

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Years Ended
September 30, 2022 and 2021



ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the

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

LYNX

**FOR YEARS ENDED
SEPTEMBER 30, 2022 AND 2021**

PREPARED BY THE FINANCE DEPARTMENT

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

LYNX® BOARD OF DIRECTORS



Chair
Jerry Demings
ORANGE COUNTY
MAYOR



Vice Chair
Viviana Janer
OSCEOLA COUNTY
COMMISSIONER



Secretary
John E. Tyler
FDOT DISTRICT 5
SECRETARY



Buddy Dyer
Board Member
CITY OF ORLANDO
MAYOR



Andria Herr
Board Member
SEMINOLE COUNTY
COMMISSIONER

LYNX® EXECUTIVE MANAGEMENT



Tiffany Homler Hawkins
INTERIM CHIEF
EXECUTIVE OFFICER



Leonard Antmann
CHIEF FINANCIAL
OFFICER



William John Slot
CHIEF INNOVATION
OFFICER



Dana Baker
CHIEF OPERATIONS
OFFICER





IN MEMORY

James (Jim) E. Harrison
LYNX Chief Executive Officer

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

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

BOARD OF DIRECTORS

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

LYNX EXECUTIVE STAFF

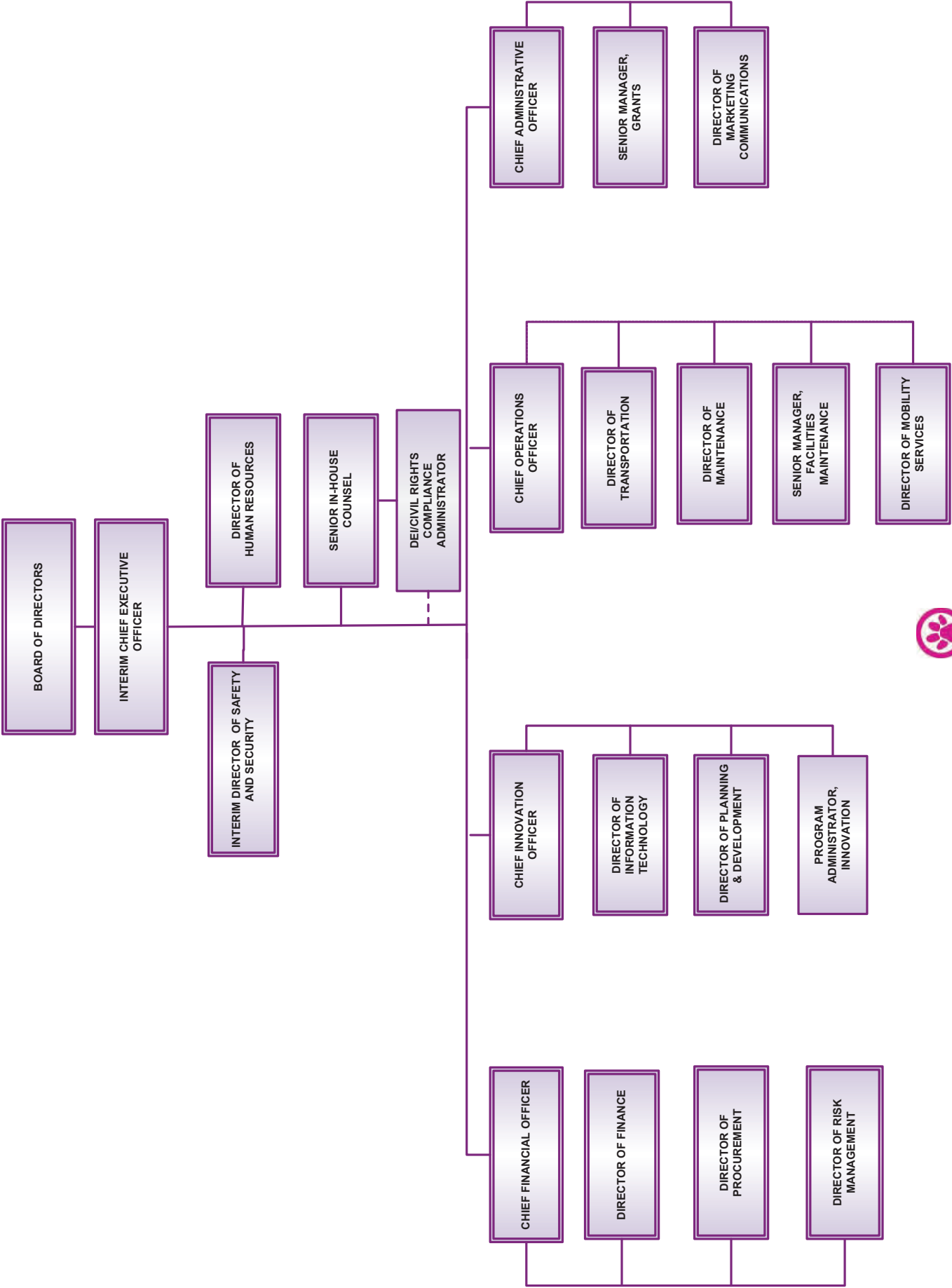
Tiffany Homler Hawkins	Interim Chief Executive Officer
Leonard Antmann	Chief Financial Officer
William John Slot	Chief Innovation Officer
Dana Baker	Chief Operations Officer

DEPARTMENT HEADS

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

FINANCE DIVISION

Vacant	Comptroller
Christopher Plummer, CPA	Senior Manager of Financial Reporting & Business Analysis
Nancy Navarro	Manager of Financial Reporting
Tony Deguzman	Manager of Financial Planning & Budgets
Irene Feliciano	Supervisor of Payroll & Accounts Payable
Patty Dolan	Supervisor of Revenue Control
Aida Diaz	Senior Accountant
Luis Buitrago	Senior Accountant
Tyler Betts	Accountant
Mariana Sanchez	Accountant
Mick Whitney	Accountant
Vacant	Accountant
Joyce Larson	Data Analyst
Vivian Revis	Financial Analyst
Ken Roberts	Interim Property Officer
Ismael Cruz	Accounting Technician AP/PR
Andrew O'Neil	Accounting Technician AP/PR
Andrea Boyd	Accounting Technician AP/PR
Yutong Wang	Accounting Technician AR



LYNX ORGANIZATIONAL CHART

September 30, 2022



February 28, 2023

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 year ended September 30, 2022 is hereby submitted for your 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 LYNX management. Authority management bears responsibility for this report's contents, precision, and completeness. In conformance with accounting principles generally accepted in the United States, this report was prepared on the accrual basis of accounting, 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.

This ACFR is presented in the following 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 a Certificate of Achievement for Excellence in Financial Reporting. This section is intended to acquaint the reader with the organizational structure, the scope of the services 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 general public within the Orlando, Florida metropolitan area; a region which includes Orange, Seminole, and Osceola counties. LYNX also offers limited out-of-county flexible and fixed-route service to Polk and Lake counties. LYNX provides transportation alternatives in the form of fixed-route, bus rapid transit (BRT), neighborhood circulator, paratransit, and vanpool services.

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

Responsibility for managing the administration and operations of LYNX resides with the Chief Executive Officer (CEO). Assisting the CEO is a senior management group 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 eleven (11) directors. These eleven 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 National Basketball Association’s (NBA) Orlando Magic, Major League Soccer’s (MLS) Orlando City Lions, National Women Soccer League’s (NWSL) Orlando Pride, and the East Coast Hockey League’s (ECHL) 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 College, Valencia College, Florida A&M College of Law, and a number of other higher learning institutions also call Central Florida home.

Central Florida experienced a significant population increase over the last several years. The region's growth can be attributed to the numerous activity destinations, transit friendly focus, and year-round warm weather. SunRail, Central Florida's local commuter train; connects workers 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 ten locations in the United States to do business. Behind the area's tourism, entertainment or 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 one of the fastest growing new economy centers worldwide.

MAJOR INITIATIVES

LYNX senior management under direction from the Governing Board, slated new information technology (IT) cloud-based initiatives to start in FY2022. Beyond LYNX's commitment to migrate local server-based software into the cloud, the Authority also prioritized two major construction initiatives; 1) completion of Pine Hills transfer station, and 2) upgrade the existing Florida Mall super-stop.

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

Fixed Route Ridership

Total ridership for FY2022 was 15,366,972, from LYNX's fixed route transportation network.

Paratransit Services

ACCESS LYNX is an origin to destination transportation service for customers unable to access fixed route bus service. In FY2022, ACCESS LYNX's accomplishments included:

- Completing 510,315 trips – a 7.8% increase year-over-year versus FY2021; and
- Working with the current scheduling and reservation software vendor to migrate server-based modules to the cloud. This update is expected to improve efficiency, user functionality, and aid staff's remote work flexibility; and
- Customer service worked remotely throughout FY2022; handling an increased call volume; but sustained shorter incoming call hold times than prior periods.

Service Planning

In FY2022, the Service Planning Division accomplished the following:

- Conducted three (3) system-wide service changes. The most notable change established non-stop express service from downtown Orlando to major employment hubs within the theme parks;
- Awarded a Transit-Oriented Development Planning Grant to study alternative sites and create plans for nine (9) bus rapid transit stations along SR 436; and
- Participated in the Orange County Transit Plan Refinements Initiative working with county staff to model new programs or on-demand routes.

Strategic Planning

In FY2022, the Strategic Planning Division accomplished the following:

- Completed the FY2023-2032 Major Update to the Transit Development Plan (TDP);
- Submitted the FY2022 Minor Update to the Transportation Disadvantaged Service Plan (TDSP);
- Updated both the Geographic Information System (GIS) and the Intelligent Transportation Systems (ITS) Strategic Plan as two separate Planning documents; and
- Implemented a General Transit Feed Specification (GTFS) providing both real time and static feeds of bus stop accessibility to outside stakeholders. The GTFS also informs passengers of sidewalk availability and wheelchair usability at their desired tip origin and destination.

Engineering and Construction

In FY2022, the Engineering and Construction Department accomplished the following:

- Completed construction of both the Authority's Operational Expansion area for Mobility Services and the Rosemount Transfer Center for Fixed Route;
- Installed 17 new and rehabilitated 134 existing shelters throughout the LYNX service area;
- Awarded contracts for construction improvements to the Florida Mall Transfer Center and LYMMO Orange Line, through State of Good Repair (SOGR);
- Issued the Request for Proposal (RFP) for construction of the Pine Hills Bus Transfer Center;
- Initiated the procurement processes for vendors selection to complete LOC's exterior concrete and drainage improvements, and an emergency diesel generator for the Expansion area; and
- Assisted Planning with preliminary engineering and initial design for the proposed Southern Operations Base.

Intelligent Transportation Systems (ITS) and Innovation

In FY2022, Intelligent Transportation Systems (ITS) and Innovation accomplished the following:

- Coordinated an electric bus demonstration in conjunction with the annual national American Public Transportation Association (APTA) conference, providing service between Orlando's International Airport (OIA) and the Orange County Convention Center;
- Ordered six (6) additional zero emission buses to maintain service along the City of Orlando's Fixed Route Guideway (LYMMO BRT);
- Awarded grants to purchase thirty (30) fixed route electric buses, five (5) electric NeighborLink Turtletop-like vehicles, and the associated charging infrastructure to sustain use;
- Worked with the City of Orlando to plan an automated vehicle fixed route guideway demonstration to test the technology's viability; and

- Upgraded the fixed route fleet fareboxes to allow mobile payments (PawPass) as well as credit and debit card processing.

Procurement

In FY2022, the Procurement Department accomplished the following:

- Purchased 25 Compressed Natural Gas (CNG) 40-foot buses, 6 Electric 35-foot buses, and 5 Paratransit Turtletops;
- Released the Mobility Management RFP; the largest contractual request in Authority history;
- Completed three major procurements including sourcing vendors for the (1) Transit Development Plan (TDP) Major Update, (2) System-Wide Passenger Survey, and (3) General Planning Consultant Services;
- 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 FDOT'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 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 FY2023.

As of September 30, 2022, LYNX Vanpool accounts for 2,997 work trips per week and 125 vehicles in service. LYNX's vanpool program was responsible for 1,363,148 revenue miles in FY2022.

Mobility Services

During FY2022, Mobility was able to participate in several community events to discuss and promote LYNX's paratransit services. Highlighted events were exemplified by the American Public Transportation Association Expo Conference held in Orlando, FL. (November 2021), and Orange County Head Start Advisory Committee event (May 2022), among others.

Additional activities associated with the Mobility Services Division:

- The call center received 641,767 calls;
- The customer service window served 65,085 customers, generating \$1.53M in revenue;
- Lost and found returned 26.5% of items found on LYNX property to their owners; and
- LYNX photo-ID program produced 4,091 IDs and replacements.

Employee Relations

Sound employee relations are critical to morale within LYNX. Human Resources (HR) continues to work with all LYNX 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 our employees and customers. We invest in our existing talent as well as recruit new employees. Improvement has been made throughout new hire recruitment, existing employee retention efforts, soft skill training, and career development. Regular labor and management meetings are conducted to ensure any environmental or work-related concerns are being addressed timely.

Fiscal Controls and Improvements

The Finance Department continued to advance the integrity of the financial control system within the Authority. An internal and external collaborative review of all the existing policies and procedures within LYNX, monthly departmental budget versus actual variance meetings, and programming procedures provide essential tools in managing the existing budget and in preparing for future periods. Other accomplishments were as follows:

- Negotiated funding agreement to allow for continuation of I-4 Road Ranger services;
- Successfully completed the 2022 annual Florida Transportation Commission Report; and
- Received the Government Finance Officers Association (GFOA) Award for Excellence in Financial Reporting for the 30th consecutive year.

The aforementioned capital projects will complement the following emphasis areas identified in fiscal year 2022:

Fixed-Route Service

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

Communications

FY2022 was another creative and award-winning year for communications. The team was honored by winning three (3) APTA Awards for marketing campaign excellence in 2022. The award topics included social media messaging, video production on bus disinfectant protection, and shoestring tactic. Marketing worked to redesign the agency's brand; helping both bus and shelter advertising revenues to rebound.

