

# LYNX Oversight Committee Agenda

Meeting Date: 4/4/2019  
Meeting Time: 10:30 AM

Central Florida Regional Transportation Authority  
455 N. Garland Ave.  
2nd Floor Open Space  
Orlando, FL 32801

As a courtesy to others, please silence all electronic devices during the meeting.

## 1. Call to Order

## 2. Approval of Committee Minutes



Oversight Committee Minutes 02.28.19

Pg 3








## 3. Public Comments

- Citizens who would like to speak under Public Comments shall submit a request form to the Assistant Secretary prior to the meeting. Forms are available at the door.







## 4. Chief Executive Officer's Report

## 5. Finance & Audit Committee Report



## 6. Committee Consent Agenda Items

- |    |  |       |
|----|--|-------|
| A. |  Authorization for the Interim Chief Executive Officer (ICEO) or Designee to Implement the Workplace Violence and Weapons Policy  | Pg 11 |
|    | -Attachments    |       |
| B. |  Authorization to Update the Productive Harassment-Free Environment Policy to Anti-Harassment and Anti Bullying Policy  | Pg 14 |
|    | -Attachments    |       |
| C. |  Authorization to Purchase One Hundred and Thirty-Four (134) Vanpool Vehicles for Replacement and Expansion Purposes for the Vanpool Program  | Pg 18 |
| D. |  Authorization to Ratify a Grant Application to the U.S Department of Transportation (U.S. DOT) FY19 Competitive Funding Opportunity for an Automated Driving System (ADS) Research and Demonstration Program | Pg 20 |
| E. |  Authorization to Explore a Partnership with the Orlando Utilities Commission for the Electrification of LYNX Vehicles  | Pg 23 |







## 7. Committee Discussion Items

- A.  Federal Transit Administration Paratransit Drug and Alcohol Policy Update Regarding Mears and Lyft Pg 25  
-Attachments 
- B.  Discussion of Reserve Policy Pg 47  
-Attachments 
- C.  FY2020 Operating Budget (Preliminary) Pg 53  
-Attachments 

## 8. Committee Action Items

- A.  Authorization to Approve the Annual Financial Audit and Comprehensive Annual Financial Report (CAFR) for the Year Ended September 30, 2018 Pg 60  
-Attachments 

## 9. Committee Information Items

- A.  Information Item Update on USDOT's Notice of Funding Opportunity for No-Low Grant Submission Pg 159  
-Attachments 
- B.  Introduction to the City of Orlando's Mandatory Commercial Recycling Ordinance and Application to LYNX Pg 162
- C.  Notification of Paratransit Alternative Fuel Vehicle Research Pg 164
- D.  Information Item Status Update on the Computer Aided Dispatch Conversion from Clever Devices to TripSpark Pg 165  
-Attachments 

## 10. Other Business

Section 286.0105, Florida Statutes states that if a person decides to appeal any decision made by a board, agency, or commission with respect to any matter considered at a meeting or hearing, he will need a record of the proceedings, and that, for such purposes, he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans With Disabilities Act of 1990, persons needing a special accommodation at this meeting because of a disability or physical impairment should contact Benjamin Gonzalez at 455 N. Garland Ave, Orlando, FL 32801 (407) 254-6038, not later than three business days prior to the meeting. If hearing impaired, contact LYNX at (407) 423-0787(TDD).

LYNX  
Central Florida Regional Transportation Authority  
Oversight Committee Meeting Minutes

PLACE: LYNX Central Station  
455 N. Garland Avenue  
2<sup>nd</sup> Floor, Open Space Conference Room  
Orlando, FL 32801

DATE: February 28, 2019

TIME: 10:00 a.m.

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Members in Attendance:  
Viviana Janer, Chair, Osceola County  
Lee Constantine, Seminole County  
Jim Harrison, Orange County  
Billy Hattaway, City of Orlando  
Jo Santiago, FDOT

Staff Members in Attendance:  
Edward L. Johnson, Chief Executive Officer  
Tiffany Homler-Hawkins, Chief Administrative Officer  
Bert Francis, Chief Financial Officer  
William Slot, Chief Innovation and Sustainability Officer  
Leonard Antmann, Director of Finance

No Members Absent:

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1. Call to Order

The meeting was called to order at 10:35 a.m.

2. Approval of Minutes

**Pat Christiansen, LYNX's legal counsel recommended that we remove his name under the** Members in Attendance on the agenda and stated he did not mind being added as a member of the staff.

A motion to approve the February 28, 2019 Oversight Committee meeting minutes was made by Jim Harrison and second by Billy Hattaway. Motion carried unanimously.

### 3. Public Comments

No members of the public requested to speak.

### 4. **Chief Executive Officer's Report**

Edward L. Johnson, Chief Executive Officer did not have any comments but reviewed the agenda for the Board Meeting that afternoon.

Pat Christiansen explained that there were several components to the Miscellaneous item vi. under the Consent Agenda on the Authorization to Execute a Right-of-Way Easement Agreement with the City of Orlando and apply for a Petition to Vacate a Cul-de-sac with the City of Orlando for the LYNX Operations Center (LOC) Expansion Facility, along the property that LYNX is building out for their paratransit facility.

**LYNX is vacating the cul-de-sac on the property they own and in return, giving the city a right-of-way agreement for a portion of that since it is a public road. The property to the West is where the CNG fueling facility is and LYNX is in negotiations with No Petro to get an easement over their property to also have another way for vehicles to get from the Paratransit facility down to the main LYNX facility. LYNX is seeking authorization for their general counsel to negotiate that easement agreement and have it signed. This will be explained to the board members in the afternoon meeting. Mr. Christiansen stated that LYNX met with the City of Orlando and they agreed to vacate the cul-de-sac as long as LYNX put in a Hammerhead. McCree redid the draft agreement and it has all been approved by City Transportation.**

### 5. Finance & Audit Committee Report

Amanda Clavijo, Finance and Audit Committee Chairperson addressed the committee with the items that were heard and approved at the Finance and Audit Committee meeting of February 15, 2019.

Ms. Clavijo provided a brief update, stated they heard the same presentations on **today's** agenda for the FY18 Operating results and noted that not all of the costs of the programs were reflected in each of the different programs, one being overhead, which falls under the fixed route analysis. They also reviewed the FY19 First Quarter Operating and the reserve analysis which are both included in **today's** agenda for the Oversight as well. The reserves analysis shows that the reserves are lower than what reserve requirement is for the policy. There still needs to be discussion from LYNX staff as to the direction from moving forward which she believes will be clarified in the Oversight Meeting today. There are some reserve requirements they felt needed to be discussed in detail, some thresholds that might be higher than may be necessary for the agency and will seek feedback from the Oversight Committee and the Board of Directors on that also.

Ms. Clavijo stated she did not think that LYNX was not meeting the reserve requirement and there are two specific items which they spoke about in detail which were compensated absences and the contingency at 5% and whether those thresholds are higher than necessary for the agency.

Ms. Clavijo stated that they also viewed the presentation on the FY20 budget development assumptions which referred to the current FY19 initiatives and how those will carry over to FY20. The Finance and Audit Committee members agreed that the discussion about reserves needed to happen and some decisions made for the FY20 budget development, especially as it relates to the use of reserves in this current fiscal year. They are looking for this discussion at the next committee meeting. They are also seeking the cost of the bus service agreements to ensure LYNX is covering the cost based on the revenue received from all the partners. Under the Action Items, they moved forward with the authorization to execute public transportation grant agreement with FDOT in the amount of \$2.5 million; they also moved forward with the authorization to execute change order number one in the amount of \$800,955 to McCree General Contractors and architects. Also, moved forward the authorization to execute a public transportation grant agreement with FDOT in the amount of \$1.2 million for fare boxes. This item was moved forward, but requested LYNX staff to provide information regarding where the matching funds were going to come from. They also moved forward with the authorization to issue an invitation for a bid for the construction of the Rosemont transfer center.

Chair Janer asked Mr. Johnson for clarification on the \$1.2 million match.

Mr. Bert Francis, the Chief Financial Officer explained that both grants required a 50-50 match and that LYNX is going to use the two dollar capital funds. They may do a bit more on the carry over funds to make sure there is enough, or may have to use just LYNX dollars for \$50,000 or a \$100,000 to balance the match.

Chair Janer requested that information to the next board meeting and stated the \$1.2 million grant is definitely worth it.

#### 6. Committee Consent Agenda Items:

- A. Authorization to Release a Request for Proposal (RFP) for Midlife Bus Overhaul and Refurbishment Services

Billy Hattaway moved to approve, and Jim Harrison second. Motion passed unanimously.

- B. **Authorization to Ratify the Purchase Price of the 40' Low Floor CNG Powered Bus for an Amount Not to Exceed \$25,000.**

Billy Hattaway moved to approve, and Jim Harrison second. Motion passed unanimously.

#### 7. Committee Discussion Item

## A. Recap of the FY2018 Operating Results

Bert Francis, Chief Financial Officer presented a detailed power point. Mr. Francis reviewed each column and stated that although there were some unfavorable items that occurred in 2018, he will be providing a more detailed presentation on FY18 at the next meeting which will include the CAFR report.

## B. Recap of the FY2019 1st Quarter Operating Results. Bert Francis, Chief Financial Officer presented

Mr. Francis, Chief Financial Officer stated that we are right there in the budget for the first quarter of FY19. We budgeted about \$33 million in revenue, and we are at about \$32,400. The advertising revenue already is about \$500,000 over budget, which is very good. We budgeted \$6.5 for the purchase transportation, and we are at \$6.6. If that continues to hold, we will be very close to what we're going to be for the budget.

Mr. Francis explained that the fixed route is also looking a little bit better than budget.

We had budgeted utilizing \$800,000 from the reserves, and we are currently \$800,000 to the good, about \$61.6 million to the difference. The first-quarter results are looking very encouraging.

## C. Discussion of Reserve Analysis Presentation

Bert Francis, Chief Financial Officer presented his power point on the reserve analysis. He defined reserves and the cash balance and the excess cash over the 45 day requirement.

He said that the policy states that we “*should*” have a contingency up to 5%, it doesn’t say we “*shall*” have a contingency. Perhaps this needs to be re-evaluated. We have operations of 45 days and maybe \$17.5 million is suffice.

Another item that was discussed in depth was the compensated absences. Operators are required to take 40 hours by the end of the calendar year, but they can buy back some of the time. This is already in the budget, the buyback may be an additional item. There's \$10 million in play between a contingency and the compensated absence. This also requires further review.

## D. Presentation on FY2020 Budget Development Assumptions

There was discussion on going back to the funding model. Mr. Francis explained that the funding model is basically a way that LYNX allocates all these cost to the funding partners. In the past, it been 3.5%. If they go back on the funding model, then they allocate all the expenses based on the service hours. Mr. Francis was seeking direction and asked if there was any discrepancy there because that is the first basics when they begin creating the model.

Customer fares for FY19 are currently holding and there is no discussion on fare increase.

Mr. Francis said that the big item is the federal funding on preventative maintenance. The board currently had a policy of \$6.7 million that they felt comfortable utilizing federal preventive maintenance to balance the budget on the operating side. In the last couple of years we've upped that amount to 9.7. He stated he understood Chairman Janer's concerns but had good news regarding some FDOT funds that he would talk about later.

Mr. Francis is seeking input on how the county is working their budgets and what percentage increase they are providing their staff so that we can be consistent.

#### E. Recap of the FY2019 Bus Service Agreements

Bert Francis, Chief Financial Officer, provided the committee members with an overview of the funding partner fees, and non-funding partner fees. There was discussion on Polk and Lake Counties and why they also get the benefit of the fare box revenue.

Mr. Francis said that somewhere in the minute's years past, the board had approved that Lake and Polk should be handled like a Funding partner.

Chair Janer said she'd like to take a look at those outside services (Lake County, Polk County and Econ River and all others) that are not within our jurisdiction that we're funding, and see if they are carrying an adequate share. She requested taking a deeper dive.

Commissioner Constantine requested that LYNX come up with the history and bring that to the next committee meeting.

#### F. Mobility Management Update

Mr. William Slot, Chief Innovation and Sustainability Officer provided a presentation on the Federal Transit Administration's Drug and Alcohol Audit Policy.

LYNX underwent a drug and alcohol policy audit in late January. We received the initial auditor's understanding and looking at our utilization of the TNC's in the exit interview, the audit team discussed it with us on February 1<sup>st</sup> about what they believed that determination would be. The final audit addendum was given to us on the 14<sup>th</sup> that confirmed FTA's determination for the drug and alcohol policy for our TNC Partners. The next day we immediately notified Mears and Lyft and submitted a formal notification to this Board on the 19<sup>th</sup> in regard to that communication.

Lyft has had several conversations with us. They believe they still comply under the taxicab exemption. They did not ask to speak with FTA or move forward. Tomorrow we are going to send them a notification stating that they've missed two compliance dates and for them to respond back to us in writing if they intend to comply by March 15. If not, our operations team will notify all passengers that may be impacted by that change. There is roughly 50 to 100 trips a day of which will be assigned to Mears, MV or Owl Transportation. Those are three remaining providers.

Mears has pulled together policies. They have 120 drivers already signed up for the policy

change and have been a very effective partner on this. They are responsible for about 15,000 trips a month within our system today.

8. Committee Action Items:

A. Authorization to Issue an Invitation for Bid (IFB) for the Construction of the Rosemont Transfer Center.

Jeff Reine, Senior Project Manager for Engineering and Construction for the Planning Division provided a presentation of the Rosemont Transfer Station. Mr. Reine reflects back to 2000 when the Neighborhood Stabilization study identified a need for a Super Stop and the existing facility was constructed in 2003.

LYNX has been working with Lake Orlando Homeowners Association since 2015 to address their concerns. They have involved the neighborhood community, as well as riders.

The final letter of determination was to keep the Super Stop at its current location, and based on that conclusion, from October through January it went from conceptual design to final design. There are still some questions on safety and security of which LYNX has committed to address those concerns.

LYNX proposal for Rosemont Improvements:

- To keep it within the existing right-of-way
- Taking sidewalk from 5 to 8 feet
- 11 feet bus lane and 10 feet travel lanes
- Going from 1 street light to 3, partnering with OUC
- Expand bus platform to 8 feet and adding additional wayfinding and signage
- CCTV with live feed
- Adding trash receptacles
- Adding bike racks
- Going from four shelters to 10 shelters
- Additional seating
- Two high emphasis crosswalks with appropriate lit signage for the crosswalks

Mr. Johnson stated he met with Commissioner Vargo a couple of weeks ago and she expressed an interest in the cantilever style shelter which is longer than a common shelter and more lighting for security purposed. Commissioner Vargo still has a major concern for safety and has inquired about additional security. That facility operates 18-19 hours a day and having added security for that duration will be very expensive.

Billy Hattaway said Ms. Vargo has also reached out to the City of Orlando and he wants to ensure that we are working together to address these concerns.

Billy Hattaway moved to approve, and Jim Harrison second. Motion passed unanimously.



- B. Authorization to Execute a Public Transportation Grant Agreement with the Florida Department of Transportation in the Amount of \$1.2 Million for Fare boxes

Bert Francis, Chief Financial Officer presented and **stated that this one and the next item are additional grant dollars that LYNX worked with FDOT to secure. Mr. Francis requested approval from the board to execute the agreement.**

Billy Hattaway moved to approve, and Jim Harrison second. Motion passed unanimously.

- C. Authorization to Execute a Public Transportation Grant Agreement with the Florida Department of Transportation in the amount of \$2.5 Million for the LOC Construction.

Bert Francis, Chief Financial Officer **said this was the same situation as item B.**

Billy Hattaway moved to approve, and Jim Harrison second. Motion passed unanimously.

- D. Authorization to Execute Change Order #1 in the Amount of \$800,955 to McCree General Contractors & Architects, Inc. for the LOC Expansion Project

Bert Francis, Chief Financial Officer presented this item to the committee. He stated that **LYNX and FDOT have secured a 2.5 million dollar grant for the LOC expansion project. LYNX had budgeted \$4.2 million of their FTA funds for the LOC expansion project. This grant requires a local match, by using the two dollar capital to match the funds, it will free up funds they had in FTA for the expansion project. LYNX can use federal preventative maintenance dollars if they wish. LYNX had FTA money in there because they had already started on some of the design. There is approximately \$400,000 from FDOT. That gives LYNX a project budget of about \$5.4 million.**

**No changes can be made after signing the Public Transportation Agreement. LYNX has been working with them to utilize the \$2.5 million dollar grant to its full potential. This change order would give LYNX about a \$660,000 contingency in the project. Funds can be used for additional items as the project moves forward. Mr. Christiansen is working on a contract with them.**

Billy Hattaway moved to approve, and Jim Harrison second. Motion passed unanimously.

## 9. Other Business

No other business was reported

The meeting adjourned at 12:16 p.m.

Certification of Minutes:

I certify that the foregoing minutes of the February 28, 2019 Oversight Committee meeting are true and correct, approved by the Oversight Committee.

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Assistant

# LYNX Oversight Committee Agenda

## Oversight Committee Consent Agenda Item #6.A.

**To:** LYNX Oversight Committee

**From:** Albert Francis  
Chief Financial Officer  
Terri Settingington  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6058

**Item Name:** Request for Proposal (RFP)  
Authorization for the Interim Chief Executive Officer (ICEO) or Designee  
to Implement the Workplace Violence and Weapons Policy

**Date:** 4/4/2019

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### **ACTION REQUESTED:**

Authorization for the Interim Chief Executive Officer (ICEO) or designee to implement the Workplace Violence and Weapons Policy.

### **BACKGROUND:**

The Authority strives to maintain a safe productive work environment that is free from violence and/or the threat of violence. This commitment is extended to our employees, vendors, customers and visitors. Threats or acts of violence against Authority property or the property of any employee, vendor, customer or visitor will be taken seriously and not tolerated.

Currently the Authority does not have a policy regarding workplace violence and weapons. This is a new policy.



Weapons are not permitted on company property at any time, except as permitted by Florida law. The term “weapon” includes a gun, knife, or any other instrument which may inflict bodily injury. Employees may bring a legally owned firearm into the Authority parking lot, so long as the employee leaves the firearm in their personal vehicle. The vehicle must remain locked at all times and the firearm must not be visible from outside of the vehicle. Possession of firearms elsewhere on Authority property or possession of any other type of weapon is prohibited at all times. This prohibition applies regardless of whether an employee has a valid Florida concealed weapon license/permit.



Any person who makes substantial threats, exhibits threatening behavior, engages in violent acts, or other such unacceptable behavior on Authority property shall be removed from the premises as quickly as safety permits and shall remain off the premises pending the outcome of an investigation.

All Authority personnel are responsible for notifying a supervisor/manager of any threats that they have witnessed, received, or have been told that another person has witnessed or received. Even without an actual threat, employees should also alert appropriate individuals to any behavior they have witnessed which they regard as threatening or violent, when that behavior is job-related or might be carried out on an Authority-controlled site, or is connected to Authority employment.

Employees are responsible for making this report regardless of the nature of the relationship between the individual who initiated the threat or threatening behavior and the person(s) who were threatened or were the focus of the threatening behavior. The supervisor/manager is required to notify the head of Human Resources of all employee security concerns.

If an investigation substantiates that violations of this policy have occurred, the Authority will initiate a decisive and appropriate response. This response may include, but is not limited to, suspension and/or termination of any business relationship, reassignment of job duties, suspension or termination of employment, and/or seeking the arrest or prosecution of the person or persons involved. Where appropriate, the Authority will report the transfer, sale, or use of weapons or dangerous instruments to the local law enforcement authorities.

# LYNX Oversight Committee Agenda

## Oversight Committee Consent Agenda Item #6.B.

**To:** LYNX Oversight Committee

**From:** Albert Francis  
Chief Financial Officer  
Terri Setterington  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6058

**Item Name:** Authorization to Update the Productive Harassment-Free Environment Policy to Anti-Harassment and Anti Bullying Policy

**Date:** 4/4/2019

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### **ACTION REQUESTED:**

Authorization for the Interim Chief Executive Officer (ICEO) or designee to update the Productive Harassment-Free Environment policy to Anti-Harassment and Anti-Bullying policy. The purpose is to update the general guidelines and procedures in handling situations that may fall under this category and to comply with provisions under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, and the Americans with Disabilities Act of 1990. This policy will also address the topic of bullying in the workplace.

### **BACKGROUND:**

The Productive Harassment-Free Environment Policy was effective April 16, 2009. The purpose of the Anti- Harassment and Anti Bullying Policy is to update the general guidelines and procedures of this policy as well as to address the topic of bullying in the workplace.

Harassment is a form of employment discrimination that violates Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, and the Americans with Disabilities Act of 1990.

Harassment is unwelcome conduct that is based on race, color, age, national origin, religion, sexual orientation, sex (including pregnancy, childbirth, or related medical conditions), gender identity or gender expression, military or veteran status, physical or mental disability, genetic information, or status. LYNX is committed to providing an environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment and bullying. Workplace harassment costs businesses millions of dollars every year through poor employee morale, reduced productivity and costly lawsuits. It is critical for employers to create a harassment free environment for its employees and create a zero-tolerance policy.

## HUMAN RESOURCES POLICY/PROCEDURE

**OFFICE OF PRIMARY RESPONSIBILITY:**

## Human Resources

**EFFECTIVE DATE:**

**April 16, 2009**

**Revision Date: April 25, 2019**

**Replaces: Productive Harassment-Free Environment Policy**

**SUBJECT: Anti-Harassment and Anti-Bullying Policy**

Approved By \_\_\_\_\_

**James E. Harrison, Esq., P.E.**

**Interim Chief Executive Officer, LYNX**

**OBJECTIVE:**

The Central Florida Regional Transportation Authority (hereinafter “Authority”) was created by Part III, Chapter 343, Florida Statutes, to own, operate, maintain and manage a public transportation system in the areas of Seminole, Orange, Osceola Counties, and to adopt such policies as may be necessary to govern the operating of a public transportation system and public transportation facilities. The Chief Executive Officer is authorized to establish and administer such policies. Therefore, it is necessary to establish an Anti-Harassment and Anti-Bullying Policy.

**SCOPE:**

This policy applies to all employees of the Authority.

**AUTHORITY:**

Authority for this policy and procedure are as follows:

- Florida Statutes, Title XXVI, Chapter 343, Part III
- Administrative Rule 2, Board Governance (By Laws), Rule 2.6 Policies and Procedures
- Administrative Rule 3, Human Resources
- Title VII of the Civil Rights Act of 1964

**POLICY:**

The Authority will not tolerate unlawful discrimination or harassment in the workplace. In connection with this policy, The Authority expressly prohibits any form of unlawful discrimination and harassment based on race, color, age, national origin, religion, sexual orientation, sex (including pregnancy, childbirth, or related medical conditions), gender identity or gender expression, military or veteran status, physical or mental disability, genetic information, or status in any group protected by state or local law. Improper conduct, including the conduct of visitors, contractors, customers and any interference with the ability of employees to perform their expected job duties is not tolerated.

Harassment includes unwelcome verbal, visual or physical conduct creating an intimidating, offensive, or hostile environment. Examples of harassment include verbal (including slurs, jokes, insults, epithets, gestures or teasing), graphic (including offensive posters, symbols, cartoons, drawings, computer displays, or e-mails), or physical conduct (including physically threaten another, blocking someone's way) that denigrates or shows hostility or aversion towards an individual because of any protected

characteristic. Such conduct constitutes harassment when: 1) it has the purpose or effect of creating an intimidating, hostile, or offensive working environment; or 2) it has the purpose or effect of unreasonably interfering with an individual's work performance; or 3) it otherwise adversely affects an individual's employment.

With respect to sexual harassment, the Authority prohibits the following conduct which includes, but is not limited to:

- Unwelcome sexual advances, requests for sexual favors, and all other verbal or physical conduct of a sexual or otherwise offensive nature, especially where:
  - Submission to such conduct is made either explicitly or implicitly a term or condition of employment;
  - Submission to or rejection of such conduct could be used as the basis for decisions affecting an individual's employment; or
  - Such conduct has the purpose or effect of creating an intimidating, hostile, or offensive working environment.
- Offensive comments, jokes, innuendoes, and other sexually oriented statements.

Examples of the types of conduct expressly prohibited by this policy include, but are not limited to, the following:

- Touching, such as rubbing or massaging someone's neck or shoulders, stroking someone's hair, or brushing against another's body
- Sexually suggestive touching
- Grabbing, groping, kissing, or fondling
- Violating someone's "personal space"
- Whistling
- Lewd, off-color, sexually oriented comments or jokes
- Foul or obscene language
- Leering, staring, or stalking
- Suggestive or sexually explicit posters, calendars, photographs, graffiti, or cartoons
- Unwanted or offensive letters or poems
- Sitting or gesturing sexually
- Offensive e-mail, voice-mail, or text messages
- Sexually oriented or explicit remarks, including written or oral references to sexual conduct
- Gossip regarding one's sex life, body, sexual activities, deficiencies, or prowess
- Questions about one's sex life or experiences
- Repeated requests for dates
- Sexual favors in return for employment rewards (actual or potential), or threats if sexual favors are not provided
- Sexual assault or rape
- Abusive or malicious conduct that a reasonable person would find hostile, offensive, and unrelated to the Authority's legitimate business interests
- Any other conduct or behavior deemed inappropriate by the Authority

#### **REPORTING DISCRIMINATION AND HARASSMENT:**

It is the responsibility of the Authority and each employee to create an atmosphere free of discrimination and harassment. In addition, it is the responsibility of each employee to respect the rights of his or her co-workers. If an employee experiences or observes any hostile conduct or harassing behavior, or believes that he/she has been treated in an unlawful discriminatory manner, because of race, color, age, national origin, religion, sexual orientation, sex (including pregnancy, childbirth, or related medical conditions),





gender identity or gender expression, military or veteran status, physical or mental disability, genetic information, or status in any group protected by applicable federal, state or local law, he/she must immediately report the matter (orally or in writing) to their supervisor/manager, EEO Officer/ Manager of Compliance or to Human Resources. Upon receipt of a complaint, the Authority will undertake a prompt and thorough investigation of the allegations. Confidentiality will be maintained concerning the allegations and the investigation to the extent possible, and particularly when it is determined by the Authority that any of the following factors are present:

- Witnesses needing protection;
- Evidence is in danger of being destroyed;
- Testimony is in danger of being fabricated; or
- There is a need for confidentiality in order to prevent a cover up.

Employees who fail to cooperate with an investigation conducted pursuant to this policy, or who breach confidentiality resulting in a threat to the integrity of the investigation, may be subject to disciplinary action up to and including termination.

If the investigation establishes that an individual has engaged in harassing, discriminatory, or other wrongful or inappropriate conduct, disciplinary action, up to and including termination, will be taken against the offending employee.

**BULLYING:**

Bullying is unwelcome or unreasonable behavior that demeans, intimidates or humiliates people either as individuals or as a group. Bullying behavior is often persistent and part of a pattern, but it can also occur as a single incident. It is usually carried out by an individual but can also be an aspect of group behavior. The Authority considers workplace bullying unacceptable and will not tolerate it in any circumstances. The Authority will investigate workplace bullying. Any employee who feels he or she has been victimized by bullying is encouraged to report the matter to his or her supervisor/manager or to Human Resources. Any report of workplace bullying will be treated seriously and investigated promptly, as confidentially as possible, and impartially.

**RETALIATION:**

The Authority prohibits retaliation against those who make a good faith complaint pursuant to this policy.

# LYNX Oversight Committee Agenda

## Oversight Committee Consent Agenda Item #6.C.

**To:** LYNX Oversight Committee

**From:** **Tiffany Homler Hawkins**  
Chief Administrative Officer  
**Matthew Friedman**  
(Technical Contact)  
**Janet Amador**  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6064

**Item Name:** **Request for Proposal (RFP)**  
**Authorization to Purchase One Hundred and Thirty-Four (134) Vanpool Vehicles for Replacement and Expansion Purposes for the Vanpool Program**

**Date:** 4/4/2019

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### **ACTION REQUESTED:**

Staff is requesting the Board of Directors' authorization for the Interim Chief Executive Officer (ICEO) or designee to purchase fifty-two (52) vanpool vehicles for replacement and eighty-two (82) for expansion purposes for the vanpool program, in the amount of \$3,684,841. The vehicles will be purchased from the State bid list.

### **BACKGROUND:**

The LYNX vanpool program was developed to provide another option for the Central Florida community commuting to work. LYNX currently has one hundred ninety-four (194) vehicles in its vanpool fleet. LYNX purchases commuter vans with funds granted by the Federal Transit Administration (FTA) and contracts an outside vendor, Enterprise, to provide fleet management services.

Enterprise Holdings manages the fleet including, billing and collection of monthly vanpool fees, providing insurance and maintenance, compiling monthly and annual NTD reports, supplying emergency road-side assistance and replacement vehicles for vans in need of repair.

The program has fifty-two (52) vanpool vehicles that have or will exceed their retirement mileage in FY2019. Historically, LYNX vanpool groups have experienced low turnover and the program continues to generate interest from employers and individual commuters. Due to the high interest in the program, and requests from multiple employers to start a vanpool program, an additional eighty-two (82) vans will be needed for expansion. These expansion vans will be

# LYNX Oversight mmittee Agenda

used to support region connectivity and the continued growth of the program through outreach and community awareness.

LYNX is looking to purchase:

<b>Vanpool Vehicles</b>	<b>Unit Cost</b>	<b>Replacement</b>	<b>Expansion</b>	<b>Total Cost</b>
7 Passenger Vans	\$26,981	31	62	\$2,509,233
10 Passenger Vans	\$26,978	10	10	\$539,560
15 Passenger Vans	\$30,288	11	10	\$636,048
<b>Total Vehicles</b>		52	82	\$3,684,841

## **FISCAL IMPACT:**

LYNX staff included \$3,709,110 in the FY2019 Adopted Capital Budget for replacement and expansion for vanpool vehicles. There are no encumbrances against these line items.

# LYNX Oversight Committee Agenda

## Oversight Committee Consent Agenda Item #6.D.

**To:** LYNX Oversight Committee

**From:** **Tiffany Homler Hawkins**  
Chief Administrative Officer  
**Belinda Balleras**  
(Technical Contact)  
**Kenneth Jamison**  
(Technical Contact)  
**Prahallad Vijayvargiya**  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6064

**Item Name:** Authorization to Ratify a Grant Application to the U.S Department of Transportation (U.S. DOT) FY19 Competitive Funding Opportunity for an Automated Driving System (ADS) Research and Demonstration Program

**Date:** 4/4/2019

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### **ACTION REQUESTED:**

Staff is requesting the Board of Directors' authorization for the Interim Chief Executive Officer (ICEO) or designee to ratify a grant application to the U.S. Department of Transportation (U.S. DOT) for the FY19 Competitive Funding Opportunity for Automated Driving System (ADS) Demonstration Grants.

LYNX requested \$8,699,390 under the Notice of Funding Opportunity from the US Department of Transportation for "Automated Driving System (ADS) Demonstration Grants" for the overall project duration of four (4) years, and additional 5 years for data sharing.

