

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Years Ended
September 30, 2023 and 2022



CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY



ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the

**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY d/b/a
LYNX**

**FOR YEARS ENDED
SEPTEMBER 30, 2023 AND 2022**

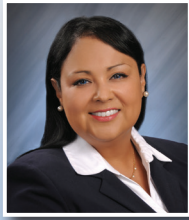
PREPARED BY THE FINANCE DEPARTMENT

Leonard Antmann, Chief Financial Officer
Michelle Daley, Director of Finance

LYNX® BOARD OF DIRECTORS



Jerry Demings
Chair
ORANGE COUNTY
MAYOR



Viviana Janer
Vice Chair
OSCEOLA COUNTY
COMMISSIONER



John E. Tyler
Secretary
FDOT DISTRICT 5
SECRETARY



Buddy Dyer
Board Member
CITY OF ORLANDO
MAYOR



Andria Herr
Board Member
SEMINOLE COUNTY
COMMISSIONER

Introductory Section

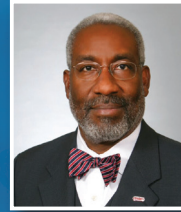
LYNX® EXECUTIVE MANAGEMENT



Tiffany Homler Hawkins
CHIEF EXECUTIVE
OFFICER



Leonard Antmann
CHIEF FINANCIAL
OFFICER



Frank Martin
INTERIM CHIEF
OPERATING OFFICER



**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
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**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY d/b/a
LYNX**

BOARD OF DIRECTORS

Jerry Demings	Chairman, Orange County Mayor
Viviana Janer	Vice Chair, Osceola County Commissioner
John E. Tyler	Secretary, FDOT District 5 Secretary
Buddy Dyer	Board Member, City of Orlando Mayor
Andria Herr	Board Member, Seminole County Commissioner

LYNX EXECUTIVE STAFF

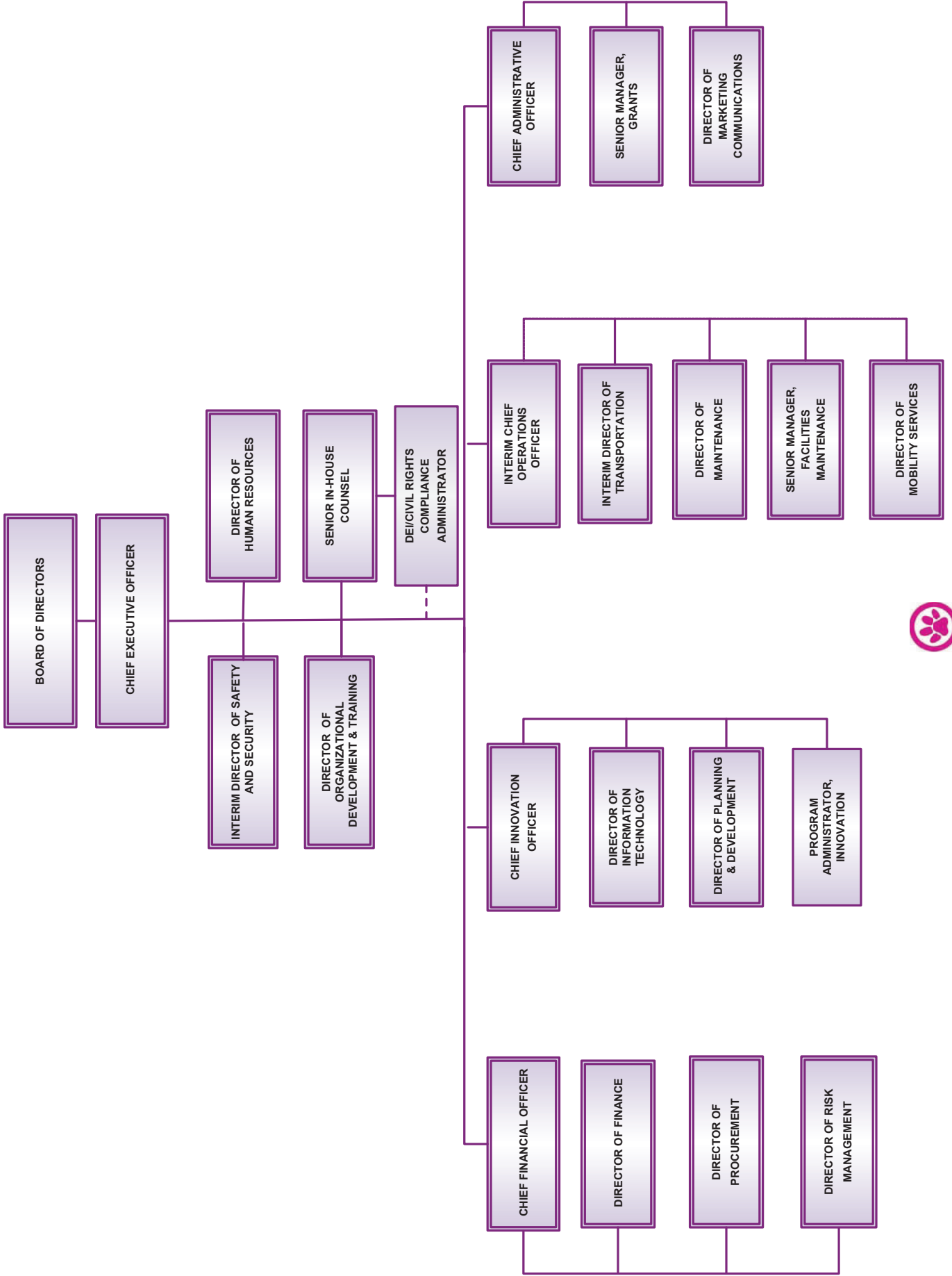
Tiffany Homler Hawkins	Chief Executive Officer
Leonard Antmann	Chief Financial Officer
Frank Martin	Interim Chief Operations Officer
Vacant	Chief Administrative Officer
Vacant	Chief Innovation Officer

DEPARTMENT HEADS

Michelle Daley	Director of Finance
Terri Settrington	Director of Human Resources
James Boyle	Director of Planning & Development
Craig Bayard	Director of Information Technology
Matt Friedman	Director of Marketing Communications
Elvis Dovalos	Director of Maintenance
Norman Hickling	Director of Mobility Services
Rey Quinones	Interim Director of Transportation
Maurice Jones	Director of Procurement
John Burkholder	Director of Risk
Jafari Bowden	Interim Director of Safety & Security

FINANCE DIVISION

Tony Deguzman	Comptroller
Christopher Plummer, CPA	Senior Manager, Financial Reporting & Business Analysis
Nancy Navarro	Manager of Financial Reporting
Vacant	Manager of Financial Planning & Budgets
Irene Feliciano	Supervisor of Payroll & Accounts Payable
Patty Dolan	Supervisor of Revenue Control
Luis Buitrago	Senior Accountant
Vacant	Senior Accountant
Tyler Betts	Accountant
Mariana Sanchez	Accountant
Mick Whitney	Accountant
Arlane Santiago	Accountant
Vacant	Accountant
Joyce Larson	Data Analyst
Vivian Revis	Financial Analyst
Ken Roberts	Asset Management Administrator
Bradley Mathews	Asset Management Specialist
Ismael Cruz	Accounting Technician AP/PR
Andrew O'Neil	Accounting Technician AP/PR
Andrea Boyd	Accounting Technician AP/PR
Yutong Wang	Accounting Technician AR
Patrice Frage	Fare Media Specialist



LYNX ORGANIZATIONAL CHART
September 30, 2023



March 4, 2024

To the Governing Board of the Central Florida Regional Transportation Authority d/b/a LYNX:

The Annual Comprehensive Financial Report (ACFR) of the Central Florida Regional Transportation Authority d/b/a LYNX for the fiscal years ended September 30, 2023 and 2022 is hereby submitted for review.

This ACFR, prepared by LYNX's Finance Team contains financial statement and statistical data which detail material transactions and operating activities within the Authority. The Management Discussion and Analysis (MD&A), annual financial statements, supplemental schedules, and associated statistical information are representations by management related to the financial condition of the organization. Authority management bears responsibility for this report's details, precision, and completeness. In conformance with accounting principles generally accepted in the United States, this report was prepared on an accrual basis, treating the Authority as a single enterprise fund. The ACFR disseminates accurate, concise, and actionable financial information to the Governing Board, citizens of central Florida, and all other interested parties.

The MD&A follows the Report of Independent Auditor and provides a narrative introduction, overview, and analysis of LYNX's financial statements. The MD&A complements this transmittal letter and should be read in conjunction with it.

The ACFR is presented in four sections:

- The **INTRODUCTORY SECTION** contains a title page, a table of contents, a list of the Principal Officials, this Letter of Transmittal, the Authority's current organizational chart, and the Authority's Certificate of Achievement for Excellence in Financial Reporting. This section is intended to acquaint the reader with the organizational structure, the scope of service the Authority provides, and a summary of the financial activities including material factors influencing the aforementioned activities;
- The **FINANCIAL SECTION** includes the MD&A, the Report of Independent Auditor, the Authority's comparative financial statements, and notes to the financial statements;
- The **STATISTICAL SECTION** includes selected financial, economic, and demographic information presented on a multi-year basis and is used to determine trends for comparative fiscal year purposes; and;
- The **SINGLE AUDIT SECTION** includes supplemental schedules, internal control reports, and compliance reports as required by federal and state regulations.

REPORTING ENTITY

The Central Florida Regional Transportation Authority (CFRTA) was created in 1989 pursuant to Section 343.63, Florida Statutes. This legislation was amended in 1993, allowing the CFRTA to assume the operations of the former Central Florida Commuter Rail Authority and provide an opportunity to merge with the local transportation provider, Orange-Seminole-Osceola Transportation Authority (OSOTA) d/b/a LYNX. The legislation created a one-stop public transportation entity within Central Florida using the “doing business as” designation: LYNX. Through formal action by both the CFRTA and OSOTA Board of Directors, the merger of the two organizations was ratified March 1994 and became effective October 1, 1994.

LYNX provides public transportation services to the Orlando, Florida metropolitan area; a region which includes Orange, Seminole, and Osceola counties. LYNX also offers limited flexible and fixed-route service to Polk and Lake counties. The Authority provides single passenger travel alternatives in the form of fixed-route, bus rapid transit (BRT), neighborhood circulator, paratransit, and vanpool services.

A five-member Governing Board oversees LYNX. The members of the Governing Board include: one Commissioner from Osceola County, one Commissioner from Seminole County, the Mayor of the City of Orlando (or an appointed designee), the Mayor of Orange County (or an appointed designee), and a representative of the Florida Department of Transportation (FDOT). Each member serves a term as designated by Section 343.63 of the Florida Statutes. The Board of Directors typically meets monthly on the fourth Thursday to discuss, review, and approve Authority business.

Responsibility for managing the day-to-day administration and operations of LYNX resides with the Chief Executive Officer (CEO). Assisting the CEO is a senior management team comprised of a Chief Financial Officer, Chief Administrative Officer, Chief Operating Officer, and Chief Innovation Officer who all support the executive office, as well as a Senior In-House Counsel and twelve (12) directors. These twelve directors are responsible for providing guidance and oversight to the following departments: Vehicle Maintenance, Transportation, Mobility Services, Human Resources, Information Technology, Marketing/Communications, Organizational Development, Planning, Safety and Security, Risk, Procurement, and Finance.

For purposes of defining the reporting entity, LYNX is an Independent Special District of the State of Florida.

ECONOMIC CONDITION AND OUTLOOK

The tri-county area, comprised of Orange, Seminole, and Osceola counties, remains one of the leading growth regions within the country and is a premier worldwide tourist destination. This area is home to numerous world-renowned tourist attractions including Walt Disney World, Universal Studios, the Orlando Eye, and SeaWorld. Orlando is home to four pro or semi-professional sports teams – the NBA’s Orlando Magic, Major League Soccer’s (MLS) Orlando City Lions, National Women Soccer League’s (NWSL) Orlando Pride, and the ECHL Hockey’s Orlando Solar Bears. The City of Orlando has a vibrant, downtown corridor, including several community venues: the Amway Center, Dr. Phillips Center for the Performing Arts, Camping World Stadium, and Exploria Stadium for the Orlando City and Pride soccer

teams. Additionally, Orange County is home to the second largest convention center in the United States and plays host to numerous medical, information technology, cybersecurity, and home renovation conventions. The University of Central Florida, Seminole State, Valencia, Florida A&M College of Law, and a number of other higher learning institutions also call the Orlando metropolitan area home.

Central Florida continues to experience a population increase over the last several years. The region's bustling economic growth can be attributed to a robust job market, numerous activity destinations, transit friendly focus, and year-round warm weather. SunRail, Central Florida's commuter train, connects employees with businesses, patients with medical care facilities, and pleasure seekers with a variety of vibrant areas to explore.

While Central Florida is known for its hospitable climate, enviable tourist attractions, and tranquil lifestyle; the region is also one of the top locations in the United States to do business. Behind the area's tourism, entertainment and space industries is a dynamic and diversified marketplace of innovative businesses. An influx of e-commerce start-up, cloud, and medical technology companies have made Orlando's metropolitan area one of the fastest growing new economy centers worldwide.

MAJOR INITIATIVES

Senior management under direction from the Governing Board, focused on improving LYNX's passenger experience by adjusting routes to coordinate seamless transfers, optimizing on-time performance, and increasing off peak service. Beyond The Authority's dedication to improving rider experience, two major construction initiatives were prioritized: 1) Awarding the Pine Hills transfer station contract, and 2) further enhancement of the existing Florida Mall super-stop.

Additional information detailing the Authority's noteworthy accomplishments and managing other organizational priorities is separated by each functional discipline herein:

Fixed Route Ridership

Total FY2023 fixed route ridership equaled 16,917,053, a 9.9% increase versus the prior reporting period.

Paratransit Services

ACCESS LYNX is an origin to destination transportation service for customers unable to access fixed route bus service. In FY2023, ACCESS LYNX's accomplishments included:

- Completed 580,114 trips – a 13.6% increase year-over-year versus FY2022;
- Integrated a new cloud-based solution for daily reservations and route scheduling of paratransit trips. This upgrade will provide improved efficiency, user functionality, and aided staff's remote work flexibility; and
- Transitioned the Authority's contracted service to a new provider and refurbished a non-operating facility to boost completed trip capacity within 30 days.

Service Planning

In FY2023, the Service Planning Division accomplished the following:

- Transitioned all Neighborlink (NL) routes from a private contract into an internally operated extension of fixed route;
- Expanded on-demand service in high demand corridors, specifically links 822 and 851;
- Added fixed-route Link 612 servicing northeast Osceola County; and
- Conducted three (3) system-wide service changes. The most notable changes included adjusting route schedules with connections to SunRail, extending the LYMMO Lime Line, and initiating a demonstration project for autonomous vehicles in downtown Orlando.

Strategic Planning

In FY2023, the Strategic Planning Division accomplished the following:

- Completed the five-year Transportation Disadvantaged Service Plan (TDSP) major update;
- Finalized the FY2024-2033 Annual Progress Report to the Transit Development Plan (TDP);
- Conducted an on-board survey of approximately 7,500 riders' origin and destination locations;
- Began studying the viability of a proposed Bus Rapid Transit (BRT) line along SR 436, and
- Updated LYNX's Title VI program to coincide with proposed changes between FY2023-2025.

Engineering and Construction

In FY2023, the Engineering and Construction Department accomplished the following:

- Assisted with preliminary engineering and design for the proposed Southern Operations Base;
- Installed 21 new and rehabilitated 97 existing shelters throughout LYNX's service area;
- Finalized interior improvements for a large section of the 2nd floor at LOC Building A;
- Completed design and began construction of the following projects:
 - Concrete & drainage improvements at two high traffic LYNX owned properties;
 - Renovation for LOC Building B Tool Crib and Wellness Center; and
 - LOC Expansion Administrative Building Generator.

Intelligent Transportation Systems (ITS) and Innovation

In FY2023, Intelligent Transportation Systems (ITS) and Innovation accomplished the following:

- Received six (6) additional zero emission buses to maintain service along the City of Orlando's Fixed Route Guideway (LYMMO BRT);
- Updated the Zero Emission Transition Plan to detail LYNX federal grant funding for low and no emission vehicles;
- Launched a multi-month demonstration of autonomous vehicle service on the existing LYMMO Orange bus route; and
- Working toward consolidating all fare related collection activity into a single vendor and upgraded the existing fareboxes to accept multiple forms of electronic payments.

Procurement

In FY2023, the Procurement Department accomplished the following:

- Purchased 25 Compressed Natural Gas (CNG) 40-foot buses, 6 electric 35-foot buses, 50 Vanpool, and 14 non-revenue support vehicles;
- Released RFPs for A&E Design services for a multi-site HVAC system replacement, banking and financial services, and two (2) legal service disciplines;
- Completed five major procurements including sourcing vendors for (1) paratransit services, (2) a new Enterprise Resource Planning (ERP) system, (3) an autonomous vehicle contract to support LYMMO, (4) construction of the Pine Hills bus transfer station, and (5) the Florida Mall bus super-stop;
- Procured an on-call bus shelter construction agreement to protect the traveling public from structurally unsafe, vandalized, or damaged shelters within LYNX's service area;
- Yielded zero deficiencies from FTA's Triennial Review and LYNX's annual external audit; and
- Conducted multiple vendor outreach sessions to explain how to do business with the Authority.

Vanpool Program

LYNX coordinates with a third-party vendor to operate the Vanpool program. The mission of the Vanpool program is to offer alternative transportation options for businesses, agencies, and commuters. This program continues to be a viable mode of transportation for employees who desire a rideshare option at cost-effective monthly rates. Participation in the program provides participants with a more affordable and social mode of transportation while also reducing traffic in the area. LYNX is excited to meet the increased demand and grow the number of actively operating vanpools during FY2024.

As of September 30, 2023, LYNX Vanpool accounted for 2,150 work trips per week and 126 vehicles in service. The vanpool program was also responsible for 1,460,233 revenue miles in FY2023.

Mobility Services

During FY2023, Mobility participated in several community events to discuss and promote LYNX's paratransit services. Highlighted events were exemplified by the Seminole State Provider Fair, Macedonia Resource Event, and Kissimmee High School Youth Event, among others.

Additional activities associated with the Mobility Services Division:

- The call center received 687,786 calls, a 7.1% increase versus the prior reporting period;
- The customer service window served 67,349 customers, generating \$1.67M in revenue;
- Lost and found returned 24.2% of items found on LYNX property to their owners; and
- LYNX photo-ID program produced 4,826 IDs and replacements.

Employee Relations

Sound employee relations are critical to morale within LYNX. Human Resources (HR) continues to work with all staff to ensure the Authority's workplace is a diverse, equitable, and inclusive setting for all employees. HR is continually evolving to meet the ever-changing needs of both staff and our external customers. Improvements in new hire recruitment, existing employee retention efforts, advanced soft skill training, and career development training have taken hold. Regular meetings between labor and management are conducted to ensure any environmental or work-related concerns are addressed timely.

Fiscal Controls and Improvements

Finance and IT continued to improve the integrity of the control environment within the Authority. During FY2023, a collaborative review of all the existing process narratives, policies, and procedures was conducted. Also, staff conducted organization wide budget versus actual meetings monthly. Other notable accomplishments were as follows:

- Coordinated funding agreement to allow for continuation of I-4 Road Ranger service;
- Successfully completed the 2023 annual Florida Transportation Commission Report; and
- Received the Government Finance Officers Association (GFOA) Award for Excellence in Financial Reporting for the 31st consecutive year.

The aforementioned capital projects will complement the following emphasis areas identified in fiscal year 2023:

Fixed-Route Service

LYNX continued to improve fixed-route service by enhancing rider experience. The Authority's plan involved optimizing on-time performance, maintaining clean transit vehicles, making operational, and amenity improvements as necessary.

Communications

FY2023 was another creative and award-winning year for communications. The team was honored by winning an APTA Award for marketing campaign excellence. Marketing continued work on refreshing the agency's brand as well as helping both bus and shelter advertising revenues exceed vendor guarantees. During FY2024, LYNX will celebrate its 30th year as an Authority and 20th operating the main terminal in downtown Orlando.

Capital Improvement Projects

Capital improvements are necessary for LYNX to deliver continued quality transit solutions. LYNX receives federal formula grant funding, state, and local contributions to fund the overall agency capital program. These capital resources ensure Agency vehicles, facilities, and dedicated projects support operations.

Vehicle purchases, facility improvements, information tools, and passenger amenities included in the FY2023 capital program are:

- **Rolling Stock - \$49.0 million**
Rolling stock includes both expansion and replacement LO/NO fueled vehicles for fixed route, vanpool, and paratransit service;
- **Bus Rapid Transit (BRT) - \$1.2 million**
BRT includes the LYMMO - Orange Line Rehabilitation under the State of Good Repair (SOGR);
- **Facilities - \$27.5 million**
Facilities include land acquisition and design of LYNX's Southern Operations base, planned HVAC upgrades within several Authority buildings, and the upgrading LCS' exterior windows. Other budgeted facility improvements comprised, but are not limited to buildout of the LOC-A tool crib and the LOC-B wellness center;

- **Passenger Amenities/Related Enhancements - \$18.4 million**
Passenger amenities include construction, engineering, and rehabilitation of shelters, transfer centers, benches, and trash receptacles;
- **Technology - \$1.9 million**
Technology includes establishing a new virtual infrastructure at LOC, replacing the existing Authority wide core network, and beginning the transition to a new Enterprise Resource Planning (ERP) software provider;
- **Security - \$1.6 million**
Security includes installing security gate access control equipment at two parking lot entrances, and building a multi-functional security kiosk at OSF in Kissimmee;
- **Support Equipment - \$2.8 million**
Support equipment includes modernizing the existing Fuel Management System, replacing end of life in-ground lifts for the Fixed Route fleet, and purchasing new grease reels for Vehicle Maintenance.

Capital Planning and Studies

The TDP annual update and progress reports contain planned capital and service improvements necessary to meet Central Florida's growing demand for public transportation throughout the next ten years. The most recent major TDP update was completed in FY2022 and includes fiscal years 2023-2032 improvement planning. An annual update to the TDP was completed in FY2023 which includes accomplishments over the past fiscal year which are all driven by the overall goals set forth in the major update completed in the prior fiscal year.

LYNX's 2018 Transit Asset Management (TAM) Plan was updated during FY2023. The TAM Plan details the Authority's asset lifecycle guidelines and future capital program needs, including management of the organization's Rolling Stock purchases. The TAM policy documents LYNX's commitment to maintaining Authority's capital assets in a constant State of Good Repair.

Current Year Projects

LYNX focused on new infrastructure and transfer centers to provide the community a more customer focused ridership experience in FY2023. The Authority broke ground at the future site of the Pine Hills Transfer Center, moved toward final site selection for the Southern Operations Base, and worked with stakeholders on design of a Transfer Facility located within Terminal C at Orlando International Airport.