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 FY2022 capital program are:

- **Rolling Stock - \$43.0 million**
Revenue vehicles include expansion and replacement vehicles for fixed route, vanpool, and paratransit services;
- **Bus Rapid Transit (BRT) - \$1.1 million**
BRT includes the LYMMO - Orange Line Rehabilitation under the State of Good Repair (SOGR);

- **Facilities - \$18.6 million**
Facilities include construction of an administrative and its adjacent maintenance building housing Mobility Services' vendor operation and analyzing prospective sites to determine LYNX's planned Southern Operations Base location;
- **Passenger Amenities/Related Enhancements - \$17.2 million**
Passenger amenities include construction and rehabilitation of shelters, transfer centers, benches, and trash receptacles;
- **Technology - \$2.0 million**
Technology includes purchasing equipment to support the Authority's phone system upgrade (CaaS), replacing the LYNX Central Station (LCS) Open Space Audio/Video (A/V) components, and increased spending to migrate Paratransit's trip brokering system server-based information to the cloud;
- **Security - \$1.8 million**
Security includes equipment to enhance organizational safeguards, and surveillance;
- **Support Equipment - \$2.2 million**
Support equipment includes resources to modernize the FAAC Simulator, exchange existing end of life mobile lifts for the Articulated fleet, and purchase replacement in-ground revenue vehicle lifts to support the fleet's traditional size buses.

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 planning.

LYNX's 2018 Transit Asset Management (TAM) Plan was updated during FY2021. The TAM Plan details the Authority's asset lifecycle guidelines and future capital program needs, including management of our Rolling Stock purchases. The TAM policy documents LYNX's commitment to maintaining the Authority's capital assets in a constant State of Good Repair.

Current Year Projects

LYNX is focusing on new infrastructure and transfer centers to provide our community a more customer focused ridership experience in FY2023. The Authority anticipates completion of the enhanced Florida Mall Transfer Center, issuing a Request for Proposal (RFP) to build the Pine Hills Transfer Center, and using a feasibility matrix to determine the most suitable Southern Operations Base site from the short-list.

Future Projects

LYNX plans to acquire new or migrate existing server-based software to enable staff to work in the cloud. The decision to move forward with projects such as implementing an Authority wide Enterprise Reporting Planning (ERP) package; migrating all operational Trapeze applications to the cloud; implementing Contact Center as a Service (CCaaS) and Unified Communications as a Service (UCaaS) based phone networks; and upgrading to Microsoft Office 365 focuses on lowering expenses, increasing system performance, and decreasing data integrity risk. Other significant Authority future projects include:

- Soliciting vendor bids for thirty (30) fixed route electric buses, five (5) electric NeighborLink Turtletop-like vehicles, and procuring charging infrastructure to sustain each vehicle type; and

- Creating an interactive dashboard from data collected during system-wide origin/destination trip survey. This survey's data collection effort sought to spot trends, establish aggregated rider travel patterns, and understand how different socio-economic groups use the system under Title VI.

FINANCIAL INFORMATION

Internal Control Structure

LYNX management is responsible for establishing and maintaining an internal control environment which minimizes risks and protect assets, ensure accuracy of records, promote operational efficiency, and adheres to organizational policies, financial regulations, and the law. The concept of reasonable assurance recognizes the cost of an internal control should not exceed the benefits derived. The use of estimates and sound judgment is required of management to assess the valuation of expected benefits and related costs of the current internal control structure.

Budgetary Controls

The operating and capital improvement budget is prepared annually. This plan is proposed by LYNX 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 when incurred and revenues recognized when earned. The annual operating budget is balanced, whereby total estimated revenues equal total projected expenses. If unplanned expenses or revenues are identified during the year, the adopted budget can be amended with approval from the Governing Board. Last, the Chief Executive Officer and Board of Directors must approve any increases to the authorized personnel count. Once approved by the LYNX Board of Directors, the annual budget serves as the financial plan regulating expenses and fund obligation by the Authority.

LYNX staff monitors operations through a series of controls which 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 by each department with oversight and support from division and executive leadership. It is the responsibility of each department to manage their area of expertise consistent with the goals and objectives set forth by the Board of Directors.

Debt Administration

At the end of FY2022, 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, 2022, the Authority did not currently have any open trades to hedge FY2023. 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

The Material Control division continued to maintain the integrity of the financial control systems in the accounting and management of fleet inventory items (parts, fuels, fluids, and lubricants), bulk supplies (janitorial, sundry consumables), and capital component assets (engines, transmissions, etc.). Service efficiencies and cost savings have been passed through the centralized receiving and distribution from LYNX Operations Center (LOC) warehouse to all agency locations and work centers.

Other accomplishments during FY2022 were as follows:

- Completed the annual physical inventory of 4,114-line items valued at \$29 million, with a net variance of + 0.08 percent;
- Maintained an inventory turn rate of greater than 1.7 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;
- Continued to develop a spare parts model inventory for Gillig and Proterra buses based on current or updated system specifications and analyzing "on demand" needs to minimize investment and bus down time; and
- Continued to maintain and expand the assembly of kits within the inventory software to efficiently capture and track all related component costs directly 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, 2022.

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 30th 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.

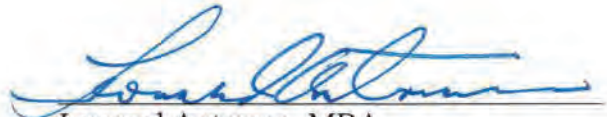
A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we will submit it to the GFOA to be considered for another certificate.

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, 2021

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 Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority"), as of and for the fiscal years ended September 30, 2022 and 2021, 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 Authority as of September 30, 2022 and 2021, 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.

Emphasis-of-Matter

Change in Accounting Principle

As discussed in Note 3 to the financial statements, in the year ended September 30, 2022, the Authority adopted the provisions of Government Accounting Standards Board Statement ("GASBS") Number 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

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, 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 audits were 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 February 28, 2023, 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
February 28, 2023

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, 2022 and 2021, respectively. Please read it in conjunction with the financial statements, which follow this section.

Financial Highlights

Fiscal 2022

- Customer fares increased by 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 in FY2021 to 510,321 in 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.

Fiscal 2021

- Customer fares increased by 22.3%, or \$2.7 million, from FY2020. This increase in fares collected was the result of LYNX's return to full fare collection during FY2021 versus the Authority's five (5) month fare suspension caused by COVID during FY2020.
- Operating expenses before depreciation decreased 4.7%, or \$6.8 million, and capital contributions increased 69.3% or \$15.4 million from FY2020. Material decreases in fringe benefits, purchase transportation, fuel, and casualty & liability expenses more than offset the salaries & wages expense increase from returning to pre-pandemic fixed route service. The decrease in fringe benefit and casualty & liability costs were related to non-recurring actuarial adjustments in general liability and Union pension related expense. Fuel decreased as a result of favorable prices associated with LYNX's Ultra Low Sulfur Diesel and 87-Unleaded hedging program. Purchased transportation trip volume decreased 12.7% from 544,353 in FY2021 to 475,089 in the FY2021 as the lingering effects from the economic slowdown discouraged riders from traveling.
- Overall net position increased by 26.3%, or \$54.0 million, from FY2020 as the Authority received federal stimulus to stabilize operations. This infusion helped offset a material reduction in passenger fare collection and allowed the organization to procure expensive personal protection equipment (PPE), and implement other social distancing measures to keep staff and the traveling public safe.

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

The financial statements of the Authority report information about the Authority using full accrual accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The Statements of Net Position include all of the Authority's assets, liabilities, deferred outflows and inflows

of resources and net position, and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). The assets and liabilities are presented in a classified format, which distinguishes between current and long-term assets and liabilities. It also provides the basis for computing the rate of return, evaluation of the capital structure of the Authority, and assessing the liquidity and financial flexibility of the Authority. All of the current year's revenues and expenses are accounted for in the Statements of Revenues, Expenses, and Changes in Net Position. These statements measure the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through customer fares, contract services, and operating subsidies, as well as determining profitability and credit worthiness. The Statements of Cash Flows are the last required financial statement included each fiscal year. The primary purpose of these statements is to provide information related to the Authority's cash receipts, cash payments, and net changes resulting from operating, investing, and financing activities. In layman's terms, the Statements of Cash Flow detail which activities generated cash, which activities used cash, and what was the net change from the beginning to the end of the reporting period.

Financial Analysis of the Authority

Determining the Authority's fiscal well-being begins with Financial Statement analysis. The Statements of Net Position and the Statements of Revenues, Expenses, and Changes 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 from a negative change. 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 regional economic conditions, federal or state regulation, or approved federal 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,		
	FY2022	FY2021 (restated)	FY2020
Assets:			
Current and other assets	\$ 160.7	\$ 134.2	\$ 101.7
Non-current assets	186.7	167.4	142.9
Total assets	\$ 347.4	\$ 301.6	\$ 244.6
Deferred outflows of resources	\$ 4.3	\$ 6.2	\$ 9.4
Liabilities:			
Current liabilities	\$ 22.9	\$ 20.5	\$ 27.9
Long-term liabilities	22.0	19.6	18.4
Total liabilities	\$ 44.9	\$ 40.1	\$ 46.3
Deferred inflows of resources	\$ 21.7	\$ 8.4	\$ 2.4
Net position			
Net investment in capital assets	\$ 148.2	\$ 155.4	\$ 141.8
Restricted	2.0	2.3	1.7
Unrestricted	134.9	101.6	61.8
Total net position	\$ 285.1	\$ 259.3	\$ 205.3

The Statements of Net Position show changes in assets, liabilities, deferred outflows of resources, deferred inflows of resources, and the resulting net position. Net position may serve, over time, as a valuable indicator of the Authority's overall financial position. FY2021 results were restated to disclose the impact of GASB 87 lease assets and liabilities for proper presentation of comparative statements.

From Table A-1, Total Net Position increased \$25.8 million to \$285.1 million in FY2022 from \$259.3 million in FY2021. The Total Net Position increase was due in large part to federal American Rescue Plan (ARPA) stimulus. Without the ARPA funding allocated by Congress to reimburse LYNX for the economic impact of COVID-19 and assist with operations; LYNX's statement of net position would have been materially different.

Table A-2

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

	September 30,		
	FY2022	FY2021 (restated)	FY2020
Operating revenues:			
Customer fares	\$ 18.1	\$ 15.0	\$ 12.3
Contract services	21.5	20.4	20.4
Advertising revenue	2.8	2.5	3.5
Other income	0.4	0.4	0.5
Total operating revenue	42.8	38.3	36.7
Non-operating revenues, net:			
Federal	57.8	61.2	67.3
State	15.6	13.8	15.0
Local	63.9	64.3	64.3
Interest and other income	0.5	0.3	0.4
Total non-operating revenue	137.8	139.6	147.0
Total revenues	180.6	177.9	183.8
Operating expenses:			
Salaries and wages	58.8	54.0	51.5
Fringe benefits	26.0	29.4	31.8
Purchased transportation services	28.2	24.2	26.1
Fuel	10.1	8.1	9.9
Materials & supplies	7.9	6.8	7.9
Professional services	8.5	8.0	7.8
Lease and miscellaneous	1.0	.8	1.1
Casualty and liability	5.0	3.8	6.0
Utilities, taxes and licenses	2.2	2.0	2.1
Depreciation	25.5	24.4	20.5
Total operating expenses	173.2	161.5	164.7
Gain / (Loss) before capital contributions	7.4	16.3	19.1
Capital contributions	18.4	37.6	22.2
Change in net position	25.8	53.9	41.3
Beginning net position	259.3	205.4	164.1
Ending net position	\$ 285.1	\$ 259.3	\$ 205.4

The Statements of Revenues, Expenses, and Changes in Net Position provide answers as to the source of changes in Net Position. As shown in Table A-2, the \$25.8 million increase in net position for FY2022 is due to the Authority's receipt of approximately \$45.0 million of American Rescue Plan (ARPA) funding; revenue which helped LYNX stabilize operations and minimize uncertainty. Four noteworthy year over year categorical expense increases are: (1) \$4.8 million increase in wage expense from raises to retain staff and attract future talent; (2) \$4.0 million rise in purchase transportation expense attributable to the increased number of completed trips and our subcontractor's corresponding fee to perform each trip; (3) \$2.0 million increase in fuel from both growth in fuel utilization and the price per gallon to power LYNX's revenue fleet; and (4) \$1.2 million increase in casualty & liability from year-end actuarial adjustments.

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 FY2022, 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)

	FY2022	September 30, FY2021 (restated)	FY2020
Depreciable assets and land:			
Land	\$ 10.0	\$ 10.0	\$ 10.0
Buildings and shelters	104.5	97.4	97.3
Revenue vehicles	205.8	197.5	184.2
BRT roadway	22.7	22.7	22.7
Pedestrian walkways	1.4	1.4	1.4
Equipment	52.8	58.4	48.3
Right of Use Leased Assets	2.6	2.4	-
Leasehold Improvements	.8	.6	.6
Subtotal	400.8	390.4	363.9
Less accumulated depreciation / amortization	(255.0)	(242.4)	(231.8)
Subtotal	145.8	148.0	132.1
Construction in progress:			
Bus shelters	4.2	4.1	3.2
Facility capital improvements	0.1	0.1	0.1
Other miscellaneous projects	0.8	5.8	7.4
Subtotal	5.1	10.0	10.7
Net capital assets	\$ 150.9	\$ 158.0	\$ 142.9

Long-Term Obligations

The Authority leases facilities and equipment; reporting a lease liability of \$2,043,721 and \$2,409,636 as of September 30, 2022 and 2021, respectively. For additional information on the Authority's long-term obligations, 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, 2022, no fuel hedge contracts were purchased or will be active to offset any material fluctuation in Ultra Low Sulfur Diesel and 87 Octane Unleaded during FY2023. 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 FY2023 operating budget to the Board of Directors. These factors include, but were not limited to: the ongoing impact of reduced ridership from pre-COVID periods compounded with an increased cost of fixed route and other contracted bus services, providing effective transportation for a rapidly growing disadvantaged population in need of Paratransit services, and maintaining a safe operating environment to protect staff and the traveling public from accident or any other related harm.