The project is called **BANANA** (Bus Automation Needs for Accessibility and Nimble Adoption) involves the application of advanced automated driving system integration, test track deployment, fixed route circulator bus deployment and big data analytics to demonstrate the safety integration of Automated Driving System (ADS) into public transportation while also addressing the unique public transit's obligation under the Americans with Disabilities Act (ADA).

### **BACKGROUND:**

On December 21, 2018, U.S. DOT released a Notice of Funding Opportunity (NOFO) and availability of \$60 million of Fiscal Year 2019 funds under the ADS Program. Grant applications were due March 21, 2019. ADS provides funding for demonstration projects that test the safe integration of automated driving systems into the Nation's on-road transportation

# LYNX Oversight Committee Agenda

system. This grant aims to gather significant safety data to inform rulemaking, foster collaboration amongst state and local government and private partners, and test the safe integration of ADS on our nation's roads.

Each demonstration must focus on the research and development of automation and ADS technology with a preference for demonstration Level 3 or greater automation technologies, physical demonstration, gathering and sharing of all relevant and required data with the U.S. DOT throughout the project, include input/output user interfaces on the ADS and related applications that are accessible and allow users with varied abilities, and the demonstration can be scaled to be applicable across the nation to outreach task of technical exchange and knowledge transfer.

ADS applications will be evaluated based on the following:

- Technologies associated with ADS
- Advanced communication systems supporting safety and/or mobility, including vehicle-to vehicle and vehicle-to infrastructure interoperable communications that benefit ADS integration.
- Innovative mobility solutions that involve deployment of automated vehicles
- ADS that enhances safety and mobility for older adults and travelers with disabilities
- Demonstration of shared interoperable fleet of automated vehicles
- Demonstration and validation of exchanges of data that can support and potentially accelerate the safety, efficient, and secure interoperable integration of ADS. Support the development of candidate system architecture content and the identification of, where needed, the development of voluntary consensus standards that can support large-scale. Nationwide or global interoperable integration of ADS technologies into the on-road transportation system.

LYNX submitted an ADS project named BANANA in partnership with leading electric bus manufacturers Proterra and EasyMile, City of Orlando, Orlando Utilities Commission (OUC), University of Central Florida, Sun Trax and Sun Store Data Storage. The vision of this project is to demonstrate initial prototype systems that maximize the accessibility of public transit automated vehicles for riders of varying abilities. Solutions will be demonstrated that are designed to meet the needs of the disabled community and replicable to other. This meets the intent of the Americans with Disabilities Act, to remove barriers and enable disabled users to use the services available to other users without creating systems that segregate or cause disabled users to stand out.

All eligible expenses under the ADS Program are attributable to compliance with the Highway Research & Development Act. The maximum Federal participation is 100 percent. Match will not be required in this grant application however cost share is encouraged and will be scored higher. For this application, in-kind match was provided by Proterra, EasyMile and the Orlando Utilities Commission in the total amount of \$4,225,805

# LYNX Oversight Cmmittee Agenda

## **FISCAL IMPACT:**

LYNX staff will include the award for this program in the appropriate LYNX fiscal year budget upon confirmation of award and securing the local match.

# LYNX Oversight Committee Agenda

## Oversight Committee Consent Agenda Item #6.E.

**To:** LYNX Oversight Committee

**From:** William Slot  
Chief Innovation Sustain Off  
James Fetzer  
(Technical Contact)  
Kenneth Jamison  
(Technical Contact)  
Julia James  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6146

**Item Name:** Authorization to Explore a Partnership with the Orlando Utilities  
Commission for the Electrification of LYNX Vehicles

**Date:** 4/4/2019

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### **ACTION REQUESTED:**

Staff is requesting the Board of Directors' authorization for the Interim Chief Executive Officer (ICEO) or designee to explore a partnership with the Orlando Utilities Commission for the electrification of LYNX vehicles.

### **BACKGROUND:**

LYNX is working on multiple projects that may result in the future acquisition of vehicles with electrical propulsion. These vehicles would enable LYNX to provide sustainable and environmentally friendly transportation services in support of initiatives by our funding partners.

The 2018 Community Action Plan is a 5 year roadmap that was approved by the Orlando City Council which includes a commitment to transition the LYMMO service to an all-electric, zero-emissions fleet. LYNX is also working on the Concept of Operations for the future introduction of automated vehicles into transit services, with the understanding that these vehicles would be electric powered. Staff is requesting authorization at the April 2019 Board of Directors' meeting to submit a grant application to the Federal Transit Administration for competitive funding for electric buses and charging equipment and for ratification of a grant application to the U.S. Department of Transportation for competitive funding for Automated Driving System research and demonstration of an electric automated vehicle.

LYNX staff are also exploring the potential for the procurement of at least one electric fixed route bus and two electric shuttle style vehicles for use in the NeighborLink service. Staff

# LYNX Oversight Committee Agenda

intends to request Board of Directors' authorization at a future meeting to allow procurement of these vehicles during calendar year 2019.

Staff is requesting authorization to explore a partnership with OUC that would potentially allow LYNX to procure electric vehicles with OUC procuring the batteries for the vehicles and required charging infrastructure. LYNX would pay OUC for the use of the batteries and the charging infrastructure during their useful life as part of the agency utility bill. OUC would replace the batteries once their use for transit vehicle usage begins to diminish. This partnership would allow LYNX to focus on the vehicles and provision of transit services while working with the expertise of the OUC on electrification and charging infrastructure.

Staff will explore this potential partnership for electrification of up to four vehicles if authorized by the Board of Directors and will bring any resulting agreements to the Board for authorization.

## **FISCAL IMPACT:**

LYNX staff will include the award for this program in the appropriate LYNX fiscal year budget upon confirmation of award and securing the local match.



# LYNX Oversight Committee Agenda

## Oversight Committee Discussion Item #7.A.

**To:** LYNX Oversight Committee

**From:** William Slot  
Chief Innovation Sustain Off  
Selita Stubbs  
(Technical Contact)  
Tellis Chandler  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6146

**Item Name:** Federal Transit Administration Paratransit Drug and Alcohol Policy  
Update Regarding Mears and Lyft

**Date:** 4/4/2019

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LYNX staff will present an update on the Federal Transit Administration Paratransit Drug and Alcohol Policy Update regarding Mears and Lyft.

# Mobility Management

## Paratransit Overview

03/28/2019

# FTA Drug & Alcohol Determination Update

## Use of TNCs in Paratransit operations

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This notice pertains to item 3 on page 6 of the FTA Drug and Alcohol Compliance Auditing Program's Final Audit Report dated February 1, 2019. After reviewing information provided by LYNX in response to that finding, FTA has determined that the **curb-to-curb service provided by LYNX ACCESS is covered** by FTA's drug and alcohol testing regulation.

Accordingly, **Lyft and Mears Transportation (Mears)**, the two contractors LYNX uses to provide the curb-to-curb service, **must each promptly develop a drug and alcohol testing program** for their FTA-covered employees. These programs must comply with the requirements of 49 CFR Part 40 (DOT's drug and alcohol testing regulation) and with 49 CFR Part 655 (the modal regulation specific to FTA). As part of this effort, the auditors suggest Lyft and Mears staff make use of whatever resources are available to them at LYNX, as well as FTA's policy builder and other drug and alcohol resources available at: <https://transit-safety.fta.dot.gov/DrugAndAlcohol/Tools/Default.aspx>

# Scenarios



## Potential impacts to Passengers, Operations, and Cost to service

Scenario	1. LOW Little or No passenger impact	2. MEDIUM 25% of Trips Move from 3 months from TNC to Shared Ride	3. HIGH 50% of Trips move from TNC to Shared Ride
Description	Less than 150 trips per day are allocated to different carriers	Less than 350 trips per day are allocated to different carriers. This scenario accounts for ramp up time for Mears to get its driver population into compliance.	Less than 550 trips per day are allocated to different carriers. This scenario assumes that Lyft and Mears can not ramp up to meet needed passenger demand and OWL and MV.
Passenger Impact	Passengers accustom to curb to curb service and individual transport <b>with Lyft</b> will either receive a curb to curb service with Mears or a shared ride with OWL or MV.	Passengers accustom to curb to curb service and individual transport <b>with Lyft and Mears</b> will receive a shared ride with OWL or MV.	Passengers accustom to individual transport will have a <b>higher potential of a shared ride</b> trip.
Operations Impact	<ul style="list-style-type: none"> <li>Develop / Execute a communication plan for community partners and passengers</li> <li>Discontinue service with non-compliant carrier(s)</li> <li>Develop communication materials for Mobility Services Representatives (MSRs)</li> </ul>		
Financial Impact (Annualized Trip Cost)	\$150K	\$360K	\$2.1M

Individual phone calls and formal letters to 55 passengers  
Per FTA deadline discontinued LYFT service 3/15/2019  
Completed and Trained MSR prior to phone calls

Scenario 1 occurred

# Board Questions

January 2019 Board Meeting Follow-up

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## Mobility Management - Call Center Operations

1. Provide an analysis of staffing levels prior to and after the call center consolidation in 2017.
2. Provide an analysis of passenger experience with TNC providers.

# Mobility Management – Call Center Operations



Provide an analysis of staffing levels prior to and after the call center consolidation in 2017.

1

## Highlights

- Of the initial 19 MV representatives; 15 representatives were staffed at BOY FY19
- Customer Service staff is cross trained to support all LYNX call center operations.

Row Labels	FY16 Act	FY17 Act	FY18 Act	FY19 Act	FY19 Budget	(Feb- FY19) Actuals To Date
Mobility Management	35	34	34	50	64	58
Customer Service	25	24	25	40	52	47
Paratransit	9	9	8	8	9	8
Office of Mobility Mgmt	1	1	1	2	3	3
Grand Total	35	34	34	50	64	58
Year over Year growth				16	14	8

\* LCS Terminal Customer Service in FY19 – 7 Headcount

# Mobility Management – Call Center Operations



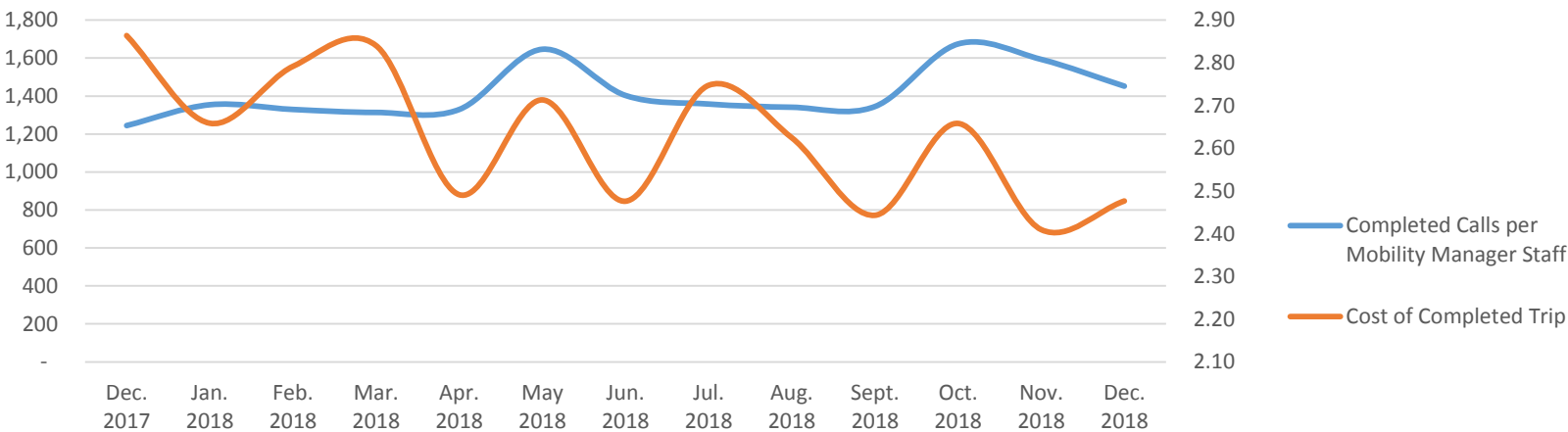
Provide an analysis of staffing levels prior to and after the call center consolidation in 2017.

1

## Highlights

- Completed Calls per MSR: Trips handled per representative helps understand training effectiveness
- Cost of Completed Trip: Call Center Labor cost / completed trip is declining

(NOTE: currently reviewing salaries for call center team)



\* This analysis utilizes direct labor cost (ST and OT)

# Mobility Management – Call Center Operations



Provide an analysis of passenger experience with TNC providers.

2

AccessLynx - Provider Concern Summary

## Highlights

- Steady decline in passenger concerns
- New providers are showing steady improvement in Passenger Experience
- Overall Concerns / Scheduled Trips Ratio **.08%**

Concerns	TOTAL	OWL	MEARS	LYFT	MV
Sep-18	129	24	6	1	98
Oct-18	162	43	14	2	103
Nov-18	87	13	4	0	70
Dec-18	90	15	8	1	66
Jan-19	53	11	0	0	42

Scheduled Trips	TOTAL	OWL	MEARS	LYFT	MV
Sep-18	57,665	5,194	11,979	975	39,517
Oct-18	71,500	6,060	17,749	1,283	46,408
Nov-18	67,148	6,216	14,237	1,205	45,490
Dec-18	64,042	6,520	11,848	1,090	44,584
Jan-19	67,840	5,693	16,694	1,103	44,350

Concerns / Trip Ratio	TOTAL	OWL	MEARS	LYFT	MV
Sep-18	0.22%	0.46%	0.05%	0.10%	0.25%
Oct-18	0.23%	0.71%	0.08%	0.16%	0.22%
Nov-18	0.13%	0.21%	0.03%	0.00%	0.15%
Dec-18	0.14%	0.23%	0.07%	0.09%	0.15%
Jan-19	0.08%	0.19%	0.00%	0.00%	0.09%

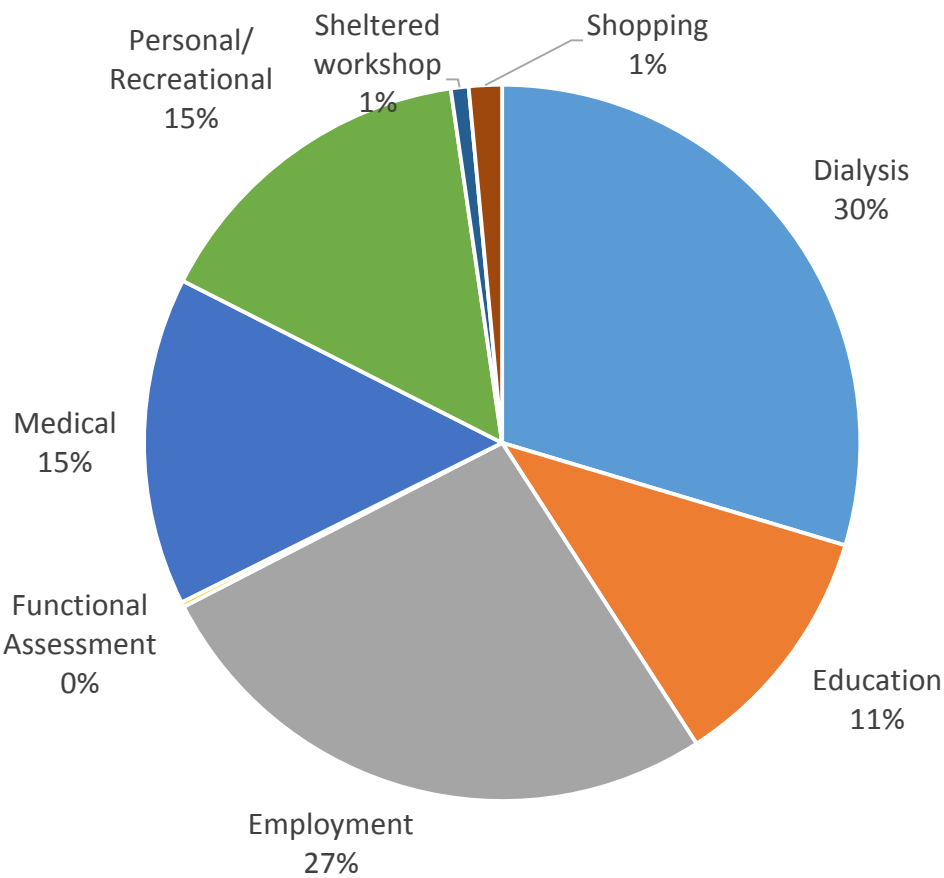


# Executive Summary

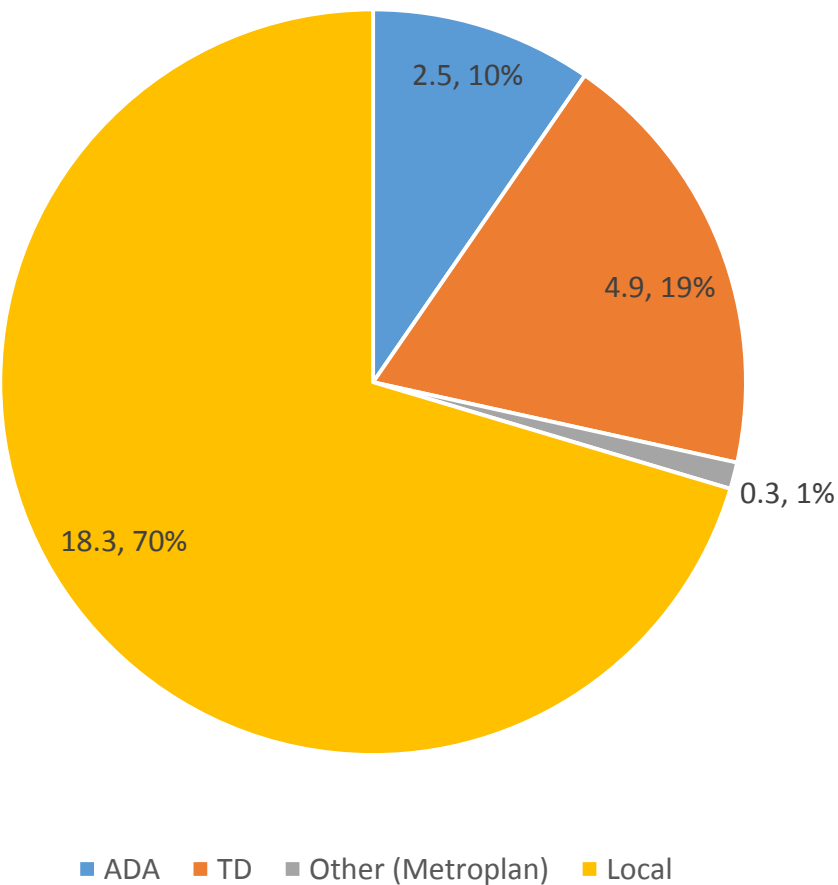


Provide an overview of the Mobility Management Services at LYNX with a focus on paratransit.

+55,000 Trips Per Month



Annual Spend \$M



# Paratransit Service

## General Guidelines



The Americans with Disabilities Act (ADA) requires public transit agencies that provide fixed-route service to provide **“complementary paratransit”** service to **people with disabilities** who **cannot use the fixed-route bus** or rail service **because of a disability**. The ADA regulations specifically define a population of customers who are entitled to this service as a **civil right**. The regulations also define minimum service characteristics that must be met for this service to be considered equivalent to the fixed-route service it is intended to complement.

### Service Characteristics

- “Complimentary” (similar) to fixed route
- Origin and destination within  $\frac{3}{4}$  mile of fixed route station or stop during period when bus operates
- For people who would ride the fixed route bus but are prevented from doing so by a disability
- Must be provided to all eligible riders (not constrained) if requested the previous day
- Can negotiate trip times, but no more than an hour before on an hour after the requested time

The Transportation Disadvantaged program allows LYNX to also offer Paratransit service to individuals who fall outside of ADA requirements including senior citizens and those who cannot provide for their own transportation.

\* LYNX guidelines differs from the general guideline



🐾 As of December 1, 2017 – LYNX offered new alternative modes of transportation:

Traditional Paratransit, Taxi, Transportation Network Companies (TNC)

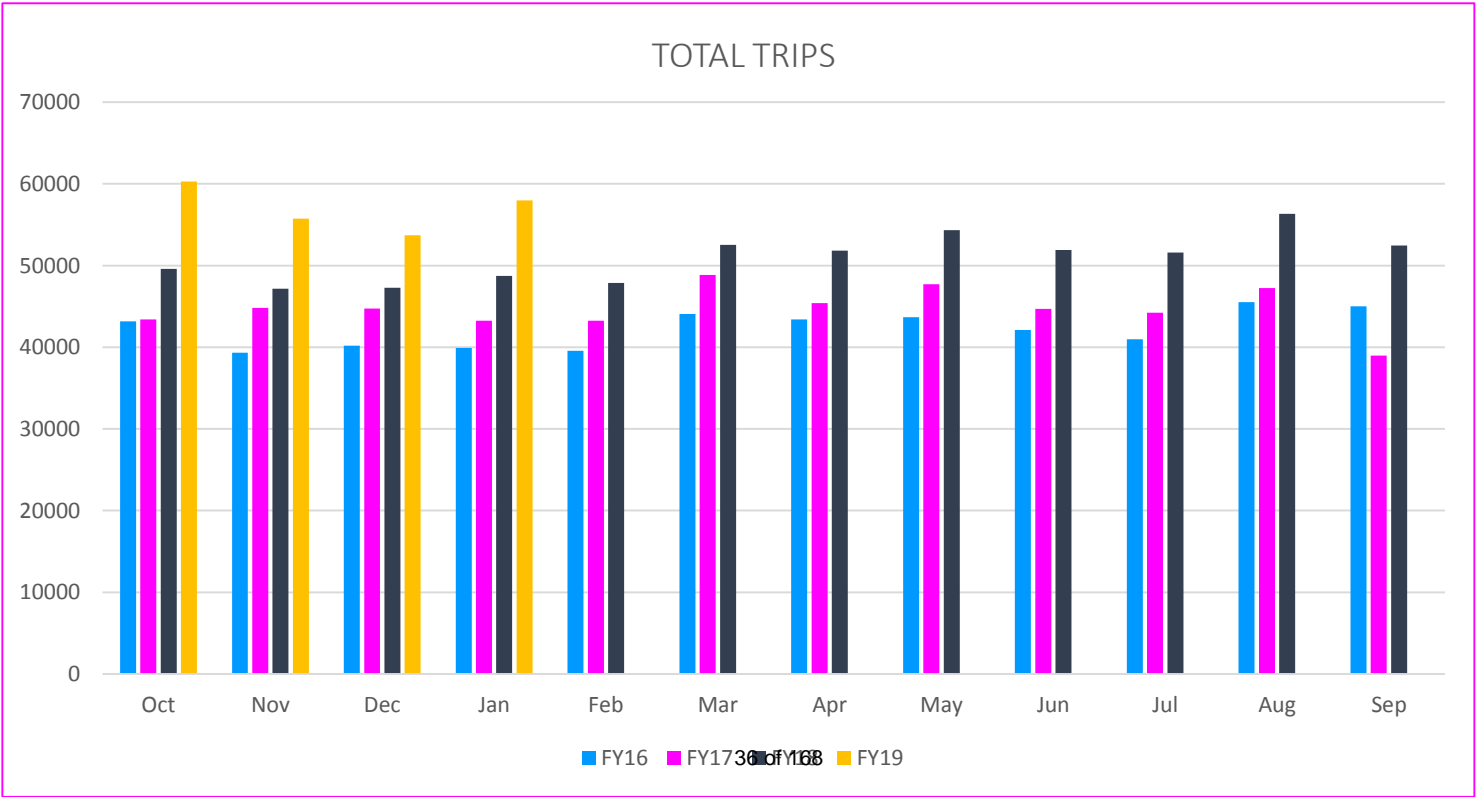
Eligibility	Customer Call Center	Travel Training	TNC / Taxi
Application Process	Reservations	Customer Training – Fixed Route System	Dispatching
Functional Assessment	Arrival / Departure Information		Post Reconciliation
	Trip Planning		
	Customer Relations		

# Current Landscape

## Mobility Management – Paratransit Overview



Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY16	43,159	39,350	40,198	39,918	39,548	44,091	43,411	43,699	42,095	40,962	45,505	44,993
FY17	43,393	44,809	43,452	44,724	43,249	48,846	45,415	47,692	44,683	44,214	47,235	38,976
FY18	49,614	47,154	47,288	48,748	47,855	52,544	51,837	54,331	51,915	51,600	56,323	52,442
FY19	60,272	55,758	53,722	57,992								



# Current Landscape

## Mobility Management – Paratransit Overview

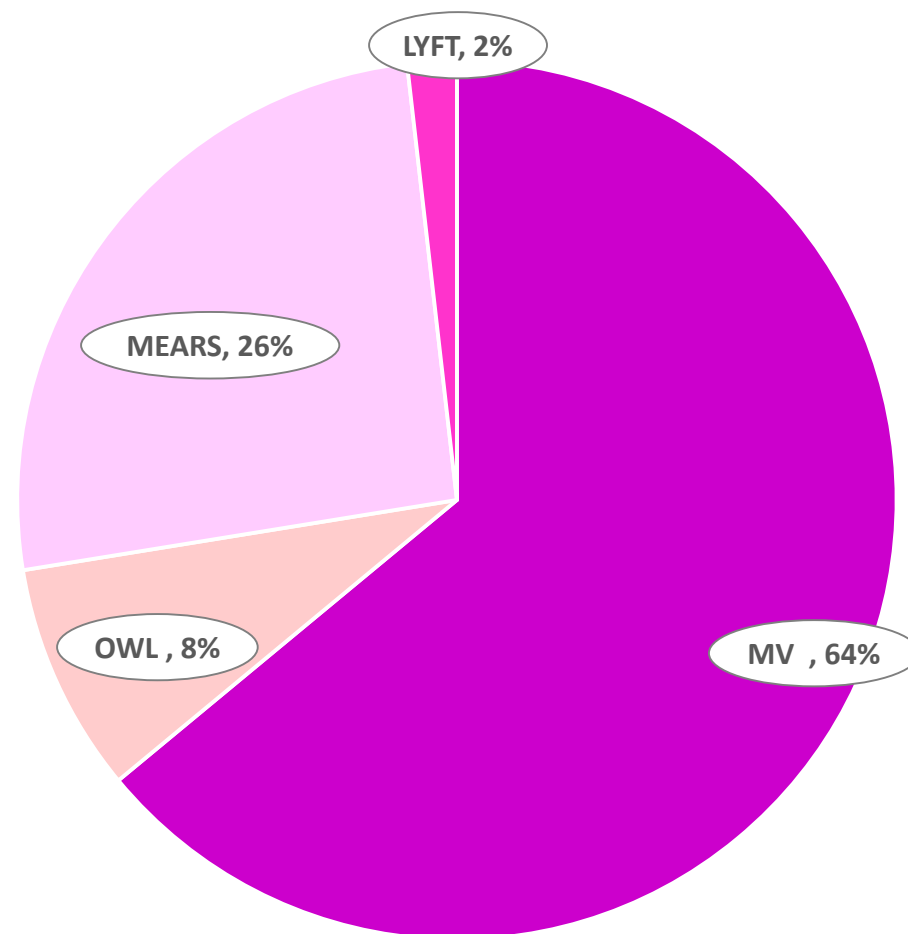


MV = 37,109

MEARS = 14,928

LYFT = 1,051

OWL = 4,904



# Current Landscape

## Mobility Management – Paratransit Overview



### • Scheduled - Lyft

Month	Ambulatory	Wheelchair	Total
October	1,174	0	1,174
November	1,205	0	1,205
December	1,090	0	1,090
January	1,103	0	1,103
FY 19 Year to Date total:			4,572

### • Completed Trips - Lyft

Month	Ambulatory	Wheelchair	Total
October	1,234	0	1,234
November	1,158	0	1,158
December	1,046	0	1,046
January	1,051	0	1,051
FY 19 Year to Date total:			4,489

### • Scheduled - OWL

Month	Ambulatory	Wheelchair	Total
October	4,313	1,400	5,713
November	4,711	1,505	6,216
December	4,822	1,698	6,520
January	4,342	1,351	5,693
FY 19 Year to date total:			24,142

### • Completed Trips - OWL

Month	Ambulatory	Wheelchair	Total
October	3,738	1,128	4,866
November	3,759	1,170	4,929
December	3,882	1,300	5,182
January	3,733	1,171	4,904
FY 19 Year to Date Total:			19,881

# Current Landscape

## Mobility Management – Paratransit Overview



### • Scheduled - Mears

Month	Ambulatory	Wheelchair	Total
October	16,623	0	16,623
November	14,237	0	14,237
December	11,848	0	11,848
January	16,694	0	16,694
FY 19 Year to Date Total:			59,402

### • Completed Trips - Mears

Month	Ambulatory	Wheelchair	Total
October	15,888	2	15,890
November	12,511	19	12,530
December	10,460	7	10,467
January	14,914	14	14,928
FY19 Year to Date Total:			53,815

### • Scheduled - MV

Month	Ambulatory	Wheelchair	Total
October	28,980	17,258	46,238
November	28,357	17,133	45,490
December	27,570	17,014	44,584
January	26,628	17,722	44,350
FY 19 Year to Date Total:			180,662

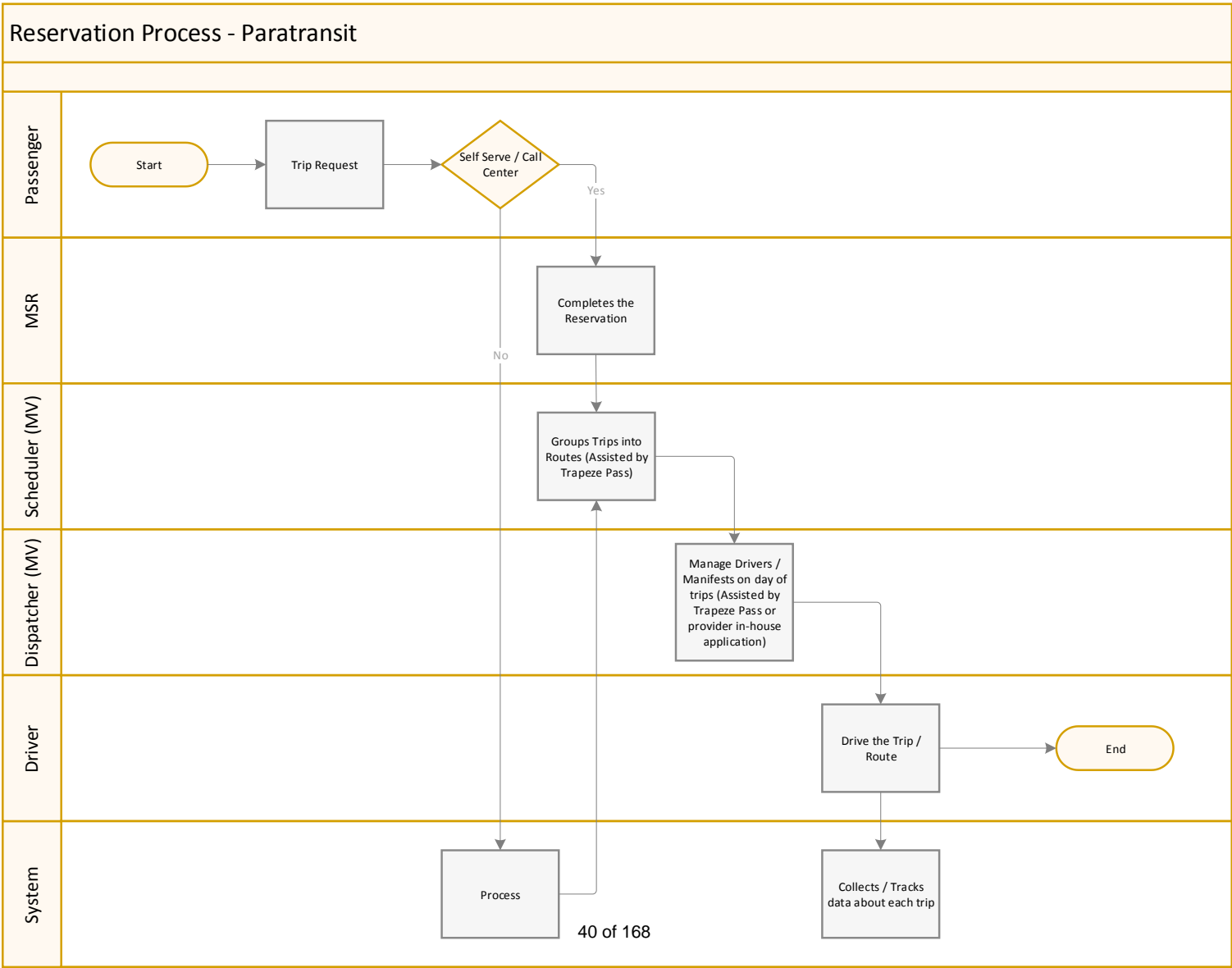
### • Completed Trips - MV

Month	Ambulatory	Wheelchair	Total
October	23,527	14,757	38,284
November	23,245	13,964	37,209
December	22,981	14,046	37,027
January	22,412	14,697	37,109
FY19 Year to Date Total:			149,629

