,801	(9,966,013)	38,469,305	14,403,330
Plan fiduciary net position - beginning	194,538,549	204,504,562	166,035,257	151,631,927
Plan fiduciary net position - ending (b)	241,757,350	194,538,549	204,504,562	166,035,257
Net pension liability / (asset) - ending (a-b)	$103,864,839	$131,548,114	$100,876,554	$112,925,121
Plan fiduciary net position as a percentage of the total pension liability	69,95%	59.66%	66.97%	59.50%
Projected covered employee payroll	$141,812,999	$132,521,079	$126,690,540	$115,430,618
Net pension liability as a percentage of covered payroll	73.24%	99.27%	79.62%	97.83%

Schedule is intended to show information for 10 years.

	2015	2014
Total Pension Liability		
Service cost	$ 7,545,807	$ 7,284,379
Interest on total pension liability	18,717,411	17,623,248
Voluntary member contributions	916,567	275,663
Differences between expected and actual experience	(1,973,177)	-
Assumption changes or inputs	7,725,363	-
Benefits paid	(11,554,824)	(10,181,732)
Net change in total pension liability	21,377,147	15,001,558
Total pension liability - beginning	247,692,651	232,691,093
Total pension liability - ending (a)	269,069,798	247,692,651
Plan Fiduciary Net Position		
Contributions - employer	$ 16,745,254	$ 15,366,694
Contributions - members	916,567	275,663
Net investment income	(1,085,458)	5,946,916
Benefits paid	(11,554,824)	(10,181,732)
Administrative expense	(244,011)	(219,504)
Net change in plan fiduciary net position	4,777,528	11,188,037
Plan fiduciary net position - beginning	146,854,399	135,666,362
Plan fiduciary net position - ending (b)	151,631,927	146,854,399
Net pension liability / (asset) - ending (a-b)	$117,437,871	$100,838,252
Plan fiduciary net position as a percentage of the total pension liability	56.40%	59.29%
Projected covered employee payroll	$110,727,134	$106,004,057
Net pension liability as a percentage of covered payroll	106.06%	95.13%

Schedule is intended to show information for 10 years.

SCHEDULE OF REQUIRED EMPLOYER CONTRIBUTIONS – 10 YEARS

Year	Actuarial Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as Percentage of Covered Payroll
2023	$ 29,290,819	$ 30,041,866	$ (751,047)	$ 173,115,453	17.35%
2022	25,967,318	27,132,518	(1,165,200)	160,831,897	16.87%
2021	24,743,369	25,207,307	(463,938)	153,983,509	16.37%
2020	25,167,517	24,273,996	893,521	152,297,365	15.94%
2019	22,240,718	24,008,192	(1,767,474)	141,812,999	16.93%
2018	21,600,936	22,355,434	(754,498)	132,521,079	16.87%
2017	20,270,486	20,506,163	(235,677)	126,690,540	16.19%
2016	17,147,568	19,603,952	(2,456,384)	115,430,618	16.98%
2015	16,609,070	16,745,254	(136,184)	110,727,134	15.12%
2014	14,757,446	15,366,694	(609,248)	106,004,057	14.50%

NOTE 1 – METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES AS OF DECEMBER 31, 2023

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	18 years
Asset valuation method	5-year smoothed market less unrealized
Cost of Living Adjustments	None
Inflation	2.5%
Salary increases	7.00% per annum for the first five years of employment; 4.00% per annum thereafter
Investment rate of return	6.75%, net of investment expenses
Retirement age	Table of Rates by Age and Eligibility
Mortality	RP-2014 Blue Collar Mortality Table, with MP-2014 projection scale

SCHEDULE OF INVESTMENT RETURNS

The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportion of time they are available to return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the middle of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money-weighted rate of return is calculated net of investment expenses.

Fiscal Year Ending December 31	Net Money-Weighted Rate of Return
2023	16.76%
2022	-17.85%
2021	10.19%
2020	13.88%
2019	20.56%
2018	-8.00%
2017	18.01%
2016	4.90%
2015	-0.72%
2014	4.31%

Schedule is intended to show information for 10 years.

Supplementary Schedules

UTA

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION BUDGET TO ACTUAL

	Budget	Budget Amendments	Amended Budget	Actual	Favorable (Unfavorable)
Revenues					
Contributions from other gov'ts, sales tax	$ 480,000,000	$ -	$ 480,000,000	$ 482,427,243	$ 2,427,243
Federal operating grants	84,903,000	-	84,903,000	63,625,899	(21,277,101)
Passenger revenues	35,850,000	-	35,850,000	35,418,224	(431,776)
Advertising	2,322,000	-	2,322,000	2,541,000	219,000
Investment income	7,215,000	-	7,215,000	31,955,716	24,740,716
Other income	11,634,000	-	11,634,000	12,777,577	1,143,577
Total revenues	621,924,000	-	621,924,000	628,745,659	6,821,659
Operating Expenses					
Bus services	133,746,000	5,521,000	139,267,000	151,499,433	(12,232,433)
Rail services	97,184,000	2,357,000	99,541,000	123,526,228	(23,985,228)
Demand response services	36,450,000	962,000	37,412,000	37,727,338	(315,338)
Other services	3,995,000	20,000	4,015,000	3,691,915	323,085
Operations support	61,869,000	919,000	62,788,000	64,509,732	(1,721,732)
Administration (less non-operating)	67,313,000	(1,039,000)	66,274,000	51,252,952	15,021,048
Total operating expenses	400,557,000	8,740,000	409,297,000	432,207,598	(22,910,598)
Non-Operating Expenses					
Interest expense	79,145,000	-	79,145,000	113,859,104	(34,714,104)
Build America Bond subsidies	(9,259,000)	-	(9,259,000)	(9,426,300)	167,300
Principal	66,575,261	-	66,575,261	66,575,261	-
Total non-operating expenses	136,461,261	-	136,461,261	171,008,065	(34,546,804)
Total Operating and Non-Operating Expenses	$ 537,018,261	$ 8,740,000	$ 545,758,261	$ 603,215,663	$ (57,457,402)
Capital Expenses (Revenues)					
Federal and local grants	$ (142,568,000)	$ -	$ (142,568,000)	$ (45,176,230)	$ (97,391,770)
State and local contributions	(43,236,000)	-	(43,236,000)	(26,509,011)	(16,726,989)
Capital lease	(46,569,000)	-	(46,569,000)	-	(46,569,000)
Bonds	(6,330,000)	-	(6,330,000)	-	(6,330,000)
Project expenses	230,433,000	-	230,433,000	214,889,842	15,543,158
Total capital expenses (revenues)	$ (8,270,000)	$ -	$ (8,270,000)	$ 143,204,601	$ (151,474,601)
Project expenses - less transfers to capital assets in 2023				(168,673,196)	
Capital project expenses not capitalized				$ 46,216,646	
Reconciliation:					
Total revenues (operating and capital)				$ 709,857,200	
- Less total expenses (operating, non-operating, and capital (after capitalization)				(658,858,609)	
- Less depreciation expense				(146,921,013)	
- Less loss on sale of assets				(5,116,287)	
+ Plus capital project expenses not capitalized (added into modes)					
Bus				16,337,658	
Rail				28,195,489	
Demand response				1,412,239	
Other service				271,260	
+ Plus principal payments on long-term debt				66,575,261	
+ Plus capital contributions to assets				(391,792)	
Change in Net Position (Statement of Revenues, Expenses, and Changes in Net Position)				$ 11,361,406	

COMBINING STATEMENT OF FIDUCIARY NET POSITION

	UTA Employee Retirement Trust	Joint Insurance Trust	Total
ASSETS			
Cash in Bank	$ 483,881	$ 9,164,235	$ 9,648,116
Cash in Utah State Treasury	-	948,596	948,596
Total Cash	483,881	10,112,831	10,596,712
Investments:			
Global Equities	208,846,835	-	208,846,835
Fixed Income	76,330,147	-	76,330,147
Private Equity	108,527	-	108,527
Real Assets	20,579,235	-	20,579,235
Money Market	5,569,231	1,440,335	7,009,566
Total Investments	311,433,975	1,440,335	312,874,310
Prepaid Benefits	2,083,871	-	2,083,871
Deposits	-	104,795	104,795
Receivables:			
Dividends Receivable	25,267	-	25,267
Accounts Receivable - Benefits	2,721	-	2,721
Accounts Receivable - Contributions	662,409	52,053	714,462
Total Receivables	690,397	52,053	742,450
TOTAL ASSETS	314,692,124	11,710,014	326,402,138
LIABILITIES			
Benefits Payable	55,905	-	55,905
Accounts Payable	59,308	2,436,783	2,496,091
TOTAL LIABILITIES	115,213	2,436,783	2,551,996
NET POSITION			
Restricted for:			
Pension	314,576,911	-	314,576,911
Benefits Other Than Pension	-	9,273,231	9,273,231
Total Net Position	$ 314,576,911	$ 9,273,231	$ 323,850,142

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

	UTA Employee Retirement Trust	Joint Insurance Trust	Total
ADDITIONS			
Employer Contributions	$ 30,041,866	$ 22,544,549	$ 52,586,415
Participant Voluntary Contributions	346,127	461,859	807,986
Total Contributions	30,387,993	23,006,408	53,394,401
Net Investment Income			
Net Appreciation in Fair Value of Investments	42,376,481	12,617	42,389,098
Interest	377,126	101,475	478,601
Dividends	2,515,721	-	2,515,721
Total Investment Income	45,269,328	114,092	45,383,420
Less: Investment Expense	663,076	-	663,076
Net Investment Income	44,606,252	114,092	44,720,344
TOTAL ADDITIONS	74,994,245	23,120,500	98,114,745
DEDUCTIONS			
Monthly Benefits Paid	15,076,083	21,281,306	36,357,389
Lump Sum Distributions	7,190,036	-	7,190,036
Administrative Expense	583,880	62,975	646,855
TOTAL DEDUCTIONS	22,849,999	21,344,281	44,194,280
CHANGE IN NET POSITION	$ 52,144,246	$ 1,776,219	$ 53,920,465
Total Net Position, January 1	$ 262,432,665	$ 7,497,012	$ 269,929,677
Total Net Position, December 31	$ 314,576,911	$ 9,273,231	$ 323,850,142

Statistical

The Statistical Section provides additional historical context and detail to aid in using the information in Utah Transit Authority's financial statements and in understanding and assessing the Authority's overall financial health.

Financial Trends Information

These schedules present trend information to help the reader understand how the Authority's financial performance and fiscal health have changed.

Net Position and Changes in Net Position
Revenue History by Source
Expense History by Function

Revenue Capacity Information

These schedules contain information to help the reader assess the Authority's capacity to raise revenue from the Authority's most significant revenue source, local transit sales tax.

Local Contributions from Other Governments
Local Transit Sales Taxes by County
Principle Contributors of Sales Tax and Fares

Debt Capacity Information

This Schedule presents information to help the reader understand and assess the Authority's level of outstanding debt and the Authority's ability to issue additional debt in the future.