FINANCIAL STATEMENTS

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2022 AND 2021

ASSETS	2022	2021 (restated)
CURRENT ASSETS:		
Cash and cash equivalents	\$ 134,742,446	\$ 103,863,254
Receivables:		
Local, trade and operating assistance	3,029,713	1,860,453
Federal grants	9,586,999	11,010,280
State grants	8,096,938	8,907,632
Inventory	3,158,919	2,755,265
State fuel tax refundable	1,786,653	2,653,232
Prepaid expenses and other assets	335,428	379,324
Derivative instruments - fuel hedge	-	2,818,451
Total current assets	160,737,096	134,247,891
NON-CURRENT ASSETS:		
Restricted cash and cash equivalents	6,863,985	4,864,245
Total restricted cash and cash equivalents	6,863,985	4,864,245
Property and equipment:		
Land	10,018,522	10,018,522
Buildings and shelters	104,571,207	97,377,897
Bus Rapid Transit Roadway Infrastructure	22,673,715	22,673,715
Pedestrian walkways	1,404,894	1,404,894
Revenue vehicles	205,775,526	197,468,091
Equipment	52,813,850	58,489,060
Right of Use Leased Assets	2,676,976	2,676,976
Leasehold improvements	811,271	611,609
Total property and equipment	400,745,960	390,720,764
Less accumulated depreciation / amortization	(254,998,842)	(242,672,740)
Construction in progress	5,117,037	9,959,283
Net property and equipment	150,864,155	158,007,307
Net pension asset	28,926,320	4,501,730
Total non-current assets	186,654,461	167,373,282
Total assets	347,391,557	301,621,173
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	3,269,176	4,968,274
Deferred outflows related to OPEB	1,062,161	1,273,178
Total deferred outflows of resources	\$ 4,331,337	\$ 6,241,452

See notes to financial statements.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2022 AND 2021

(Continued)

LIABILITIES AND NET POSITION	2022	2021 (restated)
CURRENT LIABILITIES:		
Accounts payable	\$ 10,958,888	\$ 10,147,687
Accrued salaries and related taxes	1,155,243	923,209
Accrued compensated absences, current	5,227,255	5,204,523
Accrued self-insurance liability, current	3,961,536	3,322,303
Leases payable, current	377,044	365,914
Unearned operating revenue	1,183,367	585,432
Total current liabilities	22,863,334	20,549,068
NON-CURRENT LIABILITIES:		
Lease payable, long term	1,666,677	2,043,723
OPEB liability	6,212,866	5,816,654
Accrued compensated absences, long-term	473,910	465,880
Accrued self-insurance liability, long-term	8,775,722	8,714,437
Unearned capital	4,863,985	2,564,138
Total non-current liabilities	21,993,160	19,604,832
Total liabilities	44,856,494	40,153,900
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	20,707,395	4,200,906
Deferred inflows related to OPEB	1,036,693	1,379,416
Deferred inflows related to fuel hedging instrument	-	2,818,451
Total deferred inflows of resources	21,744,088	8,398,773
NET POSITION:		
Net investment in capital assets	148,245,556	155,388,205
Restricted		
State mandated self insurance reserve	2,000,000	1,700,000
Catastrophic claims reserve	-	600,108
Total restricted net position	2,000,000	2,300,108
Unrestricted	134,876,758	101,621,639
Total net position	\$ 285,122,314	\$ 259,309,952

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, 2022 AND 2021

	2022	2021 (restated)
OPERATING REVENUES		
Customer fares	\$ 18,032,866	\$ 15,037,923
Contract services		
Local financial assistance	17,265,986	15,529,861
Other contractual services	4,259,650	4,911,303
Advertising	2,830,622	2,466,089
Other income	377,839	395,296
Total operating revenues	<u>42,766,963</u>	<u>38,340,472</u>
OPERATING EXPENSES		
Salaries and wages	58,807,500	54,018,997
Fringe benefits	25,958,947	29,419,289
Purchased transportation services	28,165,714	24,179,741
Fuel	10,077,191	8,067,161
Materials and supplies	7,929,856	6,825,258
Professional services	8,503,597	8,066,626
Lease and miscellaneous	1,030,065	788,288
Casualty and liability	4,969,383	3,769,791
Utilities	1,605,252	1,448,761
Taxes and licenses	626,468	595,388
Total operating expenses before depreciation	<u>147,673,973</u>	<u>137,179,300</u>
OPERATING EXPENSES IN EXCESS OF OPERATING REVENUES BEFORE DEPRECIATION	(104,907,010)	(98,838,828)
DEPRECIATION AND AMORTIZATION	(25,524,482)	(24,357,648)
OPERATING LOSS	(130,431,492)	(123,196,476)
NON-OPERATING REVENUES AND EXPENSES:		
Operating assistance grants		
Federal	45,020,295	53,525,601
State of Florida	12,823,048	10,329,240
Local	63,928,329	64,330,313
Planning and other assistance grants		
Federal	12,744,909	7,625,890
State of Florida	2,795,909	3,420,571
Interest expense	(67,285)	(35,860)
Interest income	1,115,270	114,128
Other income (loss)	(498,454)	208,662
Total non-operating revenues and expenses, net	<u>137,862,021</u>	<u>139,518,545</u>
GAIN / (LOSS) BEFORE CAPITAL CONTRIBUTIONS	7,430,529	16,322,069
Capital contributions	18,381,833	37,628,836
Change in net position	25,812,362	53,950,905
NET POSITION AT BEGINNING OF YEAR	259,309,952	205,359,047
NET POSITION AT END OF YEAR	\$ 285,122,314	\$ 259,309,952

See notes to financial statements.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	2022	2021 (restated)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 18,032,866	\$ 15,037,923
Cash received for contract services	20,356,376	20,153,975
Cash paid to employees	(94,798,120)	(96,080,714)
Cash paid to suppliers	(58,525,270)	(48,377,267)
Cash received from advertising and miscellaneous	2,822,033	2,765,385
Net cash used in operating activities	<u>(112,112,115)</u>	<u>(106,500,698)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Proceeds from assistance grants	<u>142,170,757</u>	<u>150,495,344</u>
Net cash provided by noncapital financing activities	<u>142,170,757</u>	<u>150,495,344</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Construction and acquisition of property and equipment	(18,747,246)	(32,225,227)
Principal paid on leases	(365,915)	(267,340)
Interest paid on leases	(67,285)	(35,860)
Proceeds from sale of property and equipment	124,374	217,715
Capital assistance grants	<u>20,761,092</u>	<u>32,523,853</u>
Net cash provided by capital and related financing activities	<u>1,705,020</u>	<u>213,141</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income	<u>1,115,270</u>	<u>114,128</u>
Net cash provided by investing activities	<u>1,115,270</u>	<u>114,128</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	32,878,932	44,321,915
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>108,727,499</u>	<u>64,405,584</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 141,606,431</u>	<u>\$ 108,727,499</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating loss	\$ (130,431,492)	\$ (123,232,336)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	25,524,482	24,357,648
Changes in operating assets and liabilities and deferred amounts:		
Receivables	(1,169,260)	(287,189)
Inventory	(403,654)	(367,268)
State fuel tax refundable	866,579	(708,745)
Prepaid expenses; deferred outflows of resources; and net pension asset / liability	(21,349,112)	(2,182,240)
Accounts payable; and hedging liability	145,502	(2,831,607)
Accrued salaries and related taxes; and OPEB liability	628,246	(3,658,115)
Accrued compensated absences	30,762	317,674
Accrued self-insurance liability	700,517	(304,742)
Deferred inflows of resources	<u>13,345,315</u>	<u>2,396,222</u>
Net cash used in operating activities	<u>\$ (112,112,115)</u>	<u>\$ (106,500,698)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Change in unearned capital grants	\$ (2,379,259)	\$ 5,104,983

See notes to financial statements.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

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’ 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 2022 and 2021 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, 2022 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,	
	2022	2021
Pool Investments - Florida PRIME	\$ 130,166,246	\$ 102,560,064
Bank Deposits	11,440,185	6,167,435
Total Cash and Cash Equivalents	<u>\$ 141,606,431</u>	<u>\$ 108,727,499</u>

As of September 30, 2022, and 2021, the Authority classified as restricted \$2,000,000 and \$1,700,000 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 portfolios so as to protect against issuer defaults, 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, a specific issuer, a specific 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, 2022 and 2021, the Authority had receivables, net of allowances, as follow:

	September 30,	
	2022	2021
Customers	\$ 2,214,757	\$ 1,341,082
Local Funding Partners	814,956	519,371
Total	<u>\$ 3,029,713</u>	<u>\$ 1,860,453</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 \$6,863,985 and \$4,864,245 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, 2022 and 2021, respectively. Restricted assets are offset by liabilities, except for the \$2,000,000 comprised of LYNX's state required medical self-insurance reserves as of September 30, 2022. As of September 30, 2021, the restricted net position comprised entirely of LYNX's state required medical self-insurance reserve (\$1,700,000) and catastrophic claims (\$600,108).

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, 2022, and 2021, the Authority had accounts payable as follows:

	September 30,	
	2022	2021
Bus purchases and contractors	\$ 392,441	\$ 330,364
Trade	6,665,262	5,775,846
Due to FTA	3,098,801	2,719,280
Retainage	20,474	228,032
Other	781,910	1,094,165
Total	<u>\$ 10,958,888</u>	<u>\$ 10,147,687</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,	
	2022	2021
Accrued compensated absences liability, Beginning of year	\$ 5,670,404	\$ 5,352,729
Obligations	5,644,241	5,859,219
Payments	(5,613,480)	(5,541,545)
Accrued compensated absences liability, End of year	<u>\$ 5,701,165</u>	<u>\$ 5,670,403</u>
Amount due within one year	<u>\$ 5,227,255</u>	<u>\$ 5,204,523</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, 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)	\$ 104,507,207
Revenue Vehicles:				
Buses	189,524,481	14,425,679	(6,102,583)	197,847,577
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)	52,813,849
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	(123,325,309)	(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

Capital asset activity (restated) for the year ended September 30, 2021 was as follows:

Property and Equipment:	Beginning Balance	Additions	Reclass/ Disposals	Ending Balance
Depreciable Assets				
Buildings and Shelters	\$ 96,718,650	\$ 659,247	-	\$ 97,377,897
Revenue Vehicles:				
Buses	175,736,447	26,490,481	(12,702,447)	189,524,481
Other Support Vehicles	8,482,222	27,716	(566,328)	7,943,610
Furniture, Fixtures & Equipment	48,339,986	10,477,981	(328,907)	58,489,060
Leasehold Improvements	592,357	19,252	-	611,609
Right to Use Leased Assets	1,104,794	1,572,182	-	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	10,740,637	6,990,676	(7,772,030)	9,959,283
Totals at Acquisition Cost	\$ 375,812,224	\$ 46,237,535	\$ (21,369,712)	\$ 400,680,047
Less Accumulated Depreciation & Amortization for:				
Buildings and Shelters	\$ (59,518,782)	\$ (3,023,669)	-	\$ (62,542,451)
Revenue Vehicles:				
Buses	(120,998,000)	(14,967,739)	12,640,430	(123,325,309)
Other Support Vehicles	(7,479,812)	(230,841)	522,057	(7,188,596)
Furniture, Fixtures & Equipment	(37,964,257)	(4,661,567)	328,907	(42,296,917)
Leasehold Improvements	(240,383)	(39,185)	-	(279,568)
Right to Use Leased Assets	-	(267,340)	-	(267,340)
BRT Roadway Improvements	(5,532,083)	(1,132,183)	-	(6,664,266)
Pedestrian Walkways	(73,171)	(35,122)	-	(108,293)
Total Accumulated Depreciation & Amortization	(231,806,488)	(24,357,646)	13,491,394	(242,672,740)
Capital Assets, net	\$ 144,005,736	\$ 21,879,889	\$ (7,878,318)	\$ 158,007,307

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 \$409,757 and \$513,859 during the years ended September 30, 2022 and 2021, respectively.

The Authority also entered into a lease agreement for 10 buses in September 2015, of which 5 buses were delivered by September 30, 2015 and the remaining 5 buses were received during October 2015. The lease agreement covered a term of 5 years, with a final payment made October 2020.

Lease payable activity for the years ended September 30, 2022 and 2021 was as follows:

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	<u>\$ 2,409,636</u>		<u>365,915</u>	<u>2,043,721</u>	<u>\$ 377,044</u>

Leases Payable	Lease Payable (Restated) September 30, 2021				Due Within One Year
	Beginning Balance	Additions	Payments	Ending Balance	
Bus Lease # 5	\$ 1,051,268	-	1,051,268	-	\$ -
OUC Charging Station - Equipment	-	1,572,182	19,900	1,552,282	110,949
LB McLeod Facility - Building	1,104,794		247,400	857,354	254,966
Total	<u>\$ 2,156,062</u>	<u>1,572,182</u>	<u>1,318,568</u>	<u>2,409,636</u>	<u>\$ 365,915</u>

The facility agreement, charging station, and revenue vehicles 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 a 5-year lease agreement for administrative office space, parking, and maintenance facilities to support LYNX's Paratransit and Vanpool operations. The lease term started January 2020 and ends December 2024. The monthly payment is \$23,100 for the entirety of the 60-month lease.

Year Ending September 30	Operations Center Payments	Interest	Principal
2023	277,200	14,479	262,721
2024	277,200	6,488	270,712
2025	69,300	345	68,955
Total	\$ 623,700	21,312	\$ 602,388

- 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
2023	156,000	41,677	114,323
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
Thereafter	910,000	76,130	833,870
Total	\$ 1,690,000	248,666	\$ 1,441,334

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 at September 30, 2022 and 2021, the current portion of which 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 2022 and 2021. 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,	
	2022	2021
Accrued self-insurance liability, beginning of year	\$ 12,036,741	\$ 12,341,483
Insured claims (including IBNR's)	17,264,529	13,388,813
Claim payments	(16,564,012)	(13,693,555)
Accrued self-insurance liability, end of year	<u>\$ 12,737,258</u>	<u>\$ 12,036,741</u>

The estimated amounts due in one year are \$3,961,536 and \$3,322,304 as of September 30, 2022 and 2021, 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 has occurred and the amount of the loss can be reasonably estimated. Liabilities include \$786,072 for claims incurred but not reported (IBNRs) 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, 2020 and 2019 utilized for the September 30, 2022 and 2021 fiscal years are as follows:

<u>Membership at Actuarial Valuation Date</u>	<u>2022</u>	<u>2021</u>
Retirees and beneficiaries currently receiving benefits and DROP	504	478
Terminated employees entitled to, but not yet receiving benefits	95	95
Active plan participants	392	439
Total	<u>991</u>	<u>1,012</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 earnings; 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 bases 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) at September 30, 2022 and 2021 is based on the October 1, 2020 and 2019 actuarial valuation rolled forward to the measurement date of September 30, 2020 and 2019, respectively. Changes in the Authority's Union Defined Benefit Plan net pension liability (asset) during the years ended at September 30, 2022 and 2021 are as follows:

<u>Total pension liability</u>	<u>2022</u>	<u>2021</u>
Service cost	\$ 2,683,149	\$ 2,881,747
Interest	12,026,029	11,638,557
Changes of benefit terms	-	-
Difference between actual & expected experience	776,566	233,031
Changes of assumptions	(285,661)	-
Benefit payments	(9,383,560)	(9,019,587)
Refunds	(93,262)	(140,857)
Net change in total pension liability	5,723,261	5,592,891
Total pension liability - beginning	164,569,167	158,976,276
Total pension liability - ending	\$ 170,292,428	\$ 164,569,167
<u>Plan fiduciary net position</u>		
Contributions - Employer	\$ 2,575,015	\$ 2,677,199
Contributions - Member	1,949,118	2,058,011
Net investment income	35,314,518	17,577,725
Benefit payments	(9,383,560)	(9,019,587)
Refunds	(93,262)	(140,857)
Administrative expense	(213,978)	(331,998)
Other	-	-
Net changes in Plan fiduciary net position	30,147,851	12,820,493
Total Plan fiduciary net position - beginning	169,070,897	156,250,404
Total Plan fiduciary net position - ending	199,218,748	169,070,897
Net pension liability (asset) - ending	\$ (28,926,320)	\$ (4,501,730)

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

For the years ended September 30, 2022 and 2021, the Authority recognized pension expense of \$(4,015,630) and \$4,667,709, respectively. At September 30, 2022 and 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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>
Fiscal Year 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 1,845,153	\$ 1,064,208
Changes in assumptions	548,106	-
Net difference between projected and actual earnings on pension plan investment	-	3,136,698
Authority contributions made subsequent to the measurement date	2,575,015	-
	<u>\$ 4,968,274</u>	<u>\$ 4,200,906</u>

Authority contributions subsequent to the measurement date (\$2,203,373) were recognized as a deferred outflow of resources during the year ending September 30, 2022 and will be recognized as an increase/reduction of the net pension asset/liability in FY2023. Similarly, the Authority's subsequent contributions in FY2021 (\$2,575,015) 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	
2023	\$ (4,608,992)
2024	(4,596,585)
2025	(5,837,129)
2026	(4,598,886)
2027	-
Total	<u>\$ (19,641,592)</u>

Pension plan contributions for fiscal years 2022 and 2021 were determined as part of the October 1, 2020 and 2019 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 12.65% per year, dependent on years of service. Both (a) and (b) included an inflation component of 2.19%. 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. Fiscal year 2023's report will show significant net investment income losses as the market deteriorated significantly after the 2022 report was published. The market returns will negatively affect pension expense during 2023 and impact the value of the net pension's asset. 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 October 1, 2016, the mortality table was changed from the RP-2000 Combined Healthy Participant Mortality Table for males and females using scale AA, to the fully generational RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected using Scale BB, used by the Florida Retirement System (FRS) for Regular Class (non-special risk) members. This change was made in compliance with Florida House Bill 1309, which requires all public pension plans in Florida to use the same mortality tables used in either of the last two actuarial valuation reports of FRS. The assumption for inflation was 2.19%. The assumption for salary increases was 3.00% to 12.65%, depending on service.

For the fiscal years ended September 30, 2022 and September 30, 2021, the annual money-weighted rate of return of Plan investments was 20.8% and 11.20% respectively.

A single discount rate of 7.40% was used to measure the total pension liability (asset). This single discount rate was based on the expected rate of return on pension plan investments of 7.40%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that 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, 2022 is as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Rate of Return</u>
Large Cap Core - Passive	7%	8.12%
Large Cap Value - Active	7%	3.38%
Large Cap Growth - Active	7%	8.12%
Mid Cap Equity	10%	7.40%
Fixed Income (Bonds)	29%	3.55%
Small Cap Equity	6%	7.40%
International Equity	15%	6.78%
Convertibles	10%	6.68%
Private real estate	4%	4.87%
Infrastructure	5%	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	\$ (11,170,274)	\$ (28,926,320)	\$ (44,031,742)

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, 2022 and 2021 amounted to \$1,326,234 and \$785,758, 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, 2022 and 2021 was \$15,053,270 and \$14,223,793, respectively. The Authority's contribution to the plan for the years ended September 30, 2022 and 2021 amounted to \$1,418,540 and \$1,335,524, 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, 2022 and 2021, the following employees were covered by the benefit terms:

	<u>2022</u>	<u>2021</u>
Inactive employees or beneficiaries currently receiving benefit payments	17	17
Inactive employees entitled to but not receiving benefit payments	-	-
Active employees	<u>990</u>	<u>990</u>
Total Population	<u>1,107</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, 2021 and 2020 is based on an actuarial valuation dated October 1, 2021, with roll-backward procedures to the measurement date of October 1, 2020 and an actuarial valuation dated October 1, 2018, with roll-forward procedures to the measurement date of September 30, 2019, 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	2.19% in 2021, 2.75% in 2020 (1)
Inflation	2.19%
Salary increases	1.10% to 5.20% depending on service and gender
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, 2021
Valuation date	October 11, 2022

- (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, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Total OPEB liability - beginning	\$ 5,816,654	\$ 5,355,542
Changes for the year:		
Service cost	424,673	506,322
Interest	136,955	143,941
Experience loss/(gains)	-	(1,132,971)
Changes in assumptions	102,312	1,186,455
Benefit payments	(267,728)	(242,635)
Net changes	<u>396,212</u>	<u>461,112</u>
Total OPEB liability - Ending	<u>\$ 6,212,866</u>	<u>\$ 5,816,654</u>

Changes in assumptions or other inputs reflect a change in the discount rate from 2.75% to 2.19% 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 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

Fiscal Year 2021	1% Decrease	Current Rate	1% Increase
Discount Rate	1.41%	2.41%	3.41%
Total OPEB Liability	\$ 6,250,557	\$ 5,816,654	\$ 5,409,212

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 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

Fiscal Year 2021	1% Decrease	Current Rate	1% Increase
Healthcare cost trend	3.04%	4.04%	5.04%
Total OPEB Liability	\$ 5,284,322	\$ 5,816,654	\$ 6,426,791

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended September 30, 2022 and 2021, the Authority recognized an OPEB expense of \$532,234 and \$461,112, respectively. At September 30, 2022 and 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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

Fiscal Year 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 1,352,515
Change of assumptions	1,273,178	26,901
Total	\$ 1,273,178	\$ 1,379,416

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>	
2023	\$ (2,493)
2024	(2,493)
2025	(2,494)
2026	(13,190)
2027	46,138
Thereafter	-
Total	\$ (25,468)

7. FUEL HEDGE SWAP AGREEMENTS

The Authority first entered into fuel hedge swap agreements (“swaps”) during fiscal year 2011 in order to smooth out the fluctuation 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</u>	<u>Fixed Price Per Gallon</u>
09/26/2018	10/01/18 – 01/31/19	356,000	\$2.0660 ^A
12/03/2018	02/01/19 – 09/30/19	720,000	\$1.5890 ^A
10/03/2019	11/01/19 – 09/30/20	825,000	\$1.7610 ^A
01/31/2020	02/01/20 – 09/30/20	240,000	\$1.5785 ^B
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

^A US Gulf Coast Gasoline (UNL-87)

^B US Gulf Coast Ultra Low Sulfur Diesel (ULSD)

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 and the U.S. Gulf Coast Pipeline Gasoline Unleaded 87 Platts Index (“Platts”). If the Platts 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 price the Authority pays the counterparty. The Authority is exposed to basis risk on the swaps if the index on which fuel is purchased differs from the Platts index specified in the related fuel hedge agreements. During fiscal years 2022, 2021 and 2020, the Authority purchased all diesel fuel from vendors using the Platts index.

The Authority is also exposed to rollover risk on the swaps to the extent that the 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 at September 30, 2022, 2021 and 2020 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, 2022, and is a derivative financial instrument on balance sheet as of September 30, 2022. The estimated fair value of swaps is determined based on the contracted strike prices and applicable future prices at September 30, 2022, 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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Service cost	\$ 2,683,149	\$ 2,881,747	\$ 3,599,629	\$ 3,504,724	\$ 4,177,847	\$ 4,174,172	\$ 4,324,270
Interest	12,026,029	11,638,557	11,137,845	10,763,561	10,041,777	9,337,562	8,827,032
Benefit changes	-	-	87,818	981,945	-	-	-
Difference between actual & expected experience	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	(9,383,560)	(9,019,587)	(7,675,871)	(6,757,303)	(5,494,839)	(5,590,105)	(4,808,642)
Refunds	(93,262)	(140,857)	(103,652)	(282,766)	(929,948)	(401,384)	(311,317)
Net change in total pension liability	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	164,569,167	158,976,276	148,794,728	143,529,451	132,924,901	123,322,398	115,929,473
Total pension liability	\$ 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	\$ 2,575,015	\$ 2,677,199	\$ 2,715,480	\$ 2,983,198	\$ 3,000,228	\$ 2,233,626	\$ 3,315,335
Contributions - Member	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)	35,314,518	17,577,725	5,852,314	11,698,371	14,943,745	11,523,579	(1,070,462)
Benefit payments	(9,383,560)	(9,019,587)	(7,675,871)	(6,757,303)	(5,494,839)	(5,590,105)	(4,808,642)
Refunds	(93,262)	(140,857)	(103,652)	(282,766)	(929,948)	(401,384)	(311,317)
Administrative expense	(213,978)	(331,998)	(290,414)	(234,611)	(300,019)	(397,607)	(237,972)
Other	-	-	-	-	2,518	-	-
Net changes in Plan fiduciary net position	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	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	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	\$ (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)	116.99%	102.74%	98.29%	103.31%	100.46%	98.50%	98.41%
 Covered payroll	\$ 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	(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
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%
2013	\$3,422,542	\$3,568,777	(\$146,235)	\$32,821,564	10.87%

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
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>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	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: 10/1/2020 (for FYE 9/30/22)
 Measurement Date: September 30, 2021

Note: Actuarially determined contributions are calculated as of the 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	27 years
Asset Valuation Method	5-year smoothed market
Inflation	2.19%
Salary Increases	3.0% to 12.65% depending on service
Expenses	Average of the actual administrative expenses for the two most recent years is added to Normal Cost
Investment Rate of Return	7.40%
Retirement Age	15% to 100% depending on age
Mortality	RP-2000 Combined Healthy Participant Mortality Tables for males and females using projection scale BB to anticipate future mortality improvements, and without projection for disabled lives; structured to align with assumed mortality for non-special risk employees under the Florida Retirement System (FRS), as mandated by Florida Health Bill 1309 (codified in Chapter 2015-157).

Other Information:

See Discussion of Valuation Results in the October 1, 2018 Actuarial Valuation Report dated May 23, 2019. This valuation reflects Amendment No. 5, which changes the interest credited to member contributions from 5.0% to 0.0% per annum, retroactive to March 31, 2013.

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>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	09/30/2022	09/30/2021	09/30/2020	09/30/2019	09/30/2018
Measurement date	10/01/2021	10/01/2020	10/01/2019	10/01/2018	10/01/2017
Total OPEB liability					
Service cost	\$ 424,673	\$ 506,322	\$ 427,649	\$ 423,239	\$ 429,100
Interest	136,955	143,941	172,394	167,170	140,928
Experience loss/(gains)	-	(1,132,971)	-	(713,822)	-
Trust contribution/benefit payments	(267,728)	(242,635)	(229,571)	(224,817)	(185,740)
Changes in assumptions	102,312	1,186,455	369,132	75,468	(134,509)
Net change in total OPEB liability	396,212	461,112	739,604	(272,762)	249,779
Total OPEB liability – beginning	5,816,654	5,355,542	4,615,938	4,888,700	4,638,921
Total OPEB liability – ending	\$ 6,212,866	\$ 5,816,654	\$ 5,355,542	\$ 4,615,938	\$ 4,888,700
Covered employee payroll	\$ 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	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 3.83% to 2.19% for the reporting period ended September 30, 2022.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SUPPLEMENTARY SCHEDULE OF REVENUES AND EXPENSES
BUDGET VS ACTUAL (BUDGET BASIS)
YEAR ENDED SEPTEMBER 30, 2022

	Budget	Actual	Variance Favorable/ (Unfavorable)
OPERATING REVENUES			
Customer fares	\$ 16,963,309	\$ 18,032,866	\$ 1,069,557
Contract services:			0
Local financial assistance	17,175,123	17,265,986	90,863
Other contractual services	4,127,001	4,259,650	132,649
Advertising	2,405,000	2,830,622	425,622
Other income	463,900	377,839	(86,061)
	<u>41,134,333</u>	<u>42,766,963</u>	<u>1,632,630</u>
OPERATING EXPENSES:			
Transportation	56,012,062	52,140,968	3,871,094
Maintenance and operations	82,869,074	73,018,167	9,850,907
General and administrative	27,484,975	22,514,838	4,970,137
	<u>166,366,111</u>	<u>147,673,973</u>	<u>18,692,138</u>
OPERATING LOSS	(125,231,778)	(104,907,010)	20,324,768
NON-OPERATING REVENUES/(EXPENSES):			
Federal	54,025,823	57,765,204	3,739,381
State of Florida	15,808,905	15,618,957	(189,948)
Local	63,928,329	63,928,329	0
Interest income	250,000	1,115,270	865,270
Interest expense	-	(67,285)	(67,285)
	<u>134,013,057</u>	<u>138,360,475</u>	<u>4,347,418</u>
Increase (decrease) in net position	\$ 8,781,279	33,453,465	\$ 24,672,186
BASIS DIFFERENCES:			
Depreciation		(25,524,482)	
Other income		(498,454)	
Capital contribution		<u>18,381,833</u>	
Increase in net position - GAAP basis		\$ 25,812,362	



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, 2022
(Unaudited)

Form of Government	Local Government (Independent Special District)
Number of Directors	Five (5) Voting
Area Population	2,304,046
Counties Served	Orange, Seminole, and Osceola
Number of Service Routes	71
Peak Vehicle Requirement	248
Hours of Operation	4:00 a.m. to 3:10 a.m.
Average Weekday Passengers	49,798
Vehicle Miles Operated	16,493,174
Vehicle Hours Operated	1,176,338