# Current Landscape



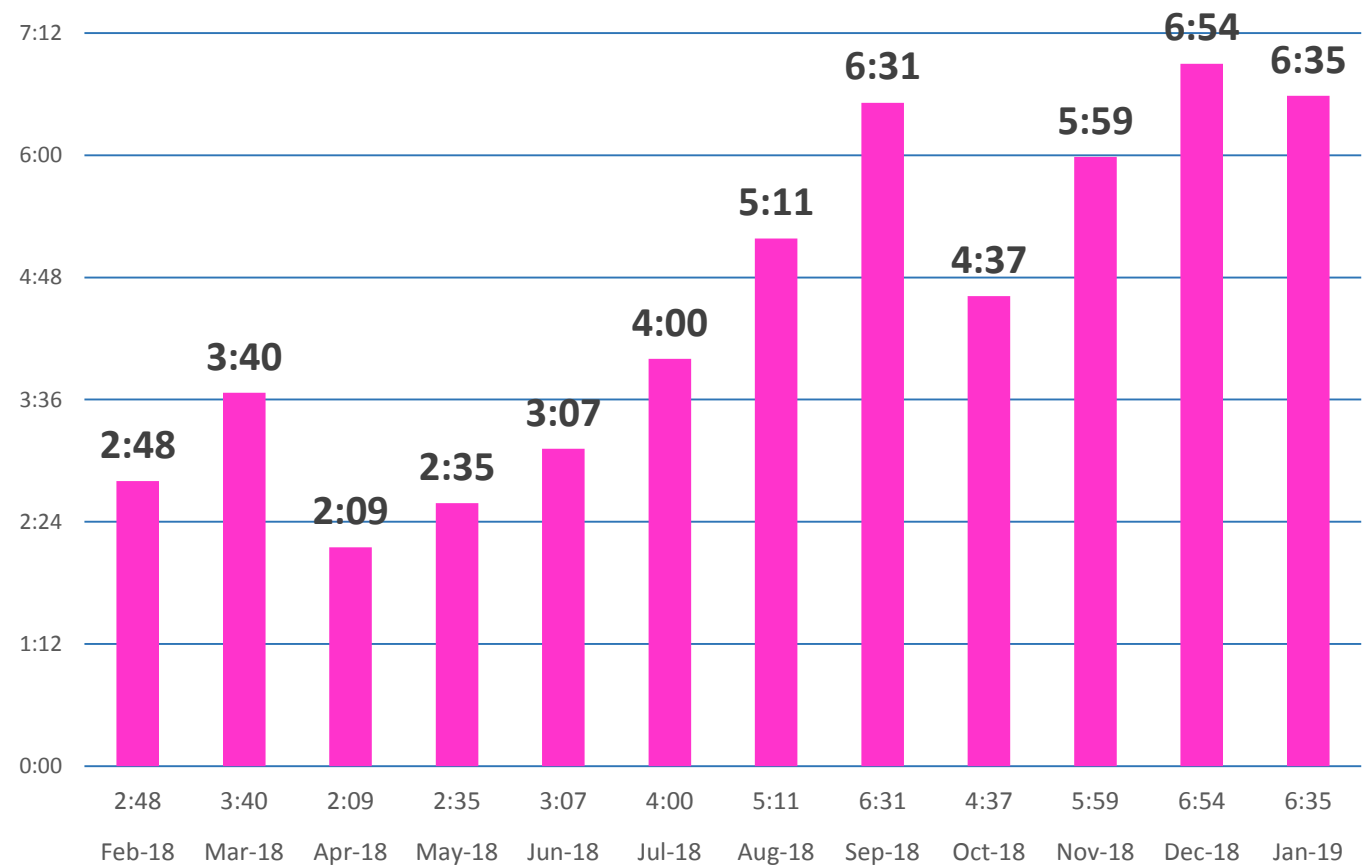
## Mobility Management – Paratransit Overview – Reservation Process





# Current Landscape

## Mobility Management – Paratransit Overview – Call Center Operations



Call Hold Times	Volume
Week 1 = 5:33	calls answered 11,847
Week 2 = 4:25	calls answered 12,298
Week 3 =	calls answered
Week 4 =	calls answered
Week 5 =	calls answered

# Current Landscape



## Mobility Management – Paratransit Overview – No Shows

- Mobility Services Supervisors – Review & validation of “no show” reports for month of December
- Currently validating January No Shows

	November	December	January
TOTAL:	5,377	4,543	3,635
Cancel at Door	23	22	23
Cancel Late	1,355	1,054	937
No Show	3,999	3,467	2,675

**Note: Data retrieved from Trapeze PASS - January pending validation**

# Current Landscape



## Mobility Management – Paratransit Overview – Eligible Customers

Program	October	November	December	January
ADA – New	213	274	228	160
TD – New	107	112	88	108
Sub-Total	320	386	316	268
ADA – ReCert	278	260	339	212
TD – ReCert	36	57	62	50
Sub-Total	314	317	401	262
TOTAL:	634	703	717	530

January - Pending Functional Assessment	119
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# Program Activities

## Mobility Management

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- Eligibility Applications
- Updating procedures
- Sensitive Safety Information (SSI) Committee
- LOC Expansion Project
- Triennial Review
- TDSP Annual Update
- Notification received of AOR System changes
- TNC Drug & Alcohol Audit Update
- Coordinating Agency Annual Inspections
- LYNX Staff will be participating in MetroPlan's FHWA(Federal Highway Administration) Certification Review on March 5, 2019

# Current Landscape

## Mobility Management – Fleet Maintenance



Mobility Management Fleet	Vehicle Maintenance Procedure
175 Paratransit Vehicles	All Vehicles serviced daily (Sweep, Mop and Fuel)
24 NeighborLink Vehicles	All Vehicles Pre and Post Trip Inspections performed before and upon return to yard.
199 Total Vehicles in Service	All Vehicles are scheduled for PM Service every 5,000 miles
	Vehicle Oversight Inspections conducted every quarter

# Current Fleet Utilization

## Metrics



Metric	Value
Average # of Passengers	1.1
Complaints per 100K miles of service	7.7
Missed / Late Trips / month	<10%
No Show % / month	<10%
On Time Performance	93%
Average trip distance	15 miles
* This fleet is classified Emergency Support Function (ESF #1)	

# LYNX Oversight Committee Agenda

## Oversight Committee Discussion Item #7.B.

**To:** LYNX Oversight Committee

**From:** Albert Francis  
Chief Financial Officer  
Leonard Antmann  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6058

**Item Name:** Discussion of Reserve Policy

**Date:** 4/4/2019

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### **ACTION REQUESTED:**

LYNX Staff will provide a presentation on Reserve Analysis.



Central Florida Regional Transportation Authority  
Policies and Procedures

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**Policy:** Reserve Policy

**Issuing Dept:** Finance

**Effective Date:** January 31, 2013

**Approved By:**

  
\_\_\_\_\_  
**John M. Lewis, Jr.**  
**Chief Executive Officer**

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**SCOPE**

To document the reserve policy which applies to the LYNX reserves in order to formalize the process and appropriately address the establishment and use of reserves. LYNX' Reserve Policy is based on sound fiscal principles designed to allow LYNX to maintain continuation of operations in adverse conditions. The LYNX Board realizes that it is essential for governments to maintain adequate levels of reserves to mitigate current and future risks such as revenue shortfalls, emergencies, natural disasters, and unanticipated expenditures.

**SUMMARY**

The Reserve Policy is essential to maintain adequate levels of reserves to mitigate current and future risks and is based on sound fiscal principles. LYNX' Reserves categories are as follows:

- **Reserves for Operations (Cash Reserves)** to be used for short term cash flow purposes.
- **Reserves for Contingency (Emergencies)** to be used in the case of a major storm or other unforeseen disasters.
- **Reserves for Capital Funds and Debt Service** to fund the future infrastructure pertaining to items and/or projects included in the annual capital budget.
- **Reserves for Self-Insurance Programs** to ensure financial viability for Workers Compensation and General Liability Claims
- **Reserves for Fuel Stabilization** to eliminate some of the pricing volatility and provided budget stabilization in combination with a fuel hedging program.

**AUTHORITY:**

Board of Directors





**Central Florida Regional Transportation Authority  
Policies and Procedures**

**OBJECTIVE:** To create a Reserve Fund Policy.

**POLICY:** This Reserve Fund Policy applies to reserves of the Central Florida Regional Transportation Authority ("LYNX" or "Authority").

**RULE:** Administrative Rule 12

**WHEREAS,** the LYNX Board of Directors realize that it is essential for LYNX to maintain adequate levels of reserves to mitigate current and future risks such as revenue shortfalls, natural disasters, unanticipated expenditures, and to ensure stable customer fares; and

**WHEREAS,** LYNX' reserve policies are based on sound fiscal principles designed to allow LYNX to maintain continuity of operations in adverse conditions while being mindful of our fiduciary responsibility to Federal, State, and local funding partners; and

**WHEREAS,** LYNX realizes that adequate reserve fund balance levels are an essential component of LYNX' overall financial management strategy and a key factor in external agencies' measurement of LYNX' financial strength; and

**WHEREAS,** the Government Finance Officers Association of the United States and Canada (GFOA) recommends a minimum general fund reserve of no less than five to fifteen percent of operating revenues, or no less than one to two months of regular operating expenditures; and

**WHEREAS,** LYNX lies within a central zone susceptible to hurricane and storm damage; and

**WHEREAS,** there exists uncertainty in the economic markets around the world, especially in regards to the cost of fuel, taxes, personnel costs, medical insurance costs, and general inflation; and

**WHEREAS,** LYNX' facilities and fleet require increasing repair and replacement; and

**WHEREAS,** LYNX wishes to mitigate other forms of uncertainty such as:

- Unanticipated changes in taxes and spending policies of federal, state, and county governments;
- Imposition of mandates by federal, state, and county governments or the courts;
- Financial impacts of labor agreements, particularly those stemming from collective bargaining;
- Financial impacts of workers compensation, general liability, and medical claims;
- Unforeseen increases in energy and fuel costs; and



**Central Florida Regional Transportation Authority  
Policies and Procedures**

**WHEREAS**, clarification is needed as to the amounts to be set forth in each reserve fund balance, reserves, stabilization funds, and rainy day funds, are all used interchangeably, thus leading to misinterpretations.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LYNX, AS FOLLOWS:**

**SECTION 1.** The LYNX Board of Directors hereby establishes the following Reserves Fund Policy, pursuant to this Rule and as set forth below. The use of such reserves must be approved by the LYNX Board of Directors.

**SECTION 2. Enterprise Fund**

The components of the Enterprise Fund Reserves are the following:

**1. Reserves for Operations (Cash Reserves)**

This Reserve Fund should maintain a reserve of forty-five to sixty days of regular operating expenditures, or fifteen to twenty percent of regular operating expenditures, and can be used for short term cash flow purposes, or to ensure adequate resources for operating purposes at the beginning of the LYNX fiscal year. The cash reserve also helps to protect LYNX in the event it must respond to a natural or man-made disaster. This reserve may also be used to fund one-time capital outlay.

**2. Reserves for Contingency (Emergencies)**

This Reserve Fund should maintain a contingency reserve at a not to exceed 5% of the total LYNX annual budget. The contingency is commonly known as the emergency reserve to be used in the case of a major storm or other unforeseen disaster. The contingency reserve may also be use to cover unanticipated expenditures of a non-recurring nature, to meet unexpected immediate increases in service delivery costs, and to temporarily maintain service levels in the event that an economic downturn should cause a shortfall in revenues.

**3. Reserve for Capital Funds and Debt Service**

In the event that the Operating Reserve balance exceeds the amount set forth in this policy, the excess will be transferred to Reserves for Capital. The goal of this Reserve will be to fund future infrastructure that are included in LYNX' annual capital budget. To the extent LYNX is required to maintain any debt service reserves as a part of any loan covenants, this Reserve for Capital could also be used to meet those requirements.





## Central Florida Regional Transportation Authority Policies and Procedures

### 4. Reserve for Self-Insurance Programs

#### A. Workers Compensation and General Liability Claims

LYNX should maintain, in regard to workers compensation and general liability claims, a reserve equal to 80% to 90% undiscounted confidence level of the annual actuarial study. Risk management programs include workers compensation, bus and auto liability, general liability, and property claims. Due to the nature of workers compensation claims, i.e. extended time frames and uncertainty regarding resolution, the actuary must develop recommended reserves for the fund based on percentage levels of confidence. Because of the inherent risk of catastrophic losses associated with the operation of vehicles, a conservative approach should be taken when establishing the amount of reserves. LYNX holds to the conservative side of the recommendations, 80%. In addition, should a claim be made against LYNX that is identified subsequent to the actuarial report and prior to the issuance of the Comprehensive Annual Financial Report that is financially material to the fund and highly likely to succeed, additional monies should be added to these reserves to provide adequate funds in reserve. Insurance and safety industry best practices will be employed to militate against these risks.

#### B. Medical Benefit Claims

Recent history has shown that medical costs for LYNX are escalating at a rate beyond normal growth. The reserve for Medical Benefits Claims should be maintained in accordance with the annual actuarial analysis to ensure financial viability. The State of Florida reserve for self-insured plans is two months (or 16.67%) of projected claims. LYNX should establish a reserve to assist in offsetting the increasing cost of health insurance, with the reserve to be funded via reserving excess revenues to meet the minimum of two months of projected claims. LYNX will procure an actuarial study annually and will take a conservative approach when establishing the amount of reserves required.

### 5. Reserves for Fuel Stabilization

In 2011, LYNX establish a fuel hedging program to curtail some of the extreme volatility experienced in the price of fuel. The hedging program is not meant to "out-guess" the market for fuel, but rather is an attempt to eliminate some of the pricing volatility and provided budget stabilization. In addition to this hedging program, LYNX should establish a Fuel Stabilization Reserve to provide LYNX, and ultimately our funding partners, some assurance of price and funding stability, as it pertains to the costs of fuel. The reserve will be funded via reserving excess revenues and generally be equal to \$1,000,000.

### 6. Compensated Absence Reserve

The liability for Compensated Absences (payments to employees who retire or leave LYNX for accumulated benefits) will be fully funded on a current basis unless deemed



Central Florida Regional Transportation Authority  
Policies and Procedures

impractical or unavailable for accounting reasons by the Chief Executive Officer or designee.

7. **Replenishment of Reserves Balance**

If the reserves are less than the amounts per this Policy, the Chief Executive Officer or designee shall submit a plan to the Board for expenditure reductions and/or revenue increases. The Board shall review and amend the plan as a part of the annual budget review.

All corresponding calculations and interpretation of calculations of a definitive nature will be determined by the Chief Executive Officer or designee.

The policy will be reviewed internally every three years or when deemed necessary by the Finance Department for the possibility of amendments to be presented to the Board.

**PASSED AND DULY ADOPTED BY THE BOARD OF DIRECTORS OF LYNX,**  
this 31<sup>st</sup> day of January, 2013.

**BOARD OF DIRECTORS OF LYNX**

By: \_\_\_\_\_

Chairman

**ATTEST:**

By: \_\_\_\_\_

# LYNX Oversight Committee Agenda

## Oversight Committee Discussion Item #7.C.

**To:** LYNX Oversight Committee

**From:** Albert Francis  
Chief Financial Officer  
Leonard Antmann  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6058

**Item Name:** FY2020 Operating Budget (Preliminary)

**Date:** 4/4/2019

---

### **ACTION REQUESTED:**

LYNX Staff will provide an overview of the FY2020 Operating Budget (Preliminary).

# FY2020 Operating Budget (Preliminary)

---

Presented to the  
LYNX Finance & Audit Committee  
by Bert Francis  
Chief Financial Officer  
March 28, 2019



# Key Budget Assumptions - Overall



- **FY2020 Funding based on the adopted LYNX Funding Model.**
- **Maximize current service levels through continuation of ongoing efficiencies.**
- **Utilization of Reserve Funds?**

# Key Budget Assumptions - Revenue



## **Customer Fares:**

- Maintain customer fares at current levels.

## **Federal Funding:**

- Maintain current Preventative Maintenance Funding Level, pending approval by LYNX Board. \$9,794,752.

## **State Funding:**

- Continue to maximize State Operating Assistance.

## **Advertising Revenue:**

- Continue to maximize Advertising Revenue.

## **Other Revenues:**

- Maximize anticipated Compressed Natural Gas Rebates and Royalties.
- Identify additional investment opportunities to maximize Interest Income.



# Key Budget Assumptions - Expense



## **Personnel Expenses:**

- Salary increases consistent with Funding Partners and Board approved Union Labor Agreements.
- Continue to monitor the self-funded Health Insurance Program to identify efficiencies.
- Pursue rebates on prescription drugs to offset Program expense.

## **Fixed Route, Paratransit, and NeighborLink Services:**

- Continue right sizing transit through Mobility Management Model.
- Continue focus on improving customer service.
- Continue increase in trip volume for Paratransit activity

## **Fuel Programs:**

- Continuation of Fuel Programs, as appropriate:
  - Fuel Hedging
  - Bio-diesel
  - Compressed Natural Gas

# Other Initiatives



## Technology:

- Customer service enhancements:
  - Continue to refine existing customer facing programs.
  - Utilize new budget system.
  - Utilize new tracking system for Risk Management.

## Facility Relocation and Improvements:

- Relocation of Paratransit operations from LB McLeod to NoPetro Land site.
  - Bring all operations into the same vicinity.
  - Move fleet, parking, fueling depot, and customer service to future facility on NoPetro land.
  - Buildout of Pine Hills Superstop.
  - Upgrade of security camera system.

# Budget Calendar



FY2020 Key Budget Assumptions Presentation to Finance & Audit Committee	February 15
FY2020 Key Budget Assumptions Presentation to Oversight Committee	February 28
FY2020 Preliminary Operating Budget Presentation to Finance & Audit Committee	March 28
FY2020 Preliminary Operating Budget Presentation to Oversight Committee	April 4
Budget Presentation Osceola & Orange Counties	June/July
Budget Presentation Seminole County	August
FY2020 Proposed Operating Budget Presentation to Finance & Audit Committee	September 12
Final Oversight Committee and Board Action	September 26
FY2020 Commences	October 1



# LYNX Oversight Committee Agenda

## Oversight Committee Action Item #8.A.

**To:** LYNX Oversight Committee

**From:** Albert Francis  
Chief Financial Officer  
Leonard Antmann  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6058

**Item Name:** Authorization to Approve the Annual Financial Audit and Comprehensive Annual Financial Report (CAFR) for the Year Ended September 30, 2018

**Date:** 4/4/2019

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In accordance with Chapter 218.39, Florida Statutes, LYNX is required to have an annual financial audit performed by an independent certified public accountant.

The Single Audit Act Amendments of 1996 require state or local governments that receive at least \$750,000 in Federal financial assistance in a year to have an independent audit conducted for that year in accordance with the Office of Management and Budget (OMB) Circular A-133. The State of Florida recently enacted similar legislation, the Florida single Audit Act, related to audits of State financial assistance. Pursuant to these Acts, LYNX' independent certified public accountants, Cherry Bekaert LLP, have conducted the audit for the fiscal year ended September 30, 2018.

The auditors have issued an unmodified "clean" opinion on both financial and compliance audits. The auditor's Management Letter Comments and Management's Responses are included as a separate document accompanying the annual financial report. See attached copy.

An unbound copy of the CAFR, which includes the audit report of Cherry Bekaert LLP is attached for your review.

# Comprehensive Annual Financial Report

For Years Ended

September 30, 2018 and 2017



**LYNX**®

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

of the

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

FOR YEARS ENDED  
SEPTEMBER 30, 2018 AND 2017

**PREPARED BY THE FINANCE DEPARTMENT**

Albert J. Francis II, CPA, Chief Financial Officer  
Leonard Antmann, Director of Finance



## LYNX® BOARD OF DIRECTORS



**Chair**  
**Lee Constantine**  
SEMINOLE COUNTY  
COMMISSIONER



**Vice-Chair**  
**Buddy Dyer**  
MAYOR  
OF ORLANDO



**Secretary**  
**Mike Shannon**  
FDOT DISTRICT 5  
SECRETARY



**Teresa Jacobs**  
ORANGE COUNTY  
MAYOR



**Viviana Janer**  
OSCEOLA COUNTY  
COMMISSIONER

## LYNX® EXECUTIVE MANAGEMENT



**Edward L. Johnson**  
CHIEF EXECUTIVE  
OFFICER



**Albert J. Francis II, CPA**  
CHIEF FINANCIAL  
OFFICER



**Tiffany Homler**  
CHIEF ADMINISTRATIVE  
OFFICER



**Thomas Stringer**  
CHIEF OPERATIONS  
OFFICER



**William John Slot**  
CHIEF INNOVATION &  
SUSTAINABILITY  
OFFICER



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

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


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

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## BOARD OF DIRECTORS

Commissioner Lee Constantine	<b>Chairman, Seminole County</b>
Commissioner Viviana Janer	<b>Vice-Chairman, Osceola County</b>
Mayor Teresa Jacobs	<b>Board Member, Orange County</b>
Mayor Buddy Dyer	<b>Board Member, City of Orlando</b>
FDOT District 5 Secretary, Mike Shannon	<b>Board Member, FDOT</b>

## LYNX EXECUTIVE STAFF

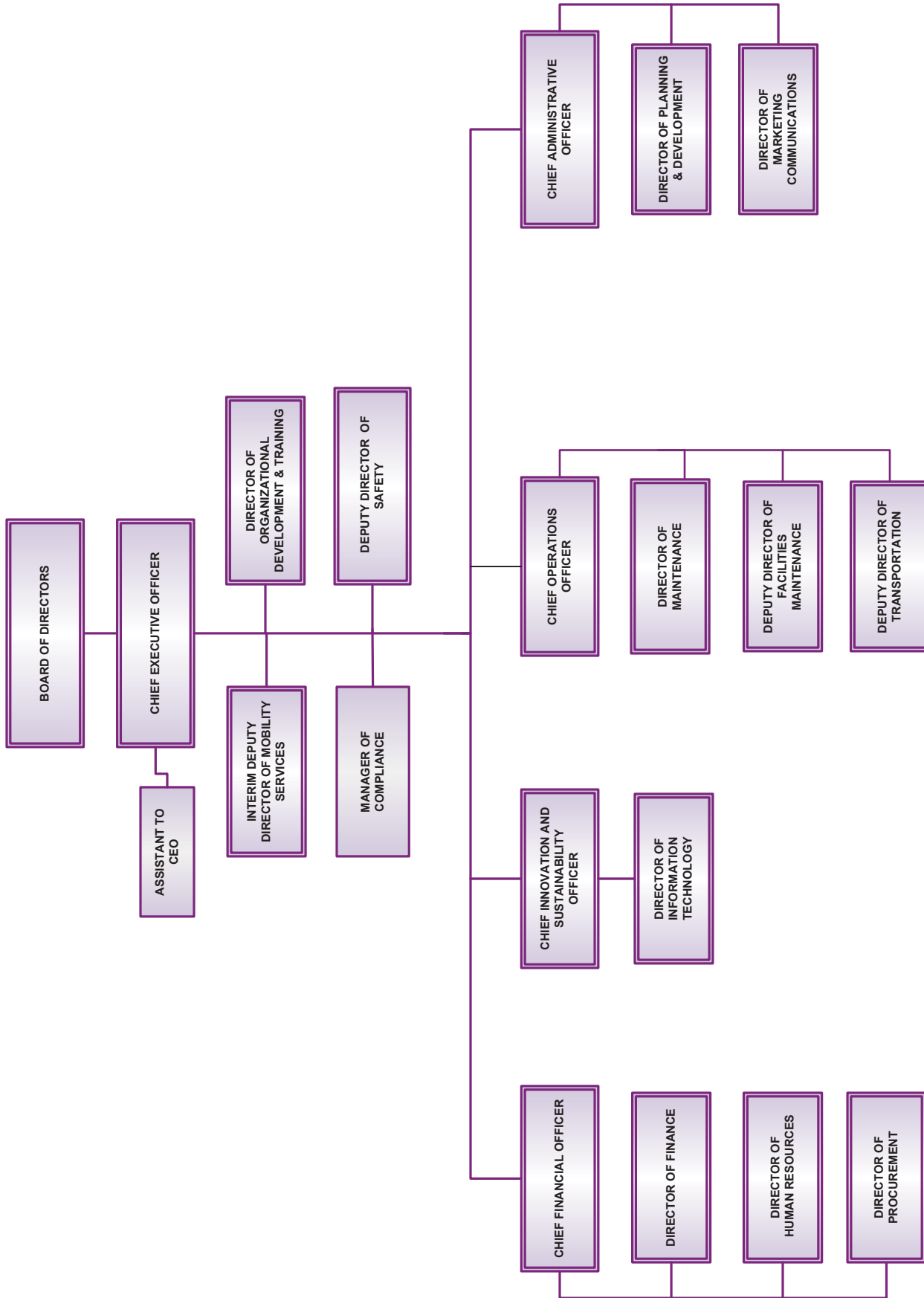
Edward L. Johnson	<b>Chief Executive Officer</b>
Albert J. Francis II, CPA	<b>Chief Financial Officer</b>
Tiffany Homler	<b>Chief Administrative Officer</b>
William Slot	<b>Chief Innovation and Sustainability Officer</b>
Thomas Stringer	<b>Chief Operating Officer</b>

## DEPARTMENT HEADS

Leonard Antmann	<b>Director of Finance</b>
Tomika Monterville	<b>Director of Planning &amp; Development</b>
Donna Tefertiller	<b>Director of Organizational Dev. &amp; Training</b>
Terri Setterington	<b>Director of Human Resources</b>
Craig Bayard	<b>Director of Information Technology</b>
Matt Friedman	<b>Director of Marketing Communications</b>
James Fetzer	<b>Director of Maintenance</b>

## FINANCE DIVISION

Warren Hersh	<b>Comptroller</b>
Kimberly Forbragd	<b>Manager of Financial Planning &amp; Budgets</b>
Christopher Plummer, CPA	<b>Manager of Financial Reporting</b>
Nancy Navarro	<b>Supervisor of Financial Reporting</b>
Maritza Rodriguez	<b>Senior Accountant</b>
Denise Callihan	<b>Supervisor of Payroll &amp; Accounts Payable</b>
Patty Dolan	<b>Supervisor of Revenue Control</b>
Nirso Amaya	<b>Accountant</b>
Aida Diaz	<b>Accountant</b>
Samorea Nelson	<b>Accountant</b>
Joyce Larson	<b>Data Analyst</b>
Vivian Revis	<b>Financial Analyst</b>
Edward Velez	<b>Property Officer</b>
Ismael Cruz	<b>Accounting Technician</b>
Andrew O'Neil	<b>Accounting Technician</b>



# LYNX ORGANIZATIONAL CHART

September 30, 2018



March 8, 2019

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

The Comprehensive Annual Financial Report (CAFR) of the Central Florida Regional Transportation Authority d/b/a LYNX for the fiscal year ended September 30, 2018 is hereby submitted for your review.

This CAFR, as prepared by the Finance Division, contains financial statements and statistical data that provide full disclosure of all the material financial operations and activities of LYNX. The Management Discussion and Analysis (MD&A), financial statements, supplemental schedules and statistical information are the representations of LYNX management, which bears the responsibility for their accuracy, completeness, and fairness. 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. This CAFR is an indication of LYNX' commitment to provide accurate, concise, and quality financial information to its Governing Board, the citizens of this community, and all other interested parties.

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

This CAFR 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 organizational chart, and a Certificate of Achievement for Excellence in Financial Reporting. This section is intended to acquaint the reader with the Authority's organizational structure, the nature and scope of the services it provides and a summary of the financial activities and factors that influence these 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 same 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, thereby creating a one-stop public transportation entity. The CFRTA 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 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 in the Orlando, Florida metropolitan area -- Orange, Seminole, and Osceola counties. LYNX also offers some out-of-county flexible and fixed-route service to Polk County. LYNX provides alternative transportation services in the form of fixed-route bus services, bus rapid transit (BRT), neighborhood circulators, paratransit services, 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, the Mayor of Orange County (or her 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 every month 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). To assist in this effort, a Chief Financial Officer, a Chief Administrative Officer, Chief Operating Officer, Chief Innovation Officer, and a Manager of Compliance support the executive office, as well as, eight directors. The eight directors are responsible for providing direction and oversight to the departments of: Engineering and Construction, including Facility Maintenance and Security divisions, Human Resources, Information Technology, Marketing Communications, Planning and Development, Procurement, Risk Management and Safety, and Finance, including the Accounting and Finance, Budgets, and Material Control divisions.

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, which includes Orange, Seminole and Osceola counties, remains one of the top growth areas of the country and is the premier tourist destination of the world. This area is home to numerous tourist attractions such as Walt Disney World, Universal Studios, and SeaWorld. It is also home to two major league teams – NBA’s Orlando Magic and Major League Soccer’s (MLS) Orlando City Lions as well as the Solar Bears hockey team. The City of Orlando has a vibrant, downtown core, including community venues: the Amway Center, a brand new Dr. Phillips Center for the Performing Arts, newly renovated Camping World Stadium, and a MLS



soccer stadium. Additionally, Orlando hosts many conventions, utilizing some of the bigger hotels in the country and America's second largest convention center. The University of Central Florida, the nation's second largest university, and many other places of higher learning also reside in the tri-county area.