Future Projects

LYNX continued to migrate our information technology systems and software into cloud-based solutions. During FY2024 Automatic Passenger Counter (APC) software will be a hosted service. In addition to the APC data collection change, other significant Authority future projects include:

- Entering into a five (5) year Accelerated Transportation Safety Program (ATSP) service funding agreement with Orange County beginning in 2024. The ATSP's plan is to enhance operational frequency on major corridors and increase the number of bus shelters constructed serving areas of need;
- Studying transit-oriented development along SR436 for future land use and identifying underutilized property;

- Evaluating ridership and potential changes to LYMMO in response to the City of Orlando's proposed master plan; and
- Creating an interactive application to present real time bus location and passenger information.

FINANCIAL INFORMATION

Internal Control Structure

LYNX management is responsible for creating and monitoring an internal control environment to minimize risks and protect assets, ensure accuracy of records, promote operational efficiency, and adhere to organizational policy, financial regulation, and the law. The concept of reasonable assurance recognizes the cost of an internal control should not exceed the benefit derived. The use of estimates and sound judgment is required of management to assess the value of expected benefit and related cost of the current internal control structure.

Budgetary Controls

The operating and capital improvement budget are produced annually. These annual budgets are presented by staff and adopted by the Board of Directors. Since LYNX operates as an enterprise fund, the adopted budget is prepared on an accrual basis. Expenses are recognized in the period incurred and revenues when earned. Each year's annual operating budget must be balanced, whereby total estimated revenue equals total projected expense. If any unplanned revenue or expense are identified during the year, the adopted budget may be amended with approval from the Governing Board. Similarly, the Chief Executive Officer and Board of Directors must approve any increases to the Authority's authorized headcount. Once approved by the Board of Directors, the authorized headcount and annual budget serve as the financial plan regulating expenses and fund obligation by the Authority.

Staff monitors the Authority's operations through controls which may include, but are not limited to:

- Budget to actual variance assessments completed on a monthly basis;
- Approved operating and un-obligated capital balances lapse at fiscal year-end; and
- Only project committed capital purchase orders are carried forward into the following fiscal year.

Last, budgetary control is maintained departmentally with oversight and support from division and executive leadership. It is the responsibility of each department to manage their area consistently with the goals and objectives set forth by the Board of Directors.

Debt Administration

At the end of FY2023, the Authority did not have any open or expected future debt administration. For additional information on the history of the Authority's debt administration, please refer to notes to the financial statements discussing leases payable.

Fuel Hedge Swap Agreements

In July 2011 the Authority began a fuel hedging program with an international counterpart to financially cap a significant portion of planned fuel purchases for future budget periods. The objective is to smooth out the fluctuation in fuel prices and to limit the extent to which the price paid for fuel could materially increase during the fiscal year. As of September 30, 2023, the Authority did not currently have any open

hedge position for FY2024. For additional information on the Authority's fuel hedging activity, please refer to the fuel hedge swap agreements note within the financial statements.

Fiscal Controls and Improvements

Material Control continued to maintain inventory receipt and supply distribution integrity of fleet inventory items (parts, fuels, fluids, and lubricants), bulk supplies (janitorial, sundry consumables), and capital component assets (engines, transmissions, etc.) Their efforts helped maximize cost savings through centralized bulk purchasing from the LYNX Operations Center (LOC) warehouse.

Other accomplishments during FY2023 were as follows:

- Completed the annual physical inventory of 4,280-line items valued at \$3.2 million, with a net variance of -0.61 percent;
- Maintained an inventory turn rate of greater than 1.75 times per year through optimal inventory stock levels and the disposal of obsolete stock items;
- Continued to stock inventory parts by product category to enhance the efficiency of ordering, maintaining, and distributing parts;
- Maintained a spare parts model inventory for buses based on current system specifications and analyzing "on demand" needs to minimize investment and bus down time; and
- Assembled more kits within the inventory software to capture and track more component costs to a bus work order.

OTHER INFORMATION

Independent Audit

The Single Audit Act Amendments of 1996 require state or local governments that expend \$750,000 or more in a year in Federal financial assistance to have an audit conducted for that year in accordance with the Uniform Guidance. The State of Florida has similar legislation, the Florida Single Audit Act, related to audits of State financial assistance. Pursuant to these Acts, the Authority's independent Certified Public Accountant, MSL, P.A. have conducted the audit for fiscal year ended September 30, 2023.

Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Central Florida Regional Transportation Authority for its comprehensive financial report for the fiscal year ended September 30, 2022. This was the 31st consecutive year that the Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and will submit it to the GFOA to be considered for another award.

The preparation of the Annual Comprehensive Financial Report was made possible by the hard work and dedicated service of the entire Finance staff. Special thanks and recognition go to Christopher Plummer, Senior Manager of Financial Reporting & Business Analysis and Nancy Navarro, Manager of Financial Reporting, for their effort preparing the report. We also give our thanks to the Marketing Department for their expertise designing the cover and to the LYNX Governing Board's support of the Authority.

Respectfully submitted,



Tiffany Homler Hawkins
Chief Executive Officer



Leonard Antmann, MBA
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Central Florida Regional Transportation Authority
dba LYNX**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Central Florida Regional Transportation Authority
Orlando, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of the Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority"), as of and for the fiscal years ended September 30, 2023 and 2022, 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 financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Authority as of September 30, 2023 and 2022, and the changes in its financial position and its cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Auditor's Responsibility 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 opinion. 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 generally accepted auditing standards 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 generally accepted auditing standards 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 and the required supplementary information, 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 audits 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.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary schedule of revenues and expenses – budget vs. actual (budgetary basis) and schedule of local financial assistance are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance are presented for the purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, *Rules of the Auditor General*, and are also not a required part of the basic financial statements. The supplementary schedule of revenues and expenses – budget vs. actual (budgetary basis), schedule of expenditures of federal awards, schedule of local financial assistance, and schedule of expenditures of state financial assistance are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory section and the statistical section, as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits 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 March 4, 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 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 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.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 4, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the annual comprehensive financial report of Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority") presents management's analysis of the Authority's financial performance during the fiscal years that ended on September 30, 2023 and 2022, respectively. Please read it in conjunction with the financial statements which follow this section.

Financial Highlights

Fiscal 2023

- Customer fares increased 12.1%, or \$2.2 million over FY2022. The increase in fares resulted from a sustained economic recovery and several area employers asking remote or hybrid staff to return to the office.
- Operating expenses before depreciation increased 23.0%, or \$34.0 million, and capital contributions decreased 59.4% or \$10.9 million from FY2022. Material increases in salaries and wages, fringe benefits, purchase transportation, fuel, and materials & supplies expense more than offset the non-cash decrease from general liability and worker's compensation actuarial adjustments in casualty & liability. The increase in wages and purchase transportation were due to inflation adjusted wage growth needed to retain staff and recruit specialized talent for open positions. Authority fuel costs increased as staff was not able to replicate the prior period's favorable fuel hedge as demand for Ultra Low Sulfur Diesel, CNG, and 87-Unleaded Gasoline products persisted, and energy prices remained high. Purchased transportation trip volume increased 13.6% from 510,321 (FY2022) to 580,114 (FY2023) as many first-time applicants were approved and opted to use paratransit services frequently.
- Overall net position decreased by 6.6%, or \$18.8 million, from FY2022 as the Authority utilized the remaining ARPA grant federal operating assistance in the prior period. These grant funds were utilized in FY2022 as a material offset against increased vendor service contract, fuel, and preventative maintenance costs.

Fiscal 2022

- Customer fares increased 19.9%, or \$3.0 million from FY2021. This increase in fares collected was the result of the economic recovery occurring in LYNX's service area after a sustained period of negative effects from COVID-19.
- Operating expenses before depreciation increased 7.4%, or \$10.2 million, and capital contributions decreased 51.1% or \$19.2 million from FY2021. Material increases to salaries and wages, purchase transportation, fuel, and casualty & liability expense more than offset the non-cash decrease from pension actuarial adjustments in fringe benefits. The increase in salaries and purchase transportation were due to market adjusted wage growth needed to retain existing staff and attract new talent. Fuel costs increased as demand for Ultra Low Sulfur Diesel and 87-Unleaded products returned, and prices rose at the pump. Without the benefit of LYNX's fuel hedge program, the Authority would have incurred an additional \$5.4 million expense on top of the \$10.1 million reported. Purchased transportation trip volume increased 7.4% from 475,089 (FY2021) to 510,321 (FY2022) as more riders returned to regular daily commuting activities.
- Overall net position increased by 9.9%, or \$25.8 million, from FY2021 as the Authority was granted American Rescue Plan (ARPA) funding to combat the negative economic impact of COVID-19 and assist with operations. This federal revenue helped offset increased expenses due to supply chain issues, preventative maintenance, and fuel.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The basic financial statements consist of two parts: Financial Statements and Notes to the Financial Statements. The report also contains supplementary information in addition to the financial statements included herein.

Required Financial Statements

Central FL Regional Transportation’s financial statements report information using a full accrual accounting method similar to those used by private sector companies. These statements offer current and long-term financial information about the Authority’s financial activities. The Statement of Net Position includes all the Authority’s assets, liabilities, deferred outflows and inflows as well the period end net position. Further, this statement provides information concerning the nature and amount of resources invested (assets) and obligations to creditors (liabilities). The Authority’s assets and liabilities are presented in a classified format, categorizing each as current or long-term. It also provides basis for computing rate of return, evaluation of the current capital structure, and assessing the liquidity and financial flexibility of the Authority. All of the current year’s revenue and expense are accounted for in the Statement of Revenue, Expense, and Change in Net Position. This statement measures the success of the Authority’s operation and details whether the Authority recovered all of its costs through customer fares, contract services, and operating subsidies, as well as determining profitability and credit worthiness. The Statement of Cash Flows is the last required financial statement included. The primary purpose of the cash flow statement is to provide information related to the Authority’s cash receipts, payments, and net changes resulting from operating, investing, and financing activities. In layman’s terms, the Statement of Cash Flows details which activities generate cash, those which use cash, and the net change between the beginning and the end of the reporting period in cash.

Financial Analysis of the Authority

Determining the Authority’s fiscal well-being begins with Financial Statement analysis. The Statement of Net Position and the Statement of Revenue, Expense, and Change in Net Position report information about the Authority’s results of operations and financial stability. Changes in net position often serve as an indication whether the Authority’s financial health is improving or deteriorating on a comparative basis over time. However, other non-operating and indirect economic circumstances could be contributing factors to the financial health of the organization and not directly impact net position in the current period. Examples of these non-operating or indirect circumstances include material changes in local economic conditions, federal or state regulation, or approved Congressional legislation governing transit.

Net Position

A summary of the Authority’s Statements of Net Position is presented in Table A-1.

Table A-1

Condensed Statements of Net Position (In millions of dollars)

	September 30,		
	FY2023	FY2022	FY2021 (restated)
Assets:			
Capital assets	\$ 157.7	\$ 150.9	\$ 158.0
Other assets	162.6	196.5	143.6
Total assets	\$ 320.3	\$ 347.4	\$ 301.6
Deferred outflows of resources	\$ 30.1	\$ 4.3	\$ 6.2
Liabilities:			
Current liabilities	\$ 36.4	\$ 22.9	\$ 20.5
Long-term liabilities	45.9	22.0	19.6
Total liabilities	\$ 82.3	\$ 44.9	\$ 40.1
Deferred inflows of resources	\$ 1.8	\$ 21.7	\$ 8.4
Net position			
Net investment in capital assets	\$ 153.8	\$ 148.2	\$ 155.4
Restricted	2.2	2.0	2.3
Unrestricted	110.3	134.9	101.6
Total net position	\$ 266.3	\$ 285.1	\$ 259.3

The Statement of Net Position presents changes in assets, liabilities, deferred outflows and inflows of resources, and resulting net position. Net position may serve, over time, as a valuable indicator of the Authority's viability and overall financial position. As noted within the FY2022 MD&A, FY2021's results were restated to disclose the impact of GASB 87 leased assets and liabilities for proper presentation of comparative statements.

From Table A-1, Total Net Position decreased \$18.8 million to \$266.3 million (FY2023) versus \$285.1 million (FY2022). The Total Net Position decrease was due in large part to increases in preventative maintenance, vendor service contracts, and the utilization of the budget stabilization funds made up of funding partner contributions received in prior periods.

Table A-2

Condensed Statements of Revenues, Expenses, and Changes in Net Position (In millions of dollars)

	September 30,		
	FY2023	FY2022	FY2021 (restated)
Operating revenues:			
Customer fares	\$ 20.2	\$ 18.1	\$ 15.0
Contract services	23.4	21.5	20.4
Advertising revenue	3.0	2.8	2.5
Other income	0.5	0.4	0.4
Total operating revenue	47.1	42.8	38.3
Non-operating revenues and expenses, net:			
Federal	15.0	57.8	61.2
State	16.9	15.6	13.8
Local	71.2	63.9	64.3
Interest and other income	7.2	0.6	0.4
Interest expense	(0.1)	(0.1)	(0.1)
Total non-operating revenue and expense, net	110.2	137.8	139.6
Total revenues	157.3	180.6	177.9
Operating expenses:			
Salaries and wages	68.9	58.8	54.0
Fringe benefits	39.8	26.0	29.4
Purchased transportation services	32.8	28.2	24.2
Fuel	12.7	10.1	8.1
Materials & supplies	9.7	7.9	6.8
Professional services	9.5	8.5	8.0
Lease and miscellaneous	1.4	1.0	.8
Casualty and liability	4.3	5.0	3.8
Utilities, taxes and licenses	2.6	2.2	2.0
Depreciation	23.7	25.5	24.4
Total operating expenses	205.4	173.2	161.5
Gain / (Loss) before capital contributions	(48.1)	7.4	16.3
Capital contributions	29.3	18.4	37.6
Change in net position	(18.8)	25.8	53.9
Beginning net position	285.1	259.3	205.4
Ending net position	\$ 266.3	\$ 285.1	\$ 259.3

The Statement of Revenue, Expense, and Change in Net Position details the source of change in Net Position. As shown in Table A-2, the \$18.8 million decrease in net position for FY2023 is largely due to a material non-cash actuarial adjustment resulting from temporary investment losses within ATU 1596's pension holdings in fringe benefits. Four other noteworthy year over year categorical expense increases are: (1) \$10.1 million increase in wages for cost of living adjustments to retain current staff and attract applicants for open positions; (2) \$4.6 million rise in purchase transportation cost attributable to the increased number of completed trips coupled with our contractor's increased fee to perform each trip; (3) \$2.6 million increase in fuel from additional utilization along with a corresponding rise in the price per gallon to power LYNX's revenue fleet; and (4) \$1.7 million increase in materials and supplies as supply chain constraints and labor shortages drove prices higher.

One material categorical expense decrease: \$3.4 million allocated to fringe benefits versus the prior year. A considerable amount of the aforementioned decrease derived from the actuarial adjustments within ATU 1596's pension during FY2022.

Capital Assets

At the end of FY2023, the Authority had a broad range of Capital Assets, consisting of Land, Buildings and Shelters, Revenue Vehicles, Bus Rapid Transit (BRT) Roadway, Pedestrian Walkways, Equipment, Right of Use Leased Assets and Leaseholder Improvements. For additional information on the Authority's capital assets, please see financial statement note 2, capital assets.

Table A-3

Capital Assets (In millions of dollars)

	September 30,		
	FY2023	FY2022	FY2021 (restated)
Depreciable assets and land:			
Land	\$ 10.0	\$ 10.0	\$ 10.0
Buildings and shelters	108.5	104.5	97.4
Revenue vehicles	204.7	205.8	197.5
BRT roadway	22.7	22.7	22.7
Pedestrian walkways	1.4	1.4	1.4
Equipment	56.6	52.8	58.4
Right of Use Leased Assets	4.0	2.6	2.4
Leasehold Improvements	0.9	0.8	0.6
Subtotal	408.9	400.8	390.4
Less accumulated depreciation / amortization	(256.5)	(255.0)	(242.4)
Subtotal	152.4	145.8	148.0
Construction in progress:			
Bus shelters	4.0	4.2	4.1
Facility capital improvements	0.3	0.1	0.1
Other miscellaneous projects	1.0	0.8	5.8
Subtotal	5.3	5.1	10.0
Net capital assets	\$ 157.7	\$ 150.9	\$ 158.0

Long-Term Obligations

The Authority leases facilities and equipment; reporting a total lease liability of \$3,028,820 and \$2,043,721 as of September 30, 2023 and 2022, respectively. For additional information on the Authority's current and long-term lease payable obligation, please see financial statement note 3, leases payable.

Fuel Hedging

Beginning in July 2011, the Authority entered into several fuel hedging contracts with a counterparty to cover a significant portion of planned fuel purchases. The objective is to stabilize fuel costs and to limit the extent to which the price per gallon paid for fuel could increase during the fiscal year. As of September 30, 2023, no current fuel hedge contracts were purchased or will be active to offset any material fluctuation in Ultra Low Sulfur Diesel, Compressed Natural Gas, or 87 Octane Unleaded Gasoline during FY2024. As swap contracts are considered effective futures agreements, the fair value of the open contracts is presented as either a deferred outflow or inflow of resources, rather than as an activity. For additional information on the Authority's fuel hedging activities, see financial statement note 8, fuel hedge swap agreements.

Economic Factors and Next Year's Budget and Rates

LYNX Senior Management considered many factors amidst presenting the FY2024 operating budget to the Board of Directors. These factors include but were not limited to: the ongoing impact of rising inflation in labor, purchased goods and vendor services; providing safe, on-time and reliable transportation for a rapidly growing disadvantaged population in need of Paratransit services; and utilizing capital funding to construct an additional transfer station and purchase land as the future site of a Southern Operations Base.

FINANCIAL STATEMENTS

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2023 AND 2022

ASSETS	2023	2022
CURRENT ASSETS:		
Cash and cash equivalents	\$ 118,751,675	\$ 134,742,446
Receivables:		
Local, trade and operating assistance	10,282,809	3,029,713
Federal grants	7,568,756	9,586,999
State grants	11,290,488	8,096,938
Inventory	3,516,698	3,158,919
State fuel tax refundable	1,400,751	1,786,653
Prepaid expenses and other assets	387,405	335,428
Total current assets	153,198,582	160,737,096
NON-CURRENT ASSETS:		
Restricted cash and cash equivalents	9,335,199	6,863,985
Total restricted cash and cash equivalents	9,335,199	6,863,985
Property and equipment:		
Land	10,018,522	10,018,522
Buildings and shelters	108,556,003	104,571,207
Bus Rapid Transit Roadway Infrastructure	22,673,715	22,673,715
Pedestrian walkways	1,404,894	1,404,894
Revenue vehicles	204,738,177	205,775,526
Equipment	56,629,951	52,813,850
Right of Use Leased Assets	4,028,953	2,676,976
Leasehold improvements	861,221	811,271
Total property and equipment	408,911,436	400,745,960
Less accumulated depreciation / amortization	(256,485,175)	(254,998,842)
Construction in progress	5,323,276	5,117,037
Net property and equipment	157,749,537	150,864,155
Net pension asset	-	28,926,320
Total non-current assets	167,084,736	186,654,461
Total assets	320,283,318	347,391,557
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	29,360,384	3,269,176
Deferred outflows related to OPEB	748,832	1,062,161
Total deferred outflows of resources	\$ 30,109,216	\$ 4,331,337

See notes to financial statements.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2023 AND 2022

(Continued)	2023	2022
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES:		
Accounts payable	\$ 15,466,230	\$ 10,958,888
Accrued salaries and related taxes	1,594,245	1,155,243
Accrued compensated absences, current	5,883,504	5,227,255
Accrued self-insurance liability, current	4,555,339	3,961,536
Leases payable, current	347,082	377,044
Unearned operating revenue	8,552,926	1,183,367
Total current liabilities	36,399,326	22,863,334
NON-CURRENT LIABILITIES:		
Lease payable, long term	2,681,738	1,666,677
OPEB liability	5,112,008	6,212,866
Net pension liability	23,034,446	-
Accrued compensated absences, long-term	556,725	473,910
Accrued self-insurance liability, long-term	7,376,504	8,775,722
Unearned capital	7,111,199	4,863,985
Total non-current liabilities	45,872,620	21,993,160
Total liabilities	82,271,946	44,856,494
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	-	20,707,395
Deferred inflows related to OPEB	1,810,208	1,036,693
Total deferred inflows of resources	1,810,208	21,744,088
NET POSITION:		
Net investment in capital assets	153,798,678	148,245,556
Restricted		
State mandated self insurance reserve	2,224,000	2,000,000
Total restricted net position	2,224,000	2,000,000
Unrestricted	110,287,702	134,876,758
Total net position	\$ 266,310,380	\$ 285,122,314

See notes to financial statements.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	2023	2022
OPERATING REVENUES		
Customer fares	\$ 20,222,126	\$ 18,032,866
Contract services		
Local financial assistance	19,427,289	17,265,986
Other contractual services	3,932,945	4,259,650
Advertising	2,963,065	2,830,622
Other income	519,020	377,839
Total operating revenues	<u>47,064,445</u>	<u>42,766,963</u>
OPERATING EXPENSES		
Salaries and wages	68,864,380	58,807,500
Fringe benefits	39,831,059	25,958,947
Purchased transportation services	32,787,955	28,165,714
Fuel	12,726,777	10,077,191
Materials and supplies	9,658,065	7,929,856
Professional services	9,506,223	8,503,597
Lease and miscellaneous	1,443,242	1,030,065
Casualty and liability	4,256,074	4,969,383
Utilities	1,958,626	1,605,252
Taxes and licenses	594,332	626,468
Total operating expenses before depreciation	<u>181,626,733</u>	<u>147,673,973</u>
OPERATING EXPENSES IN EXCESS OF OPERATING REVENUES BEFORE DEPRECIATION	(134,562,288)	(104,907,010)
DEPRECIATION AND AMORTIZATION	(23,741,651)	(25,524,482)
OPERATING LOSS	<u>(158,303,939)</u>	<u>(130,431,492)</u>
NON-OPERATING REVENUES AND EXPENSES:		
Operating assistance grants		
Federal	-	45,020,295
State of Florida	13,027,391	12,823,048
Local	71,145,907	63,928,329
Planning and other assistance grants		
Federal	14,973,478	12,744,909
State of Florida	3,830,195	2,795,909
Local	49,587	-
Interest expense	(66,321)	(67,285)
Interest income	6,357,249	1,115,270
Other income (loss)	879,745	(498,454)
Total non-operating revenues and expenses, net	<u>110,197,231</u>	<u>137,862,021</u>
GAIN / (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(48,106,708)	7,430,529
Capital contributions	29,294,774	18,381,833
Change in net position	(18,811,934)	25,812,362
NET POSITION AT BEGINNING OF YEAR	<u>285,122,314</u>	<u>259,309,952</u>
NET POSITION AT END OF YEAR	<u>\$ 266,310,380</u>	<u>\$ 285,122,314</u>

See notes to financial statements.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 20,222,126	\$ 18,032,866
Cash received for contract services	16,107,138	20,356,376
Cash paid to employees	(97,734,969)	(94,798,120)
Cash paid to suppliers	(73,641,897)	(58,525,270)
Cash received from advertising and miscellaneous	3,452,085	2,822,033
Net cash used in operating activities	<u>(131,595,517)</u>	<u>(112,112,115)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Proceeds from assistance grants	<u>109,224,420</u>	<u>142,170,757</u>
Net cash provided by noncapital financing activities	<u>109,224,420</u>	<u>142,170,757</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Construction and acquisition of property and equipment	(29,266,631)	(18,747,246)
Principal paid on leases	(366,879)	(365,915)
Interest paid on leases	(66,321)	(67,285)
Proceeds from sale of property and equipment	864,935	124,374
Capital assistance grants	<u>31,541,988</u>	<u>20,761,092</u>
Net cash provided by capital and related financing activities	<u>2,707,092</u>	<u>1,705,020</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income	6,357,249	1,115,270
Other non-operating income	<u>11,200</u>	<u>-</u>
Net cash provided by investing activities	<u>6,368,449</u>	<u>1,115,270</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(13,519,557)	32,878,932
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>141,606,431</u>	<u>108,727,499</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 128,086,874</u>	<u>\$ 141,606,431</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating loss	\$ (158,303,939)	\$ (130,431,492)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	23,741,651	25,524,482
Changes in operating assets and liabilities and deferred amounts:		
Receivables	(7,253,096)	(1,169,260)
Inventory	(357,779)	(403,654)
State fuel tax refundable	385,903	866,579
Prepaid expenses; deferred outflows of resources; and net pension asset / liability	3,096,464	(21,349,112)
Accounts payable; and hedging liability	4,722,920	145,502
Accrued salaries and related taxes; and OPEB liability	22,372,590	628,246
Accrued compensated absences	739,064	30,762
Accrued self-insurance liability	(805,415)	700,517
Deferred inflows of resources	<u>(19,933,880)</u>	<u>13,345,315</u>
Net cash used in operating activities	<u>\$ (131,595,517)</u>	<u>\$ (112,112,115)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Change in unearned capital grants	\$ (2,247,214)	\$ (2,379,259)

See notes to financial statements.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

1. SIGNIFICANT ACCOUNTING POLICIES

Organization - The Central Florida Regional Transportation Authority (the “Authority”) was created in 1989 pursuant to Section 343.63, *Florida Statutes*. This same legislation was amended in 1993, allowing the Authority to assume the operations of the entity formerly known as Central Florida Commuter Rail Authority and providing an opportunity to merge with the local transportation provider, Orange-Seminole-Osceola Transportation Authority (“OSOTA”) d/b/a LYNX, thereby creating a one-stop public transportation entity. The Authority continues to use LYNX as its doing business as name and serves as the focal point in developing all modes of public transportation in the Central Florida region. Through formal action by both the Authority and OSOTA Board of Directors, the merger of the two organizations was ratified March 1994 and became effective October 1, 1994. The Authority provides public transportation services to the general public in the Orlando, Florida metropolitan area--Orange County, Seminole County, and Osceola County.