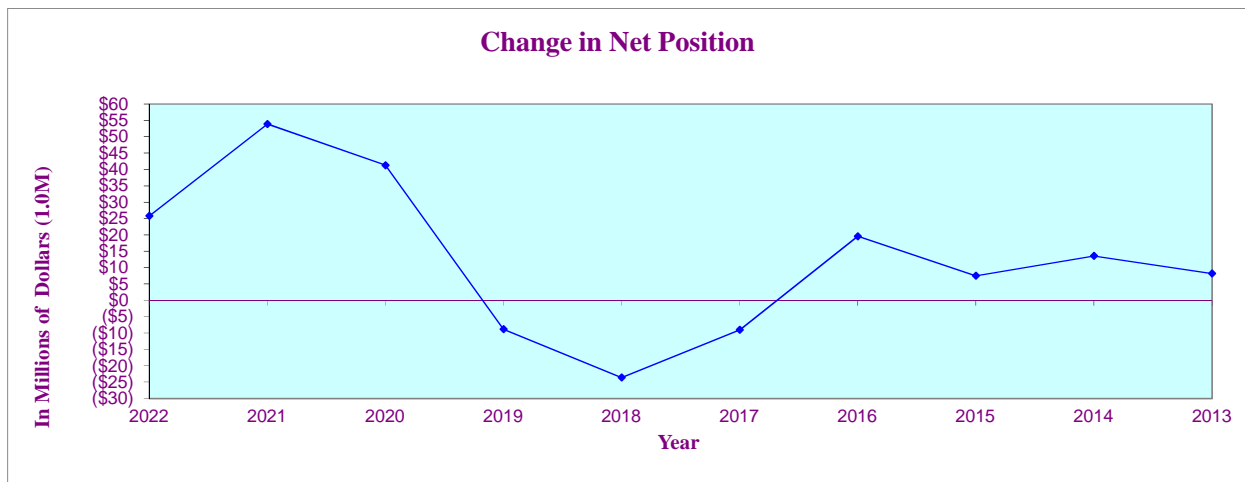
Source: Metro Orlando Economic Development Commission
National Transit Database Report

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

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

Dollars in Millions
(Unaudited)

	2022	Restated 2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating Revenue:										
Customer Fares	\$ 18.1	\$ 15.0	\$ 12.3	\$ 23.9	\$ 24.1	\$ 25.2	\$ 26.6	\$ 28.2	\$ 29.1	\$ 29.4
Other	24.7	23.3	24.4	23.7	22.6	21.9	20.2	20.6	22.5	20.0
Total Operating Revenue	42.8	38.3	36.7	47.6	46.7	47.1	46.8	48.8	51.6	49.4
Operating Expenses:										
Administration, Transportation, and Maintenance	147.7	137.2	144.2	141.7	135.3	127.8	116.6	114.2	120.5	119.8
Depreciation and Amortization	25.5	24.3	20.5	21.6	23.2	25.9	26.8	26.2	23.5	19.9
Capital Project Abandonment Expense	-	-	-	-	-	4.2	-	-	-	-
Total Operating Expenses	173.2	161.5	164.7	163.3	158.5	157.8	143.4	140.4	144.0	139.7
Operating Loss	(130.4)	(123.2)	(128.0)	(115.9)	(111.8)	(110.7)	(96.6)	(91.6)	(92.4)	(90.3)
Non-Operating Revenue (Expenses):										
Operating Assistance	137.8	128.2	134.6	65.8	61.9	59.1	56.8	56.1	53.4	49.0
Planning and Other Income (Expenses)	24.4	11.3	12.4	19.3	18.9	17.4	17.0	16.3	17.3	19.3
Capital Contributions	18.4	37.6	22.2	21.8	9.7	25.2	42.4	19.7	35.3	30.2
Total Non-Operating Revenue (Expenses)	180.6	177.2	169.2	106.9	88.1	101.7	116.2	92.1	106.0	98.5
Change in Net Position Before Accounting Change	25.8	54.0	41.3	(8.8)	(21.3)	(9.0)	19.6	0.5	13.6	8.2
Change in Accounting Principle	-	-	-	-	(2.3)	-	-	7.0	-	-
Change in Net Position After Accounting Change	\$ 25.8	\$ 54.0	\$ 41.3	\$ (8.8)	\$ (23.6)	\$ (9.0)	\$ 19.6	\$ 7.5	\$ 13.6	\$ 8.2



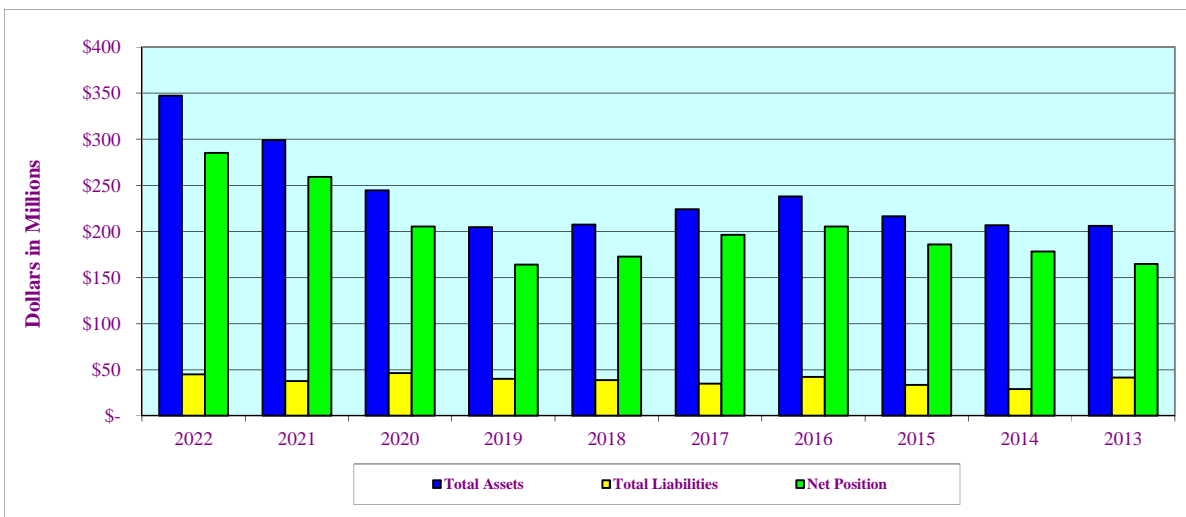
The chart shows the change in net position for the Authority over the past ten fiscal years. Net position increased in 2022 due to federal funding from ARPA to cover certain operating expenses and help LYNX provide revenue service after a sustained period of negative effects from COVID-19.

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)**

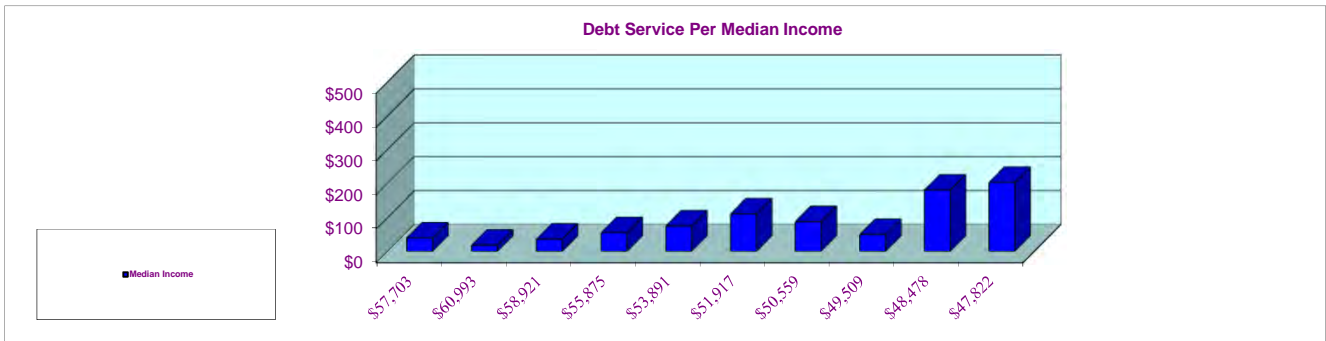
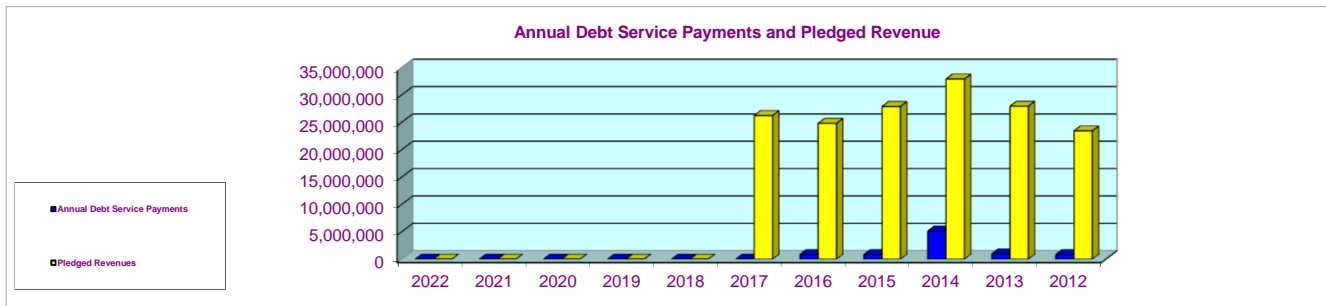
Year	2022	(Restated) 2021	2020	2019	2018	2017	2016	2015	2014	2013
Total Assets	\$347.4	\$301.6	\$244.6	\$204.8	\$207.4	\$224.1	\$238.0	\$216.6	\$206.7	\$206.0
Deferred Outflow of Resources	\$4.3	\$6.2	\$9.5	\$5.5	\$6.5	\$8.1	\$10.3	\$4.1	\$0.8	\$0.1
Deferred Inflow of Resources	\$21.7	\$8.4	\$2.4	\$6.1	\$2.3	\$0.7	\$0.5	\$1.3	\$0.0	\$0.0
Total Liabilities	\$44.9	\$40.1	\$46.3	\$40.1	\$38.7	\$35.0	\$42.2	\$33.5	\$29.2	\$41.4
Ending Net Position	\$285.1	\$259.3	\$205.4	\$164.1	\$172.9	\$196.5	\$205.5	\$185.9	\$178.3	\$164.7
Net Investment in Capital Assets	\$148.2	\$155.4	\$146.1	\$137.1	\$139.3	\$153.0	\$149.9	\$142.7	\$147.6	\$135.6
Restricted	\$2.0	\$2.3	\$1.7	\$9.6	\$1.7	\$1.7	\$1.6	\$0.0	\$0.0	\$0.1
Unrestricted	\$134.9	\$101.6	\$57.6	\$17.4	\$31.9	\$41.8	\$54.0	\$43.2	\$30.7	\$29.0
Ending Net Position	\$285.1	\$259.3	\$205.4	\$164.1	\$172.9	\$196.5	\$205.5	\$185.9	\$178.3	\$164.7



This chart compares total assets, liabilities, and net position over the last 10 fiscal years. Total assets rose 68.6% from 2013-2022 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 2022 were 8.4% greater than in 2013. Net position increased in 2022 due to federal funding received from the American Rescue Plan (ARPA). ARPA funding reimbursed certain operating expenses and helped the Authority maintain revenue service after a prolonged period of negative effects from COVID-19.

**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
2022	\$ 2,034,562	\$ -	\$ 2,034,562	\$ -	\$ -	\$ -	\$ 57,703	\$ 35.26
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
2013	8,636,268	7,413,500	1,222,768	958,423	27,936,006	29.15	47,822	180.59
2012	10,563,319	8,164,797	2,398,522	829,492	23,411,900	28.22	51,923	203.44



Source: LYNX Financial Statements, NTD Report, and Orlando Economic Development Commission.

Note: Total debt consists of State Infrastructure Bank loans and lease obligations but annual debt service payments consist only of payments on State Infrastructure Bank loans. Available pledged revenues are for capital expenditures and debt service payments.

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

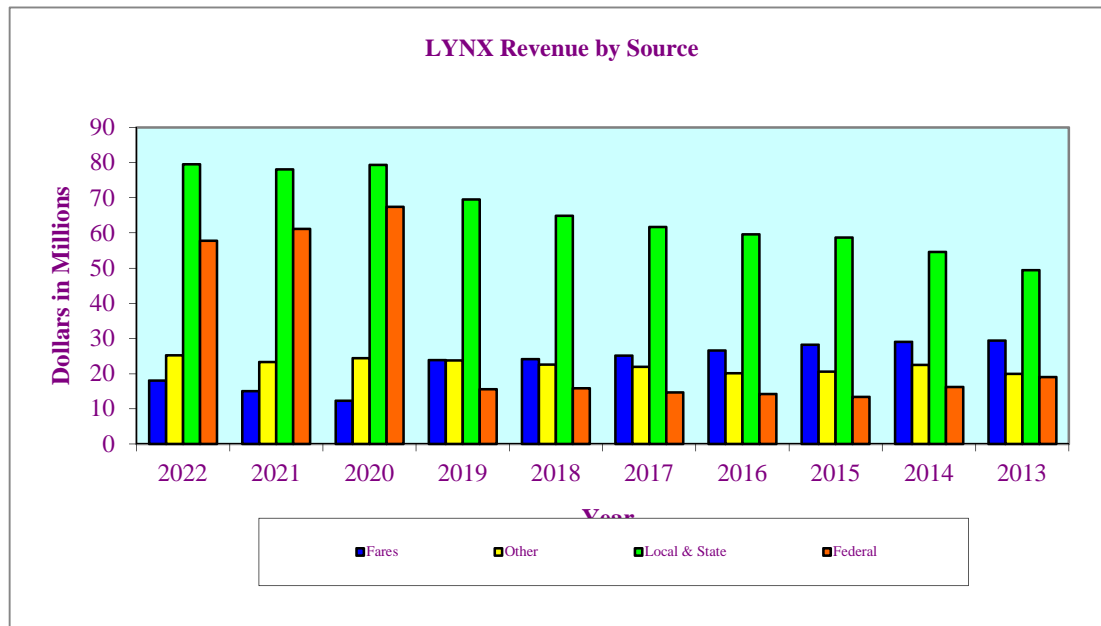
Revenue Received by Funding Source

Previous Ten Fiscal Years

in Millions of Dollars (\$1.0M)

(Unaudited)

Fiscal Year	OPERATING AND OTHER FUNDING SOURCES						Total Revenue
	MISCELLANEOUS REVENUE			OPERATING ASSISTANCE			
	Fares	Other	Subtotal	Local & State	Federal	Subtotal	
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
2013	29.39	19.99	49.38	49.43	19.06	68.49	117.87



The table and graph show LYNX's primary sources of revenue. Specifically, the amount received from each and consequently, the Authority's relative dependency on each revenue type. Fares increased during 2022 rising 19.97% versus 2021. Federal funding authorized by the American Recovery Plan (ARPA) increased federal reimbursement of certain expenses. In 2022, federal revenue decreased to 32.0% of LYNX's total revenue, versus 34.4% during 2021.