The region has experienced significant growth in population over the last several years and is expected to continue growth in the next ten years. The population is projected to be 2.165 million in 2018 and 2.25 million in 2020. This growth can be attributed to the numerous activity centers throughout the region. The impact of SunRail train service has been felt throughout Central Florida. The new option in urban transit for area residents is redefining local transportation and spurring development along the corridor. SunRail also allows businesses and research and education centers to tap into geographically broader talent pools. LYNX continues to provide an array of public transit options to respond to the wide-range of transportation needs.

While Central Florida is known world-wide for its wonderful climate, many tourist attractions, and a tranquil lifestyle, the region is also one of the top ten locations in the country for business. Behind the scenes of the area's tourism and entertainment industry is a dynamic and diversified economy that has expanded enormously. The influx of technology-related companies to the area has made Orlando one of the fastest growing high technology centers in the nation.

The future of Central Florida is filled with optimism as we continue to drive smart economic growth as one the highest performing regions in the United States and around the world. Our skilled workforce and excellent quality of life continually makes Central Florida the best place to live, relax, work, and play.

## **MAJOR INITIATIVES**

Over the past twenty five years, LYNX, through the effective leadership of its Governing Board, has continued to enhance public transportation in Central Florida. In FY2018, the Authority hired consultants to help redesign the LYNX fixed and flex-route system of services, under what is identified as a Route Optimization Study (ROS). The ROS sought to reimagine the fixed-route network in order to create a network with more frequent services and increased reliability.

In FY2018, construction was completed on LYNX Orlando Trail, known as Gertrude's Walk. The trail is composed of two pedestrian walkway segments that extend through downtown Orlando, from Concord to Washington Streets. LYNX also developed conceptual designs for the Rosemont and Florida Mall Superstops; construction is set to begin in 2019.

LYNX continued to provide several human service agencies with operating funding from the Federal Transit Administration 5310, Job Access and Reverse Commute (JARC) and New Freedom (NF) grant programs to pay for fifty percent of new or expanded transportation service or service for job access. Agencies receiving funding under these programs included the Opportunity Center, Quest, Osceola's Mental Health and Council on Aging, Primrose Center, Bright Start Pediatrics, and Meals on Wheels.

## **Current Year Projects**

LYNX implemented the use of real-time scheduling and vehicle arrival information for the public on-demand micro-transit service, NeighborLink. Customers can use a mobile application or website to request trips anywhere from real-time up to seven days in advance. LYNX Paw Pass mobile fare application was also launched this fiscal year. Customers can purchase and use all LYNX fares from single ride tickets and transfers to all period passes.

Digital arrival/departure signage was installed in the twenty four (24) LYNX Central Station bus bays. LYNX is also able to communicate with passengers by scrolling text messages or displaying full screen informational messages.

Buses operating on the Clever Devices Computer Aided Dispatch (CAD-AVL) system are being converted to the Trapeze's CAD-AVL solution used by the majority of the fixed route fleet. This will bring all revenue vehicles onto the same software. Operating cost savings will be derived from single system monitoring and real-time "where is my bus" information to our customers.

LYNX is continuing investment in CNG vehicles to help our community move toward a more environmentally sustainable future. The Authority anticipates putting into revenue service a total of 26 articulated and 40 foot buses as part of our green initiative program in FY2019.

The following is additional information describing both LYNX' performance in delivering service and in managing the organization:

### **Ridership**

Total ridership for FY2018 was 24,126,897, 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. ACCESS LYNX accomplishments this year include:

- Provided 611,661 trips, a 13.6% increase year over year;
- Completed the 2018-2023 Transportation Disadvantaged Service Plan major update;
- Combined the inbound call center to include fixed route, ETA, reservations, lost & found, and NeighborLink. New responsibilities falling under Mobility Services now include eligibility, terminal window customer service, and compliance;
- Procured a portfolio of transportation network companies (TNCs) to enhance delivery of services;
- Implemented NeighborLink's new reservation, scheduling, and dispatch software; and  
Awarded a Mobility Enhancement Grant from the Florida Commission for the Transportation Disadvantaged for the third consecutive year.

## **Service Planning**

In FY2018, the Service Planning Division accomplished the following:

- Participated in community outreach, community engagement activities, and the implementation of the SunRail Phase II bus feeder plan;
- Developed a methodology for and initiated a Bus Stop Consolidation Plan;
- Conducted in-house Trapeze training for Service Planning staff;
- Published both the Service Change Process and Performance Reports on [golynx.com](http://golynx.com); and
- Participated in ROS workshops and played a role in the development of the long-term route optimization plan.

## **Strategic Planning**

In FY2018, the Strategic Planning Division accomplished the following:

- Completed the 2018 TDP Major Update and continued the Route Optimization Study to redesign the entirety of LYNX's transit service network;
- Completed the SR-436 Transit Corridor Study, identifying bus-based technologies – such as Bus Rapid Transit and other fixed-guideway alternatives – as most appropriate for the corridor;
- Kicked-Off the SR 50 Station Transit Oriented Development (TOD) Design Concepts Project;
- Developed the VTRACS One-Call Line to support one-stop shop mobility information line for veterans;
- GIS Team received the ESRI Special Achievement in GIS Award for LYNX use of and promotion of GIS tools for transit on [www.golynx.com](http://www.golynx.com);
- Developed the first GIS-based Hurricane Bus Service deployment plan for the 2018 Hurricane Season;
- Completed implementation of the Mobile VueWorks Asset Management and Facilities management software to support Transit Asset Management (TAM).

## **Engineering and Construction**

In FY2018, the Engineering and Construction Department accomplished the following:

- LYNX kicked off the design of the following bus transfer center rehabilitations: Rosemont and Florida Mall, with construction to proceed in FY 2019;
- Started the design of the Pine Hills Bus Transfer Center;
- Started the planning for the replacement of private supplier bus shelters both in the City of Altamonte and Osceola County;
- Completed Phase 1 State of Good Repair (SGR) for electrical upgrades to 12 LYMMO Orange Line kiosks;
- Completed construction of LYNX Orlando Trail also known as Gertrude's Walk;
- Released the RFP for the LYNX Operations Center (LOC) Expansion Project;
- Completed installation of 12 bus shelters at the new Phase 2 SunRail Stations;
- Completed installation of 30 bus shelters throughout the service area.



## ITS

In FY2018, the ITS Division accomplished the following:

- Launched LYNX Bus Tracker mobile application and website with real-time fixed route information;
- Upgraded back office systems to support a fixed route bus location real-time refresh rate of effectively every 5 seconds;
- Implemented the NeighborLink real-time trip reservations and vehicle arrival information mobile application and website;
- Launched LYNX See & Say mobile application to allow customers to interactively report safety and security concerns to LYNX;
- Launched LYNX PawPass mobile fare application that allows customers to purchase, manage, and use LYNX fare media on their mobile device;
- Deployed student and faculty passes for Seminole State College in the LYNX PawPass mobile fare application;
- Developed the Autonomous Vehicle Mobility Initiative (AVMI) Framework Plan for how LYNX and the region can plan and prepare for the integration of autonomous vehicles;
- Partnered with the Central Florida Autonomous Vehicle Program to support research, implementation and application of AV.

## Procurement

In FY2018, the Procurement Department accomplished the following key initiatives in addition to its day-to-day mission of efficiently and effectively supporting LYNX operational and strategic goals:

- Solicited and awarded contracts to transportation network companies (“TNCs”), taxi companies, concierge transportation and similar transit providers (collectively, “Alternate Transportation Providers”) to support strategic delivery of transit services to ACCESS LYNX customers.
- Solicited and awarded contracts for the purchase of 75 CNG (Compressed Natural Gas) 60-foot articulated buses;
- Executed a master agreement with the Trapeze Group for fixed route and paratransit software requirements;
- Contracted for and procured 25 wheelchair accessible minivans as well as 25 body-on-chassis paratransit buses to replace aging ACCESS LYNX vehicles, receiving 100 total vehicles during the fiscal year;
- Initiated the execution of a contract to develop the future LYNX Operations Center (LOC) expansion site and transition out of a leased facility.

## Vanpool Program

While FDOT has centralized the Commuter Services program in each district office, LYNX still plays a vital role in providing Vanpool services throughout the tri-county area. LYNX coordinated the program with our contractor, Enterprise, to operate the Vanpool program which helps maximize expansion and participation. The mission of the Vanpool program is to offer alternative transport options for both agencies and commuters. The Vanpool program continues to be a viable

alternative mode of transportation for employees that have long commutes. Participation in the Vanpool program provides Central Florida commuters a more affordable and social form of transportation over the private automobile while also reducing traffic in the area. LYNX foresees expanding use of the Vanpool program in the upcoming fiscal year.

As of September 30, 2018, LYNX Vanpool accounted for 4,022 trips per week with 183 Vanpools in service; there were 1,807,791 Vanpool revenue miles in FY2018.

### **Mobility Services**

During FY2018, Mobility Services attended 53 external community events. This included 11 school information and/or ID gatherings, 5 in collaboration with SunRail, 10 for veterans support, and numerous senior, health fairs, and other community outings.

Included below are some additional activities associated with the Mobility Services Division:

- The call center received 653,914 calls;
- The customer service window served 171,466 customers, generating \$2.1M in revenue;
- Lost and found returned 40% of the items found on LYNX property to their owners;
- LYNX photo-ID program produced 8,609 IDs and replacements.

### **Employee Relations**

Good employee relations are critical to the success of LYNX because our employees are our most valuable assets in delivering services to our customers. Great strides continue to be made in employee training and development. Human Resources continues to work with all LYNX staff to ensure that the workplace is a fair, comfortable, and enjoyable environment, so that employees are afforded an opportunity to thrive. Quarterly labor management meetings are being conducted to ensure any labor related concerns are being address. In addition, all Human Resource policies are going through a formal review process to ensure they are still accurate and up to date.

### **Fiscal Controls and Improvements**

The Finance Department continued to advance the integrity of the financial control systems of the organization. Monthly departmental budget reports, meetings, and programming procedures provide essential tools in managing the existing budget and in preparing for future year budgets. Other accomplishments were as follows:

- Negotiated funding agreement to allow for continuation of I-4 Road Ranger services;
- Successfully completed the 2017 annual Florida Transportation Commission Report; and
- Received the Government Finance Officers Association (GFOA) Award for Excellence in Financial Reporting for the 26<sup>th</sup> consecutive year.

## **Future Projects**

LYNX will continue to implement plans from the 2018 update of the Transportation Development Plan (TDP) and the Vision 2030, to include:

- LYNX Operations Center (LOC) Expansion construction of a new facility to support the operations and maintenance of the LYNX paratransit services;
- Safety and Amenities enhancements at the Rosemont and Florida Mall SuperStops to improve the patron experience at these major transfer locations;
- Construction of the Pine Hills Transit Center which will include customer service facilities, accessible, multi-modal facilities for alternative modes such as bicycles; parking and amenities for conventional and electric vehicles and kiss-and-ride facilities;
- Initiate a Bus Stop Improvement Program (BSIP) to support the ROS by consolidating, eliminating and relocating transit stops across the region to complement bus stop demand and better serve customers and support partner jurisdiction land use plans and priorities.

The aforementioned construction projects will complement the following emphasis areas that have been identified for fiscal year 2018:

### **Fixed-Route Service**

LYNX continues to explore ways to improve fixed-route services in order to better serve our customers. LYNX plans to improve service during the upcoming fiscal year through the implementation of the Transit Development Plan (TDP) goals and the Route Optimization Study (ROS) bus service restructuring effort designed to support Flexible transit services for varying types of transit demand in the region.

### **Paratransit Services**

ACCESS LYNX provides paratransit services via a Mobility Management Service model within Orange, Osceola, and Seminole counties. During FY2018, a significant operational milestone occurred: one hundred (100) new replacement vehicles were introduced into the fleet, including fifty (50) wheelchair accessible mini-vans.

### **Communications**

FY2018 was another award winning year for LYNX' marketing efforts as the team sustained a positive public image throughout Central Florida. The team a first place award from the American Public Transportation Association for an educational program around the holiday season. The big focus was on a multi-faceted celebration of LYNX' 25<sup>th</sup> anniversary.

In FY2019 LYNX marketing will focus on LYNX Forward, a redesigned transit routing system, all LYNX services, and a redesigned website to provide a better customer experience.

## Capital Improvement Projects

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

Vehicle purchases, facility improvements, information tools, and passenger amenities included in the FY2019 capital program are:

- **Rolling Stock - \$65.7 million**  
Revenue vehicles include expansion and replacement vehicles for fixed route, vanpool, and paratransit service;
- **Bus Rapid Transit (BRT) - \$.8 million**  
BRT includes the LYMMO - Orange Line Rehabilitation, additional East/West BRT upgrades, and a FlexBus project demonstration;
- **Facilities - \$5.7 million**  
Facilities include the Phase I Construction, CEI, and Design Services of an additional administrative LYNX Operations Center building as well as determining the location and related planning for LYNX's Southern Operations Base;
- **Passenger Amenities/Related Enhancements - \$19.8 million**  
Passenger amenities include construction and rehabilitation of shelters, transfer centers, benches, and trash receptacles;
- **Technology - \$3.9 million**  
Technology includes improved information delivery through mobile and website functionality enhancements, expansion of our existing real-time bus tracking systems, and increased spending on critical cybersecurity initiatives;
- **Security - \$2.1 million**  
Security includes equipment to enhance organizational safeguards and surveillance;
- **Support Equipment - \$9.0 million**  
Support equipment includes resources to modernize fare collection, mobile ticketing, and in-ground revenue vehicle maintenance lifts.

## Capital Planning and Studies

The Transportation Development Plan (TDP) annual updates and progress report contain planned capital and service improvements necessary to meet the growing demand for public transportation throughout Central Florida during the next ten years. The major TDP update was completed in the fall 2017 and recently updated in 2018.

Highlights of the plan included:

- Complete the LYNX Route Optimization Study (ROS), which outlines the plan to match transit demand with fleet requirements to include on-demand and flexible services;
- Monitor transit demand and improve span and/or frequency of service where needed, in concert with the ROS and SunRail;

- Transition major transit corridor studies such as State Route (SR) 436 and SR 50 into the federal project development process to prepare the region to support high-capacity limited stop and Bus Rapid Transit (BRT) service on these corridors;
- Continued collaboration with regional partners to build support for a dedicated source of transit funding; and
- Secure complementary and/or supplementary sources of funding for both capital and operating expenses.

Future studies and plans LYNX staff will initiate in the coming year include an Americans with Disabilities Act (ADA) Transition Plan as an accompaniment to the ROS Implementation and BSIP to identify a schedule and plan for bringing all existing LYNX bus stops into ADA compliance.

## **FINANCIAL INFORMATION**

### **Internal Control Structure**

The management of LYNX is responsible for establishing and maintaining an internal control structure that consists of policies and procedures established to provide reasonable, but not absolute, assurance that organizational objectives will be achieved, including safeguarding and protecting its assets from loss, theft or misuse, and providing adequate and reliable financial information. The concept of reasonable assurance recognizes that no structure is perfect and that the cost of an internal control should not exceed the benefits to be derived. Estimates and judgments by management are required to assess the valuation of expected benefits and related costs of internal control structures.

### **Budgetary Controls**

The annual operating and capital improvements budget is prepared on a fiscal year basis. The budget is proposed by LYNX staff and adopted by the Governing Board. Since LYNX operates as an enterprise fund, the adopted budget is prepared on an accrual basis. Expenses are recognized when incurred and revenues are recognized when earned. The annual budget is a balanced budget, whereby total estimated revenues are equal to total projected expenses. The Governing Board must approve budget amendments that are increases or decreases to the total dollar amount originally adopted. The Chief Executive Officer and Governing Board must formally approve additions to the authorized personnel position level originally included within the adopted budget.

Upon final budget adoption by the LYNX Governing Board, the budget becomes the financial plan and serves as the legal document that regulates both the expenses and obligations of funds by LYNX. Budgetary control is maintained at the department level. It is the responsibility of each department head to manage its operations in a manner that is consistent with the goals and objectives adopted by the Board of Directors. Budget to actual comparisons are made on a monthly basis. Operating and un-obligated capital balances lapse at year-end. Obligated capital balances are carried forward into the following year.

## **Debt Administration**

In January 2015, LYNX' Board approved the authorization to award a contract to Bank of America for the lease of the (10) Compressed Natural Gas (CNG) buses for a period of five (5) years. The total cost of the ten (10) CNG buses is \$5,430,870. For additional information on the Authority's debt administration, please refer to notes to the financial statements discussing capital leases and loans payable.

## **Fuel Hedge Swap Agreements**

Beginning in July 2011 the Authority began a fuel hedging program with a counterparty to cover a significant portion of planned fuel purchases for current and future fiscal years. The objective is to smooth out the fluctuation in fuel prices and to limit the extent to which the price paid for fuel could increase during the fiscal year. As of September 30, 2018, the maturity dates of the open contracts are September 2019. For additional information on the Authority's fuel hedging activities, please refer to the fuel hedge swap agreements note to 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. Service efficiencies and cost savings have been maintained through the centralized receiving and distribution from LYNX Operations Center (LOC) warehouse to all agency locations and work centers.

Other accomplishments during FY2018 were as follows:

- Completed the annual physical inventory of 3,835 line items valued at \$2.2 million, with a net variance of – 0.69 percent;
- Maintained an inventory turn rate of greater than 2.5 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 New Flyer buses based on past systems and current or updated system specifications and analyzing “on demand” needs to minimize investment and bus down time;
- Continued to operate the region's only bio-diesel blending facility, supplying approximately 2.6 million gallons of blended product for fleet use;
- Continued to maintain and expand the assembly of kits within the inventory software to efficiently capture and track all related component part costs directly to a bus work order;
- Implemented annual inventory contracts / Blanket Purchase Orders (\$215 thousand) to eliminate administrative costs for recurring purchases and improve efficiencies in maintaining stock levels. Part categories included engine assemblies, transmission assemblies, filters, and batteries for the entire fleet.

## 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 Office of Management and Budget (OMB) Circular A-133. 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, Cherry Bekaert LLP, has conducted the audit for fiscal year ended September 30, 2018.

### Acknowledgments

The GFOA of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Central Florida Regional Transportation Authority for its comprehensive financial report for the fiscal year ended September 30, 2017. This was the 26<sup>th</sup> consecutive year that the Authority 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual Financial Report was made possible by the hard work and dedicated service of the entire Finance Division. Special thanks and recognition goes to Christopher Plummer, Manager of Financial Reporting, Nancy Navarro, Supervisor, and Maritza Rodriguez, Senior Accountant, for their efforts in the preparation of this report. We also give our sincere thanks to the Marketing Division for their special effort in designing the cover for this report and to the LYNX Governing Board for their continued outstanding support.

Respectfully Submitted,



James E. Harrison, Esq.  
Interim Chief Executive Officer



Albert J. Francis II, CPA  
Chief Financial Officer



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Central Florida Regional  
Transportation Authority**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2017**

*Christopher P. Morrell*

Executive Director/CEO



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## **Report of Independent Auditor**

To the Board of Directors  
Central Florida Regional Transportation Authority:

### **Report on the Financial Statements**

We have audited the accompanying statements of net position of Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority") as of September 30, 2018 and 2017, and the related statements of revenues, expenses and changes in net position and of cash flows for the years then ended, and the related notes to the financial statements.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

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

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

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

#### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of September 30, 2018 and 2017, and the respective changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matters***

As discussed in Note 1 to the financial statements, the Authority adopted the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective October 1, 2017. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Authority taken as a whole. The introductory section, supplementary schedule of revenues and expenses – budget vs. actual (budgetary basis), schedule of local financial assistance and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and the schedule of state financial assistance are presented for the purposes of additional analysis as required *Title 2 U.S. Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and are also not a required part of the basic financial statements.

The supplementary schedule of revenues and expenses – budget vs. actual (budgetary basis) and schedule of expenditures of federal awards, schedule of local financial assistance, and schedule 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated March 8, 2019, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Cheryl Behrman" followed by a stylized monogram or initials.

Orlando, Florida  
March 8, 2019

## MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the comprehensive annual 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, 2018 and 2017, respectively. Please read it in conjunction with the financial statements, which follow this section.

### Financial Highlights

#### Fiscal 2018

- Customer Fares decreased by 4.4%, or \$1.1 million, from FY2017. The reduction in fares collected was due to a decrease in ridership by 7.4% year-over-year. The passenger fares decrease was primarily due to lower fuel prices for consumers, and increased competition from low-cost point to point transportation network providers.
- Local Financial Assistance in the form of non-operating revenue increased 5.5% year-over-year allowing the Authority to fund expense increases, maintain service levels and ensure the network of transit system options operate efficiently.
- Operating expenses before depreciation increased 6.0%, or \$7.6 million and capital contributions decreased 61.6% or \$15.5 million from FY2017. Ratification of the Authority’s new ATU 1596 union contract and greater than expected paratransit trip volume were the principal drivers of increased expenditures. Paratransit trip volume increased 13.6% year over year from 538,554 to 611,661.
- Overall net position decreased by 12.0%, or \$23.6 million, from FY2017, as the Authority’s loss before capital contributions exceeded capital contributions. \$2.3 million of the decrease was caused by a required restatement of beginning net position, due to the required adoption of a new accounting standard regarding other post-employment benefits.

#### Fiscal 2017

- Customer Fares decreased by 5.6%, or \$1.5 million, from FY2016. The reduction in fares collected was due to a decrease in ridership by 5.4% year-over-year, which is primarily related to improved economic conditions coupled with lower fuel prices and the competition from ridesharing services.
- Local Financial Assistance increased by 4.5% year-over-year, which was an indication of the Authority’s funding partner support to maintain current service levels and to ensure we continue to operate as efficient as financially feasible.
- Operating expenses before depreciation increased 9.6%, or \$11.2 million and capital contributions decreased 40.5% or \$17.2 million from FY2016.
- Overall net position decreased by 4.4%, or \$9.0 million, from FY2016, as the Authority’s loss before capital contributions exceeded capital contributions.

### Overview of the Financial Statements

This 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 its customer fares, contract services, and operating subsidies, as well as its profitability and credit worthiness. The final required financial statement for each year is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

## Financial Analysis of the Authority

Our analysis of the Authority begins below with the Financial Statements. One of the most important questions asked about Authority finances is "Is the Authority, as a whole, better or worse off as a result of the prior year's activities?" The Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position report information about the Authority's activities in a way that will help answer this question. These two statements report the net position of the Authority and changes in them. You can think of the Authority's net position --- difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources --- as one way to measure financial health or financial position. Over time, increases or decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in economic conditions, population growth, regulation, and new or changed government legislation is necessary.

## Net Position

To begin our analysis, 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,		
	FY2018	FY2017	FY2016
Assets:			
Current and other assets	\$ 64.5	\$ 66.9	\$ 74.2
Capital assets	142.9	157.2	163.8
Total assets	\$ 207.4	\$ 224.1	\$ 238.0
Deferred outflows of resources	\$ 6.5	\$ 8.1	\$ 10.3
Liabilities:			
Current liabilities	\$ 22.3	\$ 18.9	\$ 26.8
Long-term liabilities	16.4	16.1	15.4
Total liabilities	\$ 38.7	\$ 35.0	\$ 42.2
Deferred inflows of resources	\$ 2.3	\$ 0.7	\$ 0.5
Net position			
Net investment in capital assets	\$ 139.3	\$ 153.0	\$ 149.9
Restricted	1.7	1.7	1.6
Unrestricted	31.9	41.8	54.0
Total net position	\$ 172.9	\$ 196.5	\$ 205.5

The Statements of Net Position show the change in assets, liabilities, deferred outflows of resources, deferred inflows of resources and the resulting net position. Net position may serve, over time, as a useful indicator of the Authority's overall financial position. As can be seen from the Table A-1, Net Position decreased \$23.6 million to \$172.9 million in FY2018 from \$196.5 million in FY2017. Net Investment in Capital Assets decreased \$13.7 million. Unrestricted Net Position decreased \$9.9 million and Restricted Net Position was unchanged at \$1.7 million.

**Table A-2**

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

	September 30,		
	FY2018	FY2017	FY2016
Operating revenues:			
Customer fares	\$ 24.1	\$ 25.2	\$ 26.6
Contract services	19.0	18.9	18.0
Advertising revenue	2.9	2.1	1.8
Other income	0.7	0.9	0.4
Total operating revenue	46.7	47.1	46.8
Non-operating revenues, net:			
Federal	15.9	14.7	14.2
State	12.7	12.9	13.0
Local	51.5	48.8	46.5
Interest and other income	0.7	0.1	0.1
Total nonoperating revenue	80.8	76.5	73.8
Total revenues	127.5	123.6	120.6
Operating expenses:			
Salaries and wages	48.9	45.0	43.9
Fringe benefits	27.5	28.7	25.9
Purchased transportation services	25.9	20.2	17.7
Fuel	10.8	10.0	9.7
Materials & supplies	7.2	8.0	7.6
Professional services	9.5	8.6	7.0
Lease and miscellaneous	1.2	1.3	1.2
Casualty and liability	2.1	4.0	1.8
Utilities, taxes and licenses	2.2	1.9	1.8
Depreciation	23.2	25.9	26.8
Capital project abandonment	-	4.2	-
Total operating expenses	158.5	157.8	143.4
Loss before capital contributions	(31.0)	(34.2)	(22.8)
Capital contributions	9.7	25.2	42.4
Change in net position	(21.3)	(9.0)	19.6
Beginning net position	196.5	205.5	185.9
Cumulative effect of change in accounting principle	(2.3)	-	-
Ending net position	\$ 172.9	\$ 196.5	\$ 205.5



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 \$23.6 million decrease in net position in FY2018 is primarily derived from a \$2.2 million salaries and wages settlement as part of the new ATU 1596 union contract, \$4.1 million of net paratransit costs due to an increase in trip volume, a \$15.5 million decrease in year over year capital contributions, and a \$2.3 million cumulative decrease due to a change in accounting principle for Other Postemployment Benefits (“OPEB”).

## Capital Assets

At the end of FY2018, the Authority had a broad range of Capital Assets, consisting of Land, Buildings and Shelters, Revenue Vehicles, Bus Rapid Transit (BRT) Roadway, Pedestrian Walkways, and Equipment. 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)*

	FY2018	September 30, FY2017	FY2016
Depreciable assets and land:			
Land	\$ 10.0	\$ 10.0	\$ 8.2
Buildings and shelters	96.9	95.4	94.7
Revenue vehicles	166.1	166.1	161.4
BRT roadway	22.7	22.7	6.5
Pedestrian walkways	1.4	-	-
Equipment	45.7	43.8	40.4
Subtotal	342.8	338.0	311.2
Less accumulated depreciation	(204.1)	(185.7)	(170.8)
Subtotal	138.7	152.3	140.4
Construction in progress:			
Bus shelters	1.8	2.2	1.3
Facility capital improvements	0.6	0.1	0.1
Other miscellaneous projects	1.8	2.6	22.0
Subtotal	4.2	4.9	23.4
Net capital assets	\$ 142.9	\$ 157.2	\$ 163.8

## Long-Term Obligations

On June 9, 2004, the Authority entered into a SIB Loan (SIB #2), allowing draws of up to \$7,600,000 for the construction of the LYNX Operations Center Facility. This loan matured in October 2016, with a final payoff balance of \$813,225. The Authority entered into a capital lease agreement for 10 buses in September 2015. The lease arrangement calls for quarterly lease payments expiring October 2020, with principal and interest totaling \$5,430,870. For additional information on the Authority’s long-term obligations, please see financial statement notes 3 and 4, capital leases and loans payable.

## Fuel Hedging

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, was implemented in FY2011. This accounting standard requires that hedging derivative instruments be reported at fair value on the Statements of Net Position. Subsequently, GASB Statement No. 65, *Items Previously reported as Assets and Liabilities*, has been issued to require presentation of related deferred outflows of resources or deferred inflows of resources for certain items that were previously reported as assets or liabilities.

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 smooth out the fluctuation in fuel prices and to limit the extent to which the price paid for fuel could increase during the fiscal year. As of September 30, 2018, the maturity

dates of the open contracts extend through January 2019. Because the fuel hedging contracts are considered effective hedges, the fair value of the open contracts is presented as 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 9, fuel hedge swap agreements.

### **Economic Factors and Next Year's Budget and Rates**

The Authority's Board of Directors and Management considered many factors when setting the FY2019 budget and contract services hourly rates. These factors include the expected demand of the Authority's Funding Partners, which in turn consider such factors as anticipated population growth of the three counties and the economy of the region as a whole.