Reporting Entity - The Authority is a stand-alone governmental unit.

Basis of Accounting - The Authority accounts for its activities through the use of an enterprise fund. Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of a change in financial position is necessary or useful for sound financial administration (business-type activities). Because the Authority has only business-type activities, it is considered to be a special-purpose government for financial reporting under Governmental Accounting Standards Board (“GASB”) Statement No. 34 *Basic Financial Statements-and Management’s Discussion and Analysis-for State and Local Governments* (“GASB 34”). Accordingly, the Authority only presents fund financial statements as defined in GASB 34. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses when incurred. The Authority’s property and equipment acquisitions and operations are subsidized by the Federal Transit Administration, the Florida Department of Transportation, and local governments. Capital grants for the acquisition of property and equipment (reimbursement type grants) are recorded as grant receivables and credited to capital contributions when the related qualified expenditures are incurred. Unrestricted net position consists of state and local government operating subsidies received in excess of net expenses.

Cash and Cash Equivalents - For purposes of the statements of cash flows, the Authority considers all investments with a maturity of three months or less when purchased to be cash equivalents. All cash and cash equivalents are insured by the Federal Deposit Insurance Corporation or are considered insured by the State of Florida collateral pool. The State of Florida collateral pool is a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails.

The Authority’s policy allows for investments in the Local Governmental Surplus Funds Investment Pool (the “Pool”), which is administered by the State Board of Administration of Florida. The Pool includes direct obligations of the United States government or its agencies and instrumentalities, interest bearing time deposits or saving accounts, mortgage-backed securities, collateralized mortgage obligations, bankers’ acceptance, commercial paper, repurchase agreements, and shares in common-law trust established under *Florida Statutes*, Section 163.01. The Pool allocates investment earnings to participants monthly, based on a prorated dollar days participation of each account in the Pool.

The Authority held investments throughout fiscal years 2023 and 2022 in the Pool, which are considered cash and cash equivalents for financial reporting purposes. Florida PRIME qualifies under GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, to be treated as a qualifying investment pool because it has a policy that it will, and does, operate in a manner consistent with specified conservative investment strategies. The current rating of Florida PRIME by Standard and Poor’s AAAM and the weighted average days to maturity at September 30, 2023 was 60 days or less. The securities in Florida PRIME are valued the same as the pool shares based on amortized costs, which approximates fair value. There are no restrictions or limitations on withdrawals; however, Florida PRIME may, on the occurrence of an event that has a material impact on

liquidity or operations, impose restrictions on withdrawals for up to 48 hours. The Authority presents all investments at a fair value, or amortized cost which approximates fair value, as follows:

	September 30,	
	2023	2022
Pool Investments - Florida PRIME	\$ 118,785,266	\$ 130,166,246
Bank Deposits	9,301,608	11,440,185
Total Cash and Cash Equivalents	<u>\$ 128,086,874</u>	<u>\$ 141,606,431</u>

As of September 30, 2023, and 2022, the Authority classified as restricted \$2,224,000 and \$2,000,000 respectively to offset future related liabilities for the newly implemented medical health self-insurance plan as required by the State of Florida.

It is the policy of the Authority to diversify its investment portfolio and to protect against issuer default, market price changes, technical complications leading to temporary lack of liquidity, or other risks resulting from an over concentration of assets in a specific maturity, issuer, geographical distribution, or a specific class of securities.

The Authority's investment policy objectives are to preserve the principal of funds within its portfolio, ensure that funds are available to meet reasonably anticipated cash flow requirements, and maximize return on investments, while meeting the established quality, safety and liquidity restrictions.

To limit credit risk, in addition to diversification, the Authority has established a list of authorized investments, of which the principal ones are:

- (1) The Local Government Surplus Funds Trust Fund;
- (2) United States Treasury and Agency securities;
- (3) Interest-bearing time deposits or savings accounts in Qualified Public Depositories;
- (4) Obligations of the Federal Farm Credit Banks and the Federal Home Loan Mortgage Corporation; and
- (5) Deposits, federal funds or bankers' acceptance of any domestic bank.

Receivables - Local, Trade, Operating Assistance - Includes receivables from customers, Local Funding Partners and Medical Assistance. As of September 30, 2023 and 2022, the Authority had receivables, net of allowances, as follow:

	September 30,	
	2023	2022
Customers	\$ 9,307,565	\$ 2,214,757
Local Funding Partners	975,244	814,956
Total	<u>\$ 10,282,809</u>	<u>\$ 3,029,713</u>

Inventory - Inventory, consisting of minor spare or repair parts and fuel, is valued at historical cost. Each inventory item's cost is determined by using the first-in, first-out (FIFO) method.

State Fuel Tax Refundable - Represents claims refundable from the State of Florida Department of Revenue for fuel tax.

Restricted Assets - When both restricted and unrestricted resources are available for use, the Authority's policy is to use restricted resources first, and then unrestricted resources, as they are needed. Restricted assets include \$9,335,199 and \$6,863,985 of cash and cash equivalents for the Pine Hill Super Stop project, health self-insurance reserve, shelters, bus procurement and other enhancements, and various capital projects as of September 30, 2023 and 2022, respectively. Restricted assets are offset by liabilities, except for the \$2,224,000 comprised of LYNX's state required medical self-insurance reserves as of September 30, 2023. As of September 30, 2022, the restricted net position comprised entirely of LYNX's state required medical self-insurance reserve, \$2,000,000.

Property and Equipment - Property and equipment in the amount of \$300 or more is recorded at acquisition cost and depreciated over the following estimated useful lives using the straight-line method:

	<u>Years</u>
Buildings and shelters	3 – 30
Revenue vehicles	5 – 9
Equipment	3 – 12
Leasehold improvements (shorter of useful lives or lease term)	5 – 10

Construction work in progress primarily relates to facilities improvements, bus shelters and transfer centers and other projects. Depreciation commences when projects are completed and the underlying property and equipment are available for use.

Accounts Payable - Accounts payable are recorded as expenses at the time services are rendered and the Authority receives items. As of September 30, 2023, and 2022, the Authority had accounts payable as follows:

	September 30,	
	2023	2022
Bus purchases and contractors	\$ 467,707	\$ 392,441
Trade	9,434,147	6,665,262
Due to FTA	2,883,223	3,098,801
Retainage	33,044	20,474
Other	2,648,109	781,910
Total	<u>\$ 15,466,230</u>	<u>\$ 10,958,888</u>

Accrued Compensated Absences - The Authority recognizes the accrual of compensated absences in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, accruing vacation pay benefits as earned and sick pay benefits as vested by its employees.

	September 30,	
	2023	2022
Accrued compensated absences liability, Beginning of year	\$ 5,701,165	\$ 5,670,404
Obligations	7,480,537	5,644,241
Payments	<u>(6,741,474)</u>	<u>(5,613,480)</u>
Accrued compensated absences liability, End of year	<u>\$ 6,440,228</u>	<u>\$ 5,701,165</u>
Amount due within one year	<u>\$ 5,883,504</u>	<u>\$ 5,227,255</u>

Accrued Self-Insurance Liability - The Authority has a self-insurance program for public liability claims, workers compensation and health insurance. Estimated claims are accrued in the year expenses are incurred to the extent payment is probable and subject to reasonable estimation.

Unearned Operating Revenue - Unearned operating revenue consists of revenue not yet recognized because services have not yet been rendered, although related cash has been received.

Unearned Capital - Unearned capital consists of contributed capital not yet recognized because it has not yet been expended on property or equipment, although the cash has been received.

Net Position - Net position represents the difference between all other elements in the statements of financial position and is displayed in three components – net investment in capital assets, restricted and unrestricted.

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

Operating Revenues - Transactions reported as operating revenues are those that arise from the activities of primary ongoing operations. Those include: Customer Fares, Contract Services, Advertising and Other Operating Income. Customer fares are recorded as revenue at the time services are performed and revenues pass through the fare box. Contract services are recorded as revenue when services are provided, consisting primarily of bus services to area cities and counties that are funded based on hours of service and paratransit services funded through Medicaid, Transportation Disadvantage, and other means.

Nonoperating Revenues - Transactions reported in the nonoperating revenue category include government subsidies that are not contingent on service hours or other designated criteria, including Federal, State and Local Operating, Planning, and other grant assistance, as well as interest income and gains on the sales of capital assets, if applicable.

Operating Expenses - Transactions reported as operating expenses are those that arise from the activities of primary ongoing operations. Those include: Salaries and Wages, Fringe Benefits, Purchased Transportation Services, Fuel, Materials and Supplies, Professional Services, Lease and Miscellaneous, Casualty and Liability, Utilities, and Taxes and Licenses. On the Statements of Revenues, Expenses and Changes in Net Position, Depreciation is presented separately below the other expenses of primary ongoing operations.

Nonoperating Expenses - Transactions reported in the nonoperating expense category include those that do not arise from the activities of primary ongoing operations. These include interest expense for leases as well as losses on the sales of capital assets, if applicable.

2. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023 was as follows:

Property and Equipment:	Beginning Balance	Additions	Reclass/ Disposals	Ending Balance
Depreciable Assets				
Buildings and Shelters	\$ 104,571,207	\$ 3,990,461	\$ (5,665)	\$ 108,556,003
Revenue Vehicles:				
Buses	197,847,576	20,540,584	(21,351,966)	197,036,194
Other Support Vehicles	7,927,950	724,432	(950,398)	7,701,983
Furniture, Fixtures & Equipment	52,813,850	4,084,168	(268,067)	56,629,951
Leasehold Improvements	811,271	49,950	-	861,221
Right to Use Leased Assets	2,676,976	1,351,977	-	4,028,953
BRT Roadway Improvements	22,673,715	-	-	22,673,715
Pedestrian Walkways	1,404,894	-	-	1,404,894
Non-Depreciable Assets				
Land	10,018,522	-	-	10,018,522
Construction in Progress	5,117,037	5,311,607	(5,105,367)	5,323,276
Totals at Acquisition Cost	\$ 405,862,997	\$ 36,053,179	\$ (27,681,464)	\$ 414,234,712
Less Accumulated Depreciation & Amortization for:				
Buildings and Shelters	\$ (65,136,015)	\$ (3,016,891)	\$ 5,665	\$ (68,147,240)
Revenue Vehicles:				
Buses	(132,727,808)	(13,583,588)	21,047,366	(125,264,030)
Other Support Vehicles	(7,132,047)	(261,638)	936,810	(6,456,875)
Furniture, Fixtures & Equipment	(41,067,163)	(5,259,190)	265,475	(46,060,878)
Leasehold Improvements	(333,624)	(58,059)	-	(391,682)
Right to Use Leased Assets	(662,320)	(394,979)	-	(1,057,299)
BRT Roadway Improvements	(7,796,450)	(1,132,184)	-	(8,928,633)
Pedestrian Walkways	(143,416)	(35,122)	-	(178,538)
Total Accumulated Depreciation & Amortization	(254,998,842)	(23,741,650)	22,255,317	(256,485,175)
Capital Assets, net	\$ 150,864,155	\$ 12,311,529	\$ (5,426,148)	\$ 157,749,537

Capital asset activity (restated) for the year ended September 30, 2022 was as follows:

Property and Equipment:	Beginning Balance	Additions	Reclass/ Disposals	Ending Balance
Depreciable Assets				
Buildings and Shelters	\$ 97,377,897	\$ 7,503,095	\$ (309,785)	\$ 104,571,207
Revenue Vehicles:				
Buses	189,524,481	14,425,679	(6,102,583)	197,847,576
Other Support Vehicles	7,943,610	271,605	(287,265)	7,927,950
Furniture, Fixtures & Equipment	58,489,060	2,633,674	(8,308,885)	52,813,850
Leasehold Improvements	611,609	199,661	-	811,270
Right to Use Leased Assets	2,676,976	-	-	2,676,976
BRT Roadway Improvements	22,673,715	-	-	22,673,715
Pedestrian Walkways	1,404,894	-	-	1,404,894
Non-Depreciable Assets				
Land	10,018,522	-	-	10,018,522
Construction in Progress	9,959,283	3,578,013	(8,420,259)	5,117,037
Totals at Acquisition Cost	\$ 400,680,047	\$ 28,611,727	\$ (23,428,777)	\$ 405,862,997
Less Accumulated Depreciation & Amortization for:				
Buildings and Shelters	\$ (62,542,451)	\$ (2,875,968)	\$ 282,405	\$ (65,136,015)
Revenue Vehicles:				
Buses	(123,325,300)	(15,368,923)	5,966,424	(132,727,808)
Other Support Vehicles	(7,188,596)	(215,501)	272,049	(7,132,047)
Furniture, Fixtures & Equipment	(42,296,917)	(5,447,749)	6,677,503	(41,067,163)
Leasehold Improvements	(279,568)	(54,056)	-	(333,624)
Right to Use Leased Assets	(267,340)	(394,980)	-	(662,320)
BRT Roadway Improvements	(6,664,266)	(1,132,183)	-	(7,796,450)
Pedestrian Walkways	(108,293)	(35,122)	-	(143,416)
Total Accumulated Depreciation & Amortization	(242,672,740)	(25,524,482)	13,198,381	(254,998,842)
Capital Assets, net	\$ 158,007,307	\$ 3,087,245	\$ (10,230,396)	\$ 150,864,155

3. LEASES PAYABLE

Change in Accounting Principle:

In fiscal year 2022, the Authority implemented GASB Statement No. 87, Leases. This statement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Leases material to the Authority's financial statements and subject to GASB 87 disclosure consist of a: 1) facility lease for the LB McLeod Paratransit and Vanpool Support Center and 2) an Orlando Utility Company (OUC) owned vehicle charging station located on LYNX's property to power electric buses shown below. Total lease expense amounted to \$510,673 and \$409,757 during the years ended September 30, 2023 and 2022, respectively.

Lease payable activity for the years ended September 30, 2023 and 2022 was as follows:

Leases Payable	Lease Payable September 30, 2023				Due Within One Year
	Beginning Balance	Additions	Payments	Ending Balance	
OUC Charging Station - Equipment	\$ 1,441,333	\$ -	\$ 114,322	\$ 1,327,011	\$ 117,801
LB McLeod Facility – Building	602,388	1,351,977	252,556	1,701,809	229,281
Total	\$ 2,043,721	\$ 1,351,977	\$ 366,878	\$ 3,028,820	\$ 347,082

Leases Payable	Lease Payable September 30, 2022				Due Within One Year
	Beginning Balance	Additions	Payments	Ending Balance	
OUC Charging Station - Equipment	\$ 1,552,282	\$ -	\$ 110,949	\$ 1,441,333	\$ 114,323
LB McLeod Facility – Building	857,354	-	254,966	602,388	262,721
Total	\$ 2,409,636	\$ -	\$ 365,915	\$ 2,043,721	\$ 377,044

The facility agreement and charging station equipment procured above do not represent Authority borrowings. However, these liabilities have become reportable leases defined by generally accepted accounting principles and GASB 87.

- 1) On March 21, 2019, the Authority entered into an initial 5-year lease agreement for administrative office space, parking, and maintenance facilities to support LYNX's Paratransit operations. The original lease term expires in December 2024, but staff opted to extend the term in June 2023 for an additional 5 years. The monthly payment due is \$23,100 until January 1, 2025 and \$25,410 thereafter until January 1, 2030.

Year Ending September 30	Operations Center		
	Payments	Interest	Principal
2024	\$ 277,200	\$ 47,919	\$ 229,281
2025	297,990	40,736	257,254
2026	304,920	32,736	272,184
2027	304,920	24,457	280,463
Thereafter	686,070	23,443	662,627
Total	\$ 1,871,100	\$ 169,291	\$ 1,701,809

- 2) The Authority entered into a new electric vehicle charging station lease via tri-party agreement for 12 years. The tri-party agreement's participants include the City of Orlando, OUC, and LYNX (referenced herein as Interlocal #1). Interlocal #1 began August 2021 and extends through July 2033. Under the lease terms, the Authority has agreed to pay OUC a fixed monthly payment of \$13,000 for 144 months.

Year Ending September 30	Equipment		
	Payments	Interest	Principal
2024	\$ 156,000	\$ 38,199	\$ 117,801
2025	156,000	34,616	121,384
2026	156,000	30,924	125,076
2027	156,000	27,120	128,880
2028	156,000	23,200	132,800
Thereafter	754,000	52,930	701,070
Total	\$ 1,534,000	\$ 206,999	\$ 1,327,011

4. ACCRUED SELF-INSURANCE LIABILITY

The Authority has been self-insured since 1986 for personal injury coverage related to its transit coaches, since 1991 for workers compensation coverage and since 2016 for health insurance; all other risks of loss are covered through the purchase of commercial insurance. The Authority has sovereign immunity with respect to personal injury claims, which limits its liability to \$200,000 for each claim and \$300,000 for each accident. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The amounts recorded as accrued self-insurance liability as of September 30, 2023 and 2022, the current portion represents an estimate of payments required in the next fiscal year, are at present value based on estimates derived through actuarial determinations discounted at 4% for the fiscal years 2023 and 2022. Such estimates are subject to change based on circumstances surrounding each claim. Changes in the balances of accrued self-insurance liability, including incurred but not reported claims (IBNR), were as follows during the years ended:

	September 30,	
	2023	2022
Accrued self-insurance liability, beginning of year	\$ 12,737,258	\$ 12,036,741
Insured claims (including IBNR's)	14,757,152	17,264,529
Claim payments	(15,562,567)	(16,564,012)
Accrued self-insurance liability, end of year	<u>\$ 11,931,843</u>	<u>\$ 12,737,258</u>

The estimated amounts due in one year are \$4,555,339 and \$3,961,536 as of September 30, 2023 and 2022, respectively.

The health self-insurance plan established in 2016 is a limited risk management program to help contain rising health insurance costs. The program consists of purchasing an aggregate stop loss and individual maximum claims reinsurance policy with LYNX being responsible for the claims not covered by the policy. Liabilities are reported when it is probable that a loss occurred and the amount of the loss can be reasonably estimated. Liabilities include \$867,000 for claims incurred but not reported (IBNR) based on the estimated claims incurred as of September 30, and offset by an estimated recovery from the excess insurance. During the year, the excess individual insurance policy covers claims in excess of \$250,000, while the aggregate covers total claims in excess of \$1,000,000. In accordance with the Affordable Care Act, the lifetime maximum for a covered individual is unlimited.

5. PENSION PLANS

Union Defined Benefit Plan

Plan Description

Substantially all Union employees of the Authority are participants in the Amalgamated Transit Union Local 1596 Pension Plan (the “Union Defined Benefit Plan”), a defined benefit, single-employer public employee retirement system, formed April 22, 1986 by agreement between the Authority and the Union. All Authority Union employees hired on or before February 28, 2014 are eligible to participate in the Union Defined Benefit Plan as of their hire date. Employees who have reached the age of 62 are entitled to a retirement union benefit, payable monthly for life, equal to 2.13% of their average compensation for each unit of benefit credit. Average compensation is the average of the highest sixty consecutive calendar months preceding retirement or termination. Participants are credited with units of benefit credit for hours of service worked in a plan year. Benefits fully vest upon reaching 10 years of vested service. Vested employees who retire on or after age 62 will receive full benefits. Participants who have reached age 58 and have 20 years of service are entitled to an unreduced pension benefit. Participants who reach age 55 with 10 years of vesting service and 10 units of benefit credit are entitled to retire early with benefits as follows: (a) accrued benefit to early retirement date payable at normal retirement date, or (b) actuarially reduced and payable immediately, reduced 5/9% per month for the first 60 months by which retirement precedes age 62, and 5/18% per month for additional months by which retirement precedes age 62. Participants’ benefits are established by the Trustees of the Union Defined Benefit Plan.

Plan Membership

Participants at the actuarial valuation dates of October 1, 2021 and 2020 utilized for the September 30, 2023 and 2022 fiscal years are as follows:

<u>Membership at Actuarial Valuation Date</u>	<u>2023</u>	<u>2022</u>
Retirees and beneficiaries currently receiving benefits and DROP	530	504
Terminated employees entitled to, but not yet receiving benefits	98	95
Active plan participants	<u>343</u>	<u>392</u>
Total	<u>971</u>	<u>991</u>

The Authority, as of March 1, 2014, closed the Union Defined Benefit Plan to all new union hires, and adopted a single employer, defined contribution plan pension plan, Central Florida Regional Transportation Authority Money Purchase Plan (“the Union Defined Contribution Plan”), administered by Hartford Life Insurance Company for new employees. All full time Authority Union employees hired after July 1, 2013 are eligible to participate in the Union Defined Contribution Plan.