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

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

**Funding Source Revenue Percentage of Total
Previous Ten Fiscal Years**

(Unaudited)

FISCAL YEAR	OPERATING AND OTHER MISCELLANEOUS REVENUE			OPERATING ASSISTANCE			TOTAL REVENUE
	FARES	OTHER	TOTAL	LOCAL & STATE	FEDERAL	TOTAL	
INDUSTRY							
2022	*	*	-	*	*	-	-
2021	*	*	-	*	*	-	-
2020	*	*	-	*	*	-	-
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%
2013	32.5%	3.8%	36.3%	54.8%	8.9%	63.7%	100.0%
LYNX							
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%
2013	24.9%	17.0%	41.9%	41.9%	16.2%	58.1%	100.0%

Source: Financial Statements

APTA 2021 Transportation Fact Book

* Statistics are not available.

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

Fare Structure

Year Ended September 30, 2022

(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**

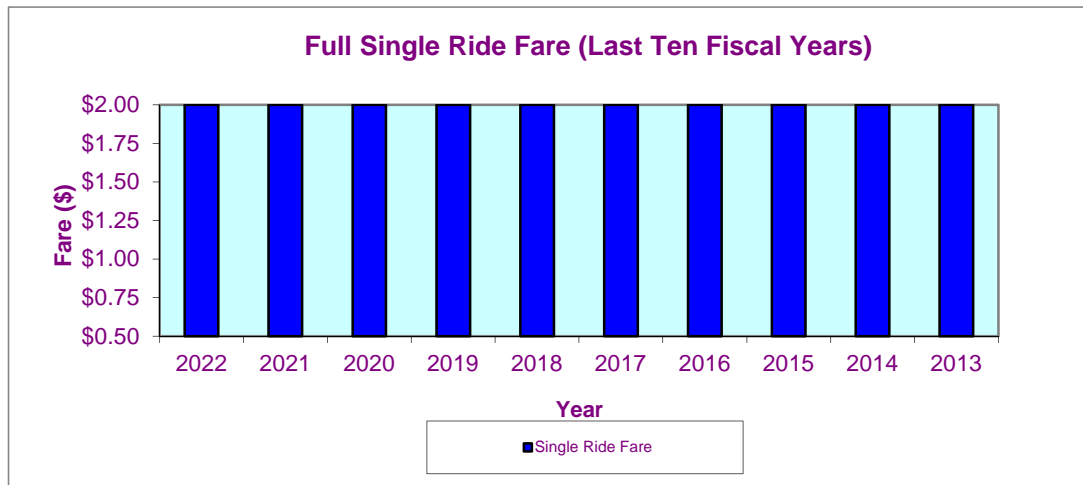
**Fare Structure: Cash Fares and Multi-Day Passes
Previous Ten Fiscal Years**

(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
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
2013	\$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

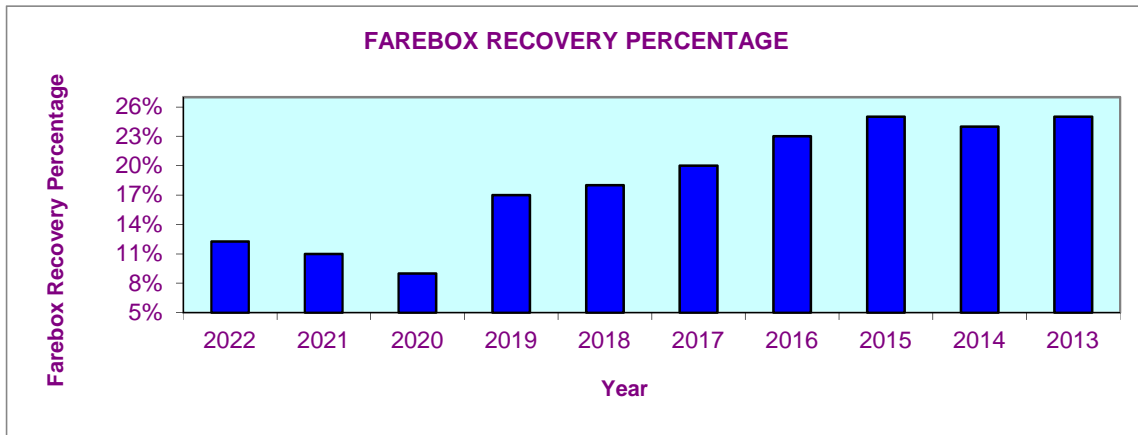


The table and graph above show the amount of both standard fixed-route fares and passes by fiscal year. In keeping with the Authority's commitment to keep fares affordable; no fare structure increases were proposed during 2022. The Authority's last fare increase was implemented in January 2009.

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

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

Fiscal Year	Percentage
2022	12%
2021	11%
2020	9%
2019	17%
2018	18%
2017	20%
2016	23%
2015	25%
2014	24%
2013	25%

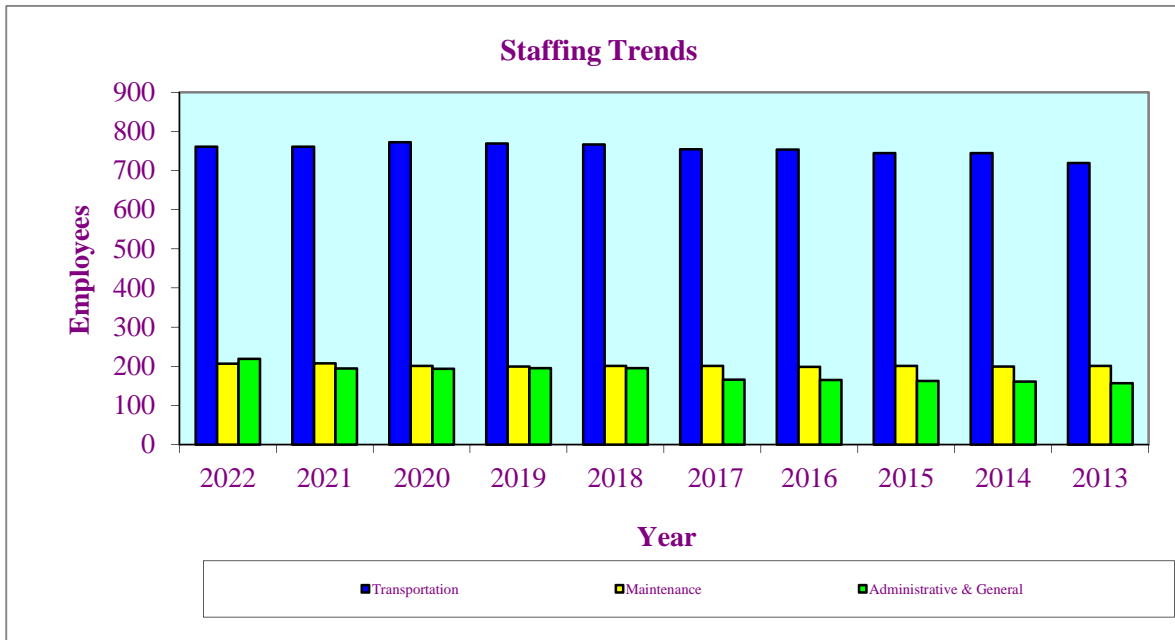


Farebox Recovery is the percentage of the total operating costs funded by customer fares. Farebox recovery is calculated by dividing total fares by total operating cost before depreciation. Fiscal year 2022 farebox recovery rose 1.4% versus 2021.

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

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

Year	Transportation	Maintenance	Administrative & General	Total
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
2013	719	201	157	1,077



Despite the Administrative and General staffing increase (+39.5%), the Authority's total position count grew (+10.2%) from fiscal year 2013 to present.

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	2022			2013		
	Number of Full Time Employees	Rank	Percentage of Total Employment	Number of Full Time Employees	Rank	Percentage of Total Employment
Walt Disney World Company	58,478	1	4.49%	58,000	1	5.57%
Advent Health	37,000	2	2.84%	16,700	4	1.60%
Orange County Public Schools	25,125	3	1.93%	21,733	2	2.09%
Universal Studios Florida	24,000	4	1.84%	13,000	7	1.25%
Orlando Regional Healthcare	23,252	5	1.78%	14,310	5	1.37%
Publix Super Markets, Inc.	18,600	6	1.43%	17,521	3	1.68%
Orlando International Airport	15,783	7	1.21%	14,100	6	1.35%
University of Central Florida	10,614	8	0.81%	10,567	8	1.01%
Seminole County Public Schools	10,000	9	0.77%	7,442	10	0.71%
Lockheed Martin	8,099	10	0.62%	7,500	9	0.72%
Other Employers	1,072,858	N/A	82.29%	861,018	N/A	82.64%
Region Total	1,303,809		100.00%	1,041,891		100.00%

Notes:

N/A = Not Available

Sources:

Metro Orlando Economic Development Commission
Orange County Public Schools
Seminole County Public Schools
Orange County Government, Florida

**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
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%
2013	3.5%	4.5%	2.9%	6.4%	11.0%	12.2%	59.5%	100.0%

Source: Metro Orlando Economic Development Commission

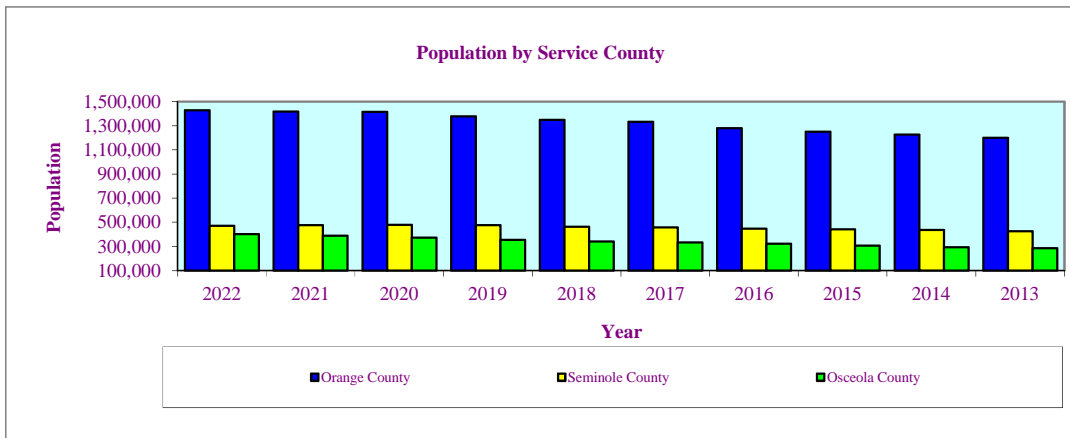
**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

Population by County within LYNX Service Area

Previous Ten Fiscal Years

(Unaudited)

Year	Orange County	Seminole County	Osceola County	Region Total
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
2013	1,199,801	427,977	286,001	1,913,779



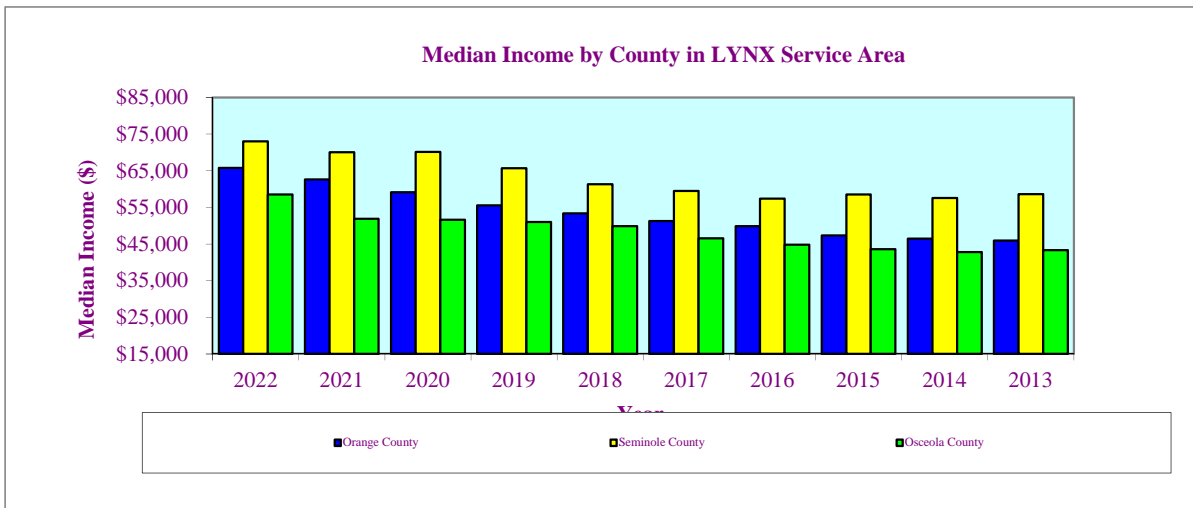
The aggregate population of the tri-county area increased 0.74% in 2022 versus 2021. The county welcoming the largest number of new residents was Osceola County (3.3% increase YoY).

Source: Metro Orlando Economic Development Commission

**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
2022	\$ 65,784	\$ 73,002	\$ 58,513
2021	62,593	70,058	51,869
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



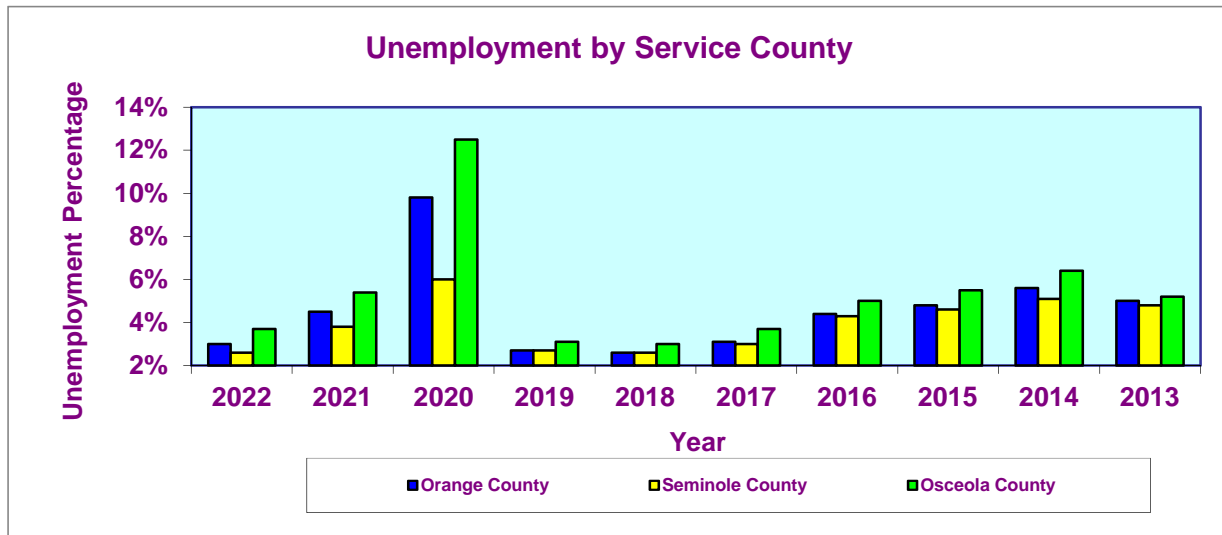
A useful method of determining the need for public transportation is tracking median household income. An indicator of the need for public transportation is typically lower median income.

Source: Metro Orlando Economic Development Commission

**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
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%
2013	5.0%	4.8%	5.2%	4.9%



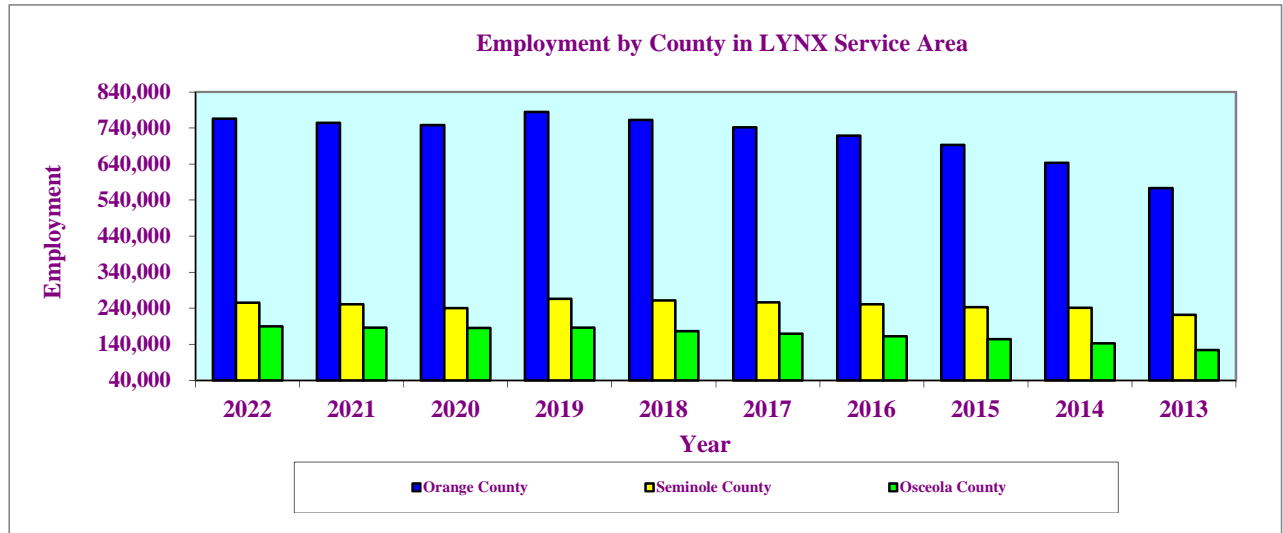
Tracking regional unemployment is useful to determine the economic vitality of the area's economy. The yearly percentages by county are annual averages, non-seasonally based. The tri-county average unemployment for fiscal year 2022 is 3.1%.

Source: Metro Orlando Economic Development Commission

**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
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
2013	573,570	221,385	124,539	919,494



The tri-county area experienced steady employment growth over the last ten years. The region's employed person count grew 1.53% percent versus the 2021 total.

Source: Metro Orlando Economic Development Commission

**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
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
2013	28,801,896	232	16,058,513	1,126,466

Source: NTD Report (MotorBus)

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

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

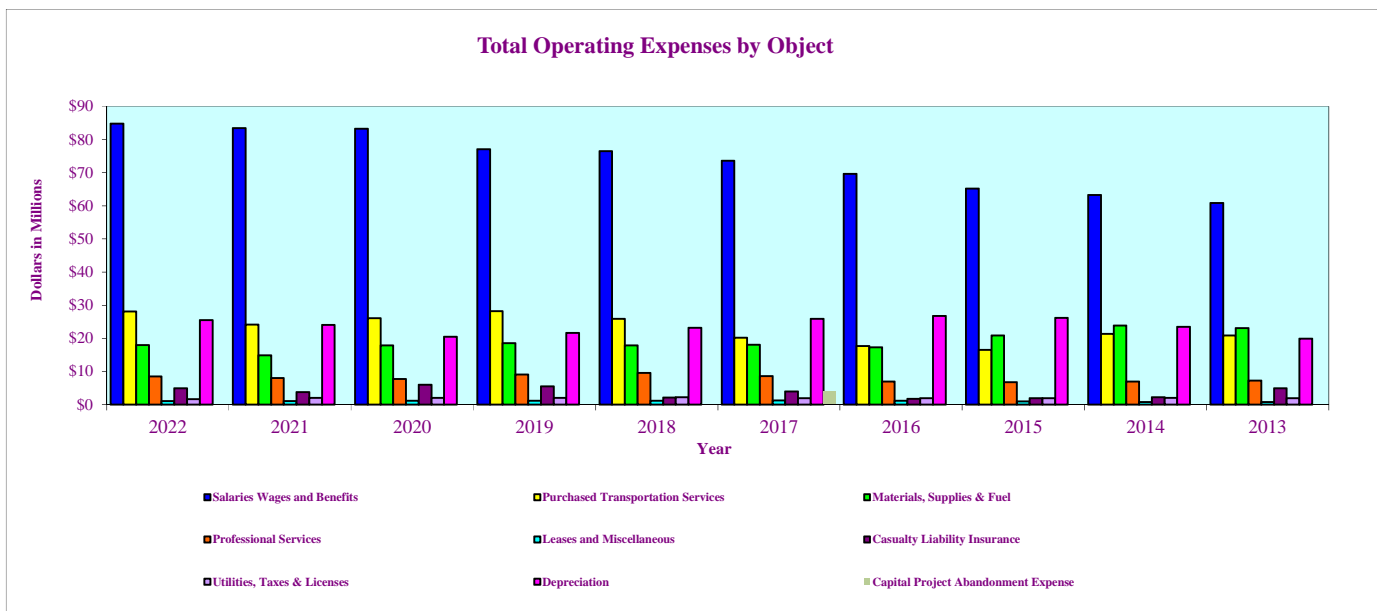
Operating Expenses by Object Expense Category

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
2022	\$84.8	\$28.2	\$18.0	\$8.5	\$1.0	\$5.0	\$1.7	\$25.5	\$0	\$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
2013	60.9	20.9	23.1	7.3	0.8	4.9	1.9	19.9	-	139.7



The expenditures for each of the eight primary operating expense classifications over the last ten fiscal years is shown in the table and graph above. Operating expenses for 2022 reflect an overall increase of 23.6% since 2013.

Source: LYNX Financial Statements

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

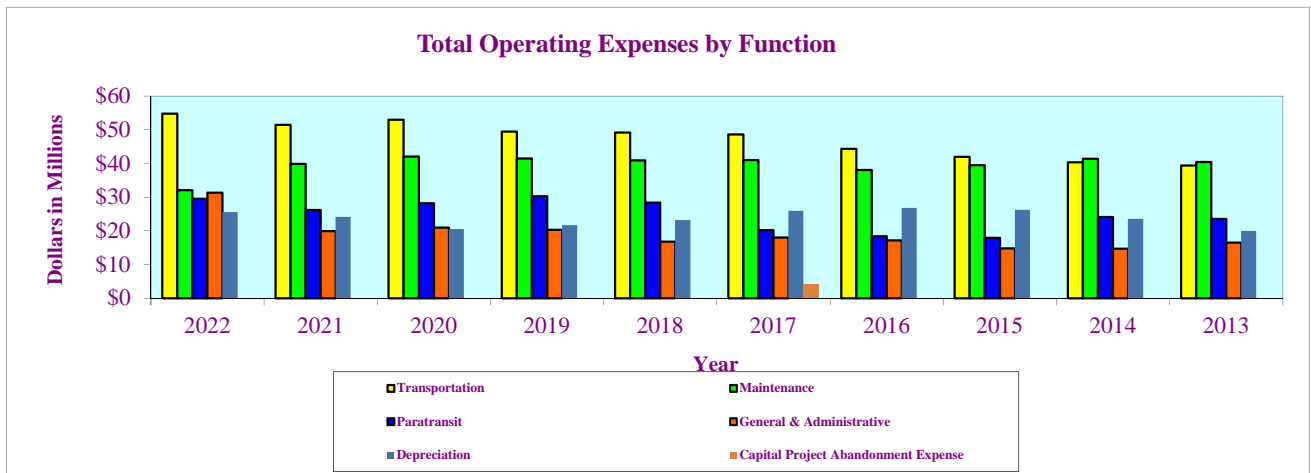
Operating Expenses by Authority Function

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
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
2013	39.4	40.4	23.5	16.5	19.9	-	139.7



This table and graph show operating expenses by function for the previous ten fiscal years. Total operating expenses for 2022 are 24.0% greater than 2013.

Source: LYNX Annual Financial Statements

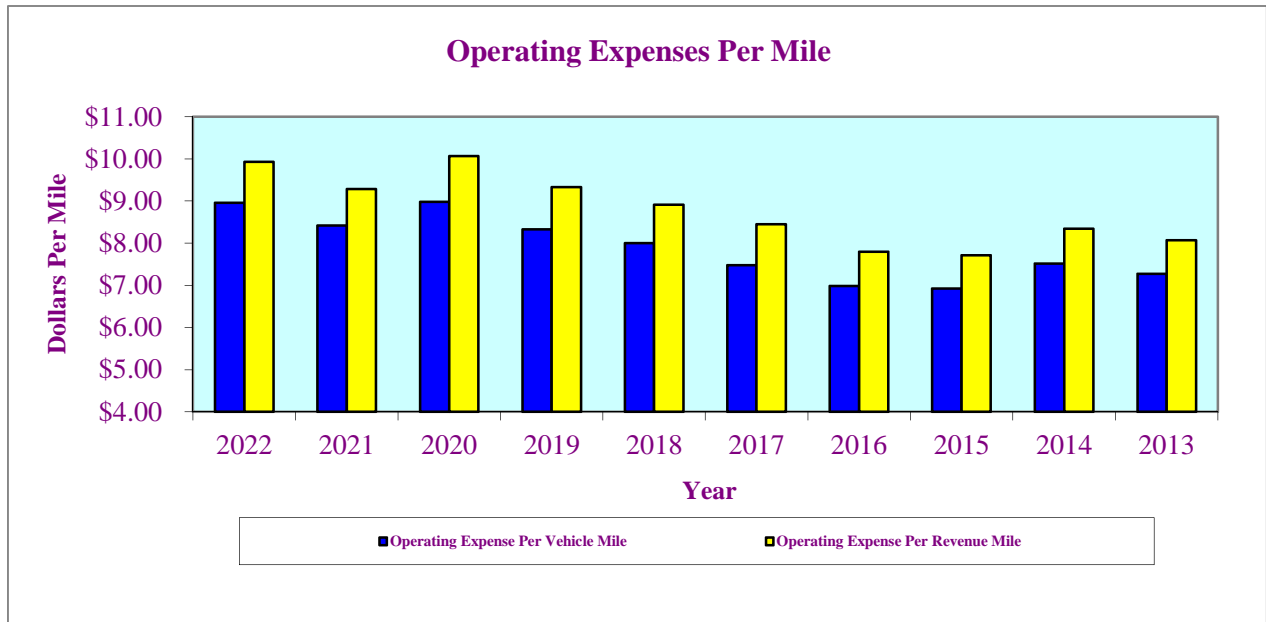
**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

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
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
2013	16,058,513	14,468,719	\$7.28	\$8.07



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 Statements
National Transit Database Report

**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	\$ 72,414,745	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	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		
	Ordinance & Law A	Included		Undamaged portion of building sublimit is 63,012,045	
	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	Fiduciary 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)	Private Passenger & - Covered Auto Symbol 8 : Hired Light Trucks : \$1,000- Covered Auto Symbol 10 : Per Symbol 2 fleet coverage applies Buses : \$10,000 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 naratransit and van pool	
	Sub-total	431,776			
	Total Premium	\$ 833,192			

**CENTRAL FLORIDA REGIONAL TRANSPORTATION d/b/a
LYNX
Risk Management
Insurance Policies - Fiscal Year 2021
(Unaudited)**

Insurance Company	Policy	Premium	Limits	Deductible/SIR	Commission/Fee	
American Home Assurance Company	Property	\$148,750	\$63,012,043	\$25,000 per occurrence, except as noted	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	\$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		
	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		
	Equipment Breakdown	Included		\$63,012,043		\$25,000
	Sub-total	\$148,750				
PGIT (Preferred Governmental Insurance Trust)	Crime	\$1,293			0%	
	Forgery & Alteration	Included	\$250,000	\$1,000		
	TDD	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					
General Liability	\$71,883	\$1,000,000	\$200,000			
EBL	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		
	EPLI	Included	\$2,000,000	\$100,000		
	Crisis Management Fund	Included	\$25,000	\$0		
	Sub-total	\$84,965				
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		
	1st Party Coverage					
	- Policy Aggregate		\$2,000,000	\$50,000		
	- Security Breach Response		\$2,000,000	\$50,000		
	- Cyber Extortion		\$2,000,000	\$50,000		
	- Business Income & Digital Restoration		\$2,000,000	BI : 10 Hours Waiting DR : \$50,000		
	- PCI DSS Assessment		\$2,000,000	\$50,000		
		Sub-total	\$38,095			
PGIT (Preferred Governmental Insurance Trust)	Automobile				0%	
	Auto Liability/UM/MedPay	Rejected	N/A	N/A		
	Auto Physical Damage	\$351,837	Actual Cash Value (ACV)	Private Passenger & Light Trucks : \$1,000 - Covered Auto Symbol 10 : Per Symbol 2 fleet coverage applies only Buses : \$10,000 to: (a) all buses 2009 and newer and 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	\$351,837				
	Total Premium This Page	\$696,823				

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CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2022

<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, 2021 Receivable</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>September 30, 2022 Receivable</u>	<u>Passed Through to Subrecipients</u>
U.S. Department of Transportation								
Federal Transit - Formula Grants								
Capital assistance	20.507	FL2017-001	17,609,919	27,728	(296,300)	340,480	71,908	-
Capital assistance	20.507	FL2017-013	8,209,682	12,580	(107,647)	151,792	56,725	-
Capital assistance	20.507	FL2017-039	26,103,204	102,729	(1,124,411)	1,212,230	190,548	-
Capital assistance	20.525	FL2018-044	544,223	-	-	120	120	-
Capital assistance	20.507	FL2018-113	26,116,978	88,768	(2,804,004)	3,031,944	316,708	-
Capital assistance	20.507	FL2019-010	7,106,587	23,067	(1,265,893)	1,245,141	2,315	-
Capital assistance	20.507	FL2019-030	26,703,155	94,834	(9,551,663)	9,489,023	32,194	-
Capital assistance	20.507	FL2020-006	27,306,428	2,502,387	(5,246,882)	3,168,165	423,670	-
Capital assistance	20.507	FL2020-018	3,033,138	66,449	(1,283,742)	1,297,443	80,150	330,357
Capital assistance	20.525	FL2020-041	7,102,130	-	(1,105,947)	1,105,947	-	-
Capital assistance	20.525	FL2020-048	617,206	1,436	(3,976)	2,540	-	-
Capital assistance	20.507	FL2022-040	53,462,283	-	(575,478)	4,786,108	4,210,630	-
Capital assistance	20.507	FL90-X826	23,509,503	30,457	(30,457)	-	-	-
Capital assistance	20.507	FL90-X858	25,317,482	21,071	(45,568)	24,497	-	-
Capital assistance	20.507	FL90-X885	10,630,000	10,287	(10,287)	-	-	-
			<u>263,371,918</u>	<u>2,981,793</u>	<u>(23,452,255)</u>	<u>25,855,430</u>	<u>5,384,968</u>	<u>330,357</u>
Federal Transit - Assistance - COVID-19								
COVID-19-Capital assistance - CARES Act	20.507	FL2020-037	75,537,697	1,155,226	(1,316,819)	186,862	25,269	-
COVID-19-Capital assistance - CRRSAA	20.507	FL2021-021	7,848,387	281,249	(281,249)	-	-	-
COVID-19-Capital assistance - ARP Act	20.507	FL2021-055	76,519,665	5,250,000	(46,993,574)	44,930,039	3,186,465	-
			<u>159,905,749</u>	<u>6,686,475</u>	<u>(48,591,642)</u>	<u>45,116,901</u>	<u>3,211,734</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	FL2019-100	6,976,217	-	(444,321)	444,321	-	-
Capital assistance	20.526	FL2020-057	3,771,233	62,801	(284,160)	249,359	28,000	-
			<u>10,747,450</u>	<u>114,804</u>	<u>(728,481)</u>	<u>693,680</u>	<u>80,003</u>	<u>-</u>
Total Federal Transit Cluster			<u>434,025,117</u>	<u>9,783,071</u>	<u>(72,772,378)</u>	<u>71,666,012</u>	<u>8,676,705</u>	<u>330,357</u>
Federal Transit: Metropolitan Transportation Planning								
Passed through the Metroplan Orlando								
	20.505	FL80-X015	891,000	76,518	(567,785)	538,564	47,297	-
	20.505	FL80-X016	291,646	-	(92,200)	121,363	29,163	-
			<u>1,182,646</u>	<u>76,518</u>	<u>(659,985)</u>	<u>659,927</u>	<u>76,460</u>	<u>-</u>

(Continued)

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED SEPTEMBER 30, 2022

<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, 2021 Receivable</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>September 30, 2022 Receivable</u>	<u>Passed Through to Subrecipients</u>
U.S. Department of Transportation (cont.)								
Federal Transit: Formula Grants for Rural Areas								
Passed through Florida Department of Transportation								
	20.509	G0R97	1,053,256	551,260	(551,260)	-	-	-
	20.509	G1W86	728,624	429,636	(728,624)	298,988	-	-
	20.509	G2643	1,414,879	-	(903,336)	1,414,879	511,543	-
			<u>3,196,759</u>	<u>980,896</u>	<u>(2,183,220)</u>	<u>1,713,867</u>	<u>511,543</u>	<u>-</u>
Federal Transit: Enhanced Mobility of Seniors and Individuals with Disabilities								
	20.513	FL1001-2018-18	501,493	-	-	492,470	-	-
	20.513	FL2017-027	2,737,549	563	(231,893)	232,712	1,382	7,077
	20.513	FL2018-111	1,429,375	27,455	(102,906)	84,731	9,280	46,218
	20.513	FL2022-025	230,476	-	-	123,765	123,765	-
	20.513	FL2022-026	284,123	-	-	142,062	142,062	-
	20.513	G1L22	200,000	100,000	(100,000)	-	-	-
	20.513	G1X43	225,000	-	(179,200)	225,000	45,800	-
	20.513	G2642	24,650	-	(24,650)	24,650	-	-
			<u>5,632,666</u>	<u>128,018</u>	<u>(638,649)</u>	<u>1,325,389</u>	<u>322,290</u>	<u>53,295</u>
Federal Transit: New Freedom Program								
	20.521	AQN91	859,729	41,777	(64,022)	22,245	-	-
			<u>859,729</u>	<u>41,777</u>	<u>(64,022)</u>	<u>22,245</u>	<u>-</u>	<u>-</u>
Total Transit Services Program Cluster			<u>6,492,395</u>	<u>169,795</u>	<u>(702,671)</u>	<u>1,347,635</u>	<u>322,290</u>	<u>53,295</u>
Emergency Protective Measures								
Covid-19: Public Assistance								
	97.036		1,401,568	-	(1,401,568)	1,401,568	-	-
			<u>1,401,568</u>	<u>-</u>	<u>(1,401,568)</u>	<u>1,401,568</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ <u>446,298,485</u>	\$ <u>11,010,280</u>	\$ <u>(77,719,823)</u>	<u>76,789,009</u>	\$ <u>9,586,997</u>	\$ <u>383,652</u>
NONOPERATING REVENUE PORTION						57,765,205		
OTHER INCOME - GAIN ON SALE OF EQUIPMENT						1,992,502		
CONTRIBUTED CAPITAL						\$ <u>17,031,302.32</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, 2022

GRANT NUMBER/ SOURCE	Program or Award Amount	September 30, 2021 Unearned (Receivable)	Transfers/ Receipts	Expenditures	September 30, 2022 Unearned (Receivable)
LOCAL MATCHING GRANTS:					
N/A, AQN91	\$ 859,729	-	\$ 22,245	\$ 22,245	-
N/A, FL-2017-027 (FL16X034)	1,485,121	-	7,077	7,077	-
N/A, FL-2018-111 (FL16X062)	775,436	-	46,218	46,218	-
N/A, FL-2020-018 (FL16X069)	1,645,476	-	679,204	679,204	-
N/A, FL-2020-057 (FL340151)	1,750,000	-	(53,000)	(53,000)	-
N/A, G0W65	715,461	-	20,062	20,062	-
N/A, G1W86	728,624	-	298,988	298,988	-
N/A, G1X43	225,000	-	225,000	225,000	-
N/A, G1Y02	473,943	-	355,394	355,394	-
N/A, G2A33	3,912,296	-	108,683	108,683	-
Private Partners (Shelters and Vans)	-	39,519	106,748	-	146,267
City of Orlando (LYMO - 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)	-	2,507	1,566	-	4,073
City of Orlando (Electrical Bus)	1,200,824	341,386	672,151	(155,582)	1,169,119
City of Orlando (Parramore Shelters)	90,000	-	90,000	-	90,000
Orange County (Pine Hills SuperStop) Project)	594,000	508,709	85,291	-	594,000
Orange County Capital	1,784,602	49,311	1,784,602	604,586	1,229,327
Osceola County Capital	251,570	-	251,570	251,570	-
Seminole County Capital	227,473	-	227,473	227,473	-
Other Local Capital	-	81,990	-	-	81,990
Total matching grants	\$ 18,789,555	\$ 1,031,390	\$ 4,959,044	2,637,918	\$ 3,352,517
Customer fares and operating assistance				1,709,871	
Contributed capital portion				\$ 928,047	
LOCAL GRANTS AND CONTRACT SERVICES:					
Operating assistance:					
Orange County		\$ -	\$ 52,805,637	\$ 52,805,637	\$ -
City of Orlando		-	3,002,253	4,003,006	(1,000,753)
Seminole County		-	3,979,015	3,979,015	-
Osceola County		-	3,140,671	3,140,671	-
Total nonoperating revenue portion		\$ -	\$ 62,927,576	\$ 63,928,329	\$ (1,000,753)
Contract services:					
Seminole County		\$ -	\$ 5,154,847	\$ 5,154,847	\$ -
Osceola County		-	6,341,949	6,341,949	-
City of Orlando (LYMMO)		(562,947)	2,710,948	2,903,769	(755,768)
City of Altamonte Springs		-	120,900	120,900	-
City of St. Cloud		-	-	-	-
City of Sanford		-	93,000	93,000	-
I-Drive Redevelopment Area		-	1,304,178	1,304,178	-
City of Kissimmee Connector		-	439,401	480,812	(41,411)
Disney		-	345,354	345,354	-
Econ River High School		-	-	-	-
University of Central Florida (UCF)		(11,788)	70,730	70,415	(11,473)
Valencia College		65,323	-	75,000	(9,677)
Seminole State College		17,253	19,784	20,592	16,445
Shingle Creek		(7,117)	47,716	40,599	-
Lake County		-	314,571	314,571	-
Total Local Financial Assistance		(499,277)	16,963,378	17,265,986	(801,885)
Other Contractual Services					
Local - Shuttles		(3,669)	73,559	82,961	(13,071)
State - Transportation Disadvantage		(1,133,136)	4,983,808	4,176,689	(326,017)
Other Contractual Services		-	-	-	-
Total Other Contractual Services		(1,136,805)	5,057,367	4,259,650	(339,088)
Total contract services		\$ (1,636,081)	\$ 22,020,745	\$ 21,525,636	\$ (1,140,972)

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, 2022

STATE GRANTOR PROGRAM TITLE, CONTRACT NO., WPI NO., JOB NO.	State Assistance Listing Number	Program or Award Amount	September 30, 2021 Receivable	Receipts/ Adjustments	Expenditures	September 30, 2022 Receivable
Florida Department of Transportation						
Florida Commission for the Transportation Disadvantaged Trip and Equipment Grant Program						
N/A, G1021	55.001	\$ 5,069,182	\$ 422,348	\$ (422,348)	\$ -	\$ -
N/A, G1Y02	55.001	4,265,483	710,788	(3,909,334)	3,198,546	-
N/A, G2A33	55.001	3,912,293	-	(652,126)	978,143	326,017
		<u>13,246,958</u>	<u>1,133,136</u>	<u>(4,983,808)</u>	<u>4,176,689</u>	<u>326,017</u>
Florida Commission for the Transportation Disadvantaged Planning Grant Pass-Through						
N/A, MPOTD2023	55.002	70,000	-	-	33,445	33,445
		<u>70,000</u>	<u>-</u>	<u>-</u>	<u>33,445</u>	<u>33,445</u>
Public Transit Block Grant Program						
N/A, G1V85	55.010	10,329,240	5,164,620	(5,164,620)	-	-
N/A, G2447	55.010	12,823,048	-	(6,411,524)	12,823,048	6,411,524
		<u>23,152,288</u>	<u>5,164,620</u>	<u>(11,576,144)</u>	<u>12,823,048</u>	<u>6,411,524</u>
Public Transit Service Development Program						
N/A, ARD60	55.012	9,494,629	1,131,051	(1,131,051)	-	-
N/A, G0W65	55.012	715,461	61,648	(81,710)	20,062	-
N/A, G1899	55.012	2,500,000	1,007,217	(1,368,141)	360,924	-
N/A, G2360	55.013	1,815,893	-	(758,208)	1,274,432	516,224
		<u>14,525,983</u>	<u>2,199,916</u>	<u>(3,339,110)</u>	<u>1,655,418</u>	<u>516,224</u>
State Transit: Enhanced Mobility of Seniors and Individuals with Disabilities						
N/A, FL-1001-2020-18-S	55.513	62,687	-	(61,558)	61,558	-
		<u>62,687</u>	<u>-</u>	<u>(61,558)</u>	<u>61,558</u>	<u>-</u>
TOTAL STATE FINANCIAL ASSISTANCE		<u>51,057,916</u>	<u>8,497,672</u>	<u>(19,960,620)</u>	<u>18,750,158</u>	<u>7,287,210</u>
Other State Revenue						
Road Ranger Patrol for Highway Assistance Services						
N/A, BE350	N/A	7,849,856	409,960	(1,098,201)	1,047,726	359,485
Road Ranger Patrol for Highway Assistance Services						
N/A, BEE16	N/A	5,544,000	-	-	420,243	420,243
State Match of Federal Grants						
	N/A	<u>13,393,856</u>	<u>409,960</u>	<u>(1,098,201)</u>	<u>1,467,969</u>	<u>779,728</u>
TOTAL STATE FINANCIAL ASSISTANCE AND OTHER STATE REVENUE		<u>\$ 64,451,772</u>	<u>\$ 8,907,632</u>	<u>\$ (21,058,821)</u>	<u>20,218,127</u>	<u>\$ 8,066,938</u>
CONTRACT SERVICES PORTION					4,271,692	
NONOPERATING REVENUE PORTION					<u>15,523,952</u>	
CONTRIBUTED CAPITAL PORTION					<u>\$ 422,483</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, 2022**

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 2022</u>
FL-2017-001	\$ 17,609,919	\$ 85,120
FL-2017-013	8,209,682	37,948
FL-2017-039	26,103,204	303,058
FL-2018-113	26,116,978	757,986
FL-2019-010	7,106,587	311,285
FL-2019-030	27,293,251	2,372,256
FL-2020-006	27,306,428	792,041
FL-2020-048	617,206	635
FL-2022-040	53,462,283	1,196,527
FL-90-X858	25,317,482	6,124
Total	\$ <u>219,143,020</u>	\$ <u>5,862,980</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 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, 2022, and have issued our report thereon dated February 28, 2023.

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 February 28, 2023.

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
February 28, 2023



**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, 2022. 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, 2022.

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
February 28, 2023

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2022

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

<u>Number</u>	<u>Name of Federal Program</u>
20.500/20.507/ 20.525/20.526	Federal Transit Cluster

CSFA Numbers

Name of State Projects

55.010	Public Transit Block Program
55.013	Transit Corridor Development Program

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

\$ 2,303,670

State

\$ 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, 2022

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, 2022

PRIOR YEAR AUDIT FINDINGS

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



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, 2022, and have issued our report thereon dated February 28, 2023.

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 February 28, 2023, 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 1,031.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal year as 5.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$66,917,451.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$141,726.
- 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. N/A
- 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 \$(4,789,159).

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
February 28, 2023



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, 2022. 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, 2022.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
February 28, 2023



FOR YOUR PROTECTION
THIS BUS WAS SINFECTED