# FINANCIAL STATEMENTS

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX**  
**STATEMENTS OF NET POSITION**  
**SEPTEMBER 30, 2018 AND 2017**

ASSETS	2018	2017
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 27,025,094	\$ 41,248,462
Receivables:		
Local, trade and operating assistance	1,745,976	2,214,401
Federal grants	17,780,923	6,383,510
State grants	7,266,188	7,932,301
Inventory	2,246,323	2,042,632
State fuel tax refundable	275,015	91,228
Prepaid expenses and other assets	292,502	628,330
Derivative instruments - fuel hedge	-	212,741
<b>Total current assets</b>	<b>56,632,021</b>	<b>60,753,605</b>
<b>NONCURRENT ASSETS:</b>		
Restricted cash and cash equivalents	7,146,532	6,156,183
<b>Total restricted cash and cash equivalents</b>	<b>7,146,532</b>	<b>6,156,183</b>
Property and equipment:		
Land	10,018,522	10,018,522
Buildings and shelters	96,727,844	95,138,902
Bus Rapid Transit Roadway Infrastructure	22,673,715	22,673,715
Pedestrian walkways	1,404,894	-
Revenue vehicles	166,078,337	166,123,104
Equipment	45,656,561	43,817,063
Leasehold improvements	219,390	219,390
Total property and equipment	342,779,263	337,990,696
Less accumulated depreciation	(204,100,347)	(185,660,089)
Construction in progress	4,262,763	4,852,694
<b>Net property and equipment</b>	<b>142,941,679</b>	<b>157,183,301</b>
Net pension asset	661,250	-
<b>Total noncurrent assets</b>	<b>150,749,461</b>	<b>163,339,484</b>
<b>Total assets</b>	<b>207,381,483</b>	<b>224,093,089</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to pensions	6,519,583	8,056,272
Accumulated decrease in fair value of fuel hedge instrument	2,929	-
<b>Total deferred outflows of resources</b>	<b>\$ 6,522,512</b>	<b>\$ 8,056,272</b>

See notes to financial statements.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX**  
**STATEMENTS OF NET POSITION**  
**SEPTEMBER 30, 2018 AND 2017**

LIABILITIES AND NET POSITION	2018	2017
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 11,466,610	\$ 7,890,116
Accrued salaries and related taxes	2,180,070	1,768,918
Accrued compensated absences, current	4,461,265	4,163,321
Accrued self-insurance liability, current	2,472,574	2,784,955
Leases payable, current	940,237	918,954
Unearned operating revenue	750,208	1,352,218
Derivative instrument - fuel hedge	2,929	-
<b>Total current liabilities</b>	<b>22,273,893</b>	<b>18,878,482</b>
<b>NONCURRENT LIABILITIES:</b>		
Leases payable, long-term	2,013,282	2,953,519
Net OPEB liability	4,888,700	2,339,000
Net pension liability	-	2,000,057
Accrued compensated absences, long-term	352,541	326,397
Accrued self-insurance liability, long-term	3,802,661	4,059,751
Unearned capital	5,401,809	4,444,285
<b>Total noncurrent liabilities</b>	<b>16,458,993</b>	<b>16,123,009</b>
<b>Total liabilities</b>	<b>38,732,886</b>	<b>35,001,491</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to pensions	2,218,772	442,095
Deferred inflows related to OPEB	107,607	-
Accumulated increase in fair value of fuel hedge instrument	-	212,741
<b>Total deferred inflows of resources</b>	<b>2,326,379</b>	<b>654,836</b>
<b>NET POSITION:</b>		
Net investment in capital assets	139,279,151	153,037,062
Restricted	1,700,000	1,700,000
Unrestricted	31,865,578	41,755,972
<b>Total net position</b>	<b>\$ 172,844,729</b>	<b>\$ 196,493,034</b>

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, 2018 AND 2017**

	2018	2017
<b>OPERATING REVENUES</b>		
Customer fares	\$ 24,142,741	\$ 25,165,009
Contract services		
Local financial assistance	14,830,390	14,399,829
Other contractual services	4,191,835	4,500,127
Advertising	2,846,718	2,069,610
Other income	688,425	956,844
Total operating revenues	<u>46,700,109</u>	<u>47,091,419</u>
<b>OPERATING EXPENSES</b>		
Salaries and wages	48,919,052	44,924,890
Fringe benefits	27,540,233	28,714,207
Purchased transportation services	25,892,966	20,191,908
Fuel	10,757,826	10,027,703
Materials and supplies	7,171,448	8,041,172
Professional services	9,573,775	8,590,714
Lease and miscellaneous	1,200,366	1,349,965
Casualty and liability	2,081,710	4,049,932
Utilities	1,356,532	1,332,937
Taxes and licenses	814,687	561,771
Total operating expenses before depreciation and capital project abandonment expense	<u>135,308,595</u>	<u>127,785,199</u>
<b>OPERATING EXPENSES IN EXCESS OF OPERATING REVENUES BEFORE DEPRECIATION AND CAPITAL PROJECT ABANDONMENT EXPENSE</b>	(88,608,486)	(80,693,780)
<b>DEPRECIATION</b>	(23,150,315)	(25,864,965)
<b>CAPITAL PROJECT ABANDONMENT EXPENSE</b>	<u>-</u>	<u>(4,197,014)</u>
<b>OPERATING LOSS</b>	<u>(111,758,801)</u>	<u>(110,755,759)</u>
<b>NONOPERATING REVENUES AND EXPENSES:</b>		
Operating assistance grants		
Federal	-	142,928
State of Florida	10,192,003	10,142,756
Local	51,500,093	48,810,319
Planning and other assistance grants		
Federal	15,877,646	14,537,467
State of Florida	2,518,968	2,712,162
Interest expense	(84,900)	(96,693)
Interest income	698,231	209,139
Other income	42,106	62,069
Total nonoperating revenues and expenses, net	<u>80,744,147</u>	<u>76,520,147</u>
<b>LOSS BEFORE CAPITAL CONTRIBUTIONS</b>	(31,014,654)	(34,235,612)
Capital contributions	<u>9,666,270</u>	<u>25,236,924</u>
Change in net position	(21,348,384)	(8,998,688)
<b>NET POSITION AT BEGINNING OF YEAR</b>	196,493,034	205,491,722
Cumulative effect of change in accounting principle	(2,299,921)	-
<b>RESTATED BEGINNING NET POSITION</b>	<u>194,193,113</u>	<u>205,491,722</u>
<b>NET POSITION AT END OF YEAR</b>	<u>\$ 172,844,729</u>	<u>\$ 196,493,034</u>

**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED SEPTEMBER 30, 2018 AND 2017**

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 24,142,741	\$ 25,165,009
Cash received for contract services	19,373,026	20,476,323
Cash paid to employees	(57,499,002)	(50,623,072)
Cash paid to suppliers	(72,605,467)	(81,052,065)
Cash received from advertising and miscellaneous	3,251,587	2,697,788
Net cash used in operating activities	(83,337,115)	(83,336,017)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Proceeds from assistance grants	67,129,320	92,032,701
Net cash provided by noncapital financing activities	67,129,320	92,032,701
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Construction and acquisition of property and equipment	(9,853,637)	(24,448,081)
Principal paid on loans	-	(813,225)
Interest paid on loans	(81,047)	(118,114)
Proceeds from sale of property and equipment	42,106	62,069
Capital assistance grants	12,169,123	20,070,384
Net cash provided by (used in) capital and related financing activities	2,276,545	(5,246,967)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest income	698,231	209,139
Net cash provided by investing activities	698,231	209,139
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(13,233,019)	3,658,856
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	47,404,645	43,745,789
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 34,171,626	\$ 47,404,645
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:</b>		
Operating loss	\$ (111,758,801)	\$ (110,755,759)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	23,150,315	25,864,965
Capital project abandonment expense	-	4,197,014
Changes in operating assets and liabilities and deferred amounts:		
Receivables	468,425	1,392,901
Inventory	(203,691)	(308,666)
State fuel tax refundable	(183,787)	59,079
Prepaid expenses; deferred outflows of resources	1,421,079	1,896,411
Accounts payable; amounts due to FTA; and hedging liability	3,682,311	(7,827,773)
Accrued salaries and related taxes; net OPEB liability; net pension liability	(1,339,126)	(40,379)
Accrued compensated absences	324,088	70,662
Accrued self-insurance liability	(569,471)	2,003,424
Deferred inflows of resources	1,671,543	112,104
Net cash used in operating activities	\$ (83,337,115)	\$ (83,336,017)

See notes to financial statements



**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a  
LYNX  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED SEPTEMBER 30, 2018 AND 2017**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

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

The Authority held investments throughout fiscal years 2018 and 2017 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 Poors is AAAM and the weighted average days to maturity at September 30, 2018 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,	
	2018	2017
Pool Investments -Florida PRIME	\$ 30,272,311	\$ 32,576,890
Bank Deposits	3,899,315	14,827,755
Total Cash and Cash Equivalents	\$ 34,171,626	\$ 47,404,645

As of both September 30, 2018 and 2017, the Authority classified as restricted \$1,700,000 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 Medicaid Assistance. As of September 30, 2018 and 2017, the Authority had receivables, net \$604 and \$9,628 of allowances, for each year, respectively, as follows:

	September 30,	
	2018	2017
Customers	\$ 1,107,916	\$ 1,617,417
Local Funding Partners	638,060	596,984
Total	\$ 1,745,976	\$ 2,214,401

**Inventory** - Inventory, consisting of minor repair parts and fuel, is valued at the lower of cost or market. Cost is determined using the first-in, first-out 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 \$7,146,532 and \$6,156,183 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, 2018 and 2017, respectively. Restricted assets are offset by liabilities, except for the \$1,700,000 of medical health self-insurance plan restricted assets as of both September 30, 2018 and 2017.

**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, 2018 and 2017, the Authority had accounts payable as follows:

	September 30,	
	2018	2017
Trade	\$ 6,771,880	\$ 4,109,690
Commitments (Consultants/Construction)	1,494,759	873,084
Retainage	26,901	-
Other	3,173,070	2,907,342
Total	<u>\$ 11,466,610</u>	<u>\$ 7,890,116</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,	
	2018	2017
Accrued compensated absences liability, beginning of year	\$ 4,489,718	\$ 4,419,056
Obligations	5,104,147	3,907,586
Payments	(4,780,059)	(3,836,924)
Accrued compensated absences liability, end of year	<u>\$ 4,813,806</u>	<u>\$ 4,489,718</u>
Amount due within one year	<u>\$ 4,461,265</u>	<u>\$ 4,163,321</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 and Capital Project Abandonment Expense are 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 and loans as well as losses on the sales of capital assets, if applicable.

**New Accounting Pronouncement** - Effective October 1, 2017, the Authority adopted provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. GASB Statement No. 75 represents a significant change to the reporting requirements for OPEB plans by establishing a net OPEB liability, an actuarially calculated amount representing OPEB benefits accrued by current employees and retirees of the Authority, less any assets provided in an irrevocable trust fund. Since there are no assets set aside in an irrevocable trust fund, the net OPEB liability is equivalent to the total OPEB liability. The previous requirements were based on a funding perspective.

Certain estimates and assumptions are involved with the calculation of the net OPEB liability and actual results may differ. The impact of differences between estimated and actual results are presented as deferred inflows of resources or deferred outflows of resources. These deferred inflows and outflows will be applied in the calculation of the OPEB expense over time.

As a result of this change in the accounting principle, the fiscal year 2018 beginning net position balance presented in this report differs from the balance presented in the fiscal year 2017 Comprehensive Annual Financial Report. Fiscal year 2017 financial statements have not been restated because it is not practical to determine the effect of the change in accounting principle for that period. Also, the beginning balance of the related deferred outflows of resources and deferred inflows of resources are not reflected in the restated October 1, 2017 net position, since it is not practical to determine such balances. The October 1, 2017 Statement of Net Position balance has been restated as shown below.

**Restatement of October 1, 2017 Beginning Net Position due to GASB Statement No. 75**

Net OPEB obligation as of September 30, 2017	\$	2,339,000
Unfunded accrued liability on the fiscal 2017 measurement date		4,638,921
Restatement of October 1, 2017 Beginning Net Position	\$	<u>(2,299,921)</u>

## 2. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2018 was as follows:

<b>Property and Equipment:</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reclass/ Disposals</b>	<b>Ending Balance</b>
<b>Depreciable Assets</b>				
Buildings and Shelters	\$ 95,138,902	\$ 1,696,384	\$ (107,442)	\$ 96,727,844
Revenue Vehicles:				
Buses	157,757,265	3,751,671	(3,865,808)	157,643,128
Other Support Vehicles	8,365,839	282,081	(212,711)	8,435,209
Furniture, Fixtures & Equipment	43,817,063	2,389,583	(550,085)	45,656,561
Leasehold Improvements	219,390	-	-	219,390
BRT Roadway Improvements	22,673,715	-	-	22,673,715
Pedestrian Walkways	-	1,404,894	-	1,404,894
<b>Non-Depreciable Assets</b>				
Land	10,018,522	-	-	10,018,522
Construction in Progress	4,852,694	3,507,174	(4,097,105)	4,262,763
<b>Totals at Acquisition Cost</b>	<b>\$ 342,843,390</b>	<b>\$ 13,031,787</b>	<b>\$ (8,833,151)</b>	<b>\$ 347,042,026</b>
Less Accumulated Depreciation for:				
Buildings and Shelters	\$ (49,809,382)	\$ (3,959,065)	\$ 101,384	\$ (53,667,063)
Revenue Vehicles:				
Buses	(94,354,886)	(12,791,362)	3,865,808	(103,280,440)
Other Support Vehicles	(6,339,753)	(914,021)	192,793	(7,060,981)
Furniture, Fixtures & Equipment	(32,917,628)	(4,312,785)	550,072	(36,680,341)
Leasehold Improvements	(103,204)	(37,802)	-	(141,006)
BRT Roadway Improvements	(2,135,236)	(1,132,353)	-	(3,267,589)
Pedestrian Walkways	-	(2,927)	-	(2,927)
<b>Total Accumulated Depreciation</b>	<b>(185,660,089)</b>	<b>(23,150,315)</b>	<b>4,710,057</b>	<b>(204,100,347)</b>
<b>Capital Assets, net</b>	<b>\$ 157,183,301</b>	<b>\$ (10,118,528)</b>	<b>\$ (4,123,094)</b>	<b>\$ 142,941,679</b>

Capital asset activity for the year ended September 30, 2017 was as follows:

<b>Property and Equipment:</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reclass/ Disposals</b>	<b>Ending Balance</b>
<b>Depreciable Assets</b>				
Buildings and Shelters	\$ 94,511,325	\$ 646,398	\$ (18,821)	\$ 95,138,902
Revenue Vehicles:				
Buses	154,001,813	13,776,012	(10,020,560)	157,757,265
Other Support Vehicles	7,436,539	1,445,502	(516,202)	8,365,839
Furniture, Fixtures & Equipment	40,409,273	3,957,226	(549,436)	43,817,063
Leasehold Improvements	205,476	13,914	-	219,390
BRT Roadway Improvements	6,522,100	16,151,615	-	22,673,715
<b>Non-Depreciable Assets</b>				
Land	8,161,465	1,857,057	-	10,018,522
Construction in Progress	23,347,502	5,166,618	(23,661,426)	4,852,694
<b>Totals at Acquisition Cost</b>	<b>\$ 334,595,493</b>	<b>\$ 43,014,342</b>	<b>\$ (34,766,445)</b>	<b>\$ 342,843,390</b>
Less Accumulated Depreciation for:				
Buildings and Shelters	\$ (45,827,310)	\$ (3,987,766)	\$ 5,694	\$ (49,809,382)
Revenue Vehicles:				
Buses	(89,500,661)	(14,808,191)	9,953,966	(94,354,886)
Other Support Vehicles	(5,335,837)	(1,496,569)	492,653	(6,339,753)
Furniture, Fixtures & Equipment	(28,624,676)	(4,832,424)	539,472	(32,917,628)
Leasehold Improvements	(62,718)	(40,486)	-	(103,204)
BRT Roadway Improvements	(1,435,707)	(699,529)	-	(2,135,236)
<b>Total Accumulated Depreciation</b>	<b>(170,786,909)</b>	<b>(25,864,965)</b>	<b>10,991,785</b>	<b>(185,660,089)</b>
<b>Capital Assets, net</b>	<b>\$ 163,808,584</b>	<b>\$ 17,149,377</b>	<b>\$ (23,774,660)</b>	<b>\$ 157,183,301</b>

### 3. CAPITAL LEASES

The Authority entered into a capital lease agreement for 10 buses in September 2015, of which 5 buses were received by September 30, 2015 and the remaining 5 buses were received in October 2015. The lease agreement covers a term of 5 years, with a final payment to be made in October 2020. These buses were included in property and equipment at a carrying value of \$3,495,089 and \$4,153,018 at September 30, 2018 and 2017, respectively.

Leases payable activity for the years ended September 30, 2018 and 2017 was as follows:

Lease Payable September 30, 2018					Amounts Due Within One Year
Leases Payable	Beginning Balance	Additions	Payments	Ending Balance	
Lease # 5	\$ 3,872,473	\$ -	\$ 918,954	\$ 2,953,519	\$ 940,237
Total	\$ 3,872,473	\$ -	\$ 918,954	\$ 2,953,519	\$ 940,237

Lease Payable September 30, 2017					Amounts Due Within One Year
Leases Payable	Beginning Balance	Additions	Payments	Ending Balance	
Lease # 5	\$ 4,770,624	\$ -	\$ 898,151	\$ 3,872,473	\$ 918,954
Total	\$ 4,770,624	\$ -	\$ 898,151	\$ 3,873,473	\$ 918,954

Future minimum payments and the present value of the minimum payments applicable to capital leases are as follows for the years ending after September 30, 2018:

Year	Present Value of	Amount	Total
	Minimum Lease Payments	Representing Interest	Minimum Lease Payments
2019	940,237	59,763	1,000,000
2020	962,014	37,986	1,000,000
2021	1,051,268	6,035	1,057,303
Total	\$ 2,953,519	\$ 103,784	\$ 3,057,303

The above do not represent borrowings but are considered capital leases under generally accepted accounting principles due to the length of respective lease terms as compared to estimated useful lives of assets leased.

#### 4. LOANS PAYABLE

On June 9, 2004, the Authority entered into a SIB Loan (SIB #2), allowing draws of up to \$7,600,000 for the construction of the New Operating Base Facility. This loan matured October 1, 2016, was non-interest bearing until October 1, 2007, and bore an interest rate of 2%, thereafter. Loan SIB #2 was repaid in full during fiscal year 2017. Loans payable activity during the fiscal year ending September 30, 2017 was as follows:

Loans Payable September 30, 2017					
	Beginning Balance	Additions	Payments	Ending Balance	Amounts Due Within One Year
SIB #2	\$ 813,225	\$ -	\$ 813,225	\$ -	\$ -
Total	\$ 813,225	\$ -	\$ 813,225	\$ -	\$ -

Pursuant to the State Infrastructure Bank Loan Agreement, the Authority committed to use its Federal Transit Administration 5307 grant funds as the source to fund the payment obligations of the loan SIB#2, provided such funds were available after funding capital expenditures. The amount of pledged revenues was \$26,228,105 for fiscal year 2017. Fiscal year 2017 principal and interest payments were \$813,225 and \$16,265 respectively.

#### 5. 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, 2018 and 2017, 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 2018 and 2017. 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	
	2018	2017
Accrued self-insurance liability, beginning of year	\$ 6,844,706	\$ 4,841,282
Insured claims (including IBNR's)	10,242,402	14,698,124
Claim payments	(10,811,873)	(12,694,700)
Accrued self-insurance liability, end of year	\$ 6,275,235	\$ 6,844,706

The estimated amounts due in one year are \$2,472,574 and \$2,784,955 at September 30, 2018 and 2017, 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 \$565,100 for claims IBNR based on the estimated claims incurred as of September 30, and offset by an estimated recovery from the excess insurance. During the year, the excess individual insurance policy covers claims in excess of \$250,000, while the aggregate covers total claims in excess of \$1,000,000. In accordance with the Affordable Care Act, the lifetime maximum for a covered individual is unlimited.



## 6. 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, 2016 and 2015 utilized for the September 30, 2018 and 2017 fiscal years are as follows:

<b><u>Membership at Actuarial Valuation Date</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Retirees and beneficiaries currently receiving benefits and DROP	382	367
Terminated employees entitled to, but not yet receiving benefits	80	70
Active plan participants	615	683
<b>Total</b>	<b><u>1,077</u></b>	<b><u>1,120</u></b>

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, 2018 and 2017 is based on the October 1, 2016 and 2015 actuarial valuation rolled forward to the measurement date of September 30, 2017 and 2016, respectively. Changes in the Authority's Union Defined Benefit Plan net pension liability (asset) during the years ended at September 30, 2018 and 2017 are as follows:

<b><u>Total pension liability</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Service cost	\$ 4,177,847	\$ 4,174,172
Interest	10,041,777	9,337,562
Difference between actual & expected experience	1,015,883	2,082,258
Changes of assumptions	1,793,830	-
Benefit payments	(5,494,839)	(5,590,105)
Refunds	(929,948)	(401,384)
<b>Net change in total pension liability</b>	<b>10,604,550</b>	<b>9,602,503</b>
<b>Total pension liability - beginning</b>	<b>132,924,901</b>	<b>123,322,398</b>
<b>Total pension liability - ending</b>	<b>\$ 143,529,451</b>	<b>\$ 132,924,901</b>
 <b><u>Plan fiduciary net position</u></b>		
Contributions - Employer	\$ 3,000,228	\$ 2,233,626
Contributions - Member	2,044,172	2,192,180
Net investment income	14,943,745	11,523,579
Benefit payments	(5,494,839)	(5,590,105)
Refunds	(929,948)	(401,384)
Administrative expense	(300,019)	(397,607)
Other	2,518	-
<b>Net changes in Plan fiduciary net position</b>	<b>13,265,857</b>	<b>9,560,289</b>
<b>Total Plan fiduciary net position - beginning</b>	<b>130,924,844</b>	<b>121,364,555</b>
<b>Total Plan fiduciary net position - ending</b>	<b>144,190,701</b>	<b>130,924,844</b>
<b>Net pension liability (asset) - ending</b>	<b>\$ (661,250)</b>	<b>\$ 2,000,057</b>

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

For the years ended September 30, 2018 and 2017, the Authority recognized pension expense of \$3,699,271 and \$4,168,335, respectively. At September 30, 2018 and 2017, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Fiscal Year 2018</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 2,184,759	\$ 341,458
Changes in assumptions	1,448,863	
Net difference between projected and actual earning on pension plan investment	-	1,877,314
Authority contributions made subsequent to the measurement date	2,885,961	-
	<u>\$ 6,519,583</u>	<u>\$ 2,218,772</u>
 <b>Fiscal Year 2017</b>	 Deferred Outflows of Resources	 Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 1,723,248	\$ 442,095
Net difference between projected and actual earning on pension plan investment	3,494,047	-
Authority contributions made subsequent to the measurement date	2,838,977	-
	<u>\$ 8,056,272</u>	<u>\$ 442,095</u>

Deferred outflows of resources related to Authority contributions subsequent to the measurement date of \$2,885,961 will be recognized as an increase of the net pension asset in the year ended September 30, 2019. 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:

<u>Year Ended September 30</u>		
2019	\$	987,762
2020		1,311,223
2021		(737,378)
2022		(249,825)
2023		108,068
Thereafter		-
Total	\$	<u>1,414,850</u>

Pension plan contributions for fiscal years 2018 and 2017 were determined as part of the October 1, 2016 and 2015 actuarial valuations, respectively, using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 4.00% to 13.13% per year, dependent on years of service. Both (a) and (b) included an inflation component of 2.25%. The assumptions did not include post-retirement benefit increases, which are funded by the Authority when granted. Such assumptions are subject to future changes due to certain market conditions. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market 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 effect of this change was to increase the required contribution by about \$140,000. The assumption for inflation was 2.25%. The assumption for salary increases was 4.00% to 13.13%, depending on service.

A single discount rate of 7.50% 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 7.50%. 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 7.50% 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, 2017 is as follows:**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Rate of Return</u>
Domestic equity	37%	7.02%
International equity	15%	3.67%
Bonds	27%	3.98%
TIPS	2%	2.90%
Convertibles	10%	6.82%
Private real estate	4%	4.75%
Master limited partnerships	5%	9.67%
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 7.50%, 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 (6.50%) or 1-percentage point higher (8.50%) than the current rate:

		<b>1% Decrease</b>	<b>Current Single Discount Rate Assumption</b>	<b>1% Increase</b>
	<b>Discount Rate</b>	<b>6.50%</b>	<b>7.50%</b>	<b>8.50%</b>
<b>September 30, 2018</b>	\$	16,111,744	(\$661,250)	\$ (14,861,095)
<b>September 30, 2017</b>		17,410,465	2,000,057	(11,159,169)

***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 6% 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, 2018 and 2017 amounted to \$663,675 and \$480,675, 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, 2018 and 2017 was \$11,256,512 and \$10,406,856, respectively. The Authority's contribution to the plan for the years ended September 30, 2018 and 2017 amounted to \$1,201,333 and \$1,285,484, respectively, representing 12% or 6% of covered payroll less forfeitures.

## **7. OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS**

**Plan Description** – In addition to the pension benefits described in Note 6, 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, 2018, the following employees were covered by the benefit terms:

Inactive Employees or beneficiaries currently receiving benefit payments	12
Inactive employees entitled to but not receiving benefit payments	-
Active Employees	922
Total Population	<u>934</u>

**Funding Policy** –The Authority has not advance-funded or established a funding methodology for the annual OPEB costs or the net OPEB liability. Accordingly, postemployment health insurance benefits will continue to be offered on a pay-as-you-go basis.

**Net OPEB Liability** – The Authority had an actuarial valuation dated October 1, 2016, with roll-forward procedures to the measurement date of September 30, 2017. As described in Note 1, the beginning net OPEB liability was increased by \$2,299,921 due to the adoption of GASB Statement No. 75.

**Actuarial Assumptions and Other Inputs** –The Authority’s net 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	3.5% (1)
Inflation	2.2%
Salary increases	2.5%, annually
Mortality rates	Fully Generational RP2000 Combined Mortality (sex distinct) projected from 2000 with Scale AA
Healthcare cost trend rates	4.8%
Administrative expenses	Included in claim cost
Actuarial cost method	Entry Age Normal
Measurement date	September 30, 2017
Valuation date	October 1, 2016

(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 Net OPEB Liability** – The following table shows the changes in the Authority's net OPEB liability during the year ended September 30, 2018:

	<b>Total OPEB Liability</b>
<b>Net OPEB liability at September 30, 2017</b>	\$ 4,638,921
<b>Changes for the year:</b>	
Service cost	429,100
Interest	140,928
Changes in assumptions	(134,509)
Benefit payments	(185,740)
<b>Net changes</b>	<u>249,779</u>
<b>Net OPEB liability at September 30, 2018</b>	<u><u>\$ 4,888,700</u></u>

Changes in assumptions or other inputs reflect a change in the discount rate from 3.1% to 3.5% for the Authority. All other assumptions are consistent with those used in the prior valuation.

***Sensitivity of the Net OPEB Liability to Changes in the Discount Rate*** – The following presents the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.5%) or one percentage point higher (4.5%) than the current discount rate:

<b>Discount Rate</b>	<b>1% Decrease 2.50%</b>	<b>Current Rate 3.50%</b>	<b>1% Increase 4.50%</b>
<b>Net OPEB Liability</b>	\$ 5,231,420	\$ 4,888,700	\$ 4,567,717

***Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate*** – The following presents the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower (3.8%) or one percentage-point higher (5.8%) than the current healthcare cost trend rate:

<b>Healthcare cost trend</b>	<b>1% Decrease 3.80%</b>	<b>Current Rate 4.80%</b>	<b>1% Increase 5.80%</b>
<b>Net OPEB Liability</b>	\$ 4,400,971	\$ 4,888,700	\$ 5,447,301

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*** – For the year ended September 30, 2018, the Authority recognized negative OPEB expense of \$543,126. At September 30, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Change of assumptions	\$ -	\$ 107,607
Total	\$ -	\$ 107,607

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

<b><u>Year Ended September 30</u></b>		
2019	\$	(26,902)
2020		(26,902)
2021		(26,902)
2022		(26,901)
Thereafter		-
<b>Total</b>	<b>\$</b>	<b>(107,607)</b>

## **8. COMMITMENTS**

***Operating Leases*** – Operating leases consist of facility leases for the Southern Operation Base in Osceola County, Paratransit Operations Facility in Orlando and parking at Lynx Central Station for terms of one year or less. Total lease expense amounted to \$463,763 and \$453,061 during the years ended September 30, 2018 and 2017, respectively.

## 9. 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. Twenty-eight swaps have occurred to date through September 30, 2018 with swaps applicable to fiscal years 2017 and 2018 and commitments for fiscal year 2019 as follows:

Trade Date	Effective Period	Total Quantity - Gallons	Fixed Price Per Gallon
12/04/2015	10/01/16 – 09/30/17	2,520,000	\$1.5820
12/04/2015	10/01/16 – 09/30/17	960,000	\$1.4780
03/01/2017	10/01/17 – 09/30/18	1,800,000	\$1.6240
03/01/2017	10/01/17 – 09/30/18	1,020,000	\$1.5460
09/26/2018	10/01/18 – 01/31/19	504,000	\$2.2940
09/26/2018	10/01/18 – 01/31/19	356,000	\$2.0660

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 2018 and 2017, 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, 2018 and 2017 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 statements of net position, with \$2,929 as a deferred outflow of resources on September 30, 2018, \$212,741 as a deferred inflow of resources on September 30, 2017, and is a derivative financial instrument on the statements of net position at September 30, 2018 and 2017, respectively. The estimated fair value of the swaps is determined based on contracted strike prices and applicable futures prices at September 30, 2018 and 2017, and these values represent the change in fair value of the swaps during the fiscal year.

## 10. 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 5. 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**

<b><u>Total pension liability</u></b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Service cost	\$ 4,177,847	\$ 4,174,172	\$ 4,324,270	\$ 4,900,835
Interest	10,041,777	9,337,562	8,827,032	8,240,224
Benefit changes	-	-	-	-
Difference between actual & expected experience	1,015,883	2,082,258	(638,418)	(5,835)
Assumption changes	1,793,830	-	-	-
Benefit payments	(5,494,839)	(5,590,105)	(4,808,642)	(4,079,731)
Refunds	(929,948)	(401,384)	(311,317)	(269,399)
<b>Net change in total pension liability</b>	<b>10,604,550</b>	<b>9,602,503</b>	<b>7,392,925</b>	<b>8,786,094</b>
<b>Total pension liability - beginning</b>	<b>132,924,901</b>	<b>123,322,398</b>	<b>115,929,473</b>	<b>107,143,379</b>
<b>Total pension liability</b>	<b>\$ 143,529,451</b>	<b>\$ 132,924,901</b>	<b>\$ 123,322,398</b>	<b>\$ 115,929,473</b>
<b><u>Plan fiduciary net position</u></b>				
Contributions - Employer	\$ 3,000,228	\$ 2,233,626	\$ 3,315,335	\$ 2,337,699
Contributions - Member	2,044,172	2,192,180	2,264,655	2,310,106
Net investment income (loss)	14,943,745	11,523,579	(1,070,462)	10,052,069
Benefit payments	(5,494,839)	(5,590,105)	(4,808,642)	(4,079,731)
Refunds	(929,948)	(401,384)	(311,317)	(269,399)
Administrative expense	(300,019)	(397,607)	(237,972)	(237,291)
Other	2,518	-	-	-
<b>Net changes in Plan fiduciary net position</b>	<b>13,265,857</b>	<b>9,560,289</b>	<b>(848,403)</b>	<b>10,113,453</b>
<b>Total Plan fiduciary net position - beginning</b>	<b>130,924,844</b>	<b>121,364,555</b>	<b>122,212,958</b>	<b>112,099,505</b>
<b>Total Plan fiduciary net position - ending</b>	<b>144,190,701</b>	<b>130,924,844</b>	<b>121,364,555</b>	<b>122,212,958</b>
<b>Net pension liability (asset) - ending</b>	<b>\$ (661,250)</b>	<b>\$ 2,000,057</b>	<b>\$ 1,957,843</b>	<b>\$ (6,283,485)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability (asset)</b>	<b>100.46%</b>	<b>98.50%</b>	<b>98.41%</b>	<b>105.42%</b>
<b>Covered payroll</b>	<b>\$ 28,338,911</b>	<b>\$ 29,800,533</b>	<b>\$ 34,028,032</b>	<b>\$ 34,962,723</b>
<b>Net pension liability (asset) as a percentage of covered payroll</b>	<b>-2.33%</b>	<b>6.71%</b>	<b>5.75%</b>	<b>-17.97%</b>

**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. Information is not available prior to fiscal 2015; 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
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%
2012	\$3,543,980	\$3,638,572	(\$94,592)	\$34,369,299	10.59%
2011	\$3,416,323	\$3,660,066	(\$243,743)	\$35,059,922	10.44%
2010	\$3,893,395	\$3,867,861	\$25,534	\$35,815,773	10.80%
2009	\$4,312,447	\$3,628,006	\$684,441	\$35,830,640	10.13%

**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
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)%

**SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN \***

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return net of investment expense	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. Information is not available prior to fiscal 2015; additional years will be displayed as the information becomes available.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**UNION PENSION PLAN NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

Valuation Date: 10/1/2017 (for FYE 9/30/18)  
 Measurement Date: September 30, 2017

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	30 years
Asset Valuation Method	5-year smoothed market
Inflation	2.25%
Salary Increases	4.0% to 13.13% 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	7.5%
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:**

Benefit changes enacted during the fiscal year ended September 30, 2018:  
 There were no benefit changes enacted during the year.