The Union Defined Benefit Plan’s fiduciary net position has been determined on the same basis used by the pension plan, which is in accordance with the accrual method of accounting, includes investments at fair value and recognizes benefits and refunds when due and payables in accordance with terms of the Union Defined Benefit Plan. Available historical information about the Union Defined Benefit Plan’s financial statement elements may be obtained by writing The Amalgamated Transit Union Local 1596 Pension Plan c/o Resource Centers LLC, 4360 Northlake Boulevard, Suite 206, Palm Beach Gardens, FL 33410.

Funding Policy

The Authority and Union employees are obligated to contribute to the Union Defined Benefit Plan in accordance with requirements of the Union Collective Bargaining Agreement; regular contribution rates are actuarially determined. Union Defined Benefit Plan members are required to contribute 5.25% of their income; the Authority is required to contribute a minimum of 9.75% of Union Defined Benefit Plan members' earnings. The amount by which the required contribution rate exceeds the regular contribution rate in the contract is shared on the same basis as the contribution rate, 65% employer and 35% employee. Employees may elect to enhance their future benefits by up to 0.25% and 0.50% by contributing an additional 2.5% and 5.0% of earnings, respectively. Shared contributions are the amount by which the required contribution rate exceeds the regular contribution rates, which is shared as 65% employer and 35% employee in the subsequent year.

Changes in Net Pension Liability (Asset)

The net pension liability (asset) as of September 30, 2023 and 2022 is based off the October 1, 2022 and 2021 actuarial valuation rolled forward to the measurement date of September 30, 2022 and 2021, respectively. Changes in the Authority's Union Defined Benefit Plan net pension liability (asset) during the years ended September 30, 2023 and 2022 are as follows:

<u>Total pension liability</u>	<u>2023</u>	<u>2022</u>
Service cost	\$ 2,481,041	\$ 2,683,149
Interest	12,405,042	12,026,029
Changes of benefit terms	2,008,245	-
Difference between actual & expected experience	1,955,360	776,566
Changes of assumptions	-	(285,661)
Benefit payments	(10,233,504)	(9,383,560)
Refunds	(42,022)	(93,262)
Net change in total pension liability	8,574,162	5,723,261
Total pension liability - beginning	170,292,428	164,569,167
Total pension liability - ending	\$ 178,866,590	\$ 170,292,428
<u>Plan fiduciary net position</u>		
Contributions - Employer	\$ 2,202,767	\$ 2,575,015
Contributions - Member	1,966,484	1,949,118
Net investment income	(37,016,255)	35,314,518
Benefit payments	(10,233,504)	(9,383,560)
Refunds	(42,022)	(93,262)
Administrative expense	(264,074)	(213,978)
Other	-	-
Net changes in Plan fiduciary net position	(43,386,604)	30,147,851
Total Plan fiduciary net position - beginning	199,218,748	169,070,897
Total Plan fiduciary net position - ending	155,832,144	199,218,748
Net pension liability (asset) - ending	\$ 23,034,446	\$ (28,926,320)

Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the years ended September 30, 2023 and 2022, the Authority recognized pension expense of \$ 7,231,147 and \$ (4,015,630), respectively. On September 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Fiscal Year 2023	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 1,339,826	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investment	25,950,968	-
Authority contributions made subsequent to the measurement date	2,069,590	-
	<u>\$ 29,360,384</u>	<u>\$ -</u>
Fiscal Year 2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 958,482	\$ 384,116
Changes in assumptions	107,321	179,861
Net difference between projected and actual earnings on pension plan investment	-	20,143,418
Authority contributions made subsequent to the measurement date	2,203,373	-
	<u>\$ 3,269,176</u>	<u>\$ 20,707,395</u>

Authority contributions subsequent to the measurement date of \$2,069,590 were recognized as a deferred outflow of resources during the year ending September 30, 2023 and will be recognized as a reduction of the net pension liability in FY2024. Similarly, the Authority's subsequent contributions in FY2022 of \$2,203,373 made after the measurement date, but before the end of the reporting period were recognized as a reduction of the net pension liability in FY2022 rather than in FY2021. Other amounts reported as deferred outflows of resources and deferred inflows of the resources related to pensions will be recognized in the pension expense as follow:

Year Ended September 30	
2024	\$ 6,558,120
2025	4,722,465
2026	5,705,662
2027	10,304,547
2028	-
Total	<u>\$ 27,290,794</u>

Pension plan contributions for fiscal years 2023 and 2022 were determined as part of the October 1, 2022 and 2021 actuarial valuations, respectively, using the entry age actuarial cost method. The actuarial assumptions included (a) 7.40% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 3.00% to 10.00% per year, dependent on years of service. Both (a) and (b) included an inflation component of 2.25%. The assumptions did not include post-retirement benefit increases, which are funded by the Authority when granted. Such assumptions are subject to future changes due to certain market conditions. Staff previously noted FY2023's pension report would show significant short term investment losses as market conditions deteriorated. However, the actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the fair value of investments over a five-year period.

Effective July 1, 2019, the mortality table was changed from the fully generational RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected using Scale BB to PUB-2010 Headcount Weighted Below Median Employee Table (pre-retirement) and set back one year for males, used by the Florida Retirement System (FRS) for Regular Class (non-special risk) members. This change was made in compliance with Florida Statutes Chapter 112.63(f), which requires all public pension plans to use the same mortality tables used in either of the last two actuarial valuation reports of FRS. The assumption for inflation was 2.25%. The assumption for salary increases was 3.00% to 10.00%, depending on service.

For the fiscal years ended September 30, 2023 and September 30, 2022, the annual money-weighted rate of return of Plan investments was (18.5)% and 20.8% respectively.

A discount rate of 7.40% was used to measure the total pension liability (asset). This rate was based on the expected rate of return on pension plan investments. The projection of cash flows used to determine the discount rate assumes plan member contributions will be made at the current contribution rate and employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. 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 plan members. Therefore, the long-term expected rate of return on pension plan improvements of 7.40% was applied to all periods of projected benefit payments to determine the total pension liability (asset).

The assumed asset allocation of the Union Plan portfolio and the expected rate of return presented on an arithmetic basis as of September 30, 2023 is as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Rate of Return</u>
Large Cap Core - Passive	10%	9.00%
Large Cap Value - Active	10%	5.90%
Large Cap Growth - Active	12%	9.00%
Mid Cap Equity	6%	7.00%
Fixed Income (Bonds)	24%	2.90%
Small Cap Equity	6%	5.80%
International Equity	13%	3.60%
Convertibles	9%	4.70%
Private real estate	7%	4.80%
Infrastructure	3%	6.30%
Total	100%	

Sensitivity of net pension asset to changes in the discount rate – The following presents the net pension liability (asset) of the Authority, calculated using the discount rate of 7.40%, as well as what the Authority's net pension liability (asset) would be if calculated using a discount rate that is 1-percentage point lower (6.40%) or 1-percentage point higher (8.40%) than the current rate:

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
Discount Rate	6.40%	7.40%	8.40%
September 30, 2022	\$ 41,058,061	\$ 23,034,446	\$ 7,692,728

Union - 401(a) Defined Contribution Pension Plan

The Authority maintains a single employer, defined contribution pension plan, Central Florida Regional Transportation Authority Money Purchase Plan (the "Union Defined Contribution Plan"), administered by Hartford Life Insurance Company for new employees represented by the union. The Union Defined Contribution Plan is a tax-qualified plan pursuant to Section 401(a) of the Internal Revenue Code. All full-time Authority Union employees hired after July 1, 2013 are eligible to participate in the Union Defined Contribution Plan.

The Union Defined Contribution Plan provisions provide for the Authority to contribute 5.25% of employee earnings; employees are not required to make contributions. All plan amendments are administered and authorized

by the Union Defined Contribution Plan's trustees. At the Union Defined Contribution Plan's inception, employees are 100% vested after five years of employment with the Authority or other public service or transportation agencies. All employees may withdraw vested balances upon the normal retirement age of 65. The Union Defined Contribution Plan permits withdrawals for retirement, termination, and disability but does not allow participants to borrow against their accounts.

The Authority's contribution to the plan for the years ended September 30, 2023 and 2022 amounted to \$1,540,638 and \$1,326,234, respectively, representing 6% of covered payroll less forfeitures.

Employee 401(a) Pension Plan

The Authority maintains a single-employer, defined contribution pension plan, Central Florida Regional Transportation Authority Money Purchase Plan (the "Plan"), administered by Mass Mutual Financial Group for employees who are not represented by the Union, effective October 1, 1994. The Plan is a tax-qualified plan pursuant to section 401(a) of the Internal Revenue Code. All full-time administrative employees not represented by the Union are eligible for participation in the plan, with the exception of employees hired before October 1, 1994 who opted to stay in the FRS and supervisors represented by Union 1749.

The Plan provisions provide for the Authority to contribute 12% or 6% of employee earnings; employees are not required to make contributions. On October 1, 2013, the Authority's contribution changed from 12% to 6% for new employees. All plan amendments are administered and authorized by the Plan's trustees. At the Plan's inception, employees who switched from the FRS were automatically 100% vested and all other employees are 100% vested after five years of employment with the Authority or other public service or transportation agencies. All employees may withdraw vested balances upon the normal retirement age of 65. The Plan permits withdrawals for retirement, termination, and disability; but does not allow participants to borrow against their accounts.

The payroll for Authority employees covered by the plan for the years ended September 30, 2023 and 2022 was \$17,560,737 and \$15,053,270, respectively. The Authority's contribution to the plan for the years ended September 30, 2023 and 2022 amounted to \$1,580,963 and \$1,418,540, respectively, representing 12% and 6% of covered payroll less forfeitures.

6. OTHER POSTEMPLOYMENT BENEFIT PLAN

Plan Description – In addition to the pension benefits described in Note 5, effective October 1, 1999, the Authority entered into a contractual agreement with Local 1596 of the Amalgamated Transit Union to provide postemployment health care benefits for those employees who, in accordance with Article 28 of the Amalgamated Transit Union Local 1596 Pension Plan, have at least ten (10) years vesting and retire between ages of 62 and 67 or until they are eligible for Medicare benefits (whichever comes first). The Central Florida Regional Transportation Post-Employment Benefits Plan (the "OPEB Plan") is a single-employer defined benefit plan administered by the Authority for which benefit provisions and contribution obligations have been established by the Authority's Board. Eligibility for retirement health care benefits will be determined by the years of credited service. The OPEB Plan does not issue a stand-alone report, and is not included in the report of a public employee retirement system or other entity. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Employees who elect to continue their health care coverage upon retirement are responsible for the employee and employer share over and above the stated contributions. Dependent coverage is available at the retiree's expense provided the retiree elects to continue health care coverage. As required by the Section 112.0801, *Florida Statutes*, the claims experience of the retirees is co-mingled with active employees in determining the health plan cost. The co-mingling of claims requirements equates to an implicit subsidy to retirees that creates another postemployment benefit liability on the part of the Authority.

Employees Covered by Benefit Terms – At September 30, 2023 and 2022, the following employees were covered by the benefit terms:

	<u>2023</u>	<u>2022</u>
Inactive employees or beneficiaries currently receiving benefit payments	10	17
Inactive employees entitled to but not receiving benefit payments	-	-
Active employees	993	990
Total Population	<u>1,103</u>	<u>1,107</u>

Funding Policy –The Authority has not advance-funded or established a funding methodology for the annual OPEB costs or the total OPEB liability. The postemployment health insurance benefits will continue to be offered on a pay-as-you-go basis, a percentage of the cost of the Consumer Driven Health Plan (“CDHP, Employee Only”) in accordance with the following schedule:

<u>Years of Service</u>	<u>Contribution Rate</u>
10-14	60% of CDHP, Employee Only
15-19	75% of CDHP, Employee Only
20+	100% of CDHP, Employee Only

Total OPEB Liability – The total OPEB liability at September 30, 2023 and 2022 is based on an actuarial valuation dated October 1, 2021, with roll-backward procedures to the measurement date of October 1, 2021 and an actuarial valuation dated October 1, 2020, with roll-forward procedures to the measurement date of September 30, 2021, respectively.

Actuarial Assumptions and Other Inputs – The Authority’s total OPEB liability was determined using the following actuarial methods, assumptions, and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	4.40% in 2022, 2.19% in 2021 (1)
Inflation	2.60%
Salary increases	3.4% to 7.80% depending on gender and service
Mortality rates	Pub-2010 General Employees Headcount-Weighted Mortality Projected with Fully Generational MP-2020 Mortality Improvement Scale (sex distinct) projected from 2000 with Scale AA
Healthcare cost trend rates	Ultimate Rate 4.04%
Administrative expenses	Included in claim cost
Actuarial cost method	Entry Age Normal
Measurement date	September 30, 2022
Valuation date	September 30, 2023

- (1) As required by GASB Statement No. 75, this rate is equal to the tax-exempt municipal bond rate on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Changes in Total OPEB Liability – The following table shows the changes in the Authority's total OPEB liability during the year ended September 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Total OPEB liability - beginning	\$ 6,212,866	\$ 5,816,654
Changes for the year:		
Service cost	456,639	424,673
Interest	133,450	136,955
Experience loss/(gains)	(369,786)	-
Changes in assumptions	(1,082,664)	102,312
Benefit payments	(238,497)	(267,728)
Net changes	<u>(1,100,858)</u>	<u>396,212</u>
Total OPEB liability - Ending	<u>\$ 5,112,008</u>	<u>\$ 6,212,866</u>

Changes in assumptions or other inputs reflect a notable increase in the discount rate, salaries, and inflation for the Authority. All other assumptions are consistent with those used in the prior valuation.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Authority, as well as what the Authority’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the discount rate:

Fiscal Year 2023	1% Decrease	Current Rate	1% Increase
Discount Rate	3.40%	4.40%	5.40%
Total OPEB Liability	\$ 5,436,999	\$ 5,112,008	\$ 4,801,770

Fiscal Year 2022	1% Decrease	Current Rate	1% Increase
Discount Rate	1.19%	2.19%	3.19%
Total OPEB Liability	\$ 6,674,349	\$ 6,212,866	\$ 5,779,525

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate – The following presents the total OPEB liability of the Authority, as well as what the Authority’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the healthcare cost trend rate:

Fiscal Year 2023	1% Decrease	Current Rate	1% Increase
Healthcare cost trend	3.04%	4.04%	5.04%
Total OPEB Liability	\$ 4,708,623	\$ 5,112,008	\$ 5,567,435

Fiscal Year 2022	1% Decrease	Current Rate	1% Increase
Healthcare cost trend	3.04%	4.04%	5.04%
Total OPEB Liability	\$ 5,589,773	\$ 6,212,866	\$ 6,932,172

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended September 30, 2023 and 2022, the Authority recognized an OPEB expense of \$224,483 and \$532,234, respectively. As of September 30, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Fiscal Year 2023	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 998,210
Change of assumptions	748,832	811,998
Total	\$ 748,832	\$ 1,810,208

Fiscal Year 2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 1,036,693
Change of assumptions	1,062,161	-
Total	\$ 1,062,161	\$ 1,036,693

Amounts recognized as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended September 30</u>	
2024	\$ (365,606)
2025	(365,607)
2026	(376,301)
2027	46,138
2028	-
Thereafter	-
Total	\$ (1,061,376)

7. FUEL HEDGE SWAP AGREEMENTS

The Authority first entered into fuel hedge swap agreements (“swaps”) during fiscal year 2011 to smooth out fluctuations in diesel fuel cost and to set predetermined upper limits with respect to the cost of fuel. Swaps for fiscal years 2022, 2021, and 2020 as follows:

<u>Trade Date</u>	<u>Effective Period</u>	<u>Total Quantity Gallons (or mmBTU^C)</u>	<u>Fixed Price Per Gallon (or mmBTU^C)</u>
02/27/2020	10/01/20 – 03/31/21	270,000	\$1.3490 ^A
02/28/2020	10/01/20 – 03/31/20	270,000	\$1.2975 ^A
02/28/2020	04/01/21 – 09/30/21	270,000	\$1.4315 ^A
02/03/2020	02/01/20 – 09/30/20	240,000	\$1.5345 ^B
03/02/2020	04/01/21 – 09/30/21	270,000	\$1.4705 ^A
09/26/2018	10/01/18 – 01/31/19	504,000	\$2.2940 ^B
10/03/2019	11/01/19 – 09/30/20	825,000	\$1.5520 ^B
01/31/2020	02/01/20 – 09/30/20	600,000	\$1.6275 ^A
02/27/2020	10/01/20 – 09/31/21	900,000	\$1.5415 ^B
02/03/2020	02/01/20 – 09/30/20	600,000	\$1.571 ^A
02/27/2020	10/01/20 – 03/31/21	270,000	\$1.349 ^B
02/28/2020	10/01/20 – 03/31/20	450,000	\$1.5225 ^B
03/02/2020	10/01/20 – 09/30/21	900,000	\$1.5605 ^B
10/29/2020	10/01/21 – 09/30/22	1,800,000	\$1.2265 ^B
10/29/2020	10/01/21 – 09/30/22	1,080,000	\$1.1699 ^A
12/05/2022	12/01/22 – 03/31/23	360,000	\$2.2485 ^A
12/05/2022	12/01/22 – 03/31/23	600,000	\$2.9315 ^B
01/13/2023	02/01/23 - 09/30/23	104,000	\$3.4500 ^C
02/01/2023	03/01/23 - 04/30/23	26,000	\$2.7500 ^C

^A US Gulf Coast Gasoline (UNL-87) ^B US Gulf Coast Ultra Low Sulfur Diesel (ULSD) ^C Natural Gas - LA Southeast Henry Hub

Settlements with the counterparty are made monthly based on the difference between the number of gallons hedged at the fixed price and the number of gallons hedged at the average price per gallon based on the U.S. Gulf Coast Pipeline Ultra Low Sulfur Diesel Platts Index, the U.S. Gulf Coast Pipeline Gasoline Unleaded 87 Platts Index (“Platts”), and the Natural Gas- LA SE Henry Hub price. If the Platts or Henry Hub price is higher than the fixed price the counterparty pays the Authority a settlement amount and if the fixed price is higher than the Platts or Henry Hub price the Authority pays the counterparty. The Authority is exposed to limited basis risk on the swaps if the index upon which fuel is purchased differs from the Platts index specified in the related fuel hedge agreements. During fiscal years 2023, 2022 and 2021, the Authority purchased all diesel and unleaded fuel from vendors using the Platts index.

The Authority is also exposed to rollover risk on the swaps to the extent maturities of fuel hedges differ from the timing of fuel purchases. To the extent there are timing differences, the Authority is re-exposed to the fuel price risks being hedged.

The swaps are considered effective hedges on September 30, 2023, 2022 and 2021 under the dollar-offset method, which compares the changes in expected cash flows of the hedging instruments to the cash flows of the diesel fuel subjected to hedge. Accordingly, the swaps are presented at estimated fair value on the statement of net position, with \$ 0 as a deferred inflow of resources on September 30, 2023, and is a derivative financial instrument on balance sheet as of September 30, 2023. The estimated fair value of swaps is determined based on the contracted strike prices and applicable future prices on September 30, 2023, and these values represent the change in fair value of the swaps during the fiscal year.

8. LITIGATION

The Authority is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operation, most of which are covered by the self-insurance program discussed in Note 4. In the opinion of management, any adjustments that would result from the settlement of lawsuits and other claims would not be significant.

REQUIRED SUPPLEMENTARY INFORMATION
UNION PENSION PLAN SCHEDULE OF CHANGES IN NET PENSION
LIABILITY (ASSET) AND RELATED RATIOS

<u>Total pension liability</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Service cost	\$ 2,481,041	\$ 2,683,149	\$ 2,881,747	\$ 3,599,629	\$ 3,504,724	\$ 4,177,847	\$ 4,174,172	\$ 4,324,270
Interest	12,405,042	12,026,029	11,638,557	11,137,845	10,763,561	10,041,777	9,337,562	8,827,032
Benefit changes	2,008,245	-	-	87,818	981,945	-	-	-
Difference between actual & expected experience	1,955,360	776,566	233,031	2,809,999	(2,944,884)	1,015,883	2,082,258	(638,418)
Assumption changes	-	(285,661)	-	325,780	-	1,793,830	-	-
Benefit payments	(10,233,504)	(9,383,560)	(9,019,587)	(7,675,871)	(6,757,303)	(5,494,839)	(5,590,105)	(4,808,642)
Refunds	(42,022)	(93,262)	(140,857)	(103,652)	(282,766)	(929,948)	(401,384)	(311,317)
Net change in total pension liability	8,574,162	5,723,261	5,592,891	10,181,548	5,265,277	10,604,550	9,602,503	7,392,925
Total pension liability - beginning	170,292,428	164,569,167	158,976,276	148,794,728	143,529,451	132,924,901	123,322,398	115,929,473
Total pension liability	\$ 178,866,590	\$ 170,292,428	\$ 164,569,167	\$ 158,976,276	\$ 148,794,728	\$ 143,529,451	\$ 132,924,901	\$ 123,322,398
Plan fiduciary net position								
Contributions - Employer	\$ 2,202,767	\$ 2,575,015	\$ 2,677,199	\$ 2,715,480	\$ 2,983,198	\$ 3,000,228	\$ 2,233,626	\$ 3,315,335
Contributions - Member	1,966,484	1,949,118	2,058,011	2,036,196	2,118,761	2,044,172	2,192,180	2,264,655
Net investment income (loss)	(37,016,255)	35,314,518	17,577,725	5,852,314	11,698,371	14,943,745	11,523,579	(1,070,462)
Benefit payments	(10,233,504)	(9,383,560)	(9,019,587)	(7,675,871)	(6,757,303)	(5,494,839)	(5,590,105)	(4,808,642)
Refunds	(42,022)	(93,262)	(140,857)	(103,652)	(282,766)	(929,948)	(401,384)	(311,317)
Administrative expense	(264,074)	(213,978)	(331,998)	(290,414)	(234,611)	(300,019)	(397,607)	(237,972)
Other	-	-	-	-	-	2,518	-	-
Net changes in Plan fiduciary net position	(43,386,604)	30,147,851	12,820,493	2,534,053	9,525,650	13,265,857	9,560,289	(848,403)
Total Plan fiduciary net position - beginning	199,218,748	169,070,897	156,250,404	153,716,351	144,190,701	130,924,844	121,364,555	122,212,958
Total Plan fiduciary net position - ending	155,832,144	199,218,748	169,070,897	156,250,404	153,716,351	144,190,701	130,924,844	121,364,555
Net pension liability (asset) - ending	\$ 23,034,446	\$ (28,926,320)	\$ (4,501,730)	\$ 2,725,872	\$ (4,921,623)	\$ (661,250)	\$ 2,000,057	\$ 1,957,843
Plan fiduciary net position as a percentage of the total pension liability (asset)	87.12%	116.99%	102.74%	98.29%	103.31%	100.46%	98.50%	98.41%
Covered payroll	\$ 17,451,502	\$ 19,539,406	\$ 21,071,557	\$ 23,557,100	\$ 24,181,638	\$ 28,338,911	\$ 29,800,533	\$ 34,028,032
Net pension liability (asset) as a percentage of covered payroll	131.99%	(148.04)%	(21.36)%	11.57%	(20.35)%	(2.33)%	6.71%	5.75%

Note to Schedule:

Since the measurement date is one year prior to fiscal year end, the amounts presented were determined as of the prior fiscal year ending September 30.