Total Outstanding Debt Burden per Capita
Yearly Debt Service Coverage

Demographic and Economic Information

These schedules present demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

Demographic and Economic Statistics
Principal Employers

Operating Information

These schedules offer operating data to help the reader understand how the information in the Authority's financial report relates to the services it provides and the activities it performs.

Full Time Equivalent Authority Employees
Trend Statistics by Type of Service
Operating Indicators by Function/Program
Capital Asset Statistics by Function/Program
Performance Measures - Bus Service
Performance Measures - Light Rail
Performance Measures - Commuter Rail
Performance Measures - Demand Response
Performance Measures - Vanpool

Sources: Unless otherwise noted, the information in the following schedules is derived from Utah Transit Authority's Annual Comprehensive Financial Reports for the years indicated.

NET POSITIONS AS OF DECEMBER 31 – 10 YEARS

	2023	2022	2021	2020	2019
Net Position as of December 31					
Capital investment in capital assets	$ 718,712,320	$ 666,552,866	$ 667,968,269	$ 648,605,411	$ 692,675,681
Restricted	59,680,867	44,161,873	27,015,061	40,516,406	66,948,773
Unrestricted	448,770,686	505,087,728	331,437,253	228,081,924	113,143,840
Total net position	1,227,163,873	1,215,802,467	1,026,420,583	917,203,741	872,768,294
Restatement	-	-	302,822	-	-
Total restated net position	$ 1,227,163,873	$ 1,215,802,467	$ 1,026,723,405	$ 917,203,741	$ 872,768,294

	2018	2017	2016	2015	2014
Net Position as of December 31					
Capital investment in capital assets	$ 827,646,243	$ 894,275,843	$ 924,260,135	$ 1,040,640,236	$ 1,230,633,230
Restricted	66,559,450	60,399,717	67,381,132	77,983,022	62,779,798
Unrestricted	85,088,927	39,001,859	71,502,447	76,548,154	137,991,170
Total net position	979,294,620	993,677,419	1,063,143,714	1,195,171,412	1,431,404,198
Restatement	-	-	-	(9,497,521)	(115,047,267)
Total restated net position	$ 979,294,620	$ 993,677,419	$ 1,063,143,714	$ 1,185,673,891	$ 1,316,356,931

CHANGE IN NET POSITION – 10 YEARS

	2023	2022	2021	2020	2019
Operating revenues	$ 37,959,224	$ 35,713,144	$ 30,386,187	$ 34,880,272	$ 55,111,554
Operating expenses	579,128,611	569,651,499	472,933,325	459,473,189	457,897,920
Operating loss	(541,169,387)	(533,938,355)	(442,547,138)	(424,592,917)	(402,786,366)
Non-operating revenues	481,237,344	641,374,613	483,530,389	444,739,466	261,451,197
Income (loss) before capital contributions	(59,932,043)	107,436,258	40,983,251	20,146,549	(141,335,169)
Capital contributions	71,293,449	81,642,804	68,233,591	24,288,898	34,808,843
Change in net position	$ 11,361,406	$ 189,079,062	$ 109,216,842	$ 44,435,447	$ (106,526,326)

	2018	2017	2016	2015	2014
Operating revenues	$ 54,464,392	$ 54,525,870	$ 52,891,021	$ 54,346,242	$ 53,761,223
Operating expenses	401,161,541	427,777,940	422,543,342	394,062,733	398,626,029
Operating loss	(346,697,149)	(373,252,070)	(369,652,321)	(339,716,491)	(344,864,806)
Non-operating revenues	268,435,411	246,722,487	226,957,532	209,462,264	182,843,232
Income (loss) before capital contributions	(78,261,738)	(126,529,583)	(142,694,789)	(130,254,227)	(162,021,574)
Capital contributions	63,878,939	57,063,288	20,164,612	9,068,708	11,389,311
Change in net position	$ (14,382,799)	$ (69,466,295)	$ (122,530,177)	$ (121,185,519)	$ (150,632,263)

*Source: Utah Transit Authority 2023 Annual Comprehensive Financial Report

1. 2021 Net position restated due to GASB 87 Implementation in 2022.

REVENUE HISTORY BY SOURCE

	2023	2022	2021	2020	2019
Operating	$ 37,959,223	$ 35,713,144	$ 30,386,187	$ 34,880,272	$ 55,111,554
Sales taxes	482,427,243	480,925,766	433,360,729	361,590,707	317,797,604
Investment	31,955,716	1,806,825	1,432,026	3,525,448	6,821,490
Reinvestment of proceeds from	-	19,368,007	-	-	-
Net gain (loss) on sale of capital assets	(5,116,287)	3,228,640	1,411,431	927,566	-
Build America Bond Subsidies	9,426,300	9,259,376	8,158,624	8,893,288	-
Other	12,777,577	11,692,301	9,822,657	9,442,644	(45,372,222)
	569,429,773	561,994,059	484,571,654	419,259,925	334,358,426
Federal grants					
Federal preventive maintenance grants	62,979,264	47,286,518	-	-	-
Federal operating grants	646,635	167,777,447	130,631,095	160,258,318	69,746,231
Federal capital grants	45,176,230	50,582,042	48,642,468	20,898,309	16,395,068
	108,802,129	265,646,007	179,273,563	181,156,627	86,141,299
Other capital contributions	26,117,219	31,060,762	19,591,123	3,390,589	18,413,775
	$ 704,349,121	$ 858,700,828	$ 683,436,340	$ 603,807,141	$ 438,913,500

	2018	2017	2016	2015	2014
Operating	$ 54,464,392	$ 54,525,870	$ 52,891,021	$ 54,346,242	$ 53,761,223
Sales taxes	282,933,591	265,770,775	245,008,417	227,703,023	214,683,276
Investment	6,525,872	2,873,787	1,732,939	2,831,406	5,803,226
Reinvestment of proceeds from	-	-	-	-	-
Net gain on sale of capital assets	-	-	-	-	-
Build America Bond Subsidies	-	-	-	-	-
Other	8,155,668	3,954,893	3,108,191	8,314,065	3,724,610
	352,079,523	327,125,325	302,740,568	293,194,736	277,972,335
Federal grants					
Federal preventive maintenance grants	61,820,668	62,313,994	59,772,235	49,452,677	47,760,737
Federal operating grants	-	-	3,562,534	2,547,335	2,994,139
Federal capital grants	31,585,004	53,960,024	17,054,298	7,819,096	8,025,628
	93,405,672	116,274,018	80,389,067	59,819,108	58,780,504
Other capital contributions	32,293,935	3,103,264	3,110,314	1,249,612	3,363,683
	$ 477,779,130	$ 446,502,607	$ 386,239,949	$ 354,263,456	$ 340,116,522

EXPENSE HISTORY BY FUNCTION

	2023	2022	2021	2020	2019
Bus service	$ 151,499,433	$ 135,508,533	$ 108,575,280	$ 107,390,047	$ 104,570,413
Rail service	123,526,228	121,262,026	94,943,238	96,041,283	77,972,467
Paratransit service	37,727,338	33,431,955	27,083,173	22,646,903	23,121,527
Other service	3,691,915	3,509,781	3,587,718	3,296,275	3,247,699
Operations support	64,509,732	62,562,572	50,621,841	46,463,776	47,056,444
Administration [1]	50,442,038	64,148,322	53,262,273	43,734,772	35,927,831
Capital Maintenance Projects	-	-	-	-	19,078,502
Depreciation	146,921,013	142,059,366	134,048,888	139,089,219	146,112,123
Impairment Expense	-	6,358,030	-	-	-
Interest [2]	113,859,104	99,970,267	101,286,173	99,898,505	87,541,906
Recoverable sales tax, interlocal [3]	810,914	810,914	810,914	810,914	810,914
	$ 692,987,715	$ 669,621,766	$ 574,219,498	$ 560,182,608	$ 546,250,740

	2018	2017	2016	2015	2014
Bus service	$ 96,719,747	$ 88,928,063	$ 85,841,973	$ 77,092,676	$ 79,060,631
Rail service	75,157,087	72,895,607	84,165,069	67,254,632	70,365,953
Paratransit service	21,857,632	19,572,367	19,341,116	18,511,580	18,748,699
Other service	3,056,191	2,982,176	2,949,643	2,918,871	3,183,892
Operations support	45,557,749	41,932,571	37,831,682	32,051,926	28,380,563
Administration [1]	38,783,033	30,612,930	38,840,643	35,189,725	35,409,918
Capital Maintenance Projects	38,654,111	20,602,425	-	-	-
Depreciation	80,565,077	149,440,887	153,573,216	161,043,323	163,476,373
Impairment Expense	-	-	-	-	-
Interest [2]	91,000,388	88,190,962	85,415,870	80,575,328	91,311,842
Recoverable sales tax, interlocal [3]	810,914	810,914	810,914	810,914	810,914
	$ 492,161,929	$ 515,968,902	$ 508,770,126	$ 475,448,975	$ 490,748,785

[1] Includes major investment studies
[2] Reported as non-capitalized interest
[3] See Notes to the Financial Statement, Note 2.K

LOCAL CONTRIBUTIONS IN THE FORM OF SALES TAX BY COUNTY – 10 YEARS

	2023	2022	2021	2020	2019
Box Elder [1]	$ 3,154,228	$ 3,083,631	$ 2,690,712	$ 2,404,175	$ 2,019,035
Davis	48,505,397	48,085,992	44,689,405	37,364,965	33,674,864
Salt Lake	291,603,977	291,511,290	260,485,953	217,849,215	196,744,294
Tooele [2]	4,367,638	4,174,538	4,040,910	3,347,286	2,250,563
Utah	95,655,237	94,740,945	84,632,418	69,278,480	55,708,400
Weber	39,140,766	39,329,370	36,821,329	31,346,586	27,400,447
	$ 482,427,243	$ 480,925,766	$ 433,360,729	$ 361,590,707	$ 317,797,604

	2018	2017	2016	2015	2014
Box Elder [1]	$ 1,898,308	$ 1,957,740	$ 1,790,352	$ 1,552,291	$ 1,418,268
Davis	31,883,835	30,633,547	27,606,440	23,178,724	21,459,683
Salt Lake	174,704,191	163,407,564	153,201,907	146,866,479	139,199,088
Tooele [2]	2,815,189	2,302,492	1,798,971	1,521,097	1,384,631
Utah	45,665,232	43,023,303	38,601,427	36,221,930	33,752,513
Weber	25,966,836	24,446,129	22,009,320	18,362,502	17,469,093
	$ 282,933,591	$ 265,770,775	$ 245,008,417	$ 227,703,023	$ 214,683,276

[1] Includes Brigham City, Perry and Willard cities only

[2] Includes the cities of Tooele and Grantsville; and the unincorporated areas of Erda, Lakepoint, Stansbury Park and Lincoln