**Changes in assumptions:**

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 effect of this change was to increase the required contribution by about \$140,000.

Effective October 1, 2017, the remaining unfunded amortization bases were combined and amortized over two (2) years, the shortest remaining period of the separate bases. New bases set up in the future will continue to be amortized over 30 years.

The October 1, 2017 valuation reflects a reversion to the pre Amendment No. 1 provisions. Prior to the amendment, the disability benefit was the accrued benefit on the date of disability, payable upon Board approval of the disability, with no deferral period, and the interest credited to member contributions was 5% per annum, compounded annually.

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND  
RELATED RATIOS**

<b>Report period ending</b>		<b>09/30/2018</b>
<b>Measurement date</b>		<b>09/30/2017</b>
<b><u>Total OPEB liability</u></b>		
Service cost	\$	429,100
Interest		140,928
Changes in assumptions		(134,509)
Benefit payments		(185,740)
<b>Net change in total OPEB liability</b>		<u>249,779</u>
<b>Total OPEB liability - beginning as restated</b>		<u>4,638,921</u>
<b>Total OPEB liability - ending</b>	\$	<u>4,888,700</u>
 <b>Covered-employee payroll</b>	 \$	 <b>48,919,052</b>
 <b>Total OPEB liability as a percentage of covered-employee payroll</b>		 <b>9.99%</b>

**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. Information is not available prior to fiscal 2018; additional years will be displayed as the information becomes available.

**Notes to Schedule:**

*Change of Assumptions:* Change of assumptions reflects the effects of changes in the discount rate from 3.10% to 3.50% for the reporting period ending September 30, 2018.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX**  
**SUPPLEMENTARY SCHEDULE OF REVENUES AND EXPENSES**  
**BUDGET VS ACTUAL (BUDGET BASIS)**  
**YEAR ENDED SEPTEMBER 30, 2018**

	Budget	Actual	Variance Favorable/ (Unfavorable)
<b>OPERATING REVENUES</b>			
Customer fares	\$ 25,408,169	\$ 24,142,741	\$ (1,265,428)
Contract services:			
Local financial assistance	15,049,262	14,830,390	(218,872)
Other contractual services	5,224,268	4,191,835	(1,032,433)
Advertising	2,205,000	2,846,718	641,718
Other income	509,352	688,425	179,073
	<u>48,396,051</u>	<u>46,700,109</u>	<u>(1,695,942)</u>
<b>Total operating revenues</b>			
	<u>48,396,051</u>	<u>46,700,109</u>	<u>(1,695,942)</u>
<b>OPERATING EXPENSES:</b>			
Transportation	49,284,003	49,165,839	118,164
Maintenance and operations	67,607,468	69,313,021	(1,705,553)
General and administrative	19,218,224	16,829,735	2,388,489
	<u>136,109,695</u>	<u>135,308,595</u>	<u>801,100</u>
<b>Total operating expenses before depreciation</b>			
	<u>136,109,695</u>	<u>135,308,595</u>	<u>801,100</u>
<b>OPERATING LOSS</b>	(87,713,644)	(88,608,486)	(894,842)
<b>NONOPERATING REVENUES/(EXPENSES):</b>			
Federal	17,947,055	15,877,646	(2,069,409)
State of Florida	13,255,831	12,710,971	(544,860)
Local	51,898,154	51,500,093	(398,061)
Interest income	579,461	698,231	118,770
Interest expense	(81,047)	(84,900)	(3,853)
	<u>83,599,454</u>	<u>80,702,041</u>	<u>(2,897,413)</u>
<b>Total nonoperating revenues/(expenses), net</b>			
	<u>83,599,454</u>	<u>80,702,041</u>	<u>(2,897,413)</u>
<b>Decrease in net position</b>	<u>\$ (4,114,190)</u>	(7,906,445)	<u>\$ (3,792,255)</u>
<b>BASIS DIFFERENCES:</b>			
Depreciation		(23,150,315)	
Other income		42,106	
Capital contribution		9,666,270	
		<u>9,666,270</u>	
<b>Decrease in net position - GAAP basis</b>		<u>\$ (21,348,384)</u>	







# 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 information purposes only, and, therefore, have not been subjected to audit by the Authority's independent auditors. Below is a summary of the components and purpose for the tables provided here-in.

## Pages

### Debt Capacity

This schedule presents information to help the reader assess the ability of LYNX to service its outstanding debt.	51
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### Revenue Capacity

These schedules contain information to help the reader assess LYNX' most significant revenue sources.	52-54
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### Financial Trends

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
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### Demographic and Economic Information

These schedules contain demographic and economic indicators to help the reader understand the environment within which LYNX' financial activities take place.	48, 58-63
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### Other Operating Information

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
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**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY  
LYNX**

**Miscellaneous Statistics  
Year End September 30, 2018  
(Unaudited)**

Form of Government	Local Government (Independent Special District)
Number of Directors	Five (5) Voting
Area Population	2,155,375
Counties Served	Orange, Seminole and Osceola
Number of Service Routes	74
Peak Vehicle Requirement	260
Hours of Operation	4:00 a.m. to 3:10 a.m.
Average Weekday Passengers	76,298
Vehicle Miles Operated	16,920,930
Vehicle Hours Operated	1,202,979

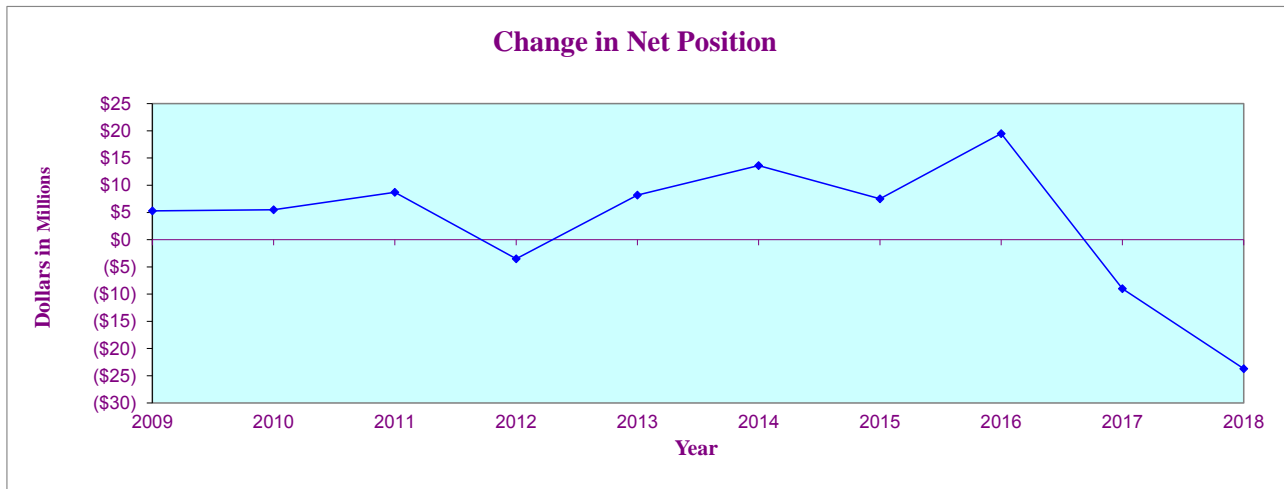
Sources: Metro Orlando Economic Development Commission  
National Transit Database Report



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

**Revenue, Expenses, and Change in Net Position  
Last Ten Years  
Dollars in Millions  
(Unaudited)**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Operating Revenue:</b>										
Customer Fares	\$ 24.1	\$ 25.2	\$ 26.6	\$ 28.2	\$ 29.1	\$ 29.4	\$ 28.6	\$ 26.1	\$ 22.4	\$ 21.5
Other	22.6	21.9	20.2	20.6	22.5	20.0	18.0	20.6	20.8	20.8
<b>Total Operating Revenue</b>	<b>46.7</b>	<b>47.1</b>	<b>46.8</b>	<b>48.8</b>	<b>51.6</b>	<b>49.4</b>	<b>46.6</b>	<b>46.7</b>	<b>43.2</b>	<b>42.3</b>
<b>Operating Expenses:</b>										
Administration, Transportation, and Maintenance	135.3	127.8	116.6	114.2	120.5	119.8	112.0	110.6	106.7	106.6
Depreciation	23.2	25.9	26.8	26.2	23.5	19.9	19.1	18.2	17.0	-
Capital Project Abandonment Expense	-	4.2	-	-	-	-	-	-	-	-
Write-off of Assets (Note 1)	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>158.5</b>	<b>157.8</b>	<b>143.4</b>	<b>140.4</b>	<b>144.0</b>	<b>139.7</b>	<b>131.1</b>	<b>128.8</b>	<b>123.7</b>	<b>123.3</b>
<b>Operating Loss</b>	<b>(111.8)</b>	<b>(110.7)</b>	<b>(96.6)</b>	<b>(91.6)</b>	<b>(92.4)</b>	<b>(90.3)</b>	<b>(84.5)</b>	<b>(82.1)</b>	<b>(80.5)</b>	<b>(81.0)</b>
<b>Non-Operating Revenue (Expenses):</b>										
Operating Assistance	61.9	59.1	56.8	56.1	53.4	49.0	47.8	46.4	48.9	54.3
Planning and Other Income (Expenses)	18.9	17.4	17.0	16.3	17.3	19.3	20.3	20.2	18.5	14.9
Capital Contributions	9.7	25.2	42.4	19.7	35.3	30.2	12.9	24.2	18.6	17.1
<b>Total Non-Operating Revenue (Expenses)</b>	<b>88.1</b>	<b>101.7</b>	<b>116.2</b>	<b>92.1</b>	<b>106.0</b>	<b>98.5</b>	<b>81.0</b>	<b>90.8</b>	<b>86.0</b>	<b>86.3</b>
<b>Change in Net Position Before Accounting Change</b>	<b>(21.3)</b>	<b>(9.0)</b>	<b>19.6</b>	<b>0.5</b>	<b>13.6</b>	<b>8.2</b>	<b>(3.5)</b>	<b>8.7</b>	<b>5.5</b>	<b>5.3</b>
<b>Change in Accounting Principle</b>	<b>(2.3)</b>	<b>-</b>	<b>-</b>	<b>7.0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position After Accounting Change</b>	<b>\$ (23.6)</b>	<b>\$ (9.0)</b>	<b>\$ 19.6</b>	<b>\$ 7.5</b>	<b>\$ 13.6</b>	<b>\$ 8.2</b>	<b>\$ (3.5)</b>	<b>\$ 8.7</b>	<b>\$ 5.5</b>	<b>\$ 5.3</b>



For the past 10 years the chart shows the change in net position each year versus the immediately preceding year. Net Position decreased in 2018 due to the deferment of capital grants.

Source: Financial Statements

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

**Condensed Summary of Net Position**

**Last Ten Years**

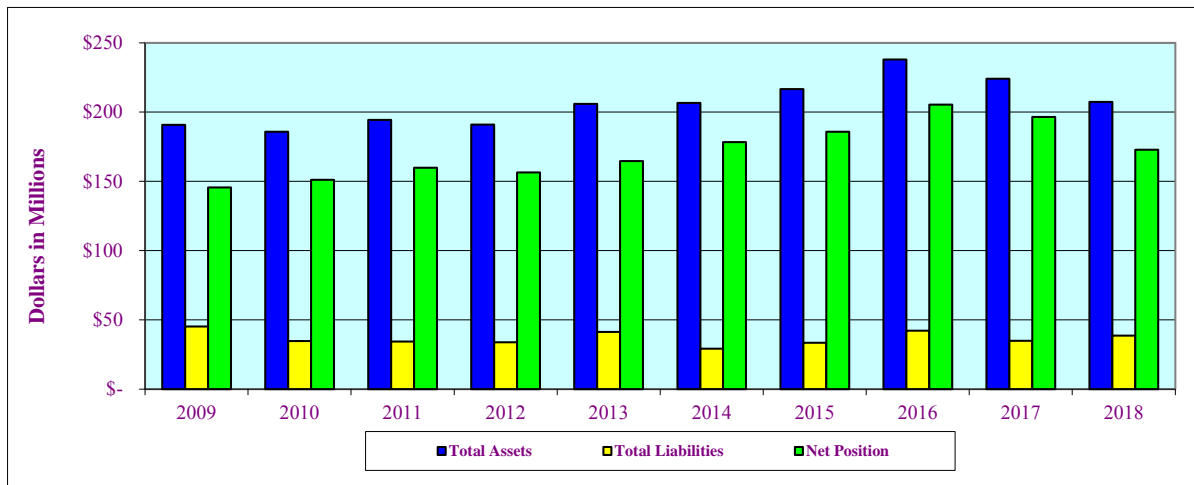
Dollars in Millions

(Unaudited)

Year	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Assets	\$207.4	\$224.1	\$238.0	\$216.6	\$206.7	\$206.0	\$191.0	\$194.3	\$185.9	\$190.9
Deferred Outflow of Resources	\$6.5	\$8.1	\$10.3	\$4.1	\$0.8	\$0.1	\$0.0	\$0.6	\$0.0	\$0.0
Deferred Inflow of Resources	\$2.3	\$0.7	\$0.5	\$1.3	\$0.0	\$0.0	\$0.7	\$0.0	\$0.0	\$0.0
Total Liabilities	\$38.7	\$35.0	\$42.2	\$33.5	\$29.2	\$41.4	\$33.8	\$34.4	\$34.7	\$45.2
Ending Net Position	\$172.9	\$196.5	\$205.5	\$185.9	\$178.3	\$164.7	\$156.5	\$159.9	\$151.2	\$145.7

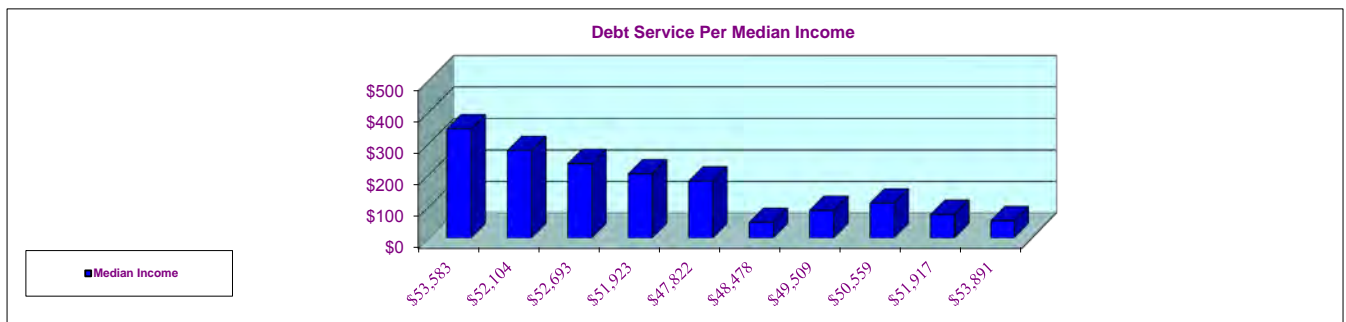
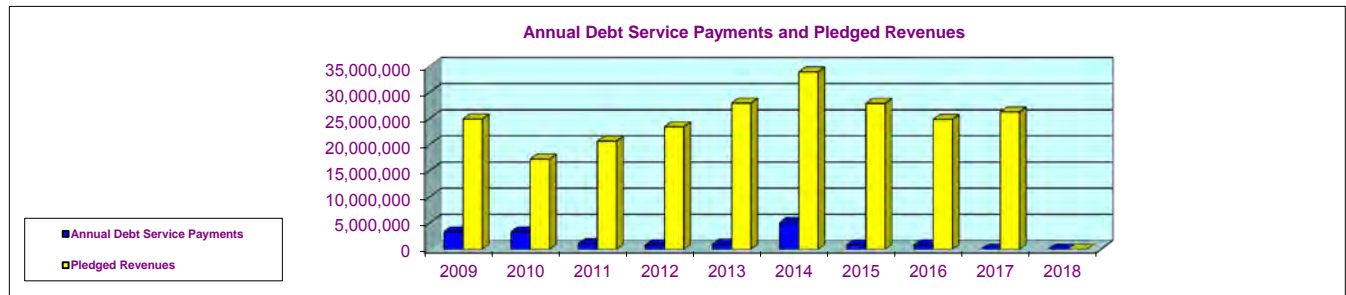
Net investment in capital assets	\$139.3	\$153.0	\$149.9	\$142.7	\$147.6	\$135.6	\$124.9	\$131.1	\$125.1	\$123.5
Restricted	\$1.7	\$1.7	\$1.6	\$0.0	\$0.0	\$0.1	\$0.5	\$0.5	\$0.5	\$0.5
Unrestricted	\$31.8	\$41.8	\$54.0	\$43.2	\$30.7	\$29.0	\$31.1	\$28.3	\$25.6	\$21.7
Ending Net Position	\$172.9	\$196.5	\$205.5	\$185.9	\$178.3	\$164.7	\$156.5	\$159.9	\$151.2	\$145.7



This chart compares Total Assets, Total Liabilities, and Net Position values over the last 10 years. Total Assets increased 8.64% during this period as the Authority expanded service, acquired new rolling stock, and constructed bus shelters and intermodal transfer centers. Total Liabilities at the end of fiscal year 2018 are 10.57% greater than at the end of fiscal year 2008. Net Position decreased in 2018 due to the deferment of capital grants.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a  
LYNX  
Total Debt  
Last Ten Years  
(Unaudited)**

Year	Total Debt	SIB Loans	Capital Leases	Annual Debt Service Payments	Pledged Revenues	Debt Service Coverage	Median Income	Debt per Median Income
2009	\$18,576,071	\$12,914,638	\$5,661,433	\$3,321,419	\$24,881,390	7.49	\$53,583	\$346.68
2010	\$14,446,041	\$9,829,891	\$4,616,150	\$3,321,420	\$17,211,000	5.18	\$52,104	\$277.25
2011	\$12,430,432	\$8,901,362	\$3,529,070	\$1,046,219	\$20,649,873	19.74	\$52,693	\$235.90
2012	\$10,563,319	\$8,164,797	\$2,398,522	\$829,492	\$23,411,900	28.22	\$51,923	\$203.44
2013	\$8,636,268	\$7,413,500	\$1,222,768	\$958,423	\$27,936,006	29.15	\$47,822	\$180.59
2014	\$2,392,156	\$2,392,156	\$0	\$5,127,064	\$33,892,077	6.61	\$48,478	\$49.35
2015	\$4,325,942	\$1,610,507	\$2,715,435	\$829,492	\$27,889,437	33.62	\$49,509	\$87.38
2016	\$5,583,849	\$813,225	\$4,770,624	\$829,490	\$24,800,447	29.90	\$50,559	\$110.44
2017	\$3,872,473	\$0	\$3,872,473	\$0	\$26,228,105	0.00	\$51,917	\$74.59
2018	\$2,953,519	\$0	\$2,953,519	\$0	\$0	0.00	\$53,891	\$54.81



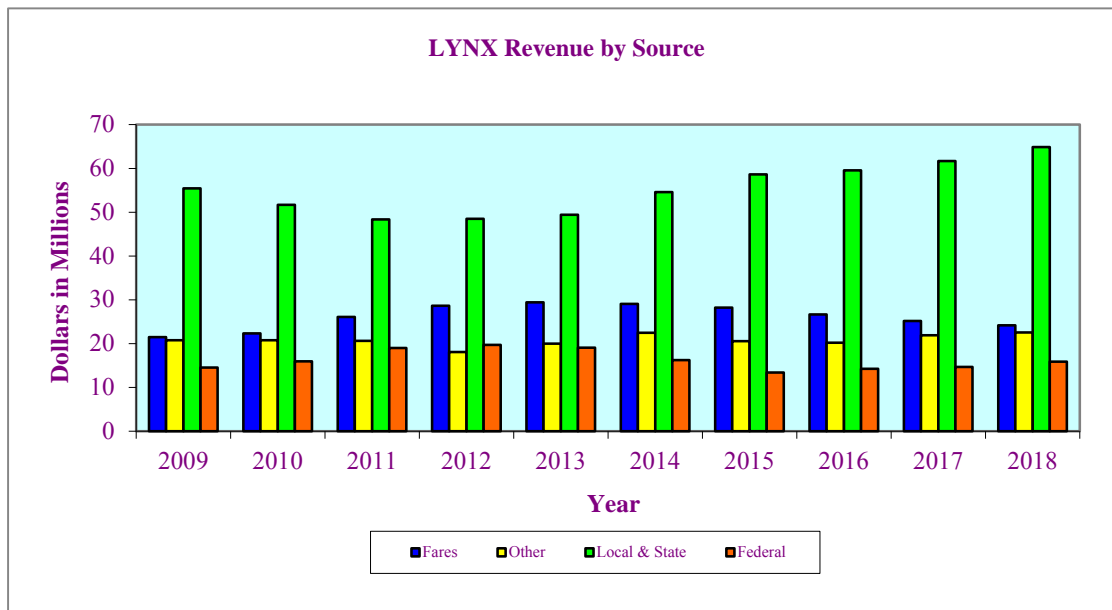
Source: Financial Statements, NTD Report, and Orlando Economic Development Commission.

Note: Total debt consists of State Infrastructure Bank loans and capital 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 by Source Last Ten Years Dollars in Millions (Unaudited)

	OPERATING AND OTHER						
	MISCELLANEOUS REVENUE			OPERATING ASSISTANCE			
Fiscal Year	Fares	Other	Total	Local & State	Federal	Total	Total Revenue
2009	\$21.454	\$20.790	\$42.244	\$55.466	\$14.509	\$69.975	\$112.219
2010	\$22.363	\$20.800	\$43.163	\$51.684	\$15.917	\$67.601	\$110.764
2011	\$26.098	\$20.661	\$46.759	\$48.370	\$19.031	\$67.401	\$114.160
2012	\$28.620	\$18.047	\$46.667	\$48.521	\$19.678	\$68.199	\$114.866
2013	\$29.394	\$19.985	\$49.379	\$49.433	\$19.060	\$68.493	\$117.872
2014	\$29.081	\$22.475	\$51.556	\$54.558	\$16.257	\$70.815	\$122.371
2015	\$28.225	\$20.572	\$48.797	\$58.646	\$13.385	\$72.031	\$120.828
2016	\$26.643	\$20.171	\$46.814	\$59.522	\$14.223	\$73.745	\$120.560
2017	\$25.165	\$21.926	\$47.091	\$61.665	\$14.680	\$76.345	\$123.436
2018	\$24.143	\$22.557	\$46.700	\$64.867	\$15.877	\$80.744	\$127.444



The table and graph show the primary sources of revenues, the amount received from each source over the last ten years and, consequently, the Authority's relative dependency on each of the revenue sources. Local and state governments have consistently been the biggest providers of operating funds. Fares decreased in 2018 and were down 4.06% compared to 2017. Total revenue was higher due to the increase in local and federal financial assistance. In 2018 federal revenue increased to 12.52% of LYNX's total revenue, versus 11.89% in 2017.

Source: Financial statements and schedules included in the Comprehensive Annual Financial Reports

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a**  
**LYNX**  
**Revenues by Source**  
**Last Ten Years**  
(Unaudited)

	<b>OPERATING AND OTHER MISCELLANEOUS REVENUE</b>			<b>OPERATING ASSISTANCE</b>			
<b>FISCAL YEAR</b>	<b>FARES</b>	<b>OTHER</b>	<b>TOTAL</b>	<b>LOCAL &amp; STATE</b>	<b>FEDERAL</b>	<b>TOTAL</b>	<b>TOTAL REVENUE</b>
<b>INDUSTRY</b>							
2009	31.5%	5.8%	37.3%	54.4%	8.2%	62.6%	99.9%
2010	32.1%	5.4%	37.5%	53.1%	9.4%	62.5%	100.0%
2011	32.8%	4.9%	37.7%	52.5%	9.8%	62.3%	100.0%
2012	32.5%	4.6%	37.1%	54.0%	8.9%	62.9%	100.0%
2013	32.5%	3.8%	36.3%	54.8%	8.9%	63.7%	100.0%
2014	32.0%	3.9%	35.9%	55.5%	8.6%	64.1%	100.0%
2015	32.5%	4.9%	37.4%	54.3%	8.3%	62.6%	100.0%
2016	31.3%	5.0%	36.3%	55.7%	8.0%	63.7%	100.0%
2017	31.4%	5.0%	36.3%	55.2%	8.5%	63.7%	100.0%
2018	*	*	0.0%	*	*	0.0%	0.0%
<b>LYNX</b>							
2009	19.1%	18.5%	37.6%	49.5%	12.9%	62.4%	100.0%
2010	20.2%	18.8%	39.0%	46.6%	14.4%	61.0%	100.0%
2011	22.9%	18.1%	41.0%	42.4%	16.6%	59.0%	100.0%
2012	24.9%	15.7%	40.6%	42.3%	17.1%	59.4%	100.0%
2013	24.9%	17.0%	41.9%	41.9%	16.2%	58.1%	100.0%
2014	23.8%	18.4%	42.2%	44.6%	13.2%	57.8%	100.0%
2015	23.4%	17.0%	40.4%	48.5%	11.1%	59.6%	100.0%
2016	22.1%	16.7%	38.8%	49.4%	11.8%	61.2%	100.0%
2017	20.4%	17.8%	38.1%	50.0%	11.9%	61.9%	100.0%
2018	19.0%	17.8%	36.8%	50.6%	12.5%	63.2%	100.0%

Source: Financial Statements

APTA 2018 Transportation Fact Book

\* Not available

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

**LYNX**

**Fare Structure**

**Year Ended September 30, 2018**

(Unaudited)

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
Express 208 Daily Pass	6.50
Express 208 Daily Pass (Students, Elderly and Disabled)	3.25
Children (6 years and under with an adult)	Free
<b>TICKETS</b>	
Express Single Ride	\$ 3.50
Express Seniors/Students	\$ 1.75
Polk County Link 416 & 427 Single Ride	\$ 1.50
Polk County Link 416 & 427 Students	\$ 1.25
Polk County Link 416 & 427 Seniors / Disabled	\$ 0.75
<b>PASSES</b>	
7 Day Pass	\$ 16.00
Discounted 7 Day Pass (Students, Elderly and Disabled)	\$ 8.00
Express 7 Day Pass	\$ 23.00
Express Discounted 7 Day Pass (Students, Elderly and Disabled)	\$ 11.50
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
Express 30 Day	\$ 70.00
Express AdvantAge Pass 30 Day (Elderly and Disabled)	\$ 35.00
Express Youth Pass 30 Day	\$ 35.00

SOURCE: LYNX Fare Structure Policy

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

**Fare Trends  
Last Ten Years**

(Unaudited)

<b>CASH FARES</b>					<b>PASSES</b>			
<b>Fiscal Year</b>	<b>Single Fare</b>	<b>Discount Single</b>	<b>1 Day Fare</b>	<b>Discount 1 Day</b>	<b>7 Day Pass</b>	<b>Discount 7 Day</b>	<b>30 Day Pass</b>	<b>Discount 30 Day</b>
2009	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2010	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2011	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2012	\$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
2014	\$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
2016	\$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
2018	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00

Discounted Fares Include:

Students

Elderly and Handicapped

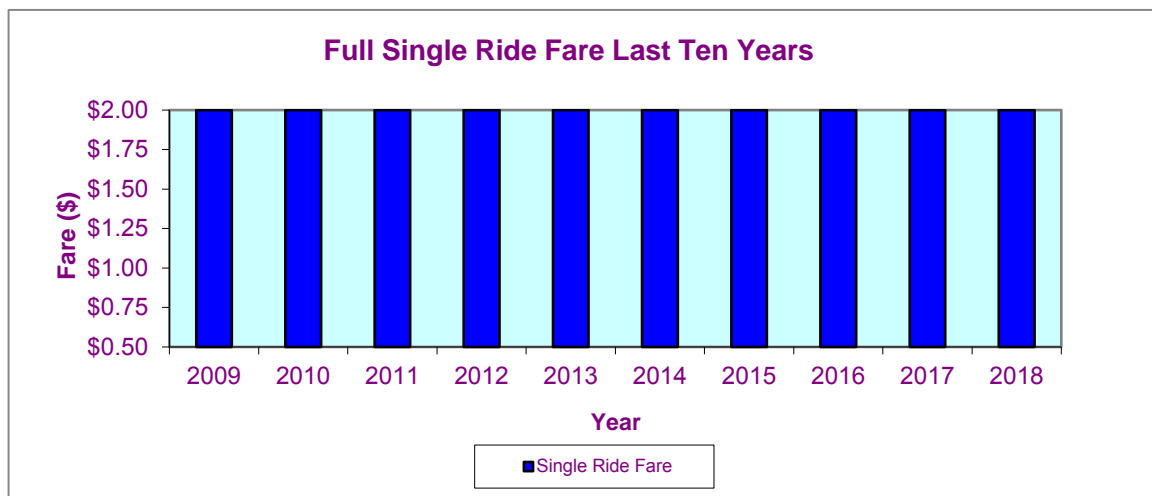
Does Not Include Polk County 416 & 427

Discounted Passes Include:

Youth

Advantage

IQ

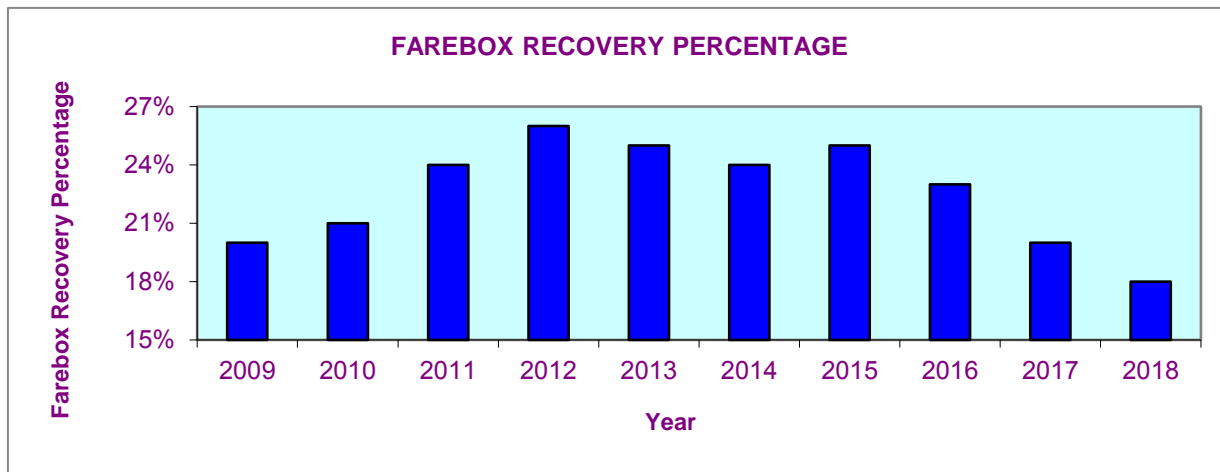


The table and graph show the amount of each standard fixed-route fare type by year. In keeping with the Authority's commitment to keep fares as low as fiscally feasible and to make relatively small rate increases periodically, no fare rate increases were made in 2018. The last increase was implemented in January 2009.