Additional years will be displayed as the information becomes available.

**REQUIRED SUPPLEMENTARY INFORMATION
UNION PENSION PLAN SCHEDULE OF CONTRIBUTIONS, NET PENSION
LIABILITY (ASSET) AND MONEY-WEIGHTED RATE OF RETURN**

SCHEDULE OF CONTRIBUTIONS

FY Ending September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency/ (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2023	\$2,444,548	\$2,069,262	\$375,286	\$15,932,463	12.99%
2022	\$1,862,971	\$2,202,767	(\$339,796)	\$17,451,502	12.62%
2021	\$2,095,386	\$2,575,015	(\$116,614)	\$19,359,406	13.18%
2020	\$2,329,350	\$2,677,199	(\$347,849)	\$21,071,557	12.71%
2019	\$2,595,795	\$2,715,479	(\$119,684)	\$23,557,100	11.53%
2018	\$2,842,481	\$2,885,961	(\$43,480)	\$24,181,638	11.93%
2017	\$3,604,720	\$2,838,977	\$765,743	\$28,338,911	10.02%
2016	\$3,427,954	\$2,930,490	\$497,464	\$29,800,533	9.83%
2015	\$3,283,667	\$3,315,057	(\$31,390)	\$34,028,032	9.74%
2014	\$3,521,356	\$2,337,699	\$1,183,657	\$34,962,723	6.69%

SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY (ASSET)*

FY Ending September 30	Total Pension Liability	Plan Net Position	Net Pension Liability (Asset)	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability (Asset) as a % of Covered Payroll
2023	\$178,866,850	\$155,832,144	\$23,034,446	87.12%	\$17,451,502	131.99%
2022	\$170,292,428	\$199,218,748	(\$28,926,320)	116.99%	\$19,539,406	(148.04)%
2021	\$164,569,167	\$169,250,404	(\$4,501,730)	102.74%	\$21,071,557	(21.36)%
2020	\$158,976,276	\$156,250,404	\$2,725,872	100.46%	\$23,557,100	11.57%
2019	\$148,794,728	\$153,716,351	(\$4,921,623)	103.31%	\$24,181,638	(20.35)%
2018	\$143,529,451	\$144,190,701	(\$661,250)	100.46%	\$28,338,911	(2.33)%
2017	\$132,924,901	\$130,924,844	\$2,000,057	98.50%	\$29,800,533	6.71%
2016	\$123,322,398	\$121,364,555	\$1,957,843	98.41%	\$34,028,032	5.75%
2015	\$115,929,473	\$122,212,958	(\$6,283,485)	105.42%	\$34,962,723	(17.97)%

NPL SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN *

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return net of investment expense	(21.7%)	20.8%	11.2%	3.7%	4.1%	8.4%	11.8%	9.8%	8.7%

*Since the measurement date is one year prior to fiscal year end, the amounts presented were determined as of the prior fiscal year ending September 30. Additional years will be displayed as the information becomes available.

REQUIRED SUPPLEMENTARY INFORMATION
UNION PENSION PLAN NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Valuation Date: 10/01/2022 (for FYE 09/30/23)
 Measurement Date: September 30, 2023

Note: Actuarially determined contributions are calculated as of October 1 which is one year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	3.0% to 10.00% depending on length of service
Expenses	Average of the actual administrative expenses for the two most recent years is added to Normal Cost
Investment Rate of Return	7.30%
Retirement Age	25% to 100% depending on age for unreduced retirement
Mortality	PUB-2010 Headcount Weighted Below Median Employee Table (pre-retirement) and the PUB-2010 Headcount Weighted Below Median Retiree Table (post-retirement). These tables use ages set back one year for males, future mortality improvements projected to all future years after 2010 using scale MP 2018, and are used without mortality improvement projection for disabled lives. These are the same mortality rates as used in the Florida Retirement System (FRS) in their July 1, 2020 and July 1, 2021 Actuarial Valuation Reports for regular class members. Florida Statutes Chapter 112.63(f) mandates the use of the mortality tables from either of the two most recently published valuation reports of FRS.

Other Information:

See Discussion of Valuation Results in the October 1, 2022 Actuarial Valuation Report dated June 1, 2023.

The Board adopted updated assumptions to be effective October 1, 2018, following an experience study. Changes were made in the assumed investment return, average salary increases, retirement rates, termination rates, mortality tables (100% blue collar adjustment), and rates of disability. The new assumptions are detailed in Section II of this report.

In addition, the amortization periods for new bases set up in the future will be reduced by one year each year, until reaching a 20-year amortization period.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND
RELATED RATIOS – REQUIRED BY GASB 75**

	<u>Fiscal Year</u> <u>2023</u>	<u>Fiscal Year</u> <u>2022</u>	<u>Fiscal Year</u> <u>2021</u>	<u>Fiscal Year</u> <u>2020</u>	<u>Fiscal Year</u> <u>2019</u>	<u>Fiscal Year</u> <u>2018</u>
Report period ending	09/30/2023	09/30/2022	09/30/2021	09/30/2020	09/30/2019	09/30/2018
Measurement date	10/01/2022	10/01/2021	10/01/2020	10/01/2019	10/01/2018	10/01/2017
<u>Total OPEB liability</u>						
Service cost	\$ 456,639	\$ 424,673	\$ 506,322	\$ 427,649	\$ 423,239	\$ 429,100
Interest	133,450	136,955	143,941	172,394	167,170	140,928
Experience loss/(gains)	(369,786)	-	(1,132,971)	-	(713,822)	-
Trust contribution/benefit payments	(238,497)	(267,728)	(242,635)	(229,571)	(224,817)	(185,740)
Changes in assumptions	(1,082,664)	102,312	1,186,455	369,132	75,468	(134,509)
Net change in total OPEB liability	(1,100,858)	396,212	461,112	739,604	(272,762)	249,779
Total OPEB liability – beginning	6,212,866	5,816,654	5,355,542	4,615,938	4,888,700	4,638,921
Total OPEB liability – ending	\$ 5,112,008	\$ 6,212,866	\$ 5,816,654	\$ 5,355,542	\$ 4,615,938	\$ 4,888,700
Covered employee payroll	\$68,864,380	\$ 58,807,500	\$ 54,018,999	\$ 51,519,761	\$ 50,167,528	\$ 48,919,052
Total OPEB liability as a percentage of covered employee payroll	7.40%	10.56%	10.77%	10.40%	9.20%	9.99%

Notes to Schedule:

*Since the measurement date is one year prior to fiscal year end, the amounts presented were determined as of the prior fiscal year ending September 30. There are no assets accumulating in a trust which meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits in the OPEB plan.

Change of Assumptions: Change of assumptions reflects the effects of changes in the discount rate from 2.19% to 2.25% for the reporting period ended September 30, 2023.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SUPPLEMENTARY SCHEDULE OF REVENUES AND EXPENSES
BUDGET VS ACTUAL (BUDGET BASIS)
YEAR ENDED SEPTEMBER 30, 2023

	Budget	Actual	Variance Favorable/ (Unfavorable)
OPERATING REVENUES			
Customer fares	\$ 18,367,662	\$ 20,222,126	\$ 1,854,464
Contract services:			
Local financial assistance	19,544,429	19,427,289	(117,140)
Other contractual services	4,057,073	3,932,945	(124,128)
Advertising	2,714,796	2,963,065	248,269
Other income	<u>403,000</u>	<u>519,020</u>	<u>116,020</u>
 Total operating revenues	 <u>45,086,960</u>	 <u>47,064,445</u>	 <u>1,977,485</u>
OPERATING EXPENSES:			
Transportation	61,133,637	66,843,126	(5,709,489)
Maintenance and operations	90,161,503	90,935,144	(773,641)
General and administrative	<u>30,943,635</u>	<u>23,848,463</u>	<u>7,095,172</u>
 Total operating expenses before depreciation	 <u>182,238,775</u>	 <u>181,626,733</u>	 <u>612,042</u>
 OPERATING LOSS	 (137,151,815)	 (134,562,288)	 2,589,527
NON-OPERATING REVENUES/(EXPENSES):			
Federal	14,536,627	14,973,478	436,851
State of Florida	16,666,302	16,857,586	191,284
Local	71,145,905	71,195,494	49,589
Interest income	3,500,000	6,357,249	2,857,249
Interest expense	<u>(56,155)</u>	<u>(66,321)</u>	<u>(10,166)</u>
 Total nonoperating revenues/(expenses), net	 <u>105,792,679</u>	 <u>109,317,486</u>	 <u>3,524,807</u>
 Increase (decrease) in net position	 <u>\$ (31,359,136)</u>	 <u>\$ (25,244,802)</u>	 <u>\$ 6,114,334</u>
BASIS DIFFERENCES:			
Depreciation		(23,741,651)	
Other income		879,745	
Capital contribution		<u>29,294,774</u>	
 Increase in net position - GAAP basis		 <u>\$ (18,811,934)</u>	



Statistical Section

STATISTICAL INFORMATION

This section contains statistical tables reflecting various supplemental financial data concerning the Authority's operations. Where applicable, a 10-year history has been depicted to disclose trends in financial operations and other finance-related matters. These tables have been included as a part of this report for informational purposes only, and, therefore, have not been subjected to audit by the Authority's independent external auditors. Below is a summary of the components and purpose for the tables provided herein.

	<u>Pages</u>
<u>Debt Capacity</u>	
This schedule presents information to help the reader assess the ability of LYNX to service its outstanding debt.	51
<u>Revenue Capacity</u>	
These schedules contain information to help the reader assess LYNX' most significant revenue sources.	52-54
<u>Financial Trends</u>	
These schedules contain trend information to help the reader understand how LYNX' financial performance and financial position have changed over time.	49-50, 55-57, 65-67
<u>Demographic and Economic Information</u>	
These schedules contain demographic and economic indicators to help the reader understand the environment within which LYNX' financial activities take place.	48, 58-63
<u>Other Operating Information</u>	
These schedules contain service levels and capital asset data and insurance information to help the reader understand how the information in LYNX' financial report relates to the services the Authority provides to its customers and the community.	64, 68-69

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
LYNX
Miscellaneous Authority Service Area Notable Facts
Fiscal Year Ending September 30, 2023
(Unaudited)

Form of Government	Local Government (Independent Special District)
Number of Directors	Five (5) Voting
Area Population	2,354,043
Counties Served	Orange, Seminole, and Osceola
Number of Service Routes	79
Peak Vehicle Requirement	256
Hours of Operation	4:00 a.m. to 3:10 a.m.
Average Weekday Passengers	52,846
Vehicle Miles Operated	16,871,457
Vehicle Hours Operated	1,197,110

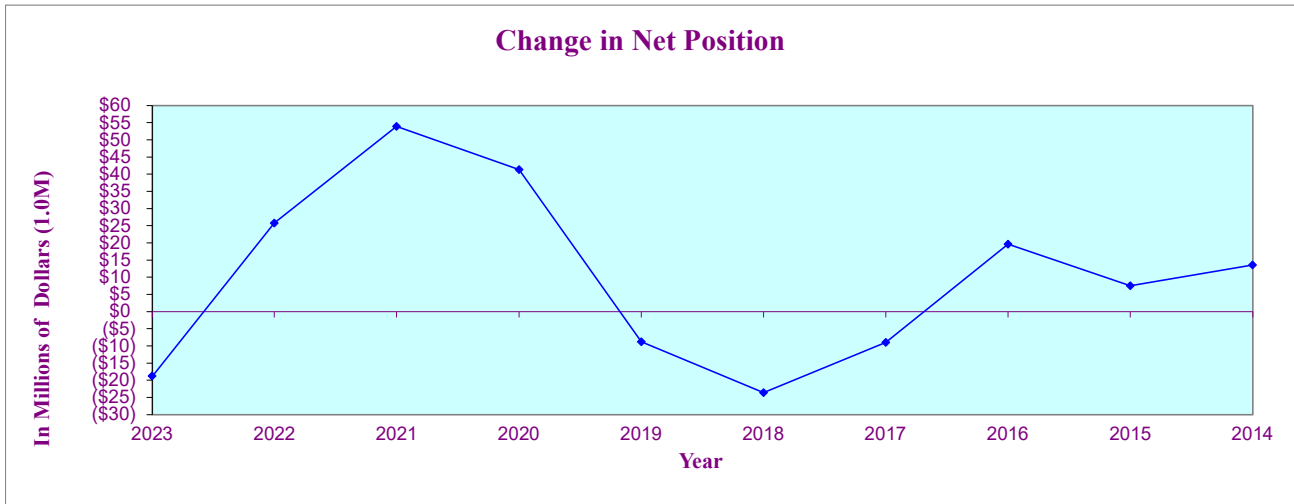
Source: Metro Orlando Economic Development Commission
National Transit Database Annual Report

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Revenue, Expense, and Change in Net Position
Previous Ten Fiscal Years**

Dollars in Millions
(Unaudited)

	2023	2022	Restated 2021	2020	2019	2018	2017	2016	2015	2014
Operating Revenue:										
Customer Fares	\$ 20.2	\$ 18.1	\$ 15.0	\$ 12.3	\$ 23.9	\$ 24.1	\$ 25.2	\$ 26.6	\$ 28.2	\$ 29.1
Other	26.8	24.7	23.3	24.4	23.7	22.6	21.9	20.2	20.6	22.5
Total Operating Revenue	47.0	42.8	38.3	36.7	47.6	46.7	47.1	46.8	48.8	51.6
Operating Expenses:										
Administration, Transportation, and Maintenance	181.6	147.7	137.2	144.2	141.7	135.3	127.8	116.6	114.2	120.5
Depreciation and Amortization	23.7	25.5	24.3	20.5	21.6	23.2	25.9	26.8	26.2	23.5
Capital Project Abandonment Expense	-	-	-	-	-	-	4.2	-	-	-
Total Operating Expenses	205.3	173.2	161.5	164.7	163.3	158.5	157.8	143.4	140.4	144.0
Operating Loss	(158.3)	(130.4)	(123.2)	(128.0)	(115.9)	(111.8)	(110.7)	(96.6)	(91.6)	(92.4)
Non-Operating Revenue (Expenses):										
Operating Assistance	137.8	137.8	128.2	134.6	65.8	61.9	59.1	56.8	56.1	53.4
Planning and Other Income (Expenses)	26.0	24.4	11.3	12.4	19.3	18.9	17.4	17.0	16.3	17.3
Capital Contributions	29.3	18.4	37.6	22.2	21.8	9.7	25.2	42.4	19.7	35.3
Total Non-Operating Revenue (Expenses)	180.6	180.6	177.2	169.2	106.9	88.1	101.7	116.2	92.1	106.0
Change in Net Position Before Accounting Change	(18.8)	25.8	54.0	41.3	(8.8)	(21.3)	(9.0)	19.6	0.5	13.6
Change in Accounting Principle	-	-	-	-	-	(2.3)	-	-	7.0	-
Change in Net Position After Accounting Change	\$ (18.8)	\$ 25.8	\$ 54.0	\$ 41.3	\$ (8.8)	\$ (23.6)	\$ (9.0)	\$ 19.6	\$ 7.5	\$ 13.6



The chart shows the change in net position for the Authority over the past ten fiscal years. Net position increased in 2022 due to federal funding from ARPA to cover certain operating expenses and help LYNX provide revenue service after a sustained period of negative effects from COVID-19.

Source: LYNX Financial Statements

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

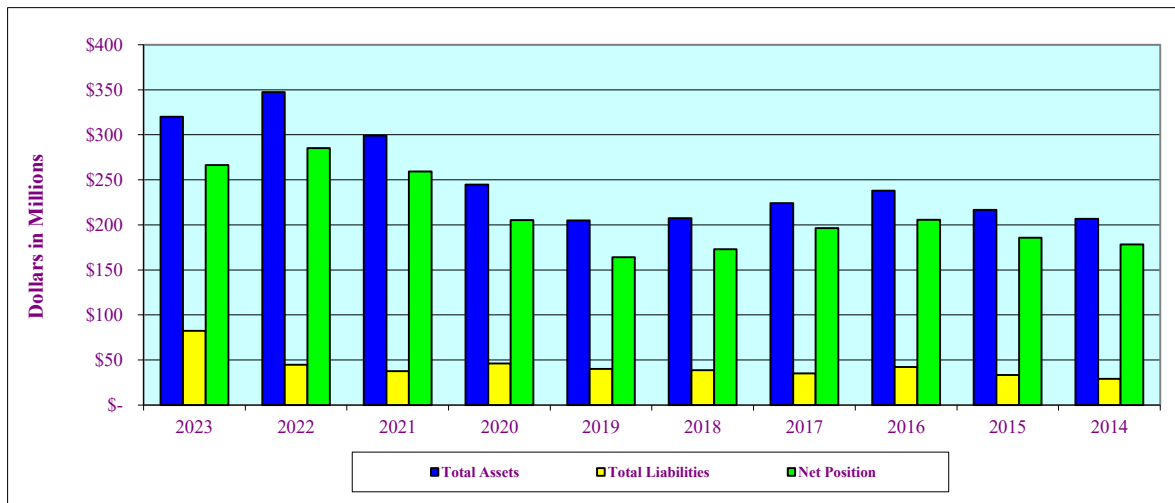
Condensed Summary of the Authority's Net Position

Previous Ten Fiscal Years

in Millions of Dollars (\$1.0M)

(Unaudited)

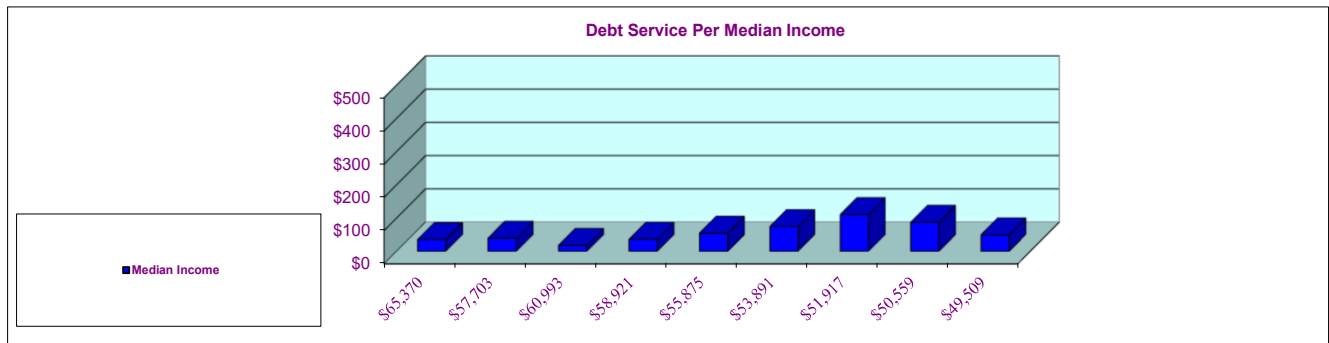
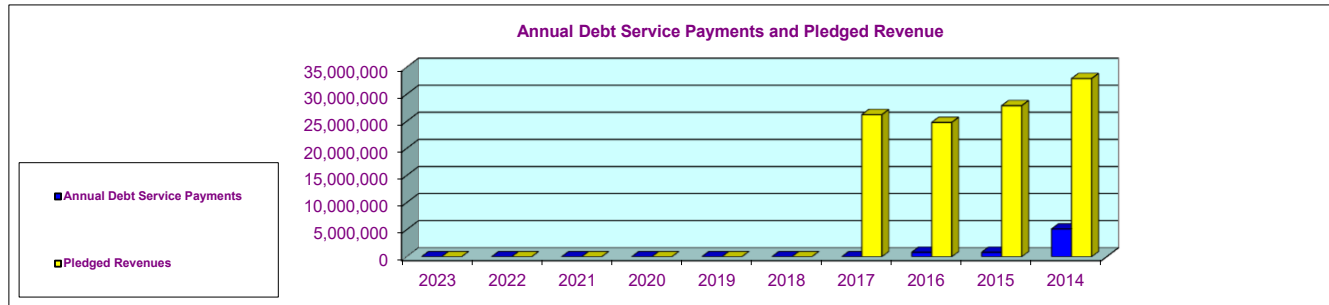
Year	2023	2022	(Restated) 2021	2020	2019	2018	2017	2016	2015	2014
Total Assets	\$320.3	\$347.4	\$301.6	\$244.6	\$204.8	\$207.4	\$224.1	\$238.0	\$216.6	\$206.7
Deferred Outflow of Resources	\$30.1	\$4.3	\$6.2	\$9.5	\$5.5	\$6.5	\$8.1	\$10.3	\$4.1	\$0.8
Deferred Inflow of Resources	\$1.8	\$21.7	\$8.4	\$2.4	\$6.1	\$2.3	\$0.7	\$0.5	\$1.3	\$0.0
Total Liabilities	\$82.3	\$44.9	\$40.1	\$46.3	\$40.1	\$38.7	\$35.0	\$42.2	\$33.5	\$29.2
Ending Net Position	\$266.3	\$285.1	\$259.3	\$205.4	\$164.1	\$172.9	\$196.5	\$205.5	\$185.9	\$178.3
Net Investment in Capital Assets	\$153.8	\$148.2	\$155.4	\$146.1	\$137.1	\$139.3	\$153.0	\$149.9	\$142.7	\$147.6
Restricted	\$2.2	\$2.0	\$2.3	\$1.7	\$9.6	\$1.7	\$1.7	\$1.6	\$0.0	\$0.0
Unrestricted	\$110.3	\$134.9	\$101.6	\$57.6	\$17.4	\$31.9	\$41.8	\$54.0	\$43.2	\$30.7
Ending Net Position	\$266.3	\$285.1	\$259.3	\$205.4	\$164.1	\$172.9	\$196.5	\$205.5	\$185.9	\$178.3



This chart compares total assets, liabilities, and net position over the last 10 fiscal years. Total assets rose 54.9% from 2014-2023 as the Authority acquired rolling stock, constructed new bus shelters, and built transfer centers throughout LYNX's service area to improve rider experience. Total liabilities at the end of fiscal year 2023 were 181.5% greater than in 2014. Net position decreased by \$18.8m to \$266.3m in 2023 due to cost increases in preventative maintenance, vendor service contracts, and the utilization of the budget stabilization funds made up of funding partner contributions received in prior periods.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX
Total Debt, Pledged Revenues, and Lease Information
Previous Ten Fiscal Years
(Unaudited)**

Year	Total Debt	SIB Loans	Leases	Annual Debt Service Payments	Pledged Revenues	Debt Service Coverage	Median Income	Debt per Median Income
2023	3,028,820	\$ -	\$ 3,028,820	\$ -	\$ -	\$ -	\$ 65,370	\$ 46.33
2022	2,043,721	-	2,043,721	-	-	-	57,703	35.42
2021	2,409,645	-	2,409,645	-	-	-	60,993	39.51
2020	1,051,268	-	1,051,268	-	-	-	58,921	17.84
2019	2,013,282	-	2,013,282	-	-	-	55,875	36.03
2018	2,953,519	-	2,953,519	-	-	-	53,891	54.81
2017	3,872,473	-	3,872,473	-	26,228,105	-	51,917	74.59
2016	5,583,849	813,225	4,770,624	829,490	24,800,447	29.90	50,559	110.44
2015	4,325,942	1,610,507	2,715,435	829,492	27,889,437	33.62	49,509	87.38
2014	2,392,156	2,392,156	-	5,127,064	32,892,077	6.61	48,478	49.35



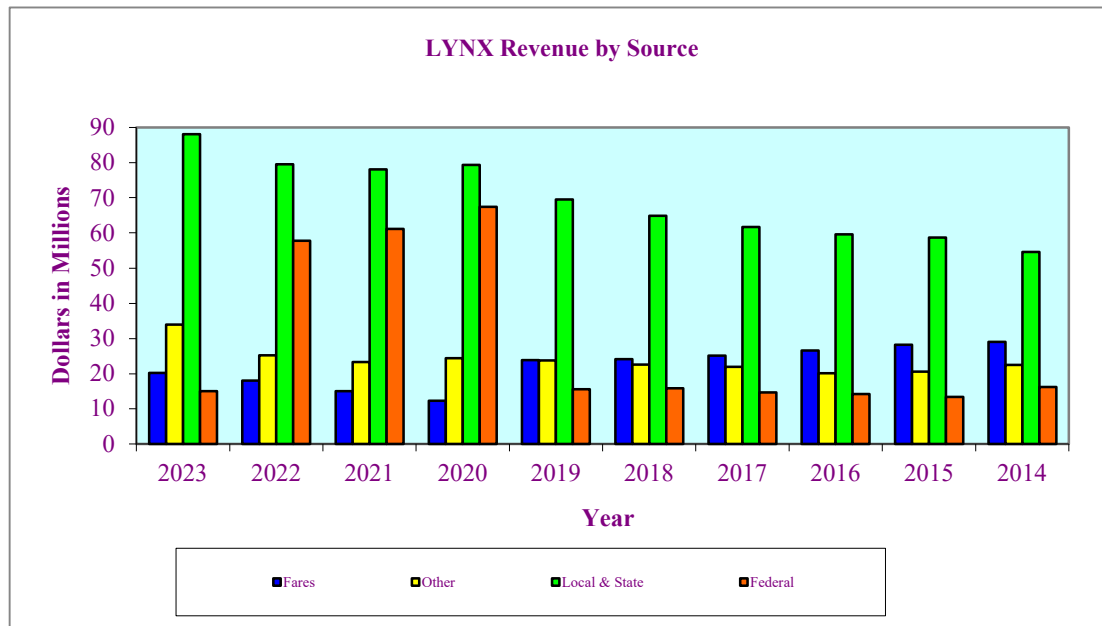
Source: LYNX Financial Statements, NTD Report, and St. Louis Federal Archival Economic Data: <https://alfred.stlouisfed.org>.