LOCAL TRANSIT SALES TAX RATES BY COUNTY – 10 YEARS

	2023	2022	2021	2020	2019
Box Elder	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%
Davis	0.6500%	0.6500%	0.6500%	0.6500%	0.6500%
Salt Lake	0.7875%	0.7875%	0.8500%	0.8500%	0.8500%
Tooele	0.6500%	0.4000%	0.4000%	0.4000%	0.4000%
Utah	0.6260%	0.6260%	0.6260%	0.6300%	0.6300%
Weber	0.6500%	0.6500%	0.6500%	0.6500%	0.6500%

	2018	2017	2016	2015	2014
Box Elder	0.5500%	0.5500%	0.5500%	0.5500%	0.5500%
Davis	0.6500%	0.6500%	0.6500%	0.5500%	0.5500%
Salt Lake	0.6875%	0.6875%	0.6875%	0.6875%	0.6875%
Tooele	0.4000%	0.4000%	0.4000%	0.3000%	0.3000%
Utah	0.5260%	0.5260%	0.5260%	0.5260%	0.5260%
Weber	0.6500%	0.6500%	0.6500%	0.5500%	0.5500%

Source: UTA Finance Department

PRINCIPAL CONTRIBUTORS OF SALES TAX BY COUNTY – 2023 AND 2014

	2023			2014		
	Rank	Percentage of Contributions	Amount	Rank	Percentage of Contributions	Amount
Salt Lake County	1	60.45%	$ 291,603,977	1	64.84%	$ 139,199,088
Utah County	2	19.83%	95,655,237	2	15.72%	33,752,513
Davis County	3	10.05%	48,505,397	3	10.00%	21,459,683
Weber County	4	8.11%	39,140,766	4	8.14%	17,469,093
Tooele County	5	0.91%	4,367,638	6	0.64%	1,384,631
Box Elder County	6	0.65%	3,154,228	5	0.66%	1,418,268
			$ 482,427,243			$214,683,276

FARES - 10 YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Cash Fares										
Base Fare	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50
Senior Citizen/Disabled	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Ski Bus	5.00	5.00	5.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Paratransit (Flextrans)	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Commuter Rail Base Rate	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Commuter Rail Additional Station	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Commuter Rail Maximum Rate	9.70	9.70	9.70	10.30	10.30	10.30	10.30	10.30	10.30	10.30
Express	5.00	5.00	5.00	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Streetcar	2.50	2.50	2.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Monthly Passes										
Adult	$ 85.00	$ 85.00	$ 85.00	$ 83.75	$ 83.75	$ 83.75	$ 83.75	$ 83.75	$ 83.75	$ 83.75
Minor	42.50	42.50	42.50	62.75	62.75	62.75	62.75	62.75	62.75	62.75
College Student	42.50	42.50	42.50	62.75	62.75	62.75	62.75	62.75	62.75	62.75
Senior Citizen/Disabled	42.50	42.50	42.50	41.75	41.75	41.75	41.75	41.75	41.75	41.75
Express	170.00	170.00	170.00	198.00	198.00	198.00	198.00	198.00	198.00	198.00
Other Fares										
Day Pass	$ 5.00	$ 5.00	$ 5.00	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 6.25	$ 6.25
Group Pass	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Summer Youth	49.00	49.00	49.00	49.00	49.00	99.00	99.00	99.00	99.00	99.00
Token - 10-Pack [1]	—	—	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50
Paratransit - 10-Ride Ticket	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00

[1] UTA discontinued the use of tokens on January 1, 2022

Source: UTA Fares Department

TOTAL OUTSTANDING DEBT BURDEN PER CAPITA

Fiscal Year	Total Debt: Bonds	Total Debt: Inter-Local	Total Debt: Financing Agreements	Sales Taxes Collected (less Proposition 1 and 4th quarter cent)	Personal Income of UTA Service Area	Percentage of Personal Income	Per Capita
2014	$ 2,124,111,208	$ -	$ -	$ 214,683,276	$ 91,063,808,000	2.33%	$ 910.75
2015	2,291,439,672	-	11,272,688	227,703,023	98,213,376,000	2.34%	972.89
2016	2,259,166,529	-	19,605,173	238,584,981	104,042,124,000	2.19%	943.16
2017	2,300,193,307	65,000,000	46,394,866	256,742,750	110,124,169,000	2.19%	979.06
2018	2,377,228,054	65,960,616	56,038,716	273,007,256	118,270,822,000	2.11%	998.93
2019	2,329,663,958	67,050,616	52,187,203	288,548,490	125,338,146,000	1.95%	963.88
2020	2,324,362,741	65,665,597	57,263,279	311,520,915	135,585,673,000	1.80%	938.78
2021	2,273,743,099	57,670,000	81,486,033	262,251,079	149,994,848,000	1.61%	904.76
2022	2,162,991,498	56,125,000	105,927,556	414,301,168	158,360,471,000	1.47%	862.52
2023	2,071,646,498	54,530,000	123,309,600	415,168,658	-	-	-

Source: Note 10
2023 personal income numbers are not available at the preparation of this statement
Please refer to note 5 pg 58 for lease asset payable.

YEARLY DEBT SERVICE COVERAGE

Fiscal Year	Bonds Payments: Principal	Bonds Payments: Interest	Sales Taxes Collected (less Proposition 1 and 4th quarter cent)	Coverage Ratio of Sales Taxes
2013	$ 7,450,000	$ 84,319,531	$ 203,806,329	2.22
2014	7,810,000	91,382,184	214,683,276	2.16
2015	11,445,000	84,785,200	227,703,023	2.37
2016	13,570,000	94,893,898	238,584,981	2.20
2017	8,750,000	77,765,121	256,742,750	2.97
2018	10,845,000	91,000,388	273,007,256	2.68
2019	17,500,000	87,541,906	288,548,490	2.75
2020	25,920,000	91,005,217	311,520,915	2.66
2021	46,860,000	100,245,573	262,251,079	1.78
2022	55,735,000	86,212,420	414,301,168	2.92
2023	168,945,000	81,573,682	415,638,335	1.66

Source: Statement of Expenses and Change in Net Position, and Note 10, Sales Tax Revenue Bonds

DEMOGRAPHIC AND ECONOMIC STATISTICS

Fiscal Year	Estimated Population	Personal Income in UTA Service Area	Per Capita Personal Income	Unemployment Rate
2014	2,332,262	$ 91,063,808,000	$ 39,045	3.8%
2015	2,366,874	98,213,376,000	41,495	3.6%
2016	2,416,115	104,042,124,000	43,062	3.4%
2017	2,463,158	110,124,169,000	44,709	3.3%
2018	2,501,905	118,270,822,000	47,272	3.0%
2019	2,540,671	125,338,146,000	49,333	2.6%
2020	2,606,888	135,585,673,000	52,011	3.3%
2021	2,666,898	149,994,848,000	56,243	2.3%
2022	2,695,629	158,360,471,000	58,747	2.4%
2023	2,736,179	—	—	2.8%

Source: US Dept of Commerce, Bureau of Economic Analysis, Regional Data (www.bea.gov)
Unemployment rate- Utah Department of Workforce Services https://jobs.utah.gov/wi/update/une/

PRINCIPAL EMPLOYERS – 2022 and 2013

		2022			2013		
Employer	Industry	Employees	Rank	% Total Employment	Employees	Rank	% Total Employment
Intermountain Healthcare	Health Care	20,000 +	1	1.2%	20,000+	1	1.5%
University of Utah	Higher Education	20,000 +	2	1.2%	20,000+	3	1.5%
Wal-Mart Associates	Warehouse Clubs/Supercenters	20,000 +	3	1.2%	15,000-19,999	5	1.1%
State of Utah	State Government	20,000 +	4	1.2%	20,000+	2	1.5%
Brigham Young University	Higher Education	15,000-19,999	5	0.9%	15,000-19,999	4	1.1%
Hill Air Force Base	Federal Government	10,000-14,999	6	0.6%	10,000-14,999	6	0.7%
Davis County School District	Public Education	7,000-9,999	7	0.4%	7,000-9,999	7	0.5%
Smith's Food and Drug Centers	Grocery Stores	7,000-9,999	8	0.4%	—	—	—
Utah State University	Higher Education	7,000-9,999	9	0.4%	7,000-9,999	9	0.5%
Alpine School District	Public Education	7,000-9,999	10	0.4%	—	—	—
Granite School District	Public Education	—	—	—	7,000-9,999	8	0.5%
US Department of the Treasury	Federal Government	—	—	—	5,000-6,999	10	0.3%
	Totals	133,000-154,994+		8.1%	126,000-152,000+		8.4%
	Total Employment			1,696,513			1,327,560

Source: Department of Workforce Services https://jobs.utah.gov/wi/data/library/firm/majoremployers.html
https://jobs.utah.gov/jsp/utalmis/#/laborforce

Note: 2023 data was not available when this report was issued.

FULL-TIME EQUIVALENT AUTHORITY EMPLOYEES – 10 YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Bus operations	1,180	1,073	1,069	1,104	1,138	1,089	1,030	1,028	951	945
Rail operations	641	600	595	625	631	611	580	563	527	542
Paratransit operations	196	193	190	200	204	196	191	192	188	183
Other services	11	10	10	10	10	8	9	9	12	10
Support services	508	452	453	417	433	413	365	366	349	323
Administration	259	228	190	187	184	180	243	212	210	207
Total	2,795	2,555	2,506	2,543	2,599	2,496	2,417	2,368	2,237	2,210