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

**Farebox Recovery Percentage  
Last Ten Years  
(Unaudited)**

<b>Fiscal Year</b>	<b>Percentage</b>
2009	20%
2010	21%
2011	24%
2012	26%
2013	25%
2014	24%
2015	25%
2016	23%
2017	20%
2018	18%

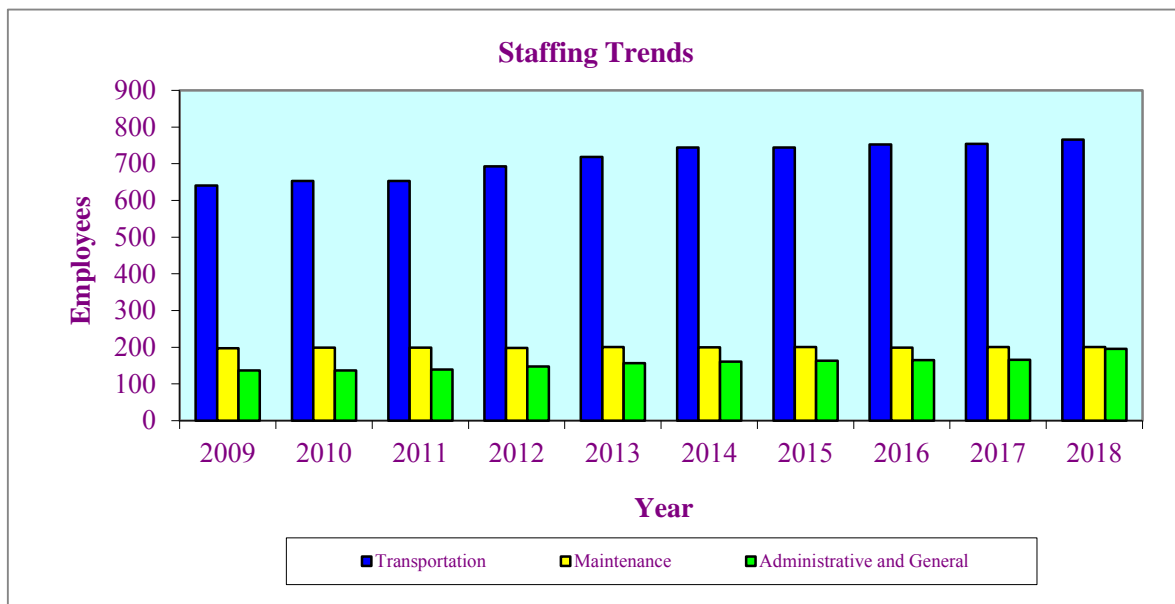


Farebox Recovery Percentage is the percentage of the total operating cost that is funded by customer fares. It is calculated by dividing total customer fares by total operating cost before depreciation. Beginning with 2009 the recovery rate has remained fairly constant, varying by approximately 1% to 3% from year to year.



**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a  
LYNX  
Budgeted Staffing Trends  
Last Ten Years  
(Unaudited)**

<b>Year</b>	<b>Transportation</b>	<b>Maintenance</b>	<b>Administrative and General</b>	<b>Total</b>
2009	641	197	137	975
2010	653	199	137	989
2011	653	199	139	991
2012	693	198	148	1,039
2013	719	201	157	1,077
2014	744	200	161	1,105
2015	744	201	163	1,108
2016	753	199	165	1,117
2017	754	201	166	1,121
2018	766	201	196	1,163



The greatest fluctuation during the 10-year period was in the Administrative and General area, with 2018 staffing approximately 43.06% above the low level of the 10-year period shown above. Staffing level increased as a result of increase in service demand. Despite the Administrative and General staff increase, the organization-wide total from year to year varied less than 19.28%, with an overall increasing trend.

Source: Annual Budgets

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

**Top Ten Employers  
Service Area Employers  
Current Year and Nine Years Ago  
(Unaudited)**

Company	2018			2009		
	Number of Full Time Employees	Rank	Percentage of Total Employment	Number of Full Time Employees	Rank	Percentage of Total Employment
Walt Disney World Company	74,200	1	6.18%	62,000	1	5.55%
Florida Hospital	28,959	2	2.41%	16,000	3	1.43%
Orange County Public Schools	25,145	3	2.09%	24,063	2	2.15%
Universal Studios Florida	25,000	4	2.08%	13,000	5	1.16%
Publix Super Markets, Inc.	19,783	5	1.65%	15,606	4	1.40%
Orlando Regional Healthcare	19,032	6	1.59%	10,000	7	0.90%
Orlando International Airport	18,000	7	1.50%	N/A	N/A	N/A
Seminole County Public Schools	10,000	8	0.83%	7,000	9	0.63%
University of Central Florida	9,476	9	0.79%	10,152	6	0.91%
Lockheed Martin	9,000	10	0.75%	7,200	10	0.64%
Other Employees	961,921		80.13%	951,915		85.23%
Region Total	1,200,516		100.00%	1,116,936		100.00%

Notes:

N/A = Not Available

Sources:

Metro Orlando Economic Development Commission

Orange County Public Schools

Orlando Health

University of Central Florida Office of Institutional Research

Seminole County Public Schools

Orange County Government, Florida

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

**Employment Percentage by Industry  
Service Region  
Last Ten Years  
(Unaudited)**

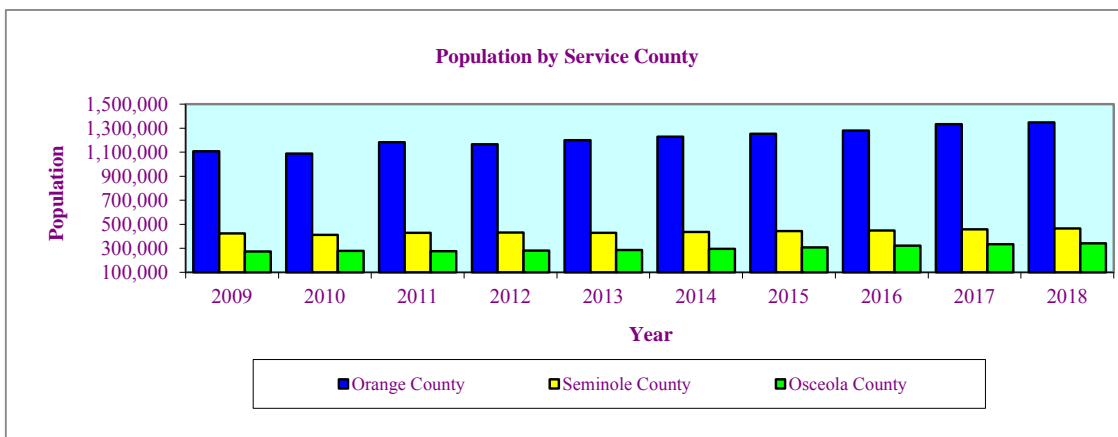
<b>Year</b>	<b>Manufacturing</b>	<b>Construction</b>	<b>Transportation</b>	<b>Finance</b>	<b>Government</b>	<b>Retail Trade</b>	<b>Service</b>	<b>Total</b>
2009	3.9%	6.0%	3.1%	6.4%	11.7%	11.1%	57.8%	100.0%
2010	3.7%	4.8%	3.0%	6.0%	11.7%	11.4%	59.4%	100.0%
2011	3.6%	4.6%	3.1%	6.1%	11.5%	11.8%	59.3%	100.0%
2012	3.6%	4.2%	3.0%	6.2%	11.3%	12.3%	59.4%	100.0%
2013	3.5%	4.5%	2.9%	6.4%	11.0%	12.2%	59.5%	100.0%
2014	3.5%	5.1%	2.9%	6.2%	10.7%	12.7%	58.9%	100.0%
2015	3.5%	5.2%	3.0%	6.3%	10.4%	12.7%	58.9%	100.0%
2016	3.5%	5.9%	2.9%	5.9%	10.1%	12.3%	59.4%	100.0%
2017	3.8%	5.8%	3.1%	6.3%	9.9%	12.2%	58.9%	100.0%
2018	3.8%	6.6%	3.2%	5.9%	9.6%	11.6%	59.3%	100.0%

Source: Metro Orlando Economic Development Commission

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

**Population by Service County  
Last Ten Years  
(Unaudited)**

<b>Year</b>	<b>Orange County</b>	<b>Seminole County</b>	<b>Osceola County</b>	<b>Region Total</b>
2009	1,108,882	423,759	272,788	1,805,429
2010	1,087,971	412,660	278,153	1,778,784
2011	1,183,903	429,169	275,010	1,888,082
2012	1,166,730	430,738	281,294	1,878,762
2013	1,199,801	427,977	286,001	1,913,779
2014	1,227,995	437,086	295,553	1,960,634
2015	1,252,396	442,903	308,327	2,003,626
2016	1,280,387	449,124	322,862	2,052,373
2017	1,332,714	457,650	333,980	2,124,344
2018	1,347,885	465,036	342,454	2,155,375

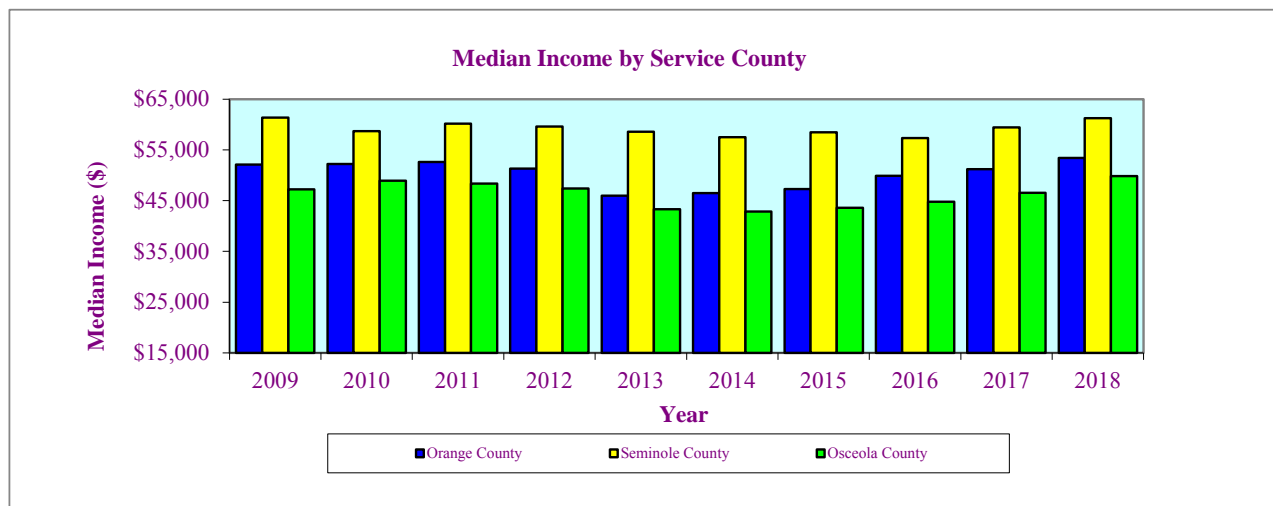


The population of the tri-county area, as a whole, increased approximately 1.46% from 2017. The greatest growth rate was in Oseola County, where the population grew approximately 2.53% compared to the previous year.

Source: Metro Orlando Economic Development Commission

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a  
LYNX**  
**Median Household Income by Service County**  
**Last Ten Years**  
(Unaudited)

<b>Year</b>	<b>Orange County</b>	<b>Seminole County</b>	<b>Osceola County</b>
2009	\$52,130	\$61,374	\$47,244
2010	\$52,232	\$58,703	\$48,942
2011	\$52,624	\$60,210	\$48,367
2012	\$51,338	\$59,609	\$47,386
2013	\$45,968	\$58,573	\$43,332
2014	\$46,507	\$57,538	\$42,838
2015	\$47,295	\$58,481	\$43,620
2016	\$49,910	\$57,369	\$44,785
2017	\$51,232	\$59,441	\$46,528
2018	\$53,407	\$61,291	\$49,870



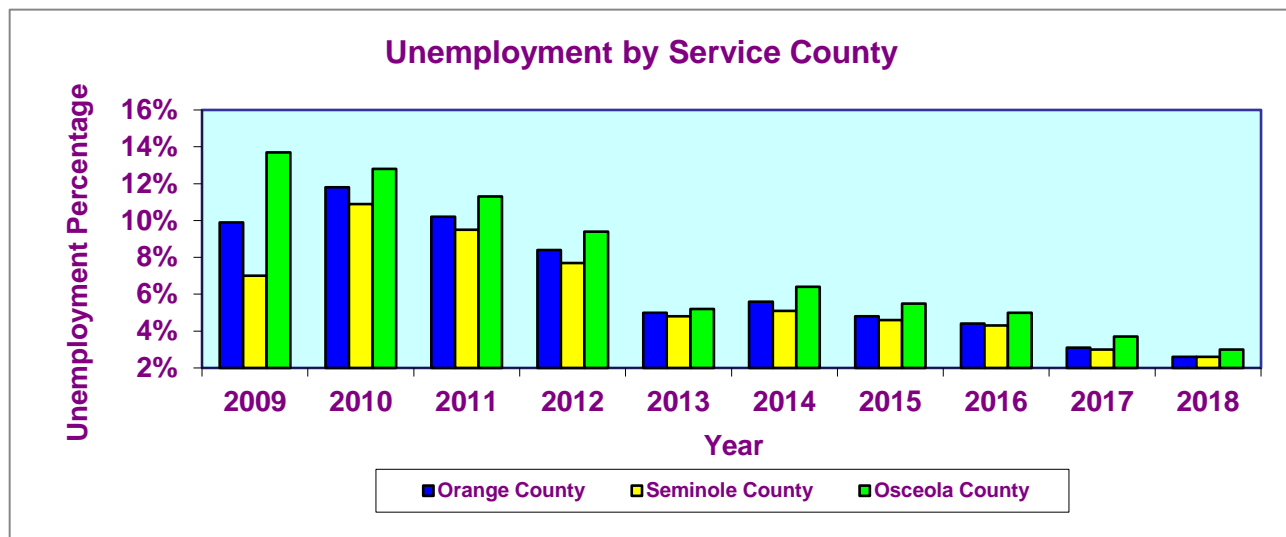
Median household income is useful in public transportation planning because it is one determinant of the need for, and probability of use, of public transportation. The lower the median income the greater, in most cases, will be the need for, and use of, public transportation.

Source: Metro Orlando Economic Development Commission

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

**Unemployment by Service County  
Last Ten Years  
(Unaudited)**

<b>Year</b>	<b>Orange County</b>	<b>Seminole County</b>	<b>Osceola County</b>	<b>Region Average</b>
2009	9.9%	7.0%	13.7%	10.2%
2010	11.8%	10.9%	12.8%	11.8%
2011	10.2%	9.5%	11.3%	10.3%
2012	8.4%	7.7%	9.4%	8.4%
2013	5.0%	4.8%	5.2%	4.9%
2014	5.6%	5.1%	6.4%	5.7%
2015	4.8%	4.6%	5.5%	5.0%
2016	4.4%	4.3%	5.0%	4.5%
2017	3.1%	3.0%	3.7%	3.2%
2018	2.6%	2.6%	3.0%	2.7%

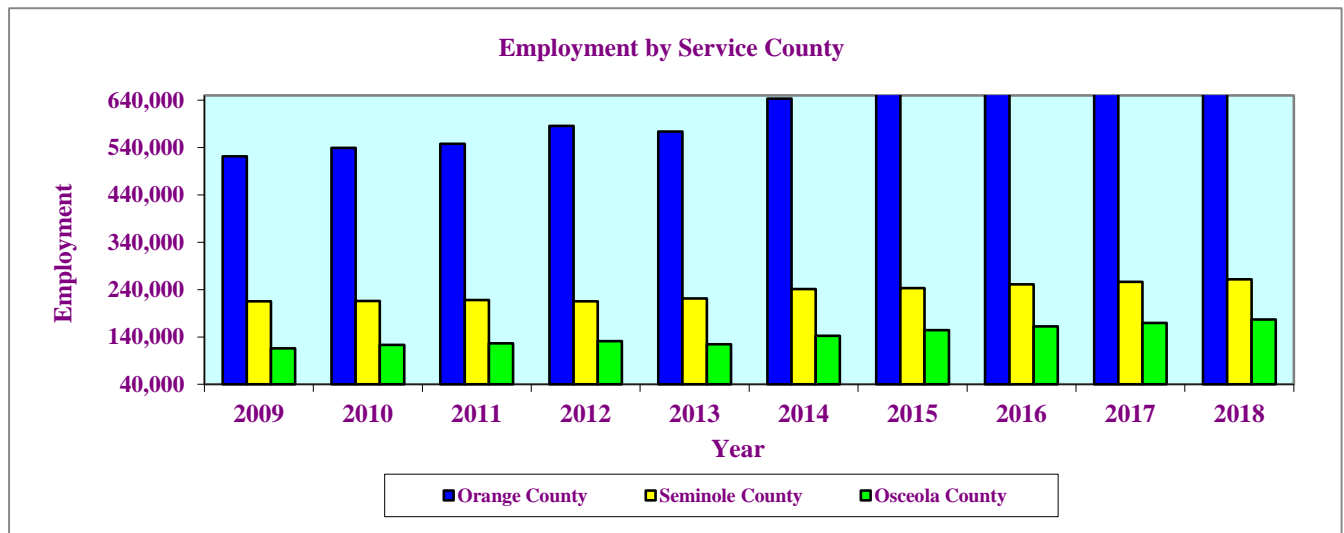


Employment and Unemployment trends are useful in the analysis of the economic vitality of a local economy. The availability of public transportation removes transportation barriers to employment, a factor which contributes to the continued need for public transportation. The yearly percentages by county are annual averages, non-seasonal based. The tri-county average for fiscal year 2018 was 2.7%, with Osceola County at 3.0% having the highest unemployment.

Source: Metro Orlando Economic Development Commission

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a  
LYNX  
Employment by Service County  
Last Ten Years  
(Unaudited)**

<b>Year</b>	<b>Orange County</b>	<b>Seminole County</b>	<b>Osceola County</b>	<b>Region Total</b>
2009	521,623	215,016	115,643	852,282
2010	539,404	216,202	122,843	878,449
2011	547,816	218,049	126,431	892,296
2012	585,472	215,521	131,146	932,139
2013	573,570	221,385	124,539	919,494
2014	643,006	241,166	142,437	1,026,609
2015	692,813	243,253	154,029	1,090,095
2016	719,253	250,888	162,005	1,132,146
2017	741,512	256,066	169,568	1,167,146
2018	762,710	261,502	176,891	1,201,103



The tri-county area has experienced growth in employment every year except 2013. 2018 was 2.91% above the 2017 level. The largest increase was Osceola County, where employment in 2018 was 4.31% above the 2017 level.

Source: Metro Orlando Economic Development Commission

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a  
LYNX**  
**General Statistical Trends**  
**Last Ten Years**  
(Unaudited)

<b>FISCAL YEAR</b>	<b>RIDERSHIP</b>	<b>NUMBER OF PEAK VEHICLES</b>	<b>ACTUAL VEHICLE MILES</b>	<b>ACTUAL VEHICLE HOURS</b>
2009	23,747,795	234	16,225,409	1,108,783
2010	24,780,704	223	16,570,711	1,111,073
2011	26,996,158	225	16,503,043	1,108,489
2012	28,184,740	225	17,258,824	1,125,323
2013	28,801,896	232	16,058,513	1,126,466
2014	28,868,418	248	16,040,104	1,132,713
2015	28,327,951	255	16,470,661	1,163,956
2016	26,259,736	265	16,869,241	1,179,430
2017	24,845,029	259	17,065,204	1,198,148
2018	24,126,897	260	16,920,930	1,202,976

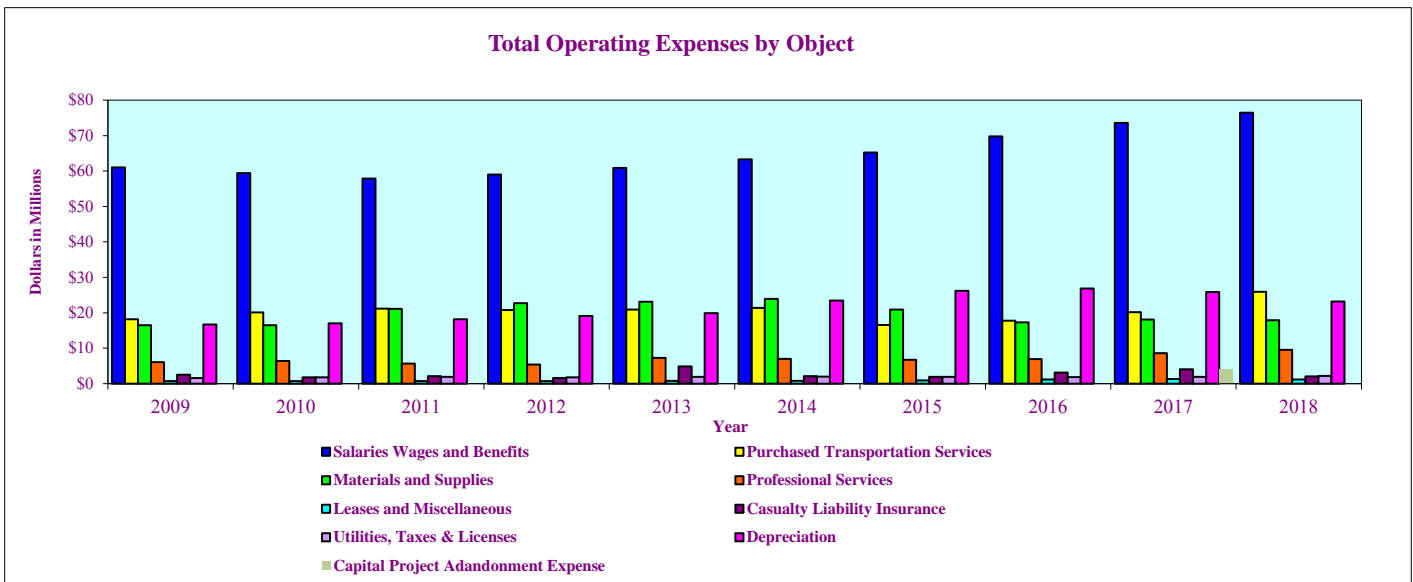
SOURCES: NTD report (MotorBus)

Number of vehicles exclude vehicles not in service at the end of the fiscal year.



**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a  
LYNX**  
**Operating Expenses by Object**  
**Last Ten Years**  
Dollars in Millions  
(Unaudited)

Fiscal Year	Salaries Wages and Benefits	Purchased Transportation Services	Materials and Supplies	Professional Services	Leases and Miscellaneous	Casualty Liability Insurance	Utilities, Taxes & Licenses	Depreciation	Capital Project Adandonment Expense	Total Operating Expenses
2009	\$61.0	\$18.2	\$16.5	\$6.1	\$0.7	\$2.5	\$1.6	\$16.7	\$0.0	\$123.3
2010	\$59.4	\$20.1	\$16.5	\$6.4	\$0.7	\$1.8	\$1.8	\$17.0	\$0.0	\$123.7
2011	\$57.9	\$21.2	\$21.1	\$5.7	\$0.7	\$2.1	\$1.9	\$18.2	\$0.0	\$128.8
2012	\$59.0	\$20.8	\$22.7	\$5.4	\$0.7	\$1.6	\$1.8	\$19.1	\$0.0	\$131.1
2013	\$60.9	\$20.9	\$23.1	\$7.3	\$0.8	\$4.9	\$1.9	\$19.9	\$0.0	\$139.7
2014	\$63.3	\$21.4	\$23.9	\$7.0	\$0.8	\$2.2	\$2.0	\$23.5	\$0.0	\$144.0
2015	\$65.2	\$16.5	\$20.9	\$6.8	\$1.0	\$1.9	\$1.9	\$26.2	\$0.0	\$140.4
2016	\$69.7	\$17.7	\$17.3	\$7.0	\$1.2	\$1.7	\$1.9	\$26.8	\$0.0	\$143.4
2017	\$73.6	\$20.2	\$18.1	\$8.6	\$1.3	\$4.0	\$1.9	\$25.9	\$4.2	\$157.8
2018	\$76.5	\$25.9	\$17.9	\$9.6	\$1.2	\$2.1	\$2.2	\$23.2	\$0.0	\$158.5

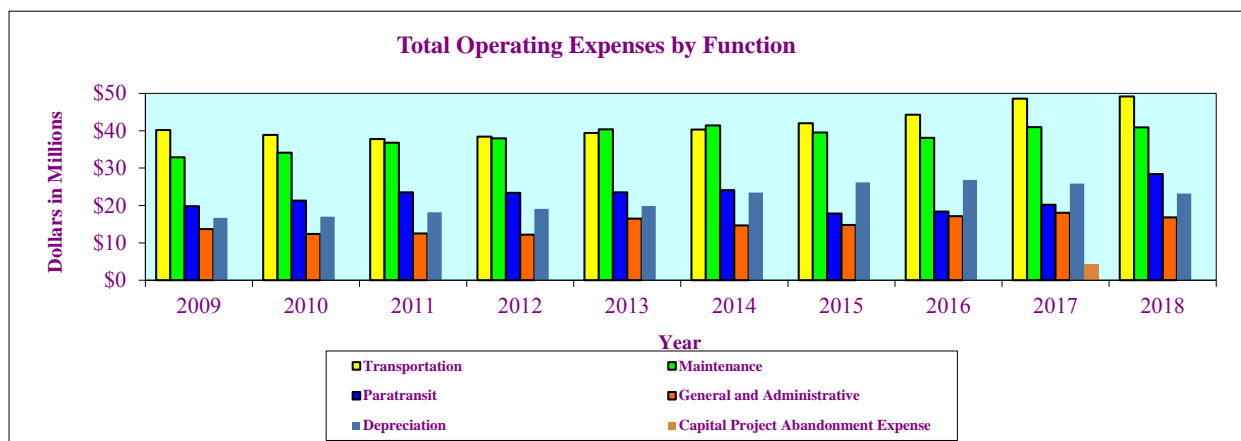


The table and graph show the annual amount for each of the 8 primary object classifications of operating expenses during the last ten years. Total operating expenses for fiscal year 2018 reflects a 28.54% increase from fiscal year 2009. At 48.26% of total operating expenses in fiscal year 2018, the Salaries, Wages and Benefits object is the largest object and has increased by 3.94% as compared to fiscal year 2017 due to increases in scheduled services to meet ridership demand.

Source: Financial Statements

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a  
LYNX**  
**Operating Expenses by Function**  
**Last Ten Years**  
Dollars in Millions  
(Unaudited)

Fiscal Year	Transportation	Maintenance	Paratransit	General and Administrative	Depreciation	Capital Project Abandonment Expense	Total Operating Expenses
2009	\$40.2	\$32.9	\$19.8	\$13.7	\$16.7	\$0.0	\$123.3
2010	\$38.9	\$34.1	\$21.3	\$12.4	\$17.0	\$0.0	\$123.7
2011	\$37.8	\$36.8	\$23.5	\$12.5	\$18.2	\$0.0	\$128.8
2012	\$38.4	\$38.0	\$23.4	\$12.2	\$19.1	\$0.0	\$131.1
2013	\$39.4	\$40.4	\$23.5	\$16.5	\$19.9	\$0.0	\$139.7
2014	\$40.3	\$41.4	\$24.1	\$14.7	\$23.5	\$0.0	\$144.0
2015	\$42.0	\$39.5	\$17.9	\$14.8	\$26.2	\$0.0	\$140.4
2016	\$44.3	\$38.1	\$18.4	\$17.2	\$26.8	\$0.0	\$143.4
2017	\$48.6	\$41.0	\$20.2	\$18.0	\$25.9	\$4.2	\$157.8
2018	\$49.2	\$40.9	\$28.4	\$16.8	\$23.2	\$0.0	\$158.5

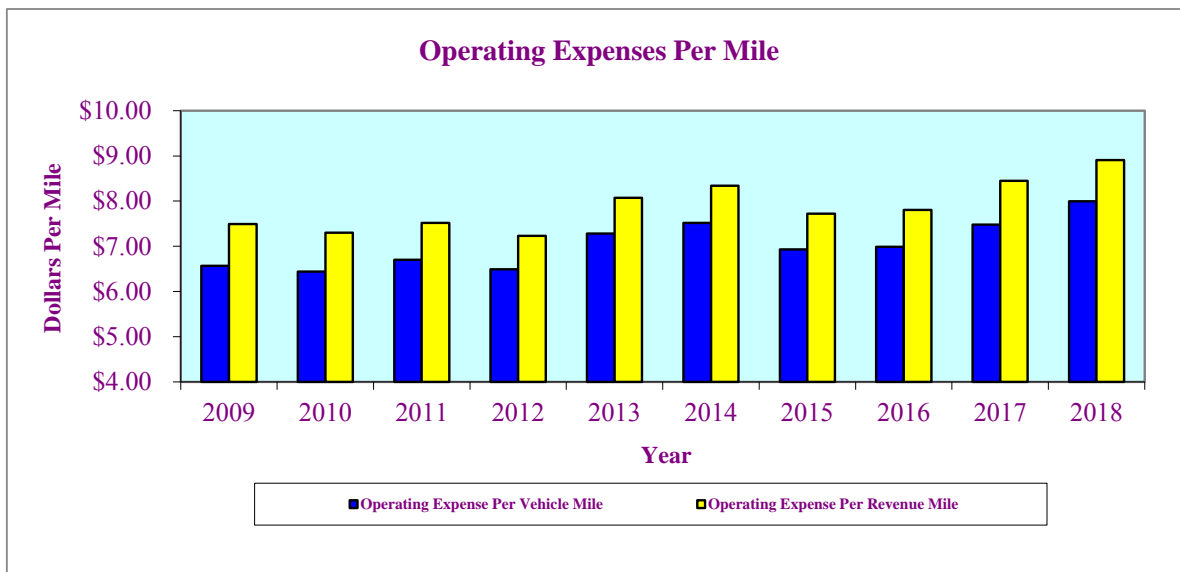


This table and graph show operating expenses by function for the last ten years. Total operating expenses for 2017 are 21.9% greater than 2008. Maintenance expenses in 2017 are 37.5% over the 2008 level; the greatest increase is due to increased demand for maintenance services resulting from an expanded revenue vehicles fleet and completion of office and maintenance facilities during the last 10-year period. Depreciation costs rose 69.2% over the same period due to acquisition of new vehicles and completion of new office and maintenance buildings. Transportation expenses increased in 2017 due mainly to expanded service routes. General and Administrative costs have fluctuated during the 10- year period reaching a peak in 2017.