Note: Total debt consists of State Infrastructure Bank loans and lease obligations. Annual debt service consists of payments on State Infrastructure Bank loan only. Available pledged revenue is related to capital expenditures and debt service payments.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Revenue Received by Funding Source
Previous Ten Fiscal Years
in Millions of Dollars (\$1.0M)
(Unaudited)**

Fiscal Year	OPERATING AND OTHER FUNDING SOURCES			OPERATING ASSISTANCE			Total Revenue
	MISCELLANEOUS REVENUE		Subtotal	Local & State	Federal	Subtotal	
	Fares	Other					
2023	\$ 20.20	\$ 34.00	\$ 54.20	\$ 88.10	\$ 15.00	\$ 103.10	\$ 157.30
2022	18.03	25.27	43.30	79.54	57.76	137.30	180.60
2021	15.04	23.30	38.34	78.08	61.15	139.23	177.57
2020	12.30	24.41	36.71	79.28	67.38	146.66	183.37
2019	23.86	23.75	47.61	69.49	15.63	85.12	132.73
2018	24.14	22.56	46.70	64.87	15.88	80.74	127.44
2017	25.17	21.93	47.09	61.67	14.68	76.35	123.44
2016	26.64	20.17	46.81	59.52	14.22	73.75	120.56
2015	28.23	20.57	48.80	58.65	13.39	72.03	120.83
2014	29.08	22.48	51.56	54.56	16.26	70.82	122.37



The table and graph above show LYNX's primary sources of revenue by funding source. Specifically, the Authority's amount received and relative dependency on each type. Fares increased during 2023; rising 12.02% versus 2022. Consequently in 2023, federal revenue decreased substantially to only 9.5% of LYNX's total revenue, versus 32.0% in the prior year.

Source: LYNX Financial Statements and schedules within the Annual Comprehensive Financial Report

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**
Each Funding Source As a Percentage of Total Revenue
Previous Ten Fiscal Years
(Unaudited)

FISCAL YEAR	OPERATING AND OTHER MISCELLANEOUS REVENUE			OPERATING ASSISTANCE			TOTAL REVENUE
	PASSENGER FARES	OTHER	TOTAL	LOCAL & STATE	FEDERAL	TOTAL	
INDUSTRY							
2023	*	*	-	*	*	-	-
2022	*	*	-	*	*	-	-
2021	*	*	-	*	*	-	-
2020	16.6%	4.1%	20.7%	52.8%	26.5%	79.3%	100.0%
2019	29.5%	4.5%	34.0%	58.1%	7.9%	66.0%	100.0%
2018	30.7%	5.4%	36.0%	55.3%	8.6%	64.0%	100.0%
2017	31.4%	5.0%	36.3%	55.2%	8.5%	63.7%	100.0%
2016	31.3%	5.0%	36.3%	55.7%	8.0%	63.7%	100.0%
2015	32.5%	4.9%	37.4%	54.3%	8.3%	62.6%	100.0%
2014	32.0%	3.9%	35.9%	55.5%	8.6%	64.1%	100.0%
LYNX							
2023	12.9%	21.6%	34.5%	56.0%	9.5%	65.5%	100.0%
2022	10.0%	14.0%	24.0%	44.0%	32.0%	76.0%	100.0%
2021	8.5%	13.1%	21.6%	44.0%	34.4%	78.4%	100.0%
2020	6.5%	13.3%	20.0%	43.2%	36.7%	80.0%	100.0%
2019	18.1%	18.0%	36.1%	52.1%	11.9%	63.9%	100.0%
2018	19.0%	17.8%	36.8%	50.6%	12.5%	63.2%	100.0%
2017	20.4%	17.8%	38.1%	50.0%	11.9%	61.9%	100.0%
2016	22.1%	16.7%	38.8%	49.4%	11.8%	61.2%	100.0%
2015	23.4%	17.0%	40.4%	48.5%	11.1%	59.6%	100.0%
2014	23.8%	18.4%	42.2%	44.6%	13.2%	57.8%	100.0%

Source: Financial Statements

APTA 2022 Transportation Fact Book

*Statistics are not available.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

Fare Structure

Year Ended September 30, 2023

(Unaudited)

TICKETS	
Cash Fare/Single Ride	\$ 2.00
Transfer	Free
Elderly and Disabled/Single Ride	\$ 1.00
Youth	\$ 1.00
Daily Pass	\$ 4.50
Elderly and Disabled Daily Pass	\$ 2.25
Youth Daily Pass	\$ 2.25
Children (6 years and under with an adult)	Free
 PASSES 	
7 Day Pass	\$ 16.00
Discounted 7 Day Pass (Students, Elderly and Disabled)	\$ 8.00
Youth Pass 7 Day	\$ 8.00
30 Day	\$ 50.00
AdvantAge Pass 30 Day (Elderly and Disabled)	\$ 25.00
Youth Pass 30 Day	\$ 25.00

Source: LYNX Fare Structure Policy

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Fare Structure: Cash Fares and Multi-Day Passes
Previous Ten Fiscal Years**

(Unaudited)

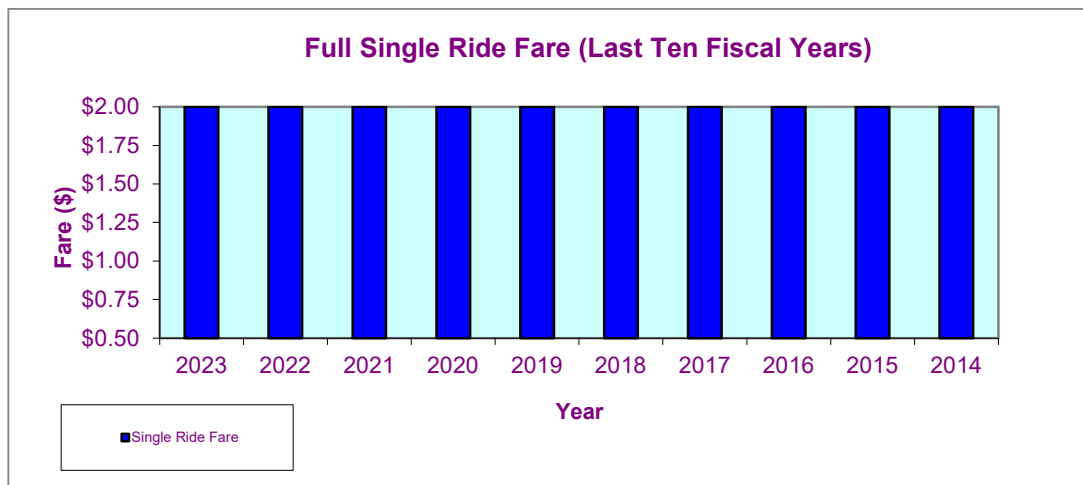
Fiscal Year	CASH FARES				PASSES			
	Single Fare	Discount Single	1 Day Fare	Discount 1 Day	7 Day Pass	Discount 7 Day	30 Day Pass	Discount 30 Day
2023	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2022	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2021	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2020	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2019	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2018	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2017	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2016	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2015	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2014	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00

Discounted Fares Include:

- Students
- Elderly and Handicapped

Discounted Passes Include:

- Youth
- Advantage
- IQ

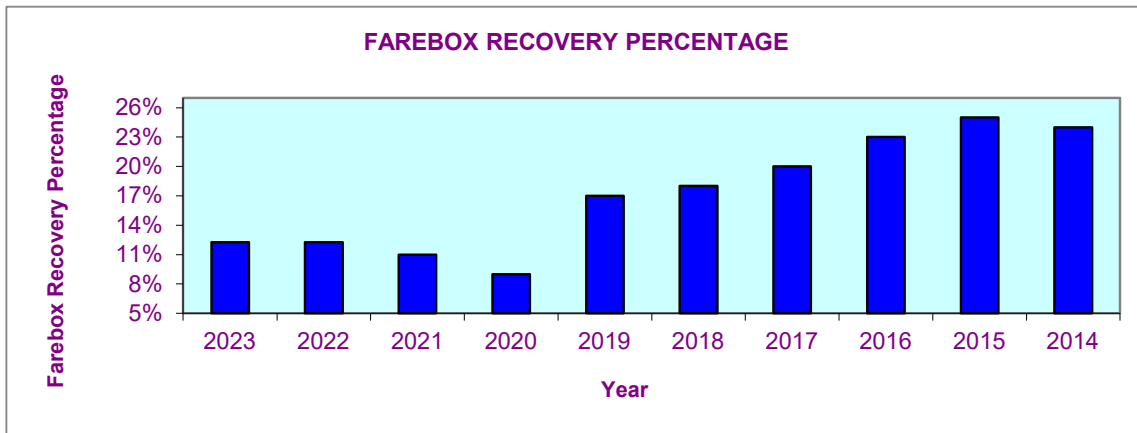


The table and graph above show the amount of both standard fixed-route fares and passes by fiscal year. In keeping with the Authority's commitment to keep fares affordable; no fare structure increases were proposed during 2023. The Authority's last fare increase was implemented in January 2009.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Farebox Recovery Percentage
Previous Ten Fiscal Years
(Unaudited)**

Fiscal Year	Percentage
2023	11%
2022	12%
2021	11%
2020	9%
2019	17%
2018	18%
2017	20%
2016	23%
2015	25%
2014	24%

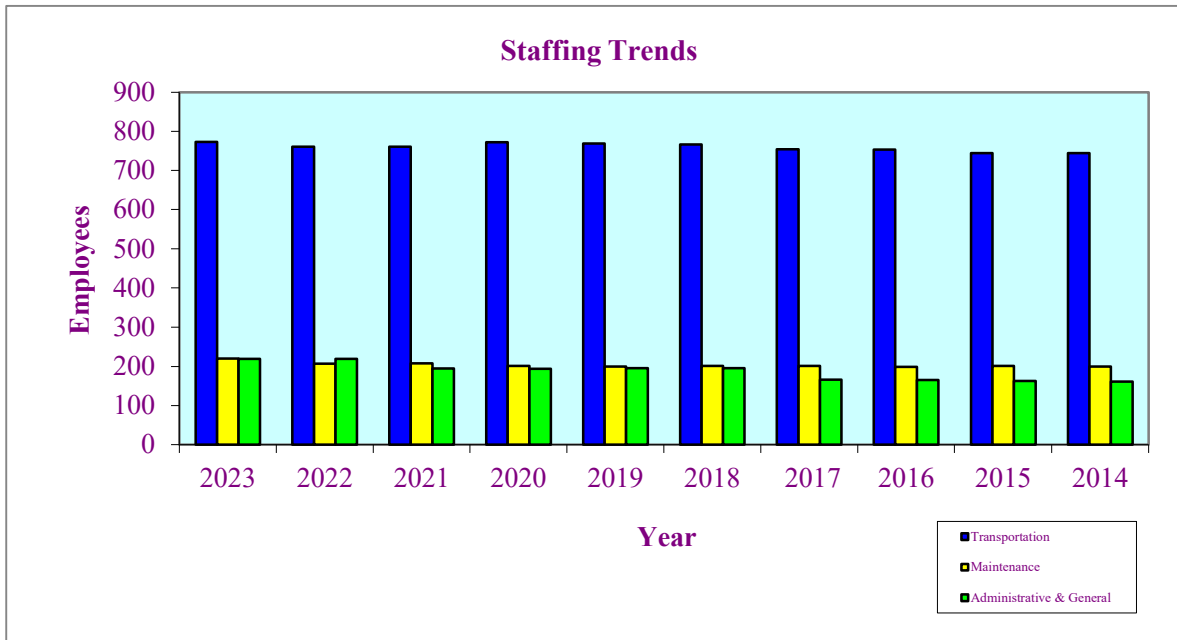


Farebox Recovery is the percentage of the total operating costs funded by customer fares. Farebox recovery is calculated by dividing total fares by total operating cost before depreciation. Fiscal year 2022 farebox recovery rose 1.4% versus 2021.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Budgeted Staff Positions
Previous Ten Fiscal Years
(Unaudited)**

Year	Transportation	Maintenance	Administrative & General	Total
2023	773	220	219	1,212
2022	761	207	219	1,187
2021	761	208	195	1,164
2020	772	201	194	1,167
2019	769	200	196	1,165
2018	766	201	196	1,163
2017	754	201	166	1,121
2016	753	199	165	1,117
2015	744	201	163	1,108
2014	744	200	161	1,105



The Authority's total position count grew (+9.7%) over the past 10 years; despite an Administrative and General staffing increase of 36.0% over the same period.

Source: 2023 LYNX Budget Book

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Top Ten LYNX Service Area Employers
Current Fiscal Year and Nine Years Ago**

(Unaudited)

Company	2023			2014		
	Number of Full Time Employees	Rank	Percentage of Total Employment	Number of Full Time Employees	Rank	Percentage of Total Employment
Walt Disney World Company (WDW)	75,000	1	5.60%	69,000	1	5.64%
Advent Health ^A	35,938	2	2.68%	16,700	5	1.37%
Universal Studios Florida	28,000	3	2.09%	17,300	3	1.41%
Orlando Health ^B	26,397	4	1.97%	14,310	6	1.17%
Orange County Public Schools (OCPS)	24,718	5	1.84%	22,000	2	1.80%
Publix Super Markets, Inc.	18,600	6	1.39%	16,806	4	1.37%
Orlando International Airport	16,125	7	1.20%	14,100	7	1.15%
Seminole State College of Florida	14,813	8	1.11%	8,327	10	0.68%
Lockheed Martin	14,547	9	1.09%	12,000	8	0.98%
University of Central Florida	13,078	10	0.98%	11,078	9	0.91%
Other Employers	1,072,858	N/A	80.06%	1,021,413	N/A	83.51%
Region Total	1,340,074		100.00%	1,223,034		100.00%

Notes:

^A Effective January 2019, Advent Health merged subsidiaries from FL Hospital significantly increasing their FTE headcount.

^B Effective April 2021, Orlando Health acquired FHV Health which significantly increased their staff's size in Central FL.

N/A = Not Available

Sources:

Metro Orlando Economic Development Commission

Orange County Public Schools

Seminole County Public Schools (including Universities)

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

Percentage of Employment by Industry within LYNX Service Area

Previous Ten Fiscal Years

(Unaudited)

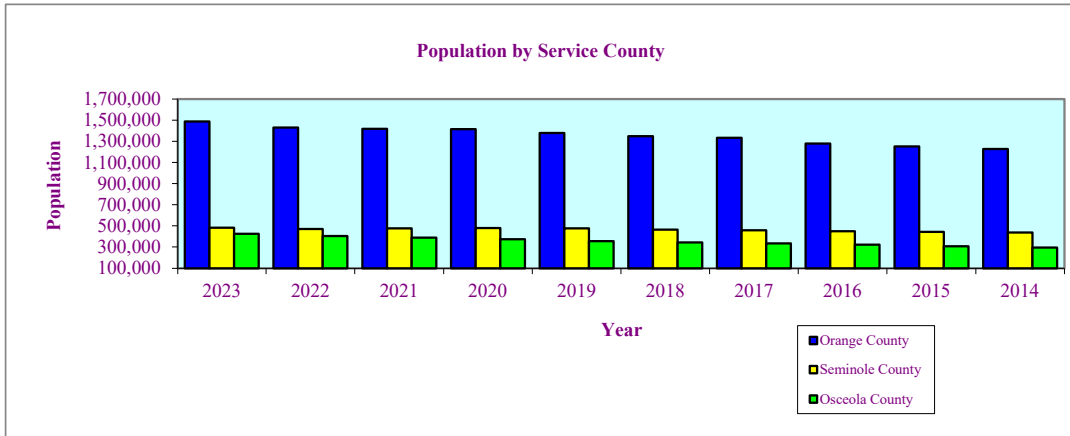
Year	Manufacturing	Construction	Transportation	Finance	Government	Retail Trade	Service	Total
2023	3.7%	5.7%	3.8%	6.3%	10.5%	12.5%	57.5%	100.0%
2022	3.6%	6.7%	4.0%	6.1%	10.3%	12.2%	57.1%	100.0%
2021	3.8%	6.9%	3.9%	6.2%	10.2%	12.1%	56.9%	100.0%
2020	4.1%	7.0%	3.9%	6.5%	10.1%	11.9%	56.5%	100.0%
2019	3.6%	6.6%	3.7%	5.9%	9.9%	11.5%	58.8%	100.0%
2018	3.8%	6.6%	3.2%	5.9%	9.6%	11.6%	59.3%	100.0%
2017	3.8%	5.8%	3.1%	6.3%	9.9%	12.2%	58.9%	100.0%
2016	3.5%	5.9%	2.9%	5.9%	10.1%	12.3%	59.4%	100.0%
2015	3.5%	5.2%	3.0%	6.3%	10.4%	12.7%	58.9%	100.0%
2014	3.5%	5.1%	2.9%	6.2%	10.7%	12.7%	58.9%	100.0%

Source: Bureau of Labor Statistics, http://bls.gov/eag/eag.fl_orlando_msa.htm

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Population by County within LYNX Service Area
Previous Ten Fiscal Years
(Unaudited)**

Year	Orange County	Seminole County	Osceola County	Region Total
2023	1,486,698	484,054	424,946	2,395,698
2022	1,429,908	470,856	403,282	2,304,046
2021	1,418,813	477,736	390,500	2,287,049
2020	1,415,672	480,752	374,510	2,270,934
2019	1,378,538	476,413	355,959	2,210,910
2018	1,347,885	465,036	342,454	2,155,375
2017	1,332,714	457,650	333,980	2,124,344
2016	1,280,387	449,124	322,862	2,052,373
2015	1,252,396	442,903	308,327	2,003,626
2014	1,227,995	437,086	295,553	1,960,634



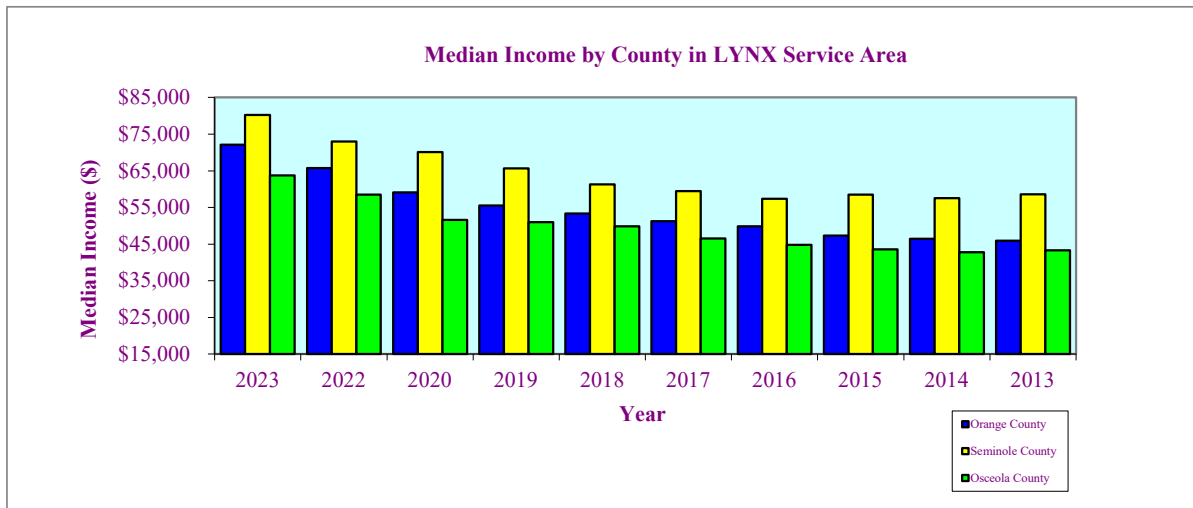
The aggregate population of the tri-county area grew by 3.98% in 2023 versus 2022. Within LYNX's service area, Osceola welcomed the largest number of new residents in 2023 (a 5.37% increase YoY).