Source: UTA Budget Office
Headcount Report 01/01/2024

TREND STATISTICS - 10 YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Passengers										
Bus service	17,797,238	15,502,241	12,616,872	12,441,304	20,799,642	19,624,935	19,749,855	20,033,242	20,560,068	20,165,174
Rail service	14,780,350	13,964,586	10,466,195	10,271,888	22,321,887	22,981,884	23,677,677	23,765,873	24,349,674	24,337,451
Paratransit service	212,688	201,822	301,505	187,112	388,265	394,816	386,977	389,019	388,169	372,499
Vanpool service	1,033,123	731,900	587,721	658,990	1,068,364	1,174,696	1,264,410	1,333,780	1,423,675	1,404,285
Total passengers	33,823,399	30,400,549	23,972,293	23,559,294	44,578,158	44,176,331	45,078,919	45,521,914	46,721,586	46,279,409
Revenue Miles										
Bus service	15,786,087	15,613,708	15,534,571	15,607,429	18,158,463	17,911,404	17,454,404	15,462,834	15,367,510	15,660,520
Rail service	10,111,329	10,529,287	10,904,101	10,153,689	11,977,751	12,084,767	12,082,292	12,070,277	11,988,005	11,784,146
Paratransit service	1,586,321	1,591,587	1,252,967	1,709,396	2,881,355	2,798,928	2,727,127	2,505,343	2,293,887	2,513,535
Vanpool service	7,454,630	6,182,824	5,633,164	5,705,170	6,451,812	6,354,828	6,449,439	6,518,150	6,734,487	6,859,802
Total Revenue Miles	34,938,367	33,917,406	33,324,803	33,175,684	39,469,381	39,149,927	38,713,262	36,556,604	36,383,889	36,818,003
Total Miles										
Bus service	17,530,329	17,406,085	17,262,587	17,692,313	20,854,420	20,247,617	19,899,364	17,511,624	17,662,486	17,864,847
Rail service	10,343,613	10,650,381	11,010,634	10,256,421	12,098,162	12,285,634	12,202,976	12,189,876	12,368,934	11,814,332
Paratransit service	1,927,124	1,937,209	1,571,443	2,223,889	3,566,711	3,376,772	3,263,607	3,254,559	3,192,367	2,844,468
Vanpool service	7,454,630	6,182,824	5,633,164	5,705,170	6,451,812	6,354,828	6,449,439	6,518,150	6,734,487	6,859,802
Total miles	37,255,696	36,176,499	35,477,828	35,877,793	42,971,105	42,264,851	41,815,386	39,474,209	39,958,274	39,383,449
Passengers per Mile										
Bus service	1.13	0.99	0.81	0.80	1.15	1.10	1.13	1.30	1.34	1.29
Rail service	1.46	2.47	0.96	1.01	1.86	1.90	1.96	1.97	2.03	2.07
Paratransit service	0.13	0.13	0.24	0.11	0.13	0.14	0.14	0.16	0.17	0.15
Vanpool service	0.14	0.12	0.10	0.12	0.17	0.18	0.20	0.20	0.21	0.20
Total passengers per mile	2.86	3.71	0.72	0.71	1.13	1.13	1.16	1.25	1.28	1.26
Revenue Hours										
Bus service	1,284,650	1,242,349	1,228,731	1,169,292	1,326,660	1,284,186	1,258,448	1,087,055	1,070,139	1,108,894
Rail service	593,970	493,398	511,973	480,016	532,353	527,187	513,389	511,082	506,233	487,435
Paratransit service	101,821	94,758	79,710	116,174	181,749	180,342	162,198	162,734	160,383	164,527
Total revenue hours	1,980,441	1,830,505	1,820,414	1,765,482	2,040,762	1,991,715	1,934,035	1,760,871	1,736,755	1,760,856
Passengers per Revenue Hour										
Bus service	13.85	12.48	10.27	10.64	15.68	15.28	15.69	18.43	19.21	18.18
Rail service	24.88	52.80	20.44	21.40	41.93	43.59	46.12	46.50	48.10	49.93
Paratransit service	2.09	2.13	3.78	1.61	2.14	2.19	2.39	2.39	2.42	2.26
Total passengers per mile	40.83	67.41	12.85	12.97	21.32	21.59	22.65	25.09	26.08	25.48
Total System										
Fare revenue	$ 35,414,276	$ 33,499,144	$ 28,510,458	$ 32,845,272	$52,649,054	$ 52,051,892	$ 52,159,203	$ 50,624,354	$ 52,112,909	$ 51,461,223
Operating expense	$ 384,913,352	$ 401,021,779	$ 346,672,552	$ 320,383,970	$311,785,797	$ 320,596,464	$ 257,734,612	$ 268,970,126	$ 242,516,933	$ 235,149,656
Cost per revenue mile	11.02	11.82	10.40	9.66	7.90	8.19	6.66	7.36	6.67	6.39
Cost per passenger	11.38	13.19	14.46	13.60	6.99	7.26	5.72	5.91	5.19	5.08
Fare revenue per passenger	1.05	1.10	1.19	1.39	1.18	1.18	1.16	1.11	1.12	1.11

Source: NTD
Note: Does not include commuter bus or contract transportation.

OPERATING INDICATORS AND CAPITAL ASSETS - 10 YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Number of bus routes *	120	83	95	104	117	114	119	125	126	121
Number of rail routes										
Light rail	4	4	4	4	4	4	4	4	4	4
Commuter rail	1	1	1	1	1	1	1	1	1	1
Bus service miles (weekday)	52,350	59,196	62,948	63,025	62,742	57,378	56,162	53,612	49,625	51,629
Rail service miles (weekday)										
Light rail	20,301	8,789	8,342	6,797	8,832	8,853	8,814	8,815	8,828	8,547
Commuter rail	13,399	4,504	3,727	3,628	4,660	4,664	4,623	4,627	4,651	4,638
Average passengers (weekday)	111,401	99,494	79,916	78,972	152,940	151,901	156,288	155,873	161,862	161,339
Buses	447	520	648	539	570	561	582	567	555	535
Paratransit vehicles (buses/vans)	80	187	188	207	198	182	148	129	—	84
Rail vehicles										
Light rail	114	114	117	117	117	146	146	146	146	146
Commuter rail	56	87	81	81	70	81	81	81	81	81
Vanpool vehicles	519	491	461	471	512	453	453	503	495	479
Park and ride lots[1]	—	—	—	—	—	—	—	46	41	—
Rail park and ride	41	41	42	42	42	42	42	—	—	—
Non-Rail park and ride	25	25	12	12	12	12	12	—	—	—
Bus stops	5,071	5,369	5,199	6,120	6,247	6,100	6,100	6,196	6,250	6,250
Rail stations										
Light rail	57	57	57	57	57	57	57	57	57	51
Commuter rail	17	17	17	17	17	16	16	16	16	16

Source: NTD
UTA capital asset record
UTA Change-Day Roster
https://data-rideuta.opendata.arcgis.com/

* including flex

[1] As of 2017, UTA started distinguishing between rail and non-rail park and ride lots.

UTA Benchmarking Group

In addition to internal performance measures, UTA strives to improve through use of peer comparisons in a benchmarking group. The following measures were generated using publicly available National Transit Database (NTD) data for the most recent year available (2022) aggregated by region.

Transportation needs are as unique as the landscapes they inhabit. These needs are often met by a collection of agencies specializing in different modes of transit over one region. Comparisons at the agency level, therefore, often produce results that are difficult to interpret. However, much of this variation can be mitigated by grouping transit agencies that serve the same city, metropolitan area, or geographic region.

After aggregating agency data by city, UTA established a benchmarking group of ten cities. Although perfectly equivalent comparisons are not always attainable, this group of peer cities were selected to ensure appropriate data consistency. Top-level metrics used to establish this peer group, in approximate order of importance, include:

- Types of transportation (Transit Modes)
- Budget required for transit operations (Operating Expenses)
- Ridership (Unlinked Passenger Trips)
- Operating time and distance (Vehicle Revenue Hours and Vehicle Revenue Miles)
- Funding level (Farebox Return1[1])

These metrics were evaluated together to determine effective comparisons with UTA (listed as Salt Lake City). For example, although Seattle has the highest operating budget in the benchmarking group, it also has comparatively high ridership levels. This differs from cities like San Jose, which has a higher budget than UTA but lower ridership levels, indicating relatively costly service.

[1] Farebox return is calculated from NTD data by dividing “Fare Revenues Earned” by “Operating Expenses”.

The below chart illustrates similarity of top-level metrics across the benchmarking groups, with gray indicating lower than UTA levels, white indicating similar levels, and blue indicating higher levels.

	Ridership	Op Budget	VR Hours	VR Miles	Farebox Return
Cleveland	16 mm	$258 mm	1.5 mm	20 mm	8%
Dallas	36 mm	$560 mm	2.9 mm	43 mm	6%
Denver	49 mm	$570 mm	3.1 mm	47 mm	25%
Phoenix	52 mm	$373 mm	3.4 mm	46 mm	12%
Pittsburgh	23 mm	$447 mm	2.1 mm	27 mm	12%
Portland	44 mm	$576 mm	3.0 mm	36 mm	6%
Salt Lake City	24 mm	$339 mm	2.1 mm	36 mm	6%
San Diego	40 mm	$296 mm	2.8 mm	43 mm	31%
San Jose	12 mm	$399 mm	1.4 mm	17 mm	3%
Seattle	71 mm	$1140 mm	4.8 mm	61 mm	14%

Key criteria used in the selection process include current-state similarity in the above metrics and future-state similarity - or "stretch" comparisons (cities that reflect the growth in size or efficiency of transit that UTA envisions for itself in the coming years). Careful consideration was given to determine stretch comparison cities, like Denver and Seattle, that are at a later stage in population and transit development.

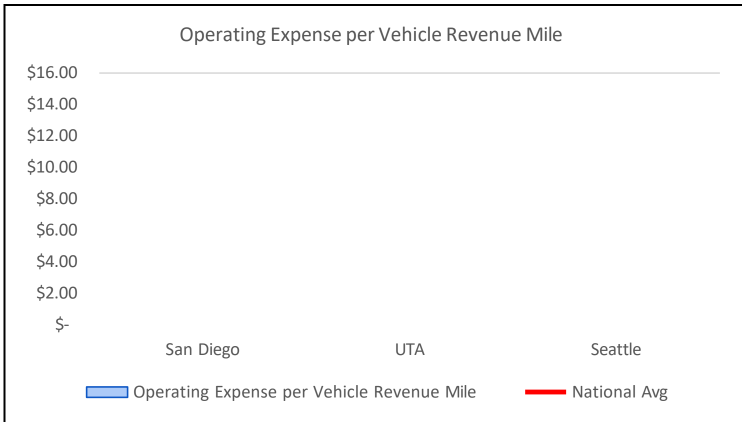
Cities that closely align with UTA in the above metrics, but without strong overlap in relevant transit modes were eliminated from the benchmarking group. The following benchmarking performance measures are presented by mode, where only cities that participate in each mode will appear in the charts. A summary of modes available in each city appears below.

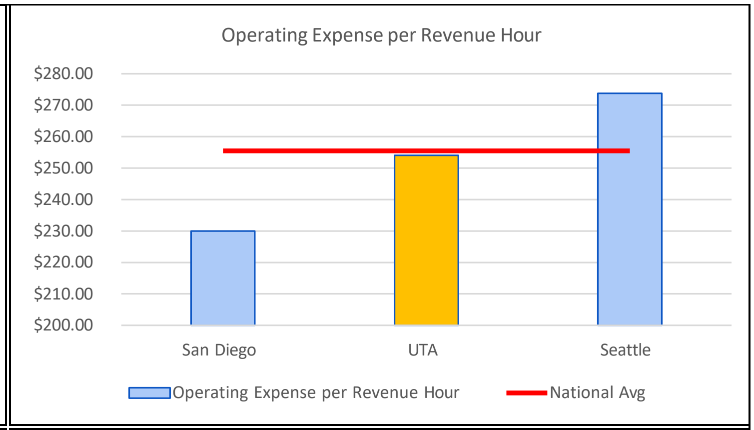
Transit Mode:	Bus	Commuter Bus	Rail	Commuter Rail	Demand Response	Van Pool
Cleveland	x		x		x	
Dallas	x		x	x	x	x
Denver	x		x	x	x	x
Phoenix	x		x		x	x
Pittsburgh	x		x		x	x
Portland	x		x	x	x	
Salt Lake City	x	x	x	x	x	x
San Diego	x	x	x		x	x
San Jose	x		x		x	
Seattle	x	x	x	x	x	x

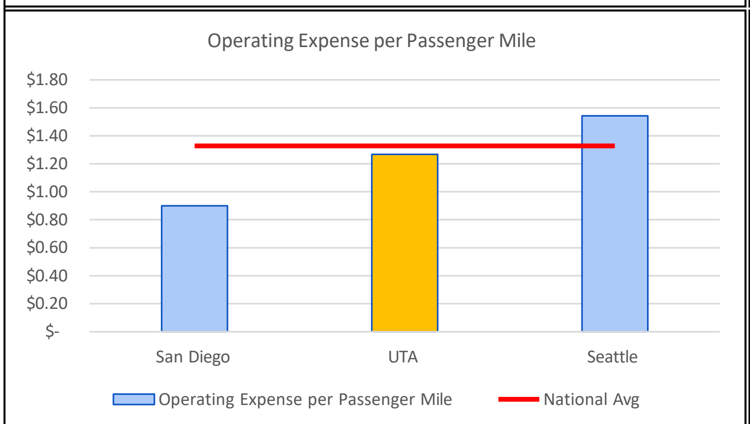
Performance Measures

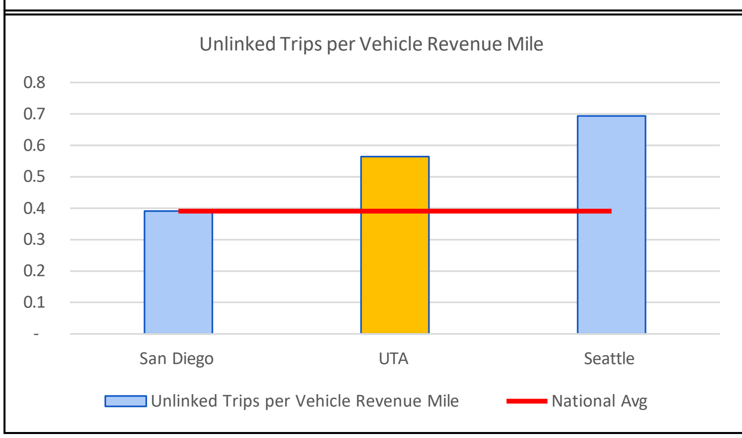
BUS SERVICE (DIRECTLY OPERATED & PURCHASED)

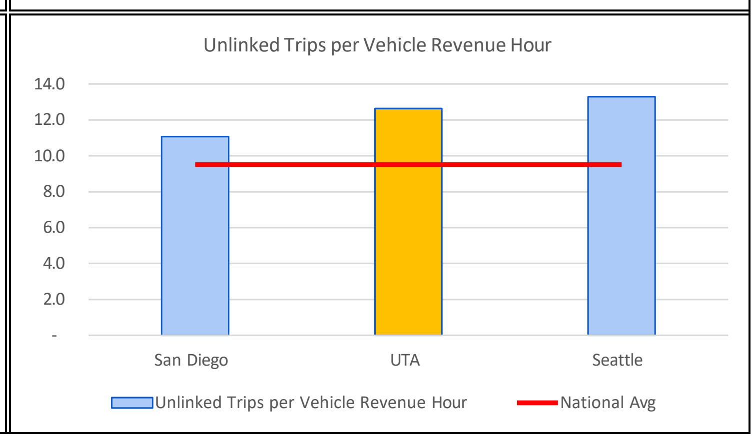
The following charts contain information from the Federal Transit Administration's National Database (NTD) for the most recent year available (2022) and compares the Authority's performance with other similar cities.







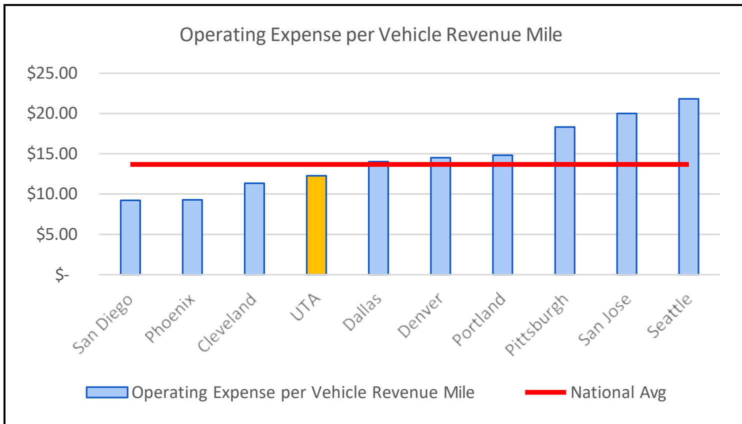


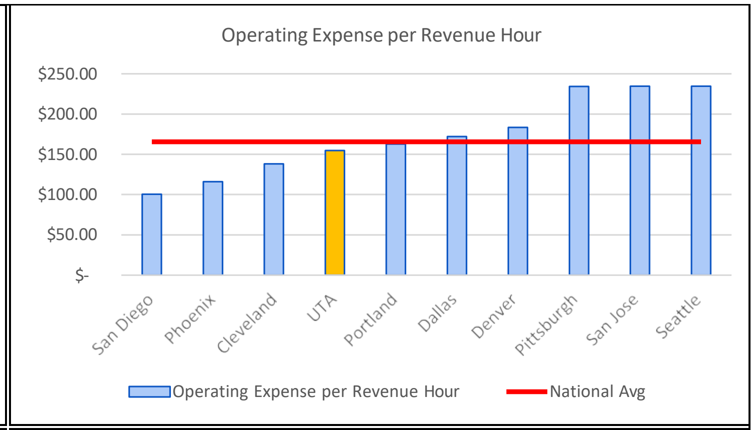


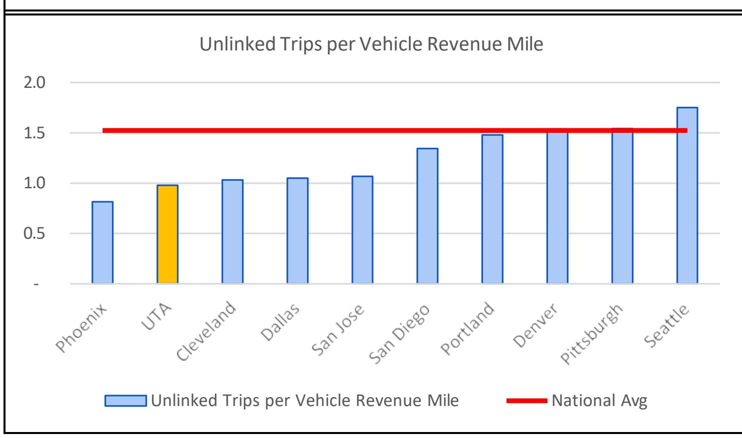
City	State	Agency
San Diego	CA	MTS
Seattle	WA	ST

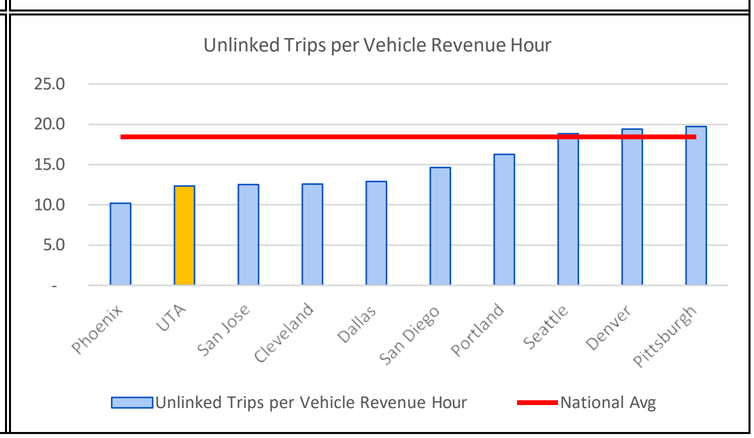
COMMUTER BUS SERVICE (DIRECTLY OPERATED & PURCHASED)

The following chars contain information from the Federal Transit Administration's National Database (NTD) for the most recent year available (2022) and compares the Authority's performance with other similar cities.





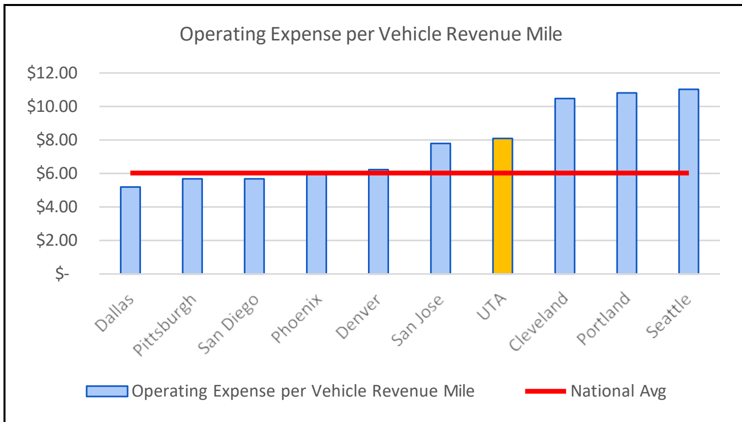


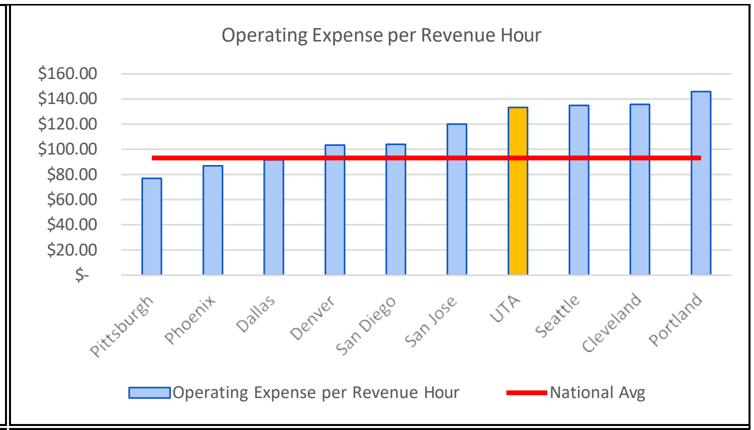


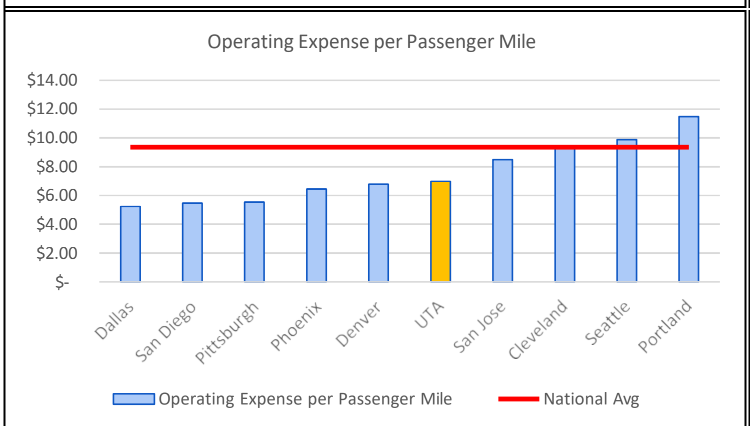
City	State	Agency		City	State	Agency		
Cleveland	OH	GCRTA		Portland	OR	TriMet	RC	SMS
Dallas	TX	DART		San Diego	CA	MTS		
Denver	CO	RTD		San Jose	CA	VTA		
Phoenix	AZ	VM	VMR	Seattle	WA	KCM		
Pittsburgh	PA	PRT						

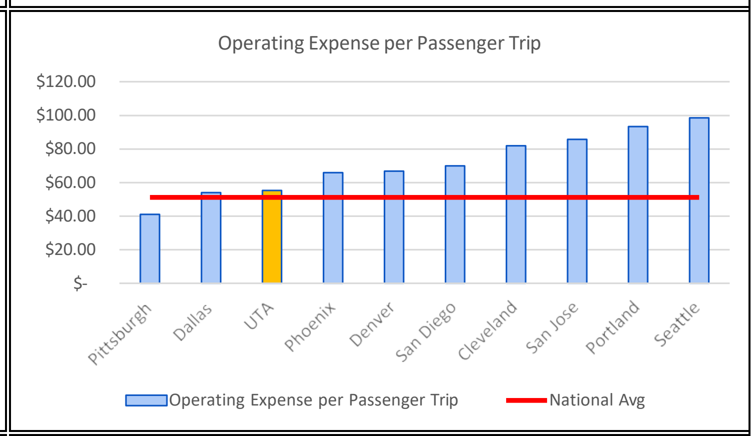
LIGHT RAIL SERVICE (DIRECTLY OPERATED & PURCHASED)

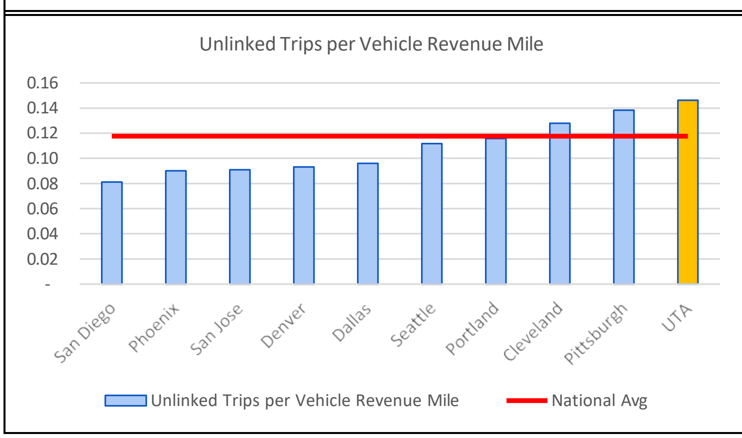
The following charts contain information from the Federal Transit Administration's National Database (NTD) for the most recent year available (2022) and compares the Authority's performance with other similar cities.

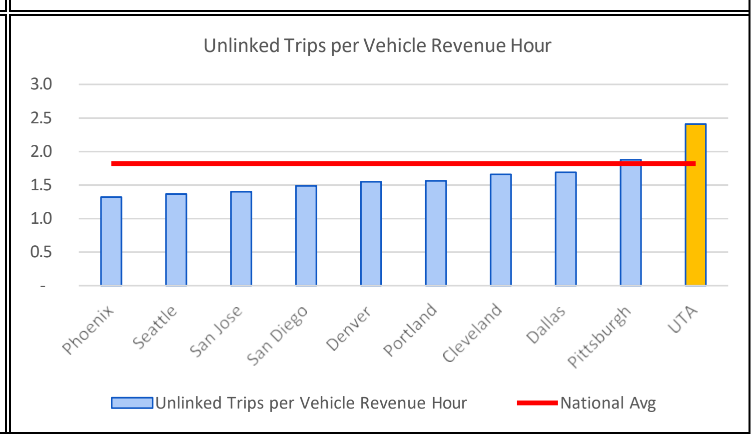








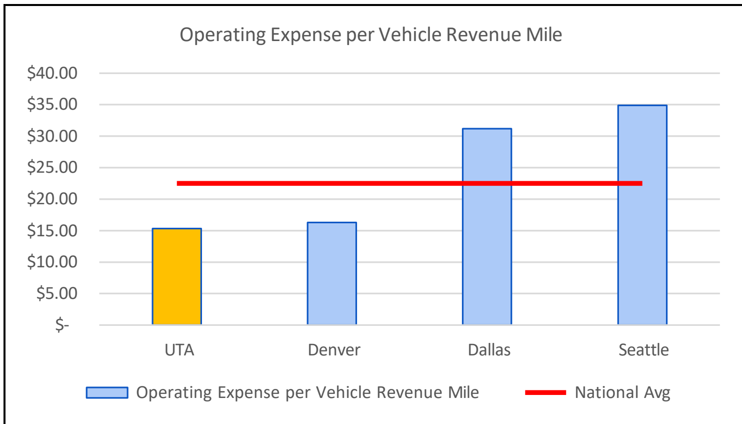


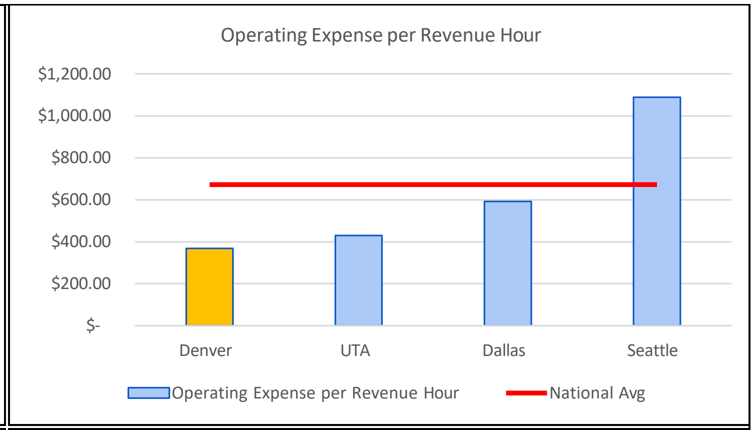


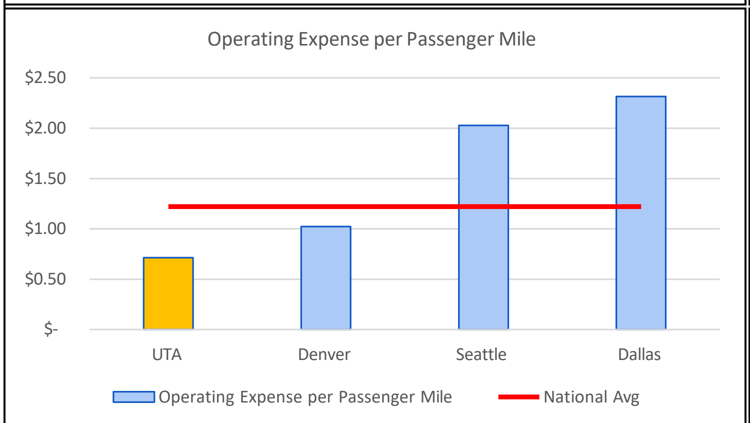
City	State	Agency	
Cleveland	OH	GCRTA	
Dallas	TX	DART	
Denver	CO	RTD	
Phoenix	AZ	VM	
Pittsburgh	PA	ACTA	
Portland	OR	RC	SMS
San Diego	CA	MTS	
San Jose	CA	VTA	
Seattle	WA	KCM	

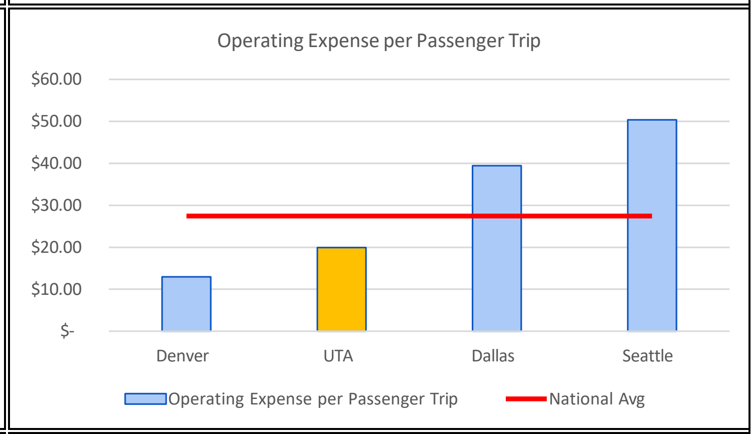
COMMUTER RAIL SERVICE (DIRECTLY OPERATED & PURCHASED)

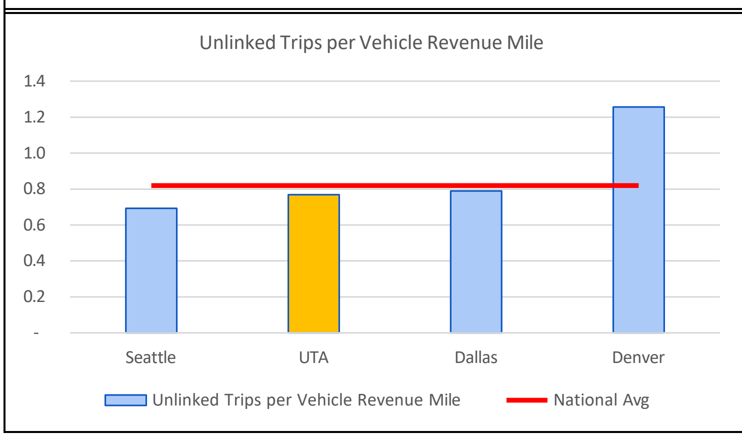
The following chars contain information from the Federal Transit Administration's National Database (NTD) for the most recent year available (2022) and compares the Authority's performance with other similar cities.

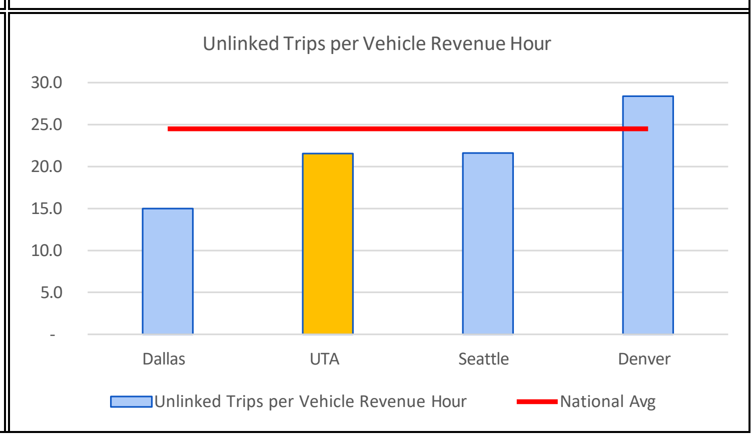








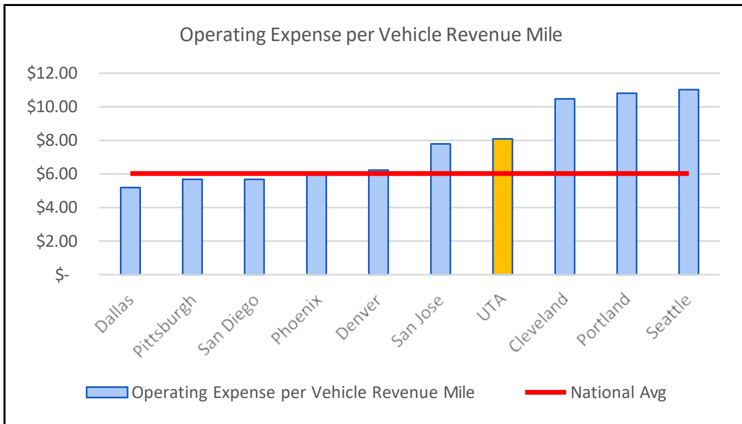


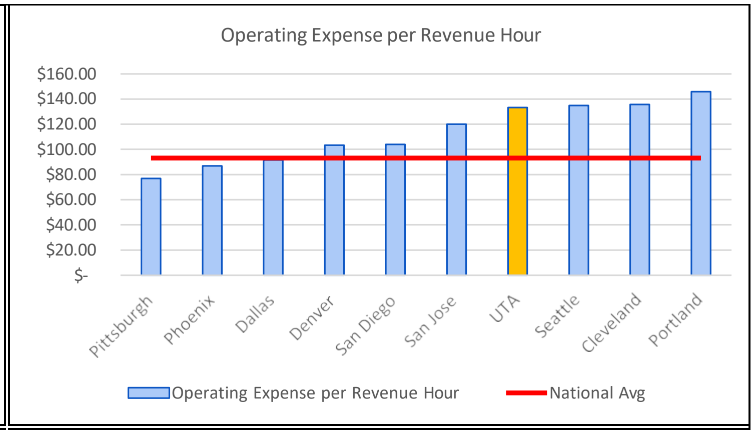


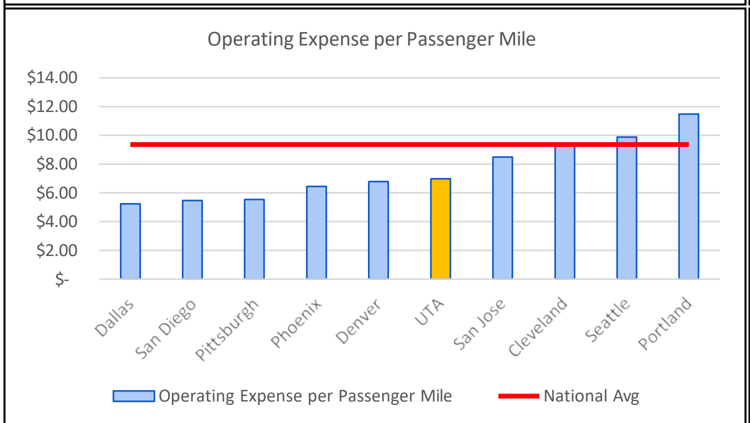
City	State	Agency
Dallas	TX	DART
Denver	CO	RTD
Seattle	WA	ST

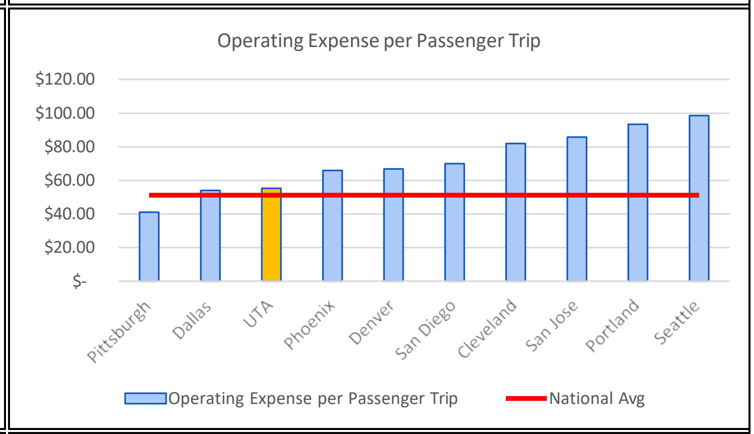
DEMAND RESPONSE SERVICE (DIRECTLY OPERATED & PURCHASED)

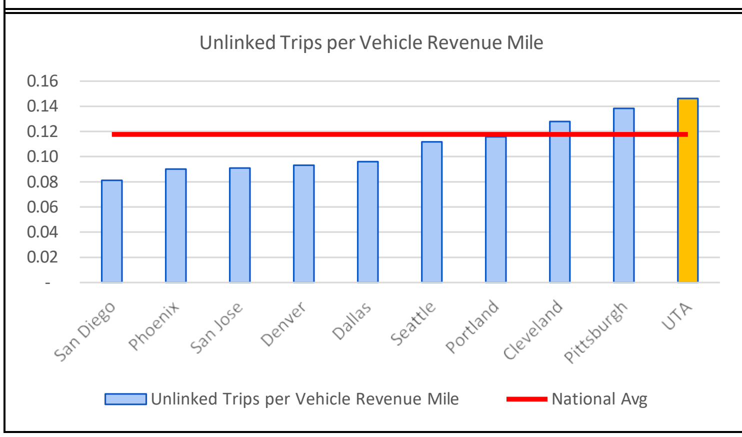
The following chars contain information from the Federal Transit Administration's National Database (NTD) for the most recent year available (2022) and compares the Authority's performance with other similar cities.

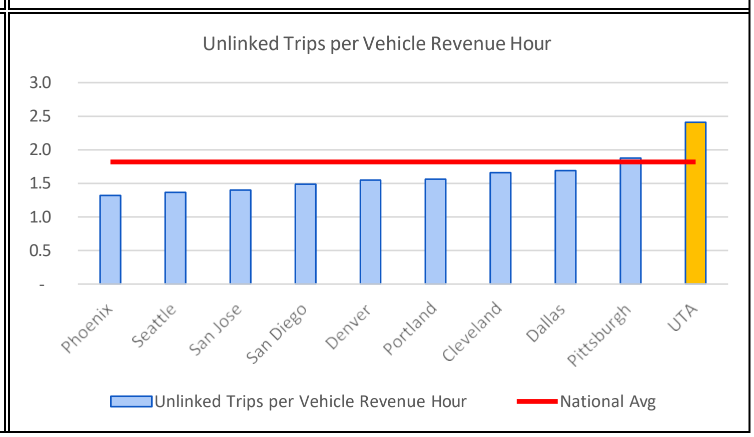








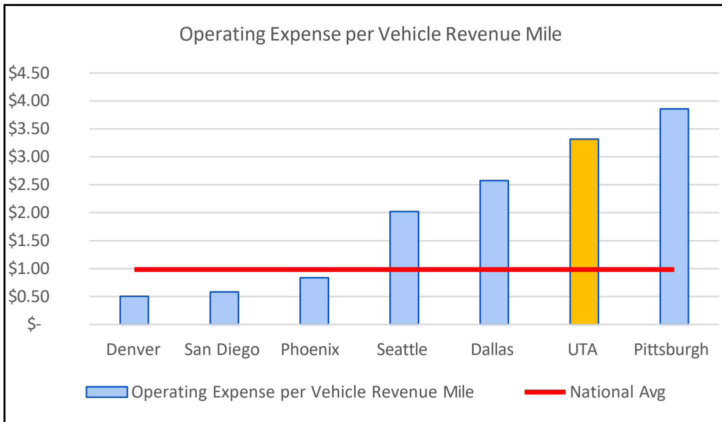


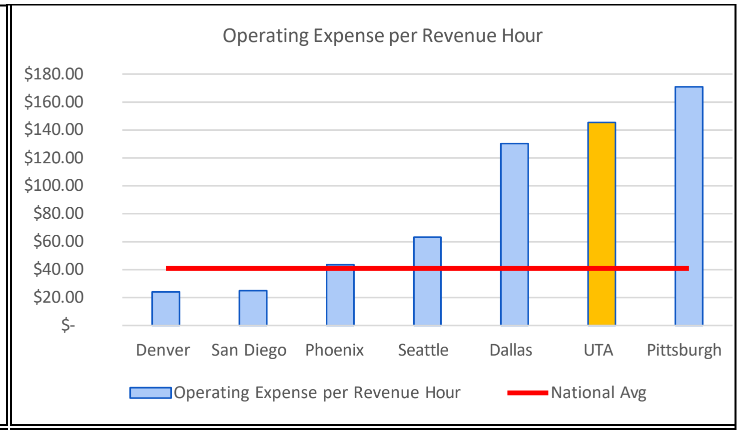


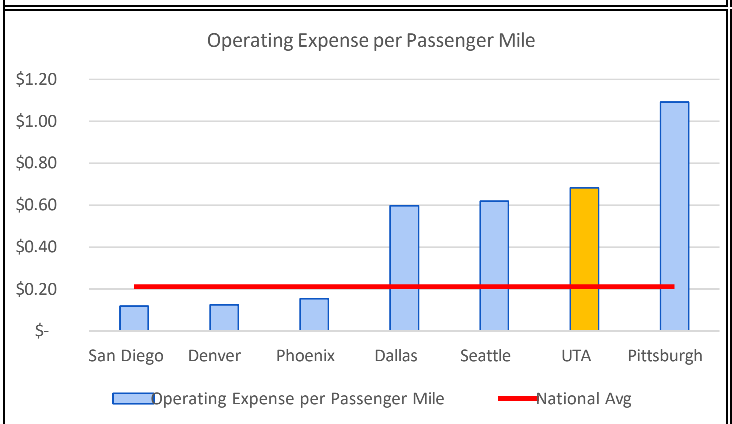
City	State	Agency	
Cleveland	OH	GCRTA	
Dallas	TX	DART	
Denver	CO	RTD	
Phoenix	AZ	VM	
Pittsburgh	PA	ACTA	
Portland	OR	RC	SMS
San Diego	CA	MTS	
San Jose	CA	VTA	
Seattle	WA	KCM	

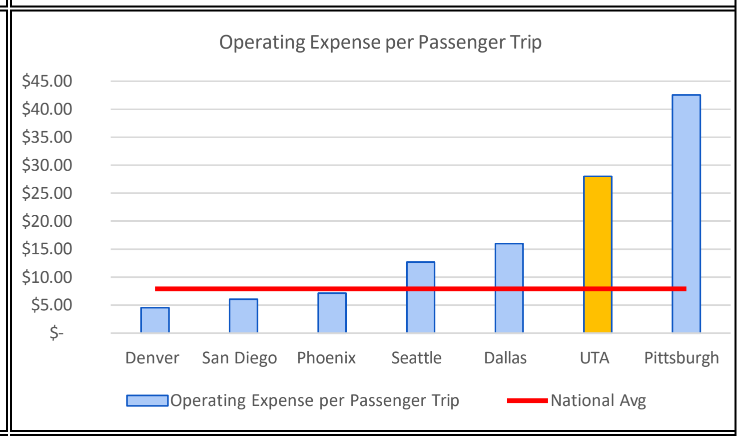
VAN POOL SERVICE (DIRECTLY OPERATED & PURCHASED)

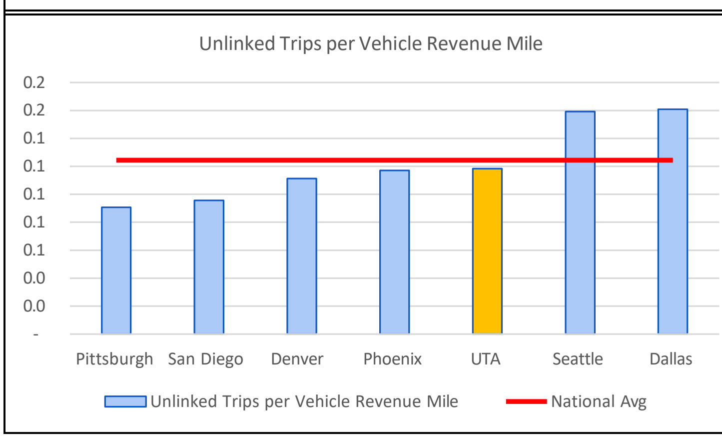
The following chars contain information from the Federal Transit Administration's National Database (NTD) for the most recent year available (2022) and compares the Authority's performance with other similar cities.

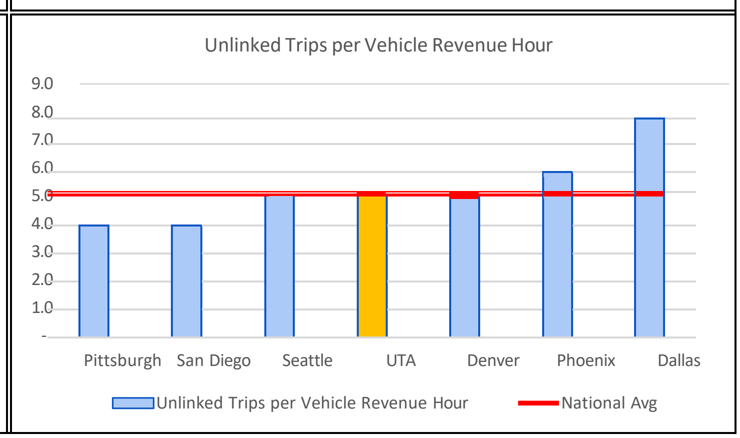












City	State	Agency	City	State	Agency
Dallas	TX	DART	Seattle	WA	KCM
Denver	CO	DRCOG			
Phoenix	AZ	VM			
Pittsburgh	PA	SPC			
San Diego	CA	SANDAG			

Compliance

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees
Utah Transit Authority
Salt Lake City, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the fiduciary activities of Utah Transit Authority (the Authority), a component unit of the State of Utah, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 28, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described as finding 2023-001 in the accompanying schedule of findings and questioned costs, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Authority's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The Authority's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Indianapolis, Indiana
June 28, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Board of Trustees
Utah Transit Authority
Salt Lake City, Utah

Report on Compliance for Major Federal Program

Opinion on Major Federal Program

We have audited Utah Transit Authority's (the Authority), a component unit of the State of Utah, compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on the Authority's major federal program for the year ended December 31, 2023. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2023.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority’s compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Authority’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

(Continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Indianapolis, Indiana
June 28, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal ALN Number	Grant Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION					
Federal Transit Cluster - Federal Transit Administration Programs					
Federal Transit - Capital Investment Grants	20.500	UT-2021-021-01		$ -	$ 5,536,444
COVID-19 - Capital Investment Grants	20.500	UT-2022-012-00		-	6,186,833
Federal Transit - Capital Investment Grants	20.500	UT-2023-008-00		-	100,974
				-	11,824,251
Federal Transit Formula Grants	20.507	UT-2020-010-00		-	746,538
Federal Transit Formula Grants	20.507	UT-2023-001-00		-	1,055,000
Federal Transit Formula Grants	20.507	UT-2023-002-01		-	62,979,534
Federal Transit Formula Grants	20.507	UT-2023-007-00		-	205,106
Federal Transit Formula Grants	20.507	UT-2023-033-00		-	2,272,361
				-	67,258,539
State of Good Repair	20.525	UT-2023-004-00		-	21,566,631
				-	21,566,631
Bus and Bus Facilities Formula Program	20.526	UT-2018-010-00		-	3,314,760
Bus and Bus Facilities Formula Program	20.526	UT-2023-003-00		-	1,406,000
				-	4,720,760
Federal Transit Cluster - Federal Transit Administration Programs total				-	105,370,181
Transit Services Programs Cluster - Federal Transit Administration Programs					
COVID-19 (CRRSAA) - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2022-002-00		223,493	223,493
COVID-19 (ARPA) - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2022-003-00		227,615	227,615
COVID-19 Transit Services Grants Total				451,108	451,108
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2017-016-01		63,077	63,077
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2019-001-01		183,202	183,202
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2019-002-00		14,365	14,365
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2019-003-01		89,439	83,403
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2021-005-00		100,500	100,500
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2021-006-00		51,976	51,976
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2021-007-00		100,952	100,951
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2021-009-01		144,305	191,691
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2021-010-01		173,282	294,759
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2021-011-01		513,816	549,942
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2023-013-00		116,874	116,874
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2023-014-00		139,351	139,351
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2023-024-00		11,663	11,663
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2023-026-00		238,383	238,383
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2023-027-00		331,136	331,136
Transit Services Programs Cluster - Federal Transit Administration Programs				2,723,429	2,922,381
Federal Transit Administration Programs total				2,723,429	108,292,562

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal ALN Number	Grant Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Public Transportation Innovation	20.530	UT-2021-004-00		$ -	$ 2,715
Public Transportation Innovation	20.514	UT-2021-020-02		-	175,246
Public Transportation Innovation Total				-	177,961
National Infrastructure Investment - Federal Transit Administration Programs					
Areas of Persistent Poverty Planning Study	20.505	UT-2023-009-00		-	78,687
Discretionary RAISE Grant	20.933	UT-2023-031-00		-	218,979
National Infrastructure Investment - Federal Transit Administration Programs Total				-	297,666
TOTAL U.S. DEPARTMENT OF TRANSPORTATION				2,723,429	108,768,189
TOTAL FEDERAL AWARDS EXPENDED				**$ 2,723,429**	**$ 108,768,189**

RECONCILIATION OF FEDERAL EXPENDITURES TO FEDERAL REVENUES ON THE STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION

Federal Preventative Maintenance grants	$ 63,625,899
Capital Contributions: Federal grants	45,176,230
Total per Statement of Revenues, Expenses and Change in Net Position (2022)	108,802,129
Total per Schedule of Expenditures of Federal Awards for the year ending December 31, 2022	108,768,189
Difference	33,940

Previous Over/(Under)stated Revenues reflected in 2023 Statement of Revenues, Expenses and Change in Net Position

	ALN	Grant #	Amount
Transit Services Program Cluster			
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2019-001	$ 14
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2019-003	(6,037)
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	UT-2022-003	(20,902)
			(26,925)
Public Transportation Innovation	20.514	UT-2021-020	891
National Infrastructure Investment (TIGER) UT	20.933	UT-2018-002	1
			892
Federal Transit Cluster - Federal Transit Administration Programs			
Bus and Bus Facilities Formula Program	20.526	UT-2018-010	(7,907)
			(7,907)
Total Adjustment			$ (33,940)

A. Basis of Accounting

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Authority. Expenditures are recognized on the accrual basis of accounting, following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

B. Pass-Through Awards

The Authority receives certain expenditures of federal awards, which is passed through to sub-recipients. The total amount of such pass-through awards is included in the schedule of expenditures of federal awards.

C. Non-Cash Federal Assistance

No non-cash federal assistance was received during the year ended December 31, 2023.

D. Indirect Cost Rate

The Authority did not use the 10 percent de minimis indirect cost rate.

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	____ Yes __X__ No
Significant deficiency(ies) identified?	__X__ Yes ____ None reported
Noncompliance material to financial statements noted?	____ Yes __X__ No

Federal Awards

Internal control over major federal programs:	
Material weakness(es) identified?	____ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes __X__ No

Identification of major federal programs:

Assistance Listing Number(s).	Program/Cluster Title
20.500, 20.507, 20.525, 20.526	Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B Programs	$3,000,000
Auditee qualified as low-risk auditee?	____ Yes __X__ No

SECTION II – FINDINGS RELATING TO THE FINANCIAL STATEMENTS, WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

Finding 2023-001 – Controls Over the Preparation of the Schedule of Expenditures of Federal Awards (Significant Deficiency)

Criteria: 2 CFR 200.508 states in part: "The auditee must: . . . (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal Awards in accordance with § 200.510 Financial statements. . ."

2 CFR 200.510(b) states: *"Schedule of expenditures of Federal awards*. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

(1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency.

(2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.

(3) Provide total Federal awards expended for each individual Federal program and the Assistance Listing Number (ALN) or other identifying number when the ALN information is not available. For a cluster of programs also provide the total for the cluster.

Condition: The Authority did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

Context: The original SEFA provided by management included $4,382,231 related to Grant UT-2018-002, TIGER grant. During our SEFA reconciliation, we determined that the full federal award amount had been recognized or reported on the SEFA in prior years between 2018-2022, therefore no federal expenditures should have been included on the 2023 SEFA. An adjustment was made to properly report the 2023 Federal expenditures on the SEFA.

Effect: Without a proper level of review and understanding of the Federal reporting requirements, material or significant misstatements of the SEFA could go undetected.

Cause: Management had mistakenly included the TIGER expenses on the 2023 SEFA and the system of internal controls did not detect the error.

Recommendation: We recommend that the Authority carefully review the SEFA to ensure amounts reported are accurate and on an accrual basis.

Views of Responsible Officials and Planned Corrective Actions: Management accepts the findings and is in the process of creating better internal controls that will result in a more complete review of the SEFA.

SECTION III – FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS INCLUDING AUDIT FINDINGS AS DEFINED IN Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

None reported.

Other Supplementary Schedules

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE *STATE COMPLIANCE AUDIT GUIDE*

Board of Trustees
Utah Transit Authority
Salt Lake City, Utah

Report On Compliance

Opinion on State Compliance

We have audited the Utah Transit Authority's (the Authority), a component unit of the State of Utah, compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor, for the year ended December 31, 2023.

State compliance requirements were tested for the year ended December 31, 2023 in the following areas:

- Budgetary Compliance
- Restricted Taxes and Related Revenues
- Fraud Risk Assessment
- Government Fees
- Cash Management
- Public Treasurer's Bond

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above for the year ended December 31, 2023.

Basis for Opinion on State Compliance

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); and the audit requirements of the *State Compliance Audit Guide*, issued by the Office of the State Auditor. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

(Continued)

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the *State Compliance Audit Guide* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements as a whole.

In performing an audit in accordance with GAAS and the *State Compliance Audit Guide*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

(Continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Indianapolis, Indiana
June 28, 2024