Source: Financial Statements

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a  
LYNX**  
**Operating Expenses Per Mile**  
**Last Ten Years**  
(Unaudited)

<b>Fiscal Year</b>	<b>Vehicle Miles</b>	<b>Revenue Miles</b>	<b>Operating Expense Per Vehicle Mile</b>	<b>Operating Expense Per Revenue Mile</b>
2009	16,215,911	14,230,128	\$6.57	\$7.49
2010	16,570,711	14,612,279	\$6.44	\$7.30
2011	16,503,043	14,714,555	\$6.70	\$7.52
2012	17,258,824	15,487,372	\$6.49	\$7.23
2013	16,058,513	14,468,719	\$7.28	\$8.07
2014	16,040,104	14,464,800	\$7.52	\$8.34
2015	16,470,661	14,791,484	\$6.93	\$7.72
2016	16,869,241	15,110,465	\$6.99	\$7.80
2017	17,065,204	15,111,138	\$7.48	\$8.45
2018	16,920,930	15,185,974	\$8.00	\$8.91



The table and graph show total miles and operating expenses per mile by year for the past ten years. These provide, directly and indirectly, some key operational indicators such as efficiency in use of operating assistance funding and the quality of the maintenance program. In 2018 the increase in Operating Expense Per Vehicle Mile and Revenue Mile is due to increases in labor and maintenance and costs. The ratio of Revenue Miles versus Vehicle Miles represents the level of service miles delivered to patrons versus the total level of miles required to service all routes.

Source: Financial Statements  
National Transit Database report

**CENTRAL FLORIDA REGIONAL TRANSPORTATION d/b/a  
LYNX  
Risk Management  
Insurance Policies - Fiscal Year 2018  
(Unaudited)**

<b>Insurance Company</b>	<b>Policy</b>	<b>Premium</b>	<b>Limits</b>	<b>Deductible/SIR</b>	<b>Commission/Fee</b>
<b>American Home Assurance Company</b>	Property	\$96,940	\$57,948,910	\$10,000 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 \$100,000	
	Flood	Included	\$10,000,000	\$100,000	
	Earth Movement	Included	\$50,000,000	\$100,000	
	Ordinance & Law	Included	Included		
	Debris Removal	Included	Included		
	Equipment Breakdown	Included	\$57,948,910	\$10,000	
	<b>Sub-total</b>	<b>\$96,940</b>			
	<b>Crime</b>	\$1,175			0%
	Forgery & Alteration	Included	\$250,000	\$1,000	
<b>PGIT (Preferred Governmental Insurance Trust)</b>	TDD	Included	\$250,000	\$1,000	
	Employee Dishonesty	Included	\$250,000	\$1,000	
	Computer Fraud	Included	\$250,000	\$1,000	
	<b>Sub-total</b>	<b>\$1,175</b>			
	<b>General Liability</b>				0%
	General Liability	\$31,918	\$1,000,000	\$200,000	
	EBL	Included	\$1,000,000	\$200,000	
	<b>Sub-total</b>	<b>\$31,918</b>			
	<b>Public Officials/EPLI</b>				0%
	Public Officials	\$84,965	\$2,000,000	\$100,000	
	EPLI	Included	\$2,000,000	\$100,000	
	Media Content, Network Security and Privacy Liability	Included	\$2,000,000	\$100,000	
	<b>Sub-total</b>	<b>\$84,965</b>			
	<b>Automobile</b>				0%
	Auto Liability/UM/MedPay	Rejected	N/A	N/A	
	Auto Physical Damage	\$239,033	Symbol 8, 10	\$1,000 / \$10,000	
	<b>Sub-total</b>	<b>\$239,033</b>			
	<b>Total Premium This Page</b>	<b>\$454,031</b>			

CENTRAL FLORIDA REGIONAL TRANSPORTATION d/b/a  
LYNX

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Risk Management

Insurance Policies - Fiscal Year 2017

(Unaudited)

Insurance Company	Policy	Premium	Limits	Deductible/SIR	Commission/Fee
American Home Assurance Company	Property	\$96,939	\$57,948,910	\$10,000 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 \$100,000	
	Flood	Included	\$10,000,000	\$100,000	
	Earth Movement	Included	\$50,000,000	\$100,000	
	Ordinance & Law	Included	Included		
	Debris Removal	Included	Included		
	Equipment Breakdown	Included	\$57,948,910	\$10,000	
	<b>Sub-total</b>	<b>\$96,939</b>			
PGIT (Preferred Governmental Insurance Trust)	<b>Crime</b>	\$1,175			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	
	<b>Sub-total</b>	<b>\$1,175</b>			
	<b>General Liability</b>				
	General Liability	\$31,593	\$1,000,000	\$200,000	
	EBL	Included	\$1,000,000	\$200,000	
	<b>Sub-total</b>	<b>\$31,593</b>			
	<b>Public Officials/EPLI</b>				
	Public Officials	\$84,283	\$2,000,000	\$100,000	
	EPLI	Included	\$2,000,000	\$100,000	
	<b>Sub-total</b>	<b>\$84,283</b>			
	<b>Automobile</b>				
	Auto Liability/UM/MedPay	Rejected	N/A	N/A	
	Auto Physical Damage	\$220,382	Symbol 10	\$1,000 / \$10,000	
	<b>Sub-total</b>	<b>\$220,382</b>			
	<b>Total Premium This Page</b>	<b>\$434,372</b>			

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CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED SEPTEMBER 30, 2018

FEDERAL GRANTOR/ PROGRAM TITLE	Federal CFDA Number	Project Number	Program or Award Amount	September 30, 2017 Receivable	Receipts	Expenditures	September 30, 2018 Receivable	Passed Through to Subrecipients
Department of Transportation Federal Transit Cluster								
Capital assistance	20.500	FL04-0112	\$ 1,149,050	\$ -	\$ (25,783)	\$ 25,783	\$ -	\$ -
Capital assistance	20.500	FL04-0147	1,233,132	61,117	(855,441)	794,324	-	-
Capital assistance	20.500	FL04-0161	2,050,000	-	(400,778)	400,778	-	-
Capital assistance	20.500	FL04-0172	1,056,800	189,049	(496,802)	392,427	84,674	-
Capital assistance	20.500	FL04-0185	8,390,860	10,197	(16,997)	6,800	-	-
			13,879,842	260,363	(1,795,801)	1,620,112	84,674	-
Capital assistance	20.507	FL90-X726	22,243,009	2,504	(311,699)	598,998	289,803	-
Capital assistance	20.507	FL90-X826	23,509,503	17,794	(51,269)	33,475	-	-
Capital assistance	20.507	FL90-X858	25,317,482	134,276	(569,634)	526,499	91,141	-
Capital assistance	20.507	FL90-X885	10,630,000	394,879	(638,453)	307,536	63,962	-
Capital assistance	20.507	FL95-X068	6,297,975	6,076	(11,561)	5,485	-	-
Capital assistance	20.507	FL95-X071	7,685,383	29,971	(43,683)	13,712	-	-
Capital assistance	20.507	FL95-X101	7,850,500	22,961	(58,871)	35,910	-	-
Capital assistance	20.507	FL2017-001	17,609,919	214,063	(1,779,405)	2,110,319	544,977	-
Capital assistance	20.507	FL2017-027	4,222,670	391,676	(1,021,508)	685,897	56,065	75,036
Capital assistance	20.507	FL2017-039	26,103,204	2,162,532	(3,626,080)	1,823,938	360,390	-
Capital assistance	20.507	FL2018-038	6,944,047	-	-	852,074	852,074	-
Capital assistance	20.507	ZZ-FTA-PREAWARD	-	1,312,334	-	11,991,254	13,303,588	-
			158,413,692	4,689,066	(8,112,163)	18,985,097	15,562,000	75,036
Federal Transit - State of Good Repair Formula Grant								
Capital assistance	20.525	FL54-0002	426,112	60,951	(139,231)	78,280	-	-
			426,112	60,951	(139,231)	78,280	-	-
Federal Transit - Bus and Bus Facilities Formula Program								
Capital assistance	20.526	FL2018-037	2,680,328	-	(1,253,050)	1,253,050	-	-
			2,680,328	-	(1,253,050)	1,253,050	-	-
Total Federal Transit Cluster			175,399,974	5,010,380	(11,300,245)	21,936,539	15,646,674	75,036

(Continued)

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED SEPTEMBER 30, 2018

FEDERAL GRANTOR/ PROGRAM TITLE	Federal CFDA Number	Project Number	Program or Award Amount	September 30, 2017 Receivable	Receipts	Expenditures	September 30, 2018 Receivable	Passed Through to Subrecipients
Federal Transit: Metropolitan Transportation Planning Passed through the Metroplan Orlando	20.505	FL80-X011	437,304	72,633	(77,326)	4,693	-	-
	20.505	FL80-X012	485,315	-	(325,002)	428,184	103,182	-
	20.505	FL80-X025	331,466	5,396	(5,396)	-	-	-
			1,254,085	78,029	(407,724)	432,877	103,182	-
Federal Transit: Formula Grants for Rural Areas Passed through Florida Department of Transportation Capital Assistance	20.509	AQU34	1,720,871	399,265	(399,265)	-	-	-
Capital Assistance	20.509	G0R97	817,628	-	-	408,814	408,814	-
			2,538,499	399,265	(399,265)	408,814	408,814	-
Transit Services Programs Cluster Federal Transit: Job Access Reverse Commute	20.516	AR064	1,421,955	25,763	-	164,290	190,053	-
			1,421,955	25,763	-	164,290	190,053	-
Federal Transit: Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	FL16-X019	2,560,222	37,217	(82,852)	52,912	7,277	52,912
	20.513	G0327	1,808,345	606,116	(404,008)	636,897	839,005	-
			4,368,567	643,333	(486,860)	689,809	846,282	52,912
Federal Transit: New Freedom Program	20.521	AQN72	35,000	5,876	(5,876)	-	-	-
	20.521	AQN91	859,729	77,936	(78,990)	104,901	103,847	-
			894,729	83,812	(84,860)	104,901	103,847	-
Total Transit Services Program Cluster			6,685,251	752,908	(571,726)	959,000	1,140,182	52,912
Federal Transit - Alternatives Analysis Planning Assistance	20.522	FL39-0013	1,200,000	-	-	35,374	35,374	-
			1,200,000	-	-	35,374	35,374	-
Department of Transportation Public Transportation Emergency Relief Program	20.527	ZZ-PREAWARD	446,697	-	-	446,697	446,697	-
Hurricane Irma - Public Assistance			446,697	-	-	446,697	446,697	-
Department of Homeland Security - Federal Emergency Management Agency Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	8401-F	142,928	142,928	(142,928)	-	-	-
Hurricane Matthew - Public Assistance			142,928	142,928	(142,928)	-	-	-
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ 187,667,434	\$ 6,383,510	\$ (12,821,888)	24,219,301	\$ 17,780,923	\$ 127,948
<b>NONOPERATING REVENUE PORTION</b>						15,877,646		
<b>OTHER INCOME - GAIN ON SALE OF EQUIPMENT</b>						25,989		
<b>CONTRIBUTED CAPITAL</b>						\$ 8,315,666		

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 LOCAL FINANCIAL ASSISTANCE  
YEAR ENDED SEPTEMBER 30, 2018

GRANT NUMBER/ SOURCE	Program or Award Amount	September 30, 2017 Unearned (Receivable)	Transfers/ Receipts	Expenditures	September 30, 2018 Unearned (Receivable)
<b>LOCAL MATCHING GRANTS:</b>					
N/A, AQN91	859,729	\$ -	\$ 104,901	\$ 104,901	\$ -
N/A, AQU34	399,265	-	-	-	-
N/A, AQV49	10,142,756	-	-	-	-
N/A, AR064	1,421,955	-	164,290	164,290	-
N/A, AR12	355,389	-	-	-	-
N/A, AR13	281,621	-	-	-	-
N/A, ARP60	78,118	-	-	-	-
N/A, FL-16-X019	1,388,921	-	52,912	52,912	-
N/A, FL-39-0013	300,000	-	8,844	8,844	-
N/A, FL-2017-027 (FL16X034)	1,485,121	-	403,503	403,503	-
N/A, FL-8401S-2	23,821	-	-	-	-
N/A, G0327	1,391,630	-	636,897	636,897	-
N/A, G0I96	3,356	-	43,164	43,164	-
N/A, G0M69	507,578	-	271,931	271,931	-
N/A, G0R97	408,814	-	408,814	408,814	-
N/A, G0T11	10,192,003	-	10,192,003	10,192,003	-
N/A, G0X51	545,534	-	136,384	136,384	-
City of Orlando (LYMMO kiosk @ Church & Lake)	15,043	-	15,043	12,536	2,507
Private Partners (Shelters and Vans)	-	94,560	-	38,072	56,488
City of Orlando (LYNX-Orlando Trail Project)	1,541,415	221,476	(5,075)	195,028	21,373
City of Orlando (Mills District Shelter Project)	70,000	9,452	4,914	6,397	7,969
Orlando Utility Company (writeoff unfunded expenditures)	711,119	-	-	(169,142)	-
Orange County (Pine Hills SuperStop) Project	1,250,000	250,000	-	-	250,000
Orange County Capital	1,738,769	796,976	1,738,769	533,867	2,001,878
Osceola County Capital	237,704	-	237,704	237,704	-
Seminole County Capital	211,366	-	211,366	211,366	-
Other Local Funding	-	86,115	-	4,125	81,990
Total matching grants	\$ 35,561,027	\$ 1,458,579	\$ 14,626,364	13,493,596	\$ 2,422,205
Customer fares and operating assistance				12,440,304	
Contributed capital portion				\$ 1,053,292	
<b>LOCAL GRANTS AND CONTRACT SERVICES:</b>					
<b>Operating assistance:</b>					
Orange County		\$ -	\$ 43,277,155	\$ 43,277,155	\$ -
City of Orlando		-	4,314,817	4,314,817	-
Seminole County		-	2,274,481	2,274,481	-
Osceola County		-	1,633,640	1,633,640	-
Total nonoperating revenue portion		\$ -	\$ 51,500,093	\$ 51,500,093	\$ -
<b>Contract services:</b>					
Seminole County		\$ -	\$ 4,043,170	\$ 4,043,170	\$ -
Osceola County		-	5,497,295	5,497,295	-
City of Orlando (LYMMO)		(264,920)	2,144,176	2,223,933	(344,677)
City of Altamonte Springs		-	120,900	120,900	-
City of St. Cloud		-	-	-	-
City of Sanford		-	930,322	930,322	-
Disney		(153,574)	450,689	297,115	-
Econ River High School		(38,332)	210,152	215,894	(44,074)
University of Central Florida (UCF)		(17,322)	135,043	140,347	(22,626)
Valencia College		65,323	75,000	75,000	65,323
Seminole State College		-	45,509	24,042	21,467
Shingle Creek		(25,908)	103,178	102,977	(25,707)
Polk County		(89,561)	847,730	910,541	(152,372)
Lake County		-	248,854	248,854	-
Total Local Financial Assistance		(524,294)	14,852,018	14,830,390	(502,666)
<b>Other Contractual Services</b>					
Local - Shuttles		(4,024)	66,959	86,746	(23,811)
State - Transportation Disadvantaged		(1,143,092)	3,904,507	4,087,001	(1,325,586)
Other Contractual Services		(3,341)	18,757	18,088	(2,672)
Total Other Contractual Services		(1,150,457)	3,990,223	4,191,835	(1,352,069)
Total contract services		\$ (1,674,751)	\$ 18,842,241	\$ 19,022,225	\$ (1,854,735)

\*These amounts are not receivables or deferrals, but are included as restricted net position, as they relate to receipts that are restricted for matching.  
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 STATE FINANCIAL ASSISTANCE  
YEAR ENDED SEPTEMBER 30, 2018

STATE GRANTOR PROGRAM TITLE, CONTRACT NO., WPI NO., JOB NO.	CSFA Number	Program or Award Amount	September 30, 2017 Receivable	Receipts/ Adjustments	Expenditures	September 30, 2018 Receivable
<b>Florida Department of Transportation</b>						
Public Transit Block Grant Program						
N/A, AQV49	55.010	\$ 39,570,004	\$ 5,071,378	\$ (5,071,378)	\$ -	\$ -
N/A, G0T11	55.010	20,384,006	-	(5,096,002)	10,192,003	5,096,001
		<u>59,954,010</u>	<u>5,071,378</u>	<u>(10,167,380)</u>	<u>10,192,003</u>	<u>5,096,001</u>
Public Transit Service Development Program						
N/A, ARA12	55.012	355,389	19,540	(19,540)	-	-
N/A, ARD60	55.012	3,477,743	520,327	(1,324,187)	1,061,045	257,185
N/A, ARP60	55.012	78,118	17,620	(17,620)	-	-
N/A, G0G99	55.012	175,000	43,231	(29,991)	131,769	145,009
		<u>4,086,250</u>	<u>600,718</u>	<u>(1,391,338)</u>	<u>1,192,814</u>	<u>402,194</u>
Florida Commission for the Transportation Disadvantaged Trip and Equipment Grant Program						
N/A, G0I96	55.001	356,180	287	(315,000)	388,473	73,760
N/A, G0M69	55.001	5,076,615	1,142,805	(3,589,507)	2,447,382	680
N/A, G0Y31	55.001	101,881	-	-	23,687	23,687
N/A, G0X51	55.001	5,455,343	-	-	1,227,459	1,227,459
		<u>10,990,019</u>	<u>1,143,092</u>	<u>(3,904,507)</u>	<u>4,087,001</u>	<u>1,325,586</u>
Total Florida Department of Transportation		<u>75,030,279</u>	<u>6,815,188</u>	<u>(15,463,225)</u>	<u>15,471,818</u>	<u>6,823,781</u>
<b>Florida Division of Emergency Management</b>						
Emergency Protective Measures Program						
N/A, 8401-S	N/A	23,821	23,821	(23,821)	-	-
		<u>23,821</u>	<u>23,821</u>	<u>(23,821)</u>	<u>-</u>	<u>-</u>
TOTAL STATE FINANCIAL ASSISTANCE		<u>75,054,100</u>	<u>6,839,009</u>	<u>(15,487,046)</u>	<u>15,471,818</u>	<u>6,823,781</u>
<b>Other State Contracts</b>						
Road Ranger Patrol for Highway Assistance Services						
N/A, BDV03	N/A	1,382,280	738,492	(738,492)	-	-
N/A, BE350	N/A	1,419,201	354,800	(1,535,859)	1,623,466	442,407
		<u>2,801,481</u>	<u>1,093,292</u>	<u>(2,274,351)</u>	<u>1,623,466</u>	<u>442,407</u>
TOTAL STATE FINANCIAL ASSISTANCE AND OTHER STATE CONTRACTS		<u>\$ 77,855,581</u>	<u>\$ 7,932,301</u>	<u>\$ (17,761,397)</u>	<u>17,095,284</u>	<u>\$ 7,266,188</u>
CONTRACT SERVICES PORTION					<u>4,087,001</u>	
NONOPERATING REVENUE PORTION					<u>12,710,971</u>	
CONTRIBUTED CAPITAL PORTION					<u>\$ 297,312</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, 2018**

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:

Grant	Award Amount	Toll Revenue Credits Applied during Fiscal 2018
FL-04-0112	\$ 1,149,050	\$ 6,446
FL-04-0161	2,050,000	100,195
FL-04-0172	1,056,800	98,107
FL-2017-001	17,609,919	527,580
FL-2017-039	26,103,204	311,058
FL-2018-037	2,680,328	313,263
FL-2018-038	6,944,047	213,019
FL-54-0002	426,112	19,570
FL-90-X726	22,243,009	149,750
FL-90-X858	25,317,482	131,625
FL-90-X885	10,630,000	76,884
FL-95-X068	6,297,975	1,371
FL-95-X071	7,685,383	3,428
FL-95-X101	7,850,500	8,978
<b>Total</b>	<b>\$ 138,043,809</b>	<b>\$ 1,961,274</b>

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).

**Report of Independent Auditor 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  
Central Florida Regional Transportation Authority:

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 statements of net position of Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority") as of September 30, 2018 and 2017, and the related statements of revenues, expenses and changes in net position and of cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 8, 2019.

### **Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Authority's internal control over financial reporting ("internal control") as a basis for designing our auditing procedures 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designated 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 that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

**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.

A handwritten signature in black ink, reading "Cheryl Behrman" followed by a stylized flourish.

Orlando, Florida  
March 8, 2019

**Report of Independent Auditor on Compliance for  
Each Major Program and State Financial Assistance 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  
Central Florida Regional Transportation Authority:

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project**

We have audited Central Florida Regional Transportation Authority d/b/a LYNX's (the "Authority") compliance 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 State of Florida 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 state financial assistance projects for the year ended September 30, 2018. The Authority's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state financial assistance projects.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs and state financial assistance projects based on our audit of the types of compliance requirements referred to above. 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, the requirements of Title 2 U.S. *Code of Federal Regulation* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.550, Rules of the Auditor General. Those standards, the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state financial assistance project occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state financial assistance project. However, our audit does not provide a legal determination of the Authority's compliance.

***Opinion on Each Major Federal Program and State Financial Assistance Project***

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2018.



## Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program or state financial assistance project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state financial assistance project 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's 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 or state financial assistance 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 or state financial assistance 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 or state financial assistance 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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.

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.

Handwritten signature of Cheryl Behrman in cursive script.

Orlando, Florida  
March 8, 2019

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS -  
FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS**

*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

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**Part I - Summary of Auditor's Results**

**Financial Statement Section**

Type of auditor's report issued:	<u>Unmodified</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	<u>          </u> yes	<u>    x    </u> no	
Significant deficiency(ies) identified?	<u>          </u> yes	<u>    x    </u> none reported	
Noncompliance material to financial statements noted?	<u>          </u> yes	<u>    x    </u> no	

**Federal Awards and State Projects Section**

Internal control over major programs:			
Material weakness(es) identified?	<u>          </u> yes	<u>    x    </u> no	
Significant deficiency(ies) identified?	<u>          </u> yes	<u>    x    </u> none reported	
Type of auditor's report on compliance for major federal programs and state projects:	<u>Unmodified</u>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>          </u> yes	<u>    x    </u> no	
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550 for state projects?	<u>          </u> yes	<u>    x    </u> no	

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS -  
FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS**

*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

**Part I - Summary of Auditor's Results (continued)**

**Federal Awards and State Projects Section (continued)**

Identification of major federal programs and state projects:

Federal Programs:

Name of Program or Cluster	CFDA Number
U.S. Department of Transportation:	
Federal Transit Cluster	20.500-CL

State Projects:

Name of Project	CSFA Number
State of Florida Department of Transportation:	
Florida Commission for the Transportation Disadvantaged Trip and Equipment Grant Program	55.001
Public Transit Block Grant Program	55.010
Public Transit Service Development Program	55.012

Dollar threshold used to determine Type A programs:

Federal	\$ 750,000
State	\$ 464,155

Auditee qualified as low-risk auditee for federal purposes?

☒ yes ☐ no

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS -  
FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS**

*FOR THE YEAR ENDED SEPTEMBER 30, 2018*

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**Part II - Schedule of Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no findings required to be reported in accordance with *Government Auditing Standards*.

**Part III - Federal Award Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major federal programs, as required to be reported by 2 CFR 200.516(a).

There were no findings required to be reported by 2 CFR 200.516(a).

**Prior Year Audit Findings**

There were no audit findings in the prior year that required corrective action.

**Part IV - State Project Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major state projects, as required to be reported by Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*.

There were no findings required to be reported by Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*.



## **Independent Auditor's Management Letter**

To the Board of Directors  
Central Florida Regional Transportation Authority:

### **Report on the Financial Statements**

We have audited the financial statements of Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority") as of and for the years ended September 30, 2018 and 2017, and have issued our report thereon dated March 8, 2019.

### **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* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and Chapter 10.550, Rules of the Auditor General.

### **Other Reporting Requirements**

We have issued our Report of Independent Auditor 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*; Report of Independent Auditor on Compliance for Each Major Federal Program and State Financial Assistance Project and on Internal Control Over Compliance Required by Uniform Guidance and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs – Federal Awards Programs and State Financial Assistance Projects; and Report of Independent Accountant on Compliance with Local Government Investment Policies regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 8, 2019, 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 significant findings and recommendations made in the preceding annual financial audit report. Appropriate corrective action has been taken or appropriate consideration has been given to these prior year recommendations.

### **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 the management letter, unless disclosed in the notes to the financial statements. Refer to Note 1 in the notes to the financial statements regarding the creation of the 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 has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit of the financial statements of the Authority, the results of our tests did not indicate the Authority met any of the specified conditions of a financial emergency contained 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 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.

### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we 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, reference to one matter is provided in Appendix A for the Authority. We did not audit the Authority's response to the recommendation, which is also provided in Appendix A, and, accordingly, we express no opinion on it.

### **Purpose of this Letter**

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.



Orlando, Florida  
March 8, 2019

**CENTRAL FLORIDA REGIONAL TRANSIT AUTHORITY d/b/a LYNX**  
**APPENDIX A – MANAGEMENT LETTER COMMENTS**

*FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018*

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**U.S. Department of Transportation – Federal Transit Cluster - Special Tests and Provisions (Wage Rate Requirements) – Immaterial Noncompliance**

**Statement of Condition 2018-01:** The Authority included the necessary provision in the contracts subject to Davis-Bacon Act wage rate monitoring requirements; however one of the two contractors subject to Davis-Bacon Act wage rate requirements during the year did not submit certified payroll reports during the project. The missing payroll information was supplied by the contractor subsequent to identification of the finding and no exceptions were noted.

**Criteria:** 2 CFR Part 200, Appendix XI, Compliance Supplement, provides for construction contracts greater than \$2,000 that: (1) The contract shall include a provision that the contractor or subcontractor is subject to Davis-Bacon Act wage rate requirements and Department of Labor regulations. (2) The contractor or subcontractor is to submit weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payroll report).

**Cause:** Internal controls were not adequate to ensure that required documentation was obtained and monitored.

**Effect:** The untimeliness of the required payroll certification is a violation of the grant requirement.

**Recommendation:** We recommend that internal controls be strengthened to ensure that Davis-Bacon Act wage rate requirements are tracked and monitored for future contracts.

**Management's Response:**

Management concurs with the issue identified as 2018-01 and agrees with the recommendation.

The current interim Manager of Procurement, who assumed the role as of November 2018, has re-emphasized with the Procurement staff the need to follow existing procedures and has implemented the appropriate internal controls to ensure compliance. The Procurement Department is in the process of hiring a replacement for the Procurement Assistant, which has been vacant for some time, whose role will be to monitor all compliance requirements of the department in support of the staff.



**Report of Independent Accountant on Compliance  
With Local Government Investment Policies**

To the Board of Directors  
Central Florida Regional Transportation Authority:

We have examined the Central Florida Regional Transportation Authority's d/b/a LYNX (the "Authority") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2018. Management of the Authority is responsible for the Authority's compliance with the specific requirements. Our responsibility is to express an opinion on the Authority's compliance with the specific requirements 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, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Authority complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence 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 the specified requirements.

In our opinion, the Authority complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2018.

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, and Rules of the Auditor General.

A handwritten signature in black ink that reads 'Cherry Bekaert LLP'.

Orlando, Florida  
March 8, 2019



# LYNX Oversight mmittee Agenda

## Oversight Committee Information Item #9.A.

**To:** LYNX Oversight Committee

**From:** William Slot  
Chief Innovation Sustain Off  
Belinda Balleras  
(Technical Contact)  
Kenneth Jamison  
(Technical Contact)  
Prahallad Vijayvargiya  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6146

**Item Name:** Information Item Update on USDOT's Notice of Funding Opportunity for No-Low Grant Submission

**Date:** 4/4/2019

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The Federal Transit Administration (FTA) announced the availability of \$85 million of Fiscal Year 2019 funds for the purchase or lease of low or no emission vehicles as well as related equipment or facilities. Proposals must be submitted electronically through Grants.gov website by 11:59 PM Eastern Time by May 14, 2019.

The main purpose of the Low-No Program is to support the transition of the nation's transit fleet to the lowest polluting and most energy efficient transit vehicles. The Low-No Program provides funding to State and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses, including acquisition, construction, and leasing of required supporting facilities. An eligible applicant is a designated recipient of FTA grants, states, local governmental authorities and Indian Tribes.

LYNX staff is working with the City of Orlando, Orlando Utilities Commission, University of Central Florida and the Center for Transportation and the Environment to develop a grant application for submission by May 14, 2019.

# Grant Opportunity

Low or No Emission (Low-No) Program FY 2019 Notice of Funding

3/25/2019

# Grant Opportunity

FY2019 Low or No Emission (Low-No) Program



## Summary:

The main purpose of the Low-No Program is to support the transition of the nation's transit fleet to the **lowest polluting and most energy efficient transit** vehicles. The Low-No Program provides funding to State and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses, including acquisition, construction, and leasing of required supporting facilities.

## Eligible Applicants:

An eligible applicant is a designated recipient of FTA grants, states, local governmental authorities and Indian Tribes.

## Grant Program:

[Low or No Emission Vehicle Program - 5339\(c\)](#)

## Details:

3/18/2019. Notice of Funding Opportunity (NOFO): Solicitation of Project Proposals for the Low or No Emission Program (Low-No) Program. The Federal Transit Administration (FTA) announces the availability of \$85 million of Fiscal Year 2019 funds for the purchase or lease of low or no emission vehicles as well as related equipment or facilities. Synopses and full announcement are posted on Grants.gov site as opportunity [FTA-2019-001-TPM-LowNo](#). Proposals must be submitted electronically through Grants.gov website by 11:59 PM Eastern Time by **5/14/2019**.

With support from the City of Orlando, OUC, UCF and CTE

# LYNX Oversight Committee Agenda

## Oversight Committee Information Item #9.B.

**To:** LYNX Oversight Committee

**From:** William Slot  
Chief Innovation Sustain Off  
Julia James  
(Technical Contact)  
Eric Hale  
(Technical Contact)  
Kenneth Jamison  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6146

**Item Name:** Introduction to the City of Orlando's Mandatory Commercial Recycling Ordinance and Application to LYNX

**Date:** 4/4/2019

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### **BACKGROUND:**

LYNX is preparing to create and implement a Recycling Program as part of our Sustainability initiative which is in compliance with the amendments to Chapter 28 of the City Code related to Solid Waste Management and Recycling, received final reading approval at the City of Orlando Council meeting on March 11, 2019 (pending approval of minutes).

According to the amendment:

"The recycling program shall provide an on-site system for the separation and collection of the following recyclable materials:

- (i) Mixed paper and newspaper;
- (ii) Corrugated cardboard and paperboard;
- (iii) Glass containers;
- (iv) Plastic containers #1 through #7; and
- (v) Metal and aluminum cans."

"Commercial establishments shall create and implement their recycling program in compliance with the following schedule:

- (i) Within thirty (30) days after the issuance of a certificate of occupancy or certificate of completion for property that is newly developed or substantially improved, if the first application for a building permit for the new development or substantial improvement was filed with the City on or after October 1, 2019.

# LYNX Oversight mmittee Agenda

(ii) On or before April 1, 2020, for each commercial establishment where there is a building with 200,000 or more square feet of floor space, unless the recycling program must be implemented earlier pursuant to subsection (i) above.

(iii) On or before April 1, 2021, for each commercial establishment where there is a building with 100,000 or more square feet of floor space, but less than 200,000 square feet, unless the recycling program must be implemented earlier pursuant to subsection (i) above.

(iv) On or before April 1, 2023