Source: Florida Economic and Demographic Research, <http://edr.state.fl.us>

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Median Household Income by County within LYNX Service Area
Previous Ten Fiscal Years
(Unaudited)**

Year	Orange County	Seminole County	Osceola County
2023	\$ 72,129	\$ 80,296	\$ 63,782
2022	65,784	73,002	58,513
2020	59,150	70,152	51,579
2019	55,509	65,691	51,040
2018	53,407	61,291	49,870
2017	51,232	59,441	46,528
2016	49,910	57,369	44,785
2015	47,295	58,481	43,620
2014	46,507	57,538	42,838
2013	45,968	58,573	43,332



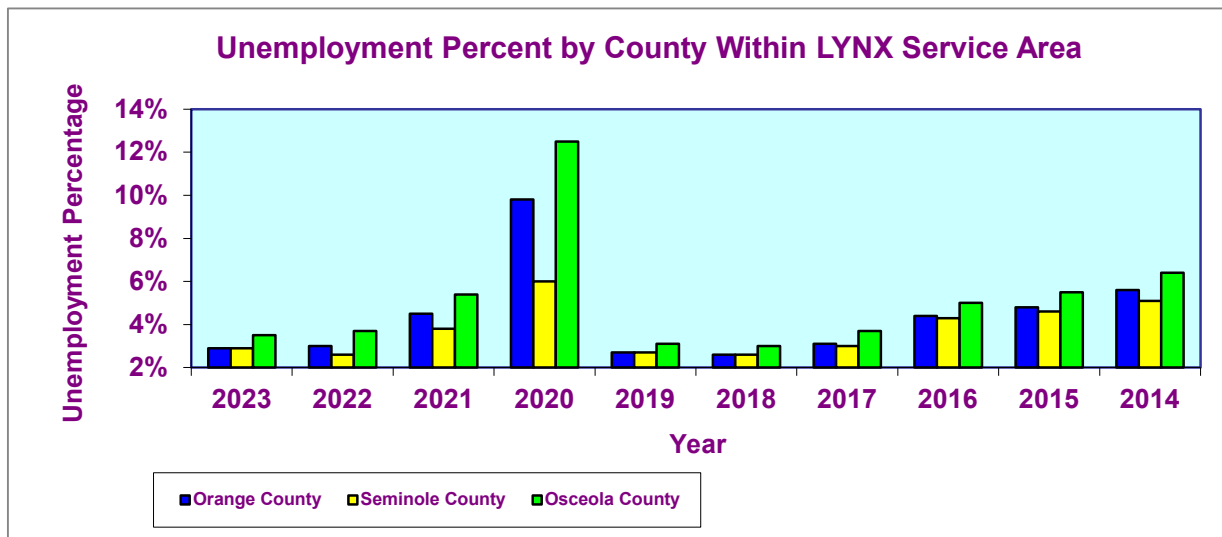
A useful method of determining the demand for public transportation is by tracking median household income. Generally, public transportation provides service for people earning lower than the median income within the service area.

Source: Office of Economic and Demographic Research, <http://edr.state.fl.us>

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Unemployment Percentage by County within LYNX Service Area
Previous Ten Fiscal Years
(Unaudited)**

Year	Orange County	Seminole County	Osceola County	Region Average
2023	2.9%	2.9%	3.5%	3.1%
2022	3.0%	2.6%	3.7%	3.1%
2021	4.5%	3.8%	5.4%	4.5%
2020	9.8%	6.0%	12.5%	9.2%
2019	2.7%	2.7%	3.1%	2.8%
2018	2.6%	2.6%	3.0%	2.7%
2017	3.1%	3.0%	3.7%	3.2%
2016	4.4%	4.3%	5.0%	4.5%
2015	4.8%	4.6%	5.5%	5.0%
2014	5.6%	5.1%	6.4%	5.7%



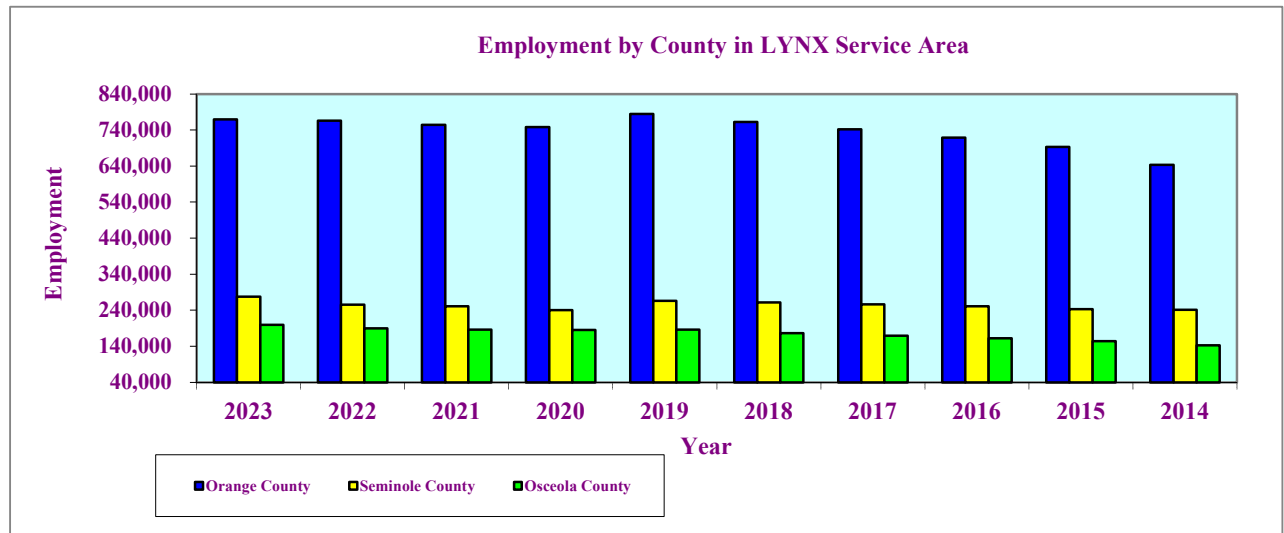
Tracking regional unemployment is useful to determine the economic vitality of Central Florida. The annual percentage by county is aggregated and non-seasonally based. The average unemployment percentage for fiscal year 2023 is 3.1%; unchanged from 2022.

Source: Federal Reserve Bank of St. Louis Economic Data, <https://fred.stlouisfed.org/>

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Employed Persons by County within LYNX Service Area
Previous Ten Fiscal Years
(Unaudited)**

Year	Orange County	Seminole County	Osceola County	Region Total
2023	769,611	277,425	199,906	1,246,942
2022	765,445	255,115	189,641	1,210,201
2021	754,627	251,449	185,895	1,191,971
2020	748,262	240,574	185,686	1,174,522
2019	784,788	265,748	186,128	1,236,664
2018	762,710	261,502	176,891	1,201,103
2017	741,512	256,066	169,568	1,167,146
2016	719,253	250,888	162,005	1,132,146
2015	692,813	243,253	154,029	1,090,095
2014	643,006	241,166	142,438	1,026,610



The tri-county area experienced steady employment growth over the last ten years. The region's total employed person count grew 3.04% in 2023 versus 2022.

Source: Civilian Labor Force, Federal Reserve Bank of St. Louis website: <https://fred.stlouisfed.org>

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

General Statistics (Ridership, Peak Vehicles, Miles and Hours)

Previous Ten Fiscal Years

(Unaudited)

FISCAL YEAR	RIDERSHIP	NUMBER OF PEAK VEHICLES	ACTUAL VEHICLE MILES	ACTUAL VEHICLE HOURS
2023	17,426,273	256	16,871,457	1,197,110
2022	15,821,169	248	16,493,174	1,176,338
2021	13,261,530	257	16,329,764	1,192,983
2020	16,775,803	268	16,062,984	1,151,635
2019	23,862,104	268	17,006,457	1,208,306
2018	24,126,897	260	16,920,930	1,202,976
2017	24,845,029	259	17,065,204	1,198,148
2016	26,259,736	265	16,869,241	1,179,430
2015	28,327,951	255	16,470,661	1,163,956
2014	28,868,418	248	16,040,104	1,132,713

Source: NTD Report (MotorBus)

Number of peak vehicles excludes rolling stock not in revenue service at the end of the fiscal year.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

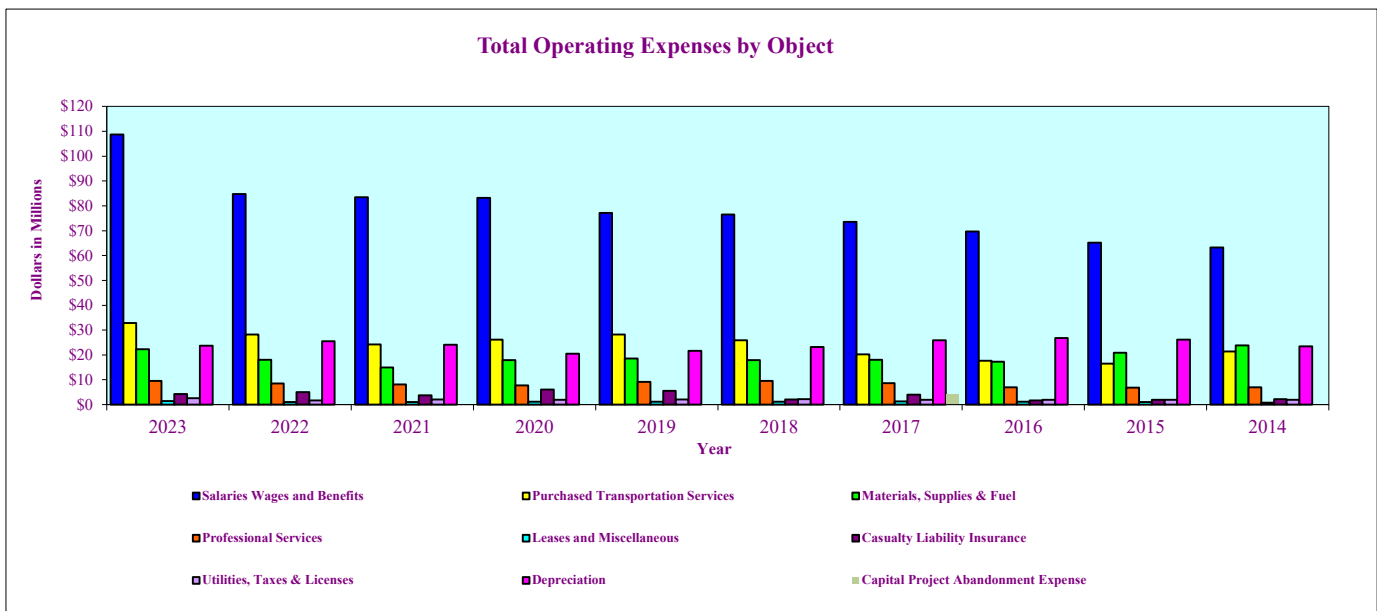
Operating Expenses by Object Expense Category

Previous Ten Fiscal Years

in Millions of Dollars (\$1.0M)

(Unaudited)

Fiscal Year	Salaries Wages and Benefits	Purchased Transportation Services	Materials, Supplies & Fuel	Professional Services	Leases and Miscellaneous	Casualty Liability Insurance	Utilities, Taxes & Licenses	Depreciation	Capital Project Abandonment Expense	Total Operating Expenses
2023	\$108.7	\$32.8	\$22.3	\$9.5	\$1.4	\$4.3	\$2.6	\$23.7	-	\$205.3
2022	84.8	28.2	18.0	8.5	1.0	5.0	1.7	25.5	-	172.6
2021	83.4	24.2	14.9	8.1	1.1	3.8	2.0	24.1	-	161.6
2020	83.3	26.1	17.9	7.8	1.1	6.0	2.0	20.5	-	164.7
2019	77.1	28.2	18.5	9.1	1.1	5.5	2.1	21.7	-	163.3
2018	76.5	25.9	17.9	9.6	1.2	2.1	2.2	23.2	-	158.5
2017	73.6	20.2	18.1	8.6	1.3	4.0	1.9	25.9	4.2	157.8
2016	69.7	17.7	17.3	7.0	1.2	1.7	1.9	26.8	-	143.4
2015	65.2	16.5	20.9	6.8	1.0	1.9	1.9	26.2	-	140.4
2014	63.3	21.4	23.9	7.0	0.8	2.2	2.0	23.5	-	144.0



The expenditures for each of the eight primary operating expense classifications over the last ten fiscal years is shown in tabular and graphic format above. Operating expenses for 2023 excluding depreciation reflect an overall increase of 50.7% since 2014.

Source: LYNX Financial Statements

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

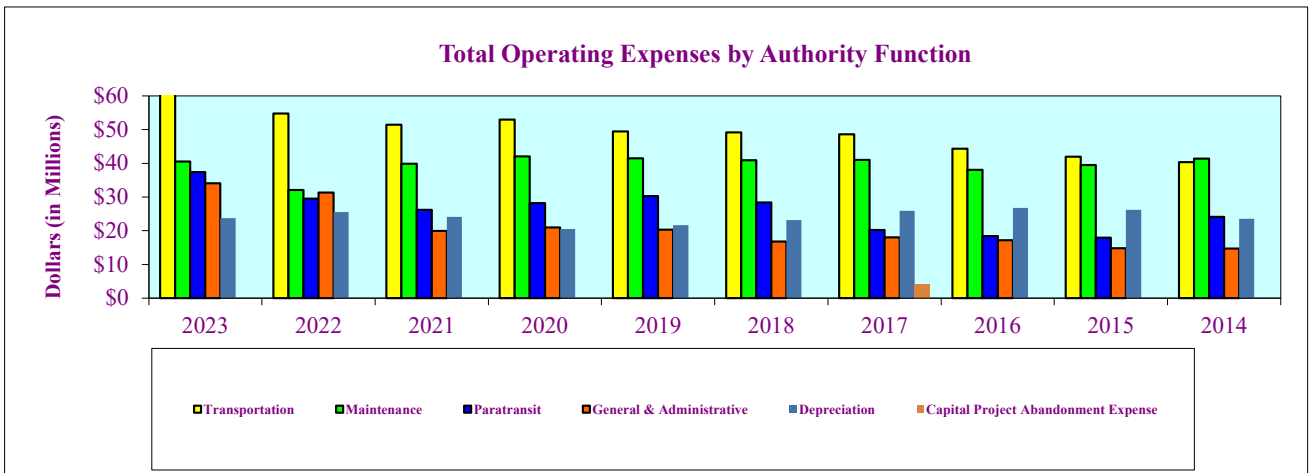
Operating Expenses by Authority Function

Previous Ten Fiscal Years

In Millions of Dollars (\$1.0M)

(Unaudited)

Fiscal Year	Transportation	Maintenance	Paratransit	General & Administrative	Depreciation	Capital Project Abandonment Expense	Total Operating Expenses
2023	\$69.7	\$40.5	\$37.4	\$34.1	\$23.7	\$ -	\$205.4
2022	54.8	32.1	29.6	31.3	25.5	-	173.2
2021	51.4	39.9	26.2	19.9	24.1	-	161.6
2020	52.9	42.1	28.2	21.0	20.5	-	164.7
2019	49.5	41.5	30.3	20.3	21.7	-	163.3
2018	49.2	40.9	28.4	16.8	23.2	-	158.5
2017	48.6	41.0	20.2	18.0	25.9	4.2	157.8
2016	44.3	38.1	18.4	17.2	26.8	-	143.4
2015	42.0	39.5	17.9	14.8	26.2	-	140.4
2014	40.3	41.4	24.1	14.7	23.5	-	144.0



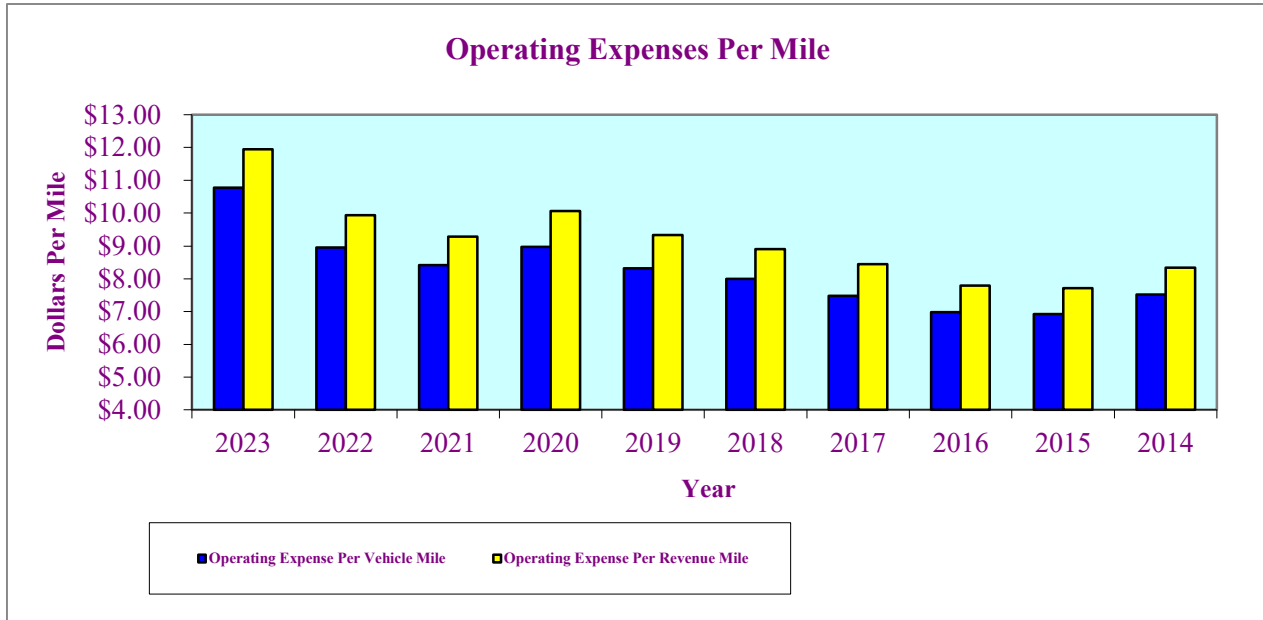
This table and graph show operating expenses by function for the previous ten fiscal years. Total operating expenses for 2023 are 42.6% greater than 2014.

Source: LYNX Annual Financial Statement Detail

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Operating Expenses Per Vehicle & Revenue Mile
Previous Ten Fiscal Years
(Unaudited)**

Fiscal Year	Vehicle Miles	Revenue Miles	Operating Expense Per Vehicle Mile	Operating Expense Per Revenue Mile
2023	16,871,457	15,205,750	\$10.77	\$11.95
2022	16,493,174	14,872,236	\$8.95	\$9.93
2021	16,329,764	14,812,834	\$8.42	\$9.28
2020	16,062,984	14,326,496	\$8.98	\$10.06
2019	17,006,547	15,181,398	\$8.33	\$9.33
2018	16,920,930	15,185,974	\$8.00	\$8.91
2017	17,065,204	15,111,138	\$7.48	\$8.45
2016	16,869,241	15,110,465	\$6.99	\$7.80
2015	16,470,661	14,791,484	\$6.93	\$7.72
2014	16,040,104	14,464,800	\$7.52	\$8.34



The charts above show vehicle and revenue miles as a function of the associated operating expenses to perform revenue service for the past ten fiscal years. This data helps evaluate the Authority's use of operating assistance and the quality of LYNX's preventative maintenance program.

Source: LYNX Financial Statement Detail
National Transit Database (NTD) Report

**CENTRAL FLORIDA REGIONAL TRANSPORTATION d/b/a
LYNX
Risk Management
Insurance Policies - Fiscal Year 2023
(Unaudited)**

Insurance Company	Policy	Premium	Limits	Deductible/SIR	Commission/Fee
American Home Assurance Company	Property	\$233,602.00	\$81,902,507.00	25,000 all other perils	0% Commission to AJG
	Named Windstorm	Included	25,000,000	5% Minimum; \$250,000	
	Flood - Non Special Flood Hazard Area	Included	10,000,000	100,000	
	Flood - Special Flood Hazard Area	Included	2,500,000	5% of TIV at time of loss at each covered location subject to minimum \$1,000,000	
	Earth Movement	Included	50,000,000	100,000	
	Terrorism (Including Risk Engineering Services & FI Equipment Breakdown)	\$2,724	81,902,507		
	FIGA Surcharge and AJG Risk Management Broker Fee	\$37,406	81,902,507	\$25,000	
	Sub-total	273,732			
PGIT (Preferred Governmental Insurance Trust)	Crime				0%
	Forgery & Alteration	\$1,844	250,000	1,000	
	TDD (Inside & Outside are Independent)	Included	250,000	1,000	
	Employee Dishonesty	Included	250,000	1,000	
	Computer Fraud	Included	250,000	1,000	
	Sub-total	1,844			
	General Liability				0%
	General Liability	102,359	1,000,000	200,000	
	Employee Benefit Liability Errors & Omissions	Included	1,000,000	200,000	
	Sub-total	102,359			
ACE American Insurance Company	Public Officials/EPLI				0%
	Public Officials	72,482	2,000,000	100,000	
	Employment Practices Liability	Included	2,000,000	100,000	
	Media Content, Network Security & Privacy	Included	2,000,000	100,000	
	Sub-total	72,482			
Travelers Casualty & Surety Company of America	Cyber Liability	\$28,931			
	3rd Party Coverage				
	- Policy Aggregate		2,000,000	50,000	
	- Privacy Liability Per Claim		2,000,000	50,000	
	- Regulatory Claims		2,000,000	50,000	
	- Multimedia Liability		2,000,000	50,000	
	Sub-total	28,931			
Illinois Union Insurance	Pollution Liability	43,600	3,000,000 / 6,000,000	25,000	
	Sub-total	43,600			
Federal Insurance Company	Fiduciary Liability	9,357	2,000,000 / 2,000,000	-	
	Sub-total	9,357			
PGIT (Preferred Governmental Insurance Trust)	Automobile				
	Auto Liability/UM/MedPay	95,863	N/A	N/A	
	Auto Physical Damage	630,009	Actual Cash Value (ACV)		
				Buses : \$10,000 - Covered Auto Symbol 8 : Hired NeighborLink: \$5,000 - Covered Auto Symbol 10 : Per All Other: \$1,000 Symbol 2 fleet coverage applies only to: (a) all buses 2009 and newer, will have \$10,000 deductible. - All PPV & light trucks 2009 & newer will have \$1,000 deductible - All paratransit and van pool vehicles are excluded.	
	Sub-total	725,872			
	Total Premium	\$ 1,258,177			

**CENTRAL FLORIDA REGIONAL TRANSPORTATION d/b/a
LYNX
Risk Management
Insurance Policies - Fiscal Year 2022
(Unaudited)**

Insurance Company	Policy	Premium	Limits	Deductible/SIR	Commission/Fee
American Home Assurance Company	Property	\$172,770.00	\$72,414,745.00	25,000 all other perils	0% Commission to AJG 3,000 Engineering Fee to American Home (AIG)
	Named Windstorm	Included	25,000,000	5% of TIV at time of loss at each covered location subject to minimum \$250,000	
	Flood - Non Special Flood Hazard Area	Included	10,000,000		
	Flood - Special Flood Hazard Area	Included	2,500,000	5% of TIV at time of loss at each covered location subject to minimum \$1,000,000	
	Earth Movement	Included	50,000,000		
	Ordinance & Law A	Included		Undamaged portion of building sublimit is 63,012,043	
	Ordinance & Law B	Included		Undamaged portion of building sublimit is 2,500,000	
	Ordinance & Law C	Included		Increased cost of repair or replacement sublimit is 2,500,000	
	Debris Removal	Included		2,500,000	
	Terrorism (Including Risk Engineering Services & FIGA Surcharge)	6,904	72,414,745		
	Equipment Breakdown	Included		72,414,745	25,000
	Sub-total	179,674			
PGIT (Preferred Governmental Insurance Trust)	Crime	1,293			0%
	Forgery & Alteration	Included	250,000	1,000	
	TDD (Inside & Outside are Independent)	Included	250,000	1,000	
	Employee Dishonesty	Included	250,000	1,000	
	Computer Fraud	Included	250,000	1,000	
		Sub-total	1,293		
	General Liability				0%
	General Liability	71,883	1,000,000	200,000	
	Employee Benefit Liability Errors & Omis	Included	1,000,000	200,000	
	Sub-total	71,883			
ACE American Insurance Company	Public Officials/EPLI				0%
	Public Officials	58,369	2,000,000	100,000	
	Employment Practices Liability	Included	2,000,000	100,000	
	Media Content, Network Security & Privacy	Included	2,000,000	100,000	
	Sub-total	58,369			
Lloyd's of London	Cyber Liability	\$38,095			
	3rd Party Coverage				
	- Policy Aggregate		2,000,000	50,000	
	- Privacy Liability Per Claim		2,000,000	50,000	
	- Regulatory Claims		2,000,000	50,000	
- Multimedia Liability		2,000,000	50,000		
	Sub-total	38,095			
Illinois Union Insurance	Pollution Liability	42,862	3,000,000	25,000	
		Sub-total	42,862		
Federal Insurance Company	Fiducuary Liability	9,240	2,000,000	-	
		Sub-total	9,240		
PGIT (Preferred Governmental Insurance Trust)	Automobile				
	Auto Liability/UM/MedPay	79,939	N/A	N/A	
	Auto Physical Damage	351,837	Actual Cash Value (ACV) Buses : \$10,000 Private Passenger & Light Trucks : \$1,000		- Covered Auto Symbol 8 : Hired - Covered Auto Symbol 10 : Per Symbol 2 fleet coverage applies only to: (a) all buses 2009 and newer, will have \$10,000 deductible. - All PPV & light trucks 2009 & newer will have \$1,000 deductible - All paratransit and van pool
	Sub-total	431,776			
	Total Premium	\$ 833,192			

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CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2023

<u>FEDERAL GRANTOR/ PROGRAM TITLE</u>	<u>Federal Assistance Listing Number</u>	<u>Project Number</u>	<u>Program or Award Amount</u>	<u>September 30, 2022 Receivable</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>September 30, 2023 Receivable</u>	<u>Passed Through to Subrecipients</u>
Federal Transit - Formula Grants								
Capital assistance	20.507	FL2017-001	\$ 17,609,919	\$ 71,908	\$ (360,981)	\$ 356,959	\$ 67,886	\$ -
Capital assistance	20.507	FL2017-013	8,209,682	56,725	(574,161)	520,441	3,005	-
Capital assistance	20.507	FL2017-039	26,103,204	190,548	(976,054)	1,134,390	348,884	-
Capital assistance	20.507	FL2018-113	26,116,978	316,708	(2,395,144)	2,500,637	422,201	-
Capital assistance	20.507	FL2019-010	7,106,587	2,315	(55,673)	129,733	76,375	-
Capital assistance	20.507	FL2019-030	26,703,155	32,194	(822,737)	1,447,553	657,010	-
Capital assistance	20.507	FL2019-038	9,175,850	-	(12,748)	91,037	78,289	-
Capital assistance	20.507	FL2020-006	27,306,428	423,670	(6,996,916)	6,779,671	206,425	-
Capital assistance	20.507	FL2020-018	3,033,138	80,150	(201,019)	141,765	20,896	110,187
Capital assistance	20.507	FL2020-041	7,102,130	-	(5,633,549)	5,633,986	437	-
Capital assistance	20.507	FL2021-044	7,400,000	-	(3,199,583)	3,199,583	-	-
Capital assistance	20.507	FL2022-040	53,462,283	4,210,630	(13,439,377)	12,875,606	3,646,859	-
Capital assistance	20.507	FL90-X885	10,630,000	-	(106,220)	106,220	-	-
Capital assistance	20.525	FL2018-044	544,223	120	(1,237)	1,117	-	-
Capital assistance	20.525	FL2020-048	617,206	-	(255)	255	-	-
			<u>231,120,783</u>	<u>5,384,968</u>	<u>(34,775,654)</u>	<u>34,918,953</u>	<u>5,528,267</u>	<u>110,187</u>
Federal Transit - Assistance - COVID-19								
COVID-19-Capital assistance - CARES Act	20.507	FL2020-037	75,537,697	25,269	(25,269)	-	-	-
COVID-19-Capital assistance - ARP Act	20.507	FL2021-055	76,519,665	3,186,465	(3,156,976)	112,020	141,509	-
			<u>152,057,362</u>	<u>3,211,734</u>	<u>(3,182,245)</u>	<u>112,020</u>	<u>141,509</u>	<u>-</u>
Federal Transit - Bus and Bus Facilities Formula Program								
Capital assistance	20.526	G0D46	359,784	52,003	-	-	52,003	-
Capital assistance	20.526	G1W85	590,261	-	(590,261)	590,261	-	-
Capital assistance	20.526	FL2020-057	3,771,233	28,000	(53,204)	25,204	-	-
Capital assistance	20.526	FL2022-020	4,300,000	-	(2,038,458)	2,051,658	13,200	-
			<u>9,021,278</u>	<u>80,003</u>	<u>(2,681,923)</u>	<u>2,667,123</u>	<u>65,203</u>	<u>-</u>
Total Federal Transit Cluster			<u>392,199,423</u>	<u>8,676,705</u>	<u>(40,639,822)</u>	<u>37,698,096</u>	<u>5,734,979</u>	<u>110,187</u>
Federal Transit: Metropolitan Transportation Planning								
Passed through the Metroplan Orlando								
	20.505	FL80-X015	821,000	47,297	(144,717)	149,360	51,940	-
	20.505	FL80-X016	200,000	29,163	(177,800)	148,637	-	-
			<u>1,021,000</u>	<u>76,460</u>	<u>(322,517)</u>	<u>297,997</u>	<u>51,940</u>	<u>-</u>

(Continued)

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2023

<u>FEDERAL GRANTOR/ PROGRAM TITLE</u>	<u>Federal Assistance Listing Number</u>	<u>Project Number</u>	<u>Program or Award Amount</u>	<u>September 30, 2022 Receivable</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>September 30, 2023 Receivable</u>	<u>Passed Through to Subrecipients</u>
Federal Transit: Formula Grants for Rural Areas								
Passed through Florida Department of Transportation								
	20.509	G2643	1,414,879	511,543	(511,543)	-	-	-
	20.509	G2787	743,580	-	(743,580)	743,580	-	-
	20.509	G2F68	1,654,720	-	-	1,436,518	1,436,518	-
			<u>3,813,179</u>	<u>511,543</u>	<u>(1,255,123)</u>	<u>2,180,098</u>	<u>1,436,518</u>	<u>-</u>
Federal Transit: Enhanced Mobility of Seniors and Individuals with Disabilities								
	20.513	FL2017-027	2,737,549	1,382	(1,664)	282	-	282
	20.513	FL2018-111	1,429,375	9,280	(64,120)	61,922	7,082	49,360
	20.513	FL2022-034	1,637,436	-	(373,174)	486,153	112,979	167,242
	20.513	G1X43	225,000	45,800	(45,800)	-	-	-
	20.513	G2786	195,000	-	(131,427)	195,000	63,573	-
	20.513	G2H65	100,000	-	-	76,690	76,690	-
			<u>6,324,360</u>	<u>56,462</u>	<u>(616,185)</u>	<u>820,047</u>	<u>260,324</u>	<u>216,884</u>
Federal Transit - Assistance - COVID-19								
COVID-19-Operating assistance - CRRSAA Act	20.513	FL2022-025	230,476	123,765	(222,868)	106,711	7,608	-
COVID-19-Operating assistance - ARP Act	20.513	FL2022-026	284,123	142,062	(253,704)	111,642	-	-
			<u>514,599</u>	<u>265,827</u>	<u>(476,572)</u>	<u>218,353</u>	<u>7,608</u>	<u>-</u>
Federal Transit: Transit Oriented Development Pilot State Road 436								
	20.500	2023-008	300,000	-	-	13,538	13,538	-
			<u>300,000</u>	<u>-</u>	<u>-</u>	<u>13,538</u>	<u>13,538</u>	<u>-</u>
Total Transit Services Program Cluster			<u>7,138,959</u>	<u>322,289</u>	<u>(1,092,757)</u>	<u>1,051,938</u>	<u>281,470</u>	<u>216,884</u>
Federal Emergency Management Agency - Disaster Grants - Public Assistance								
Hurricane Nicole	97.036		63,849	-	-	63,849	63,849	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 404,236,410</u>	<u>\$ 9,586,997</u>	<u>\$ (43,310,219)</u>	<u>41,291,978</u>	<u>\$ 7,568,756</u>	<u>\$ 327,071</u>
NONOPERATING REVENUE PORTION						14,973,477		
OTHER INCOME - GAIN ON SALE OF EQUIPMENT						390,026		
CONTRIBUTED CAPITAL						<u>\$ 25,928,474</u>		

See Notes to Schedules of Expenditures of Federal Awards and Local and State Financial Assistance

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SCHEDULE OF EXPENDITURES OF LOCAL FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2023

GRANT NUMBER/ SOURCE	Program or Award Amount	September 30, 2022 Unearned (Receivable)	Transfers/ Receipts	Expenditures	September 30, 2023 Unearned (Receivable)
LOCAL MATCHING GRANTS:					
N/A, FL-2017-027 (FL16X034)	1,485,121	-	283	283	-
N/A, FL-2018-111 (FL16X062)	775,436	-	49,360	49,360	-
N/A, FL-2020-018 (FL16X069)	1,645,476	-	110,187	110,187	-
N/A, FL-2020-057 (FL340151)	1,750,000	-	(2,000)	(2,000)	-
N/A, FL-2022-020 (FL340193)	2,840,000	-	3,300	3,300	-
N/A, FL-2022-034 (FL16X084)	1,634,436	-	486,153	486,153	-
N/A, FL-2023-008 (FL94Y001)	300,000	-	3,385	3,385	-
N/A, G2786	195,000	-	195,000	195,000	-
N/A, G2787	743,580	-	743,580	743,580	-
N/A, G2A33	3,912,296	-	326,017	326,017	-
N/A, G2E87	13,027,391	-	13,027,391	13,027,391	-
N/A, G2E95	1,047,625	-	459,452	459,452	-
N/A, G2H65	100,000	-	76,690	76,690	-
N/A, G2I15	300,000	-	49,587	49,587	-
N/A, G2K73	3,404,156	-	94,568	94,568	-
Private Partners (Shelters and Vans)	-	146,267	276,660	140,258	282,669
City of Orlando (LYMMO - East West)	2,000,000	29,772	-	29,772	-
City of Orlando (Mills District Shelter Project)	70,000	7,968	-	-	7,968
City of Orlando (LYMMO Kiosk @ Church & Lake)	-	4,073	-	-	4,073
City of Orlando (Electrical Bus)	1,200,824	1,169,119	-	1,169,119	-
City of Orlando (Parramore Shelters)	90,000	90,000	-	-	90,000
Orange County (Pine Hills SuperStop) Project)	594,000	594,000	-	-	594,000
Orange County Capital	2,833,556	1,229,327	2,833,556	191,368	3,871,516
Osceola County Capital	417,228	-	417,228	-	417,228
Seminole County Capital	376,712	-	376,712	-	376,712
Other Local Capital	-	81,990	-	81,990	-
Total matching grants	\$ 40,742,837	\$ 3,352,516	\$ 19,527,109	17,235,458	\$ 5,644,166
Customer fares and operating assistance				15,622,951	
Contributed capital portion				\$ 1,530,517	
LOCAL GRANTS AND CONTRACT SERVICES:					
Operating assistance:					
Orange County		\$ -	\$ 59,280,043	\$ 59,280,043	\$ -
City of Orlando		(1,000,753)	5,003,762	4,003,009	-
Seminole County		-	4,233,063	4,233,063	-
Osceola County		-	3,989,374	3,629,792	359,582
Total nonoperating revenue portion		\$ (1,000,753)	\$ 72,506,242	\$ 71,145,907	\$ 359,582
Contract services:					
Seminole County		\$ -	\$ 6,015,421	\$ 6,015,421	\$ -
Osceola County		-	7,909,831	7,362,618	547,213
Lake County		-	193,893	207,000	13,107
City of Orlando (LYMMO)		(755,768)	2,808,664	3,138,230	(1,085,334)
City of Altamonte Springs		-	120,900	120,900	-
City of Sanford		-	93,000	93,000	-
I-Drive Redevelopment Area		-	1,884,766	1,884,766	-
City of Kissimmee Connector		(41,411)	41,411	-	-
Disney		-	441,445	441,445	-
University of Central Florida (UCF)		(11,473)	68,840	68,981	(11,614)
Valencia College		(9,677)	150,000	75,000	65,323
Seminole State College		16,445	-	19,928	(3,483)
Total Local Financial Assistance		(801,884)	19,728,171	19,427,289	(474,788)
Other Contractual Services					
Local - Shuttles		(13,071)	144,395	147,686	(16,362)
State - Transportation Disadvantage		(326,017)	3,480,887	3,785,259	(630,389)
Other Contractual Services		-	-	-	-
Total Other Contractual Services		(339,088)	3,625,282	3,932,945	(646,751)
Total contract services		\$ (1,140,972)	\$ 23,353,453	\$ 23,360,234	\$ (1,121,539)

See notes to Schedules of Expenditures of Federal Awards and Local and State Financial Assistance.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2023

STATE GRANTOR PROGRAM TITLE, CONTRACT NO., WPI NO., JOB NO.	State Assistance Listing Number	Program or Award Amount	September 30, 2022 Receivable	Receipts/ Adjustments	Expenditures	September 30, 2023 Receivable
Florida Department of Transportation						
Florida Commission for the Transportation Disadvantaged						
Trip and Equipment Grant Program						
N/A, G2A33	55.001	3,912,293	326,017	(3,260,167)	2,934,150	-
N/A, G2K73	55.001	3,404,156	-	(283,764)	851,108	567,344
		<u>3,912,293</u>	<u>326,017</u>	<u>(3,543,931)</u>	<u>3,785,258</u>	<u>567,344</u>
Florida Commission for the Transportation Disadvantaged						
Planning Grant Pass-Through						
N/A, MPOTD2023	55.002	70,000	33,445	(70,000)	36,555	-
N/A, MPOTDFY23-24	55.002	80,000	-	(7,463)	22,782	15,319
		<u>70,000</u>	<u>33,445</u>	<u>(77,463)</u>	<u>59,337</u>	<u>15,319</u>
Commuter Assistance Program/ Ride Share Grant						
N/A, G2I15	55.007	300,000	-	-	49,587	49,587
		<u>300,000</u>	<u>-</u>	<u>-</u>	<u>49,587</u>	<u>49,587</u>
Public Transit Block Grant Program						
N/A, G2447	55.010	12,823,048	6,411,524	(6,411,524)	-	-
N/A, G2E87	55.010	13,027,391	-	(5,210,956)	13,027,391	7,816,435
		<u>25,850,439</u>	<u>6,411,524</u>	<u>(11,622,480)</u>	<u>13,027,391</u>	<u>7,816,435</u>
Public Transit Service Development Program						
N/A, G2E95	55.012	1,047,625	-	(364,434)	459,452	95,018
N/A, G2360	55.013	1,815,893	516,224	(904,910)	388,687	-
N/A, G2E12	55.013	2,000,000	-	(893,039)	1,336,041	443,002
		<u>4,863,518</u>	<u>516,224</u>	<u>(2,162,383)</u>	<u>2,184,180</u>	<u>538,020</u>
Florida Department of Environmental Protection						
Diesel Emission Mitigation Program - Volkswagen Settlement						
N/A, VW302	37.102	9,000,000	-	-	1,800,000	1,800,000
		<u>9,000,000</u>	<u>-</u>	<u>-</u>	<u>1,800,000</u>	<u>1,800,000</u>
TOTAL STATE FINANCIAL ASSISTANCE		<u>43,996,250</u>	<u>7,287,210</u>	<u>(17,406,257)</u>	<u>20,905,753</u>	<u>10,786,705</u>
Other State Revenue						
Road Ranger Patrol for Highway Assistance Services						
N/A, BE350	N/A	7,849,856	359,485	(359,485)	-	-
Road Ranger Patrol for Highway Assistance Services						
N/A, BEE16	N/A	5,544,000	420,243	(1,786,162)	1,869,702	503,783
State Match of Federal Grants						
	N/A	-	-	-	-	-
		<u>13,393,856</u>	<u>779,728</u>	<u>(2,145,647)</u>	<u>1,869,702</u>	<u>503,783</u>
TOTAL STATE FINANCIAL ASSISTANCE, AND OTHER STATE REVENUE		<u>\$ 57,390,106</u>	<u>\$ 8,066,938</u>	<u>\$ (19,551,904)</u>	<u>22,775,455</u>	<u>\$ 11,290,488</u>
CONTRACT SERVICES PORTION					3,844,595	
NONOPERATING REVENUE PORTION					<u>17,095,077</u>	
CONTRIBUTED CAPITAL PORTION					<u>\$ 1,835,783</u>	

See notes to Schedules of Expenditures of Federal Awards
and Local and State Financial Assistance.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY

**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
LOCAL AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2023**

1. The Schedules of Expenditures of Federal Awards and Local and State Financial Assistance are prepared on the accrual basis of accounting.
2. All grants subject to the Florida Single Audit Act are included in the Schedule of State Financial Assistance. All grants subject to Single Audit in conformance with Uniform Guidance are included on the Schedule of Expenditures of Federal Awards. Local financial assistance is not subject to Single Audit.
3. The Authority utilized state toll revenue credits received from the Florida Department of Transportation under the following awards to satisfy federal and state matching requirements:

<u>Grant</u>	<u>Award Amount</u>	<u>Toll Revenue Credits Applied during Fiscal 2023</u>
FL-2017-001	\$ 17,609,919	\$ 73,219
FL-2017-013	8,209,682	130,110
FL-2017-039	26,103,204	283,598
FL-2018-044	544,233	279
FL-2018-113	26,116,978	625,159
FL-2019-010	7,106,587	32,433
FL-2019-030	27,293,251	361,888
FL-2019-038	9,175,850	22,759
FL-2020-006	27,306,428	1,636,622
FL-2020-041	7,102,340	1,408,497
FL-2020-048	617,206	64
FL-2021-044	6,200,000	799,896
FL-2022-040	53,462,283	3,218,902
FL-90-X885	10,360,000	26,554
Total	\$ <u>227,207,961</u>	\$ <u>8,619,980</u>

4. Contract services presented on the Schedule of Local Financial Assistance include only those services provided to local governmental units.
5. The Authority did not elect to use the 10 percent de minimis indirect cost rate as permitted by 2 CFR 200.414(f).

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND MAJOR STATE PROJECT AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

To the Board of Directors of the
Central Florida Regional Transportation Authority
Orlando, Florida

Report on Compliance for Each Major Federal Program and Major State Project

Opinion on Each Major Federal Program and Major State Project

We have audited the compliance of the Central Florida Regional Transportation Authority d/b/a LYNX’s (the “Authority”) with the types of compliance requirements described in the U.S. Office of Management and Budget (“OMB”) *Compliance Supplement* and the requirements described in the Department of Financial Services’ *State Projects Compliance Supplement* that could have a direct and material effect on each of the Authority’s major federal programs and major state projects for the fiscal year ended September 30, 2023. The Authority’s major federal programs and major state projects are 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 types of compliance requirements referred to in the first paragraph that could have a direct and material effect on each of the Authority’s major federal programs and major state projects for the fiscal year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* (“Uniform Guidance”) and Chapter 10.550, *Rules of the Auditor General*. 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 each major federal program and major state project. Our audit does not provide a legal determination of the Authority’s compliance with the compliance requirements referred to above.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Responsibility 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 and state projects.

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 generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* 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 each major federal program and major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, 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 and Chapter 10.550, *Rules of the Auditor General*, 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.

To the Board of Directors of the
Central Florida Regional Transportation Authority

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 and state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 and state project 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 and state project 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been 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 Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 4, 2024

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
d/b/a LYNX**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2023

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:

Unmodified Opinion

Internal control over financial reporting:

- | | | |
|---|---------|-------------------|
| • Material weakness(es) identified? | ___ Yes | _X_ No |
| • Significant deficiency(ies) identified? | ___ Yes | _X_ None reported |
| Noncompliance material to financial statements noted? | ___ Yes | _X_ No |

Federal Awards and State Financial Assistance

Internal control over major programs/projects:

- | | | |
|---|---------|-------------------|
| • Material weakness(es) identified? | ___ Yes | _X_ No |
| • Significant deficiency(ies) identified? | ___ Yes | _X_ None reported |

Type of report issued on compliance for major federal programs and major state projects:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance or Chapter 10.557, *Rules of the Auditor General*?

___ Yes _X_ No

Identification of Major Federal Programs and Major State Projects:

Assistance Listing

Number

Name of Federal Program

20.500/20.507/
20.525/20.526

Federal Transit Cluster

20.509

Formula Grants for Rural Areas and Tribal Transit Program

CSFA Numbers

Name of State Projects

37.102

Diesel Emissions Mitigation Program

55.010

Public Transit Block Grant Program

Dollar threshold used to distinguish between
Type A and Type B programs/projects: Federal
State

\$ 1,238,759
\$ 750,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?

X Yes ___ No

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
d/b/a LYNX**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*

For the Year Ended September 30, 2023

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

**SECTION III - FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS
AND QUESTIONED COSTS SECTION**

None reported.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
d/b/a LYNX**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended September 30, 2023

PRIOR YEAR AUDIT FINDINGS

No matters were reported over federal awards or state financial assistance in the prior year.

**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***

To the Board of Directors of the
Central Florida Regional Transportation Authority
Orlando, Florida

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 basic financial statements, as listed in the table of contents, of the Central Florida Regional Transportation Authority d/b/a LYNX (the “Authority”) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 4, 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 opinion 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of 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*.

Pursuant to provisions of Chapter 10.550, *Rules of the Auditor General*, we reported certain matters to management in a separate management letter and Independent Accountant's Report dated March 4, 2024.

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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 4, 2024

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors of the
Central Florida Regional Transportation Authority
Orlando, Florida

We have examined the compliance of the Central Florida Regional Transportation Authority's d/b/a LYNX (the "Authority") with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2023. Management is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on the Authority's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Authority complied with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the Authority's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Authority's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the Authority complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 4, 2024



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Board of Directors of the
Central Florida Regional Transportation Authority
Orlando, Florida

Report on the Financial Statements

We have audited the financial statements of the Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 4, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our 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*; Independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 4, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Authority met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the Authority. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district components that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Authority reported:

- a) The total number of Authority employees compensated in the last pay period of the Authority's fiscal year as 1,118.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal year as 4.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$68,864,380.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$520,675.
- e) Each construction project with a total cost of at least \$65,000 approved by the Authority that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - i. Pine Hills Transfer Station, \$14,786,585
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Authority amends a final adopted budget under Section 189.016(6), Florida Statutes as \$5,300,000.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal, and other granting agencies, the Authority's Board, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 4, 2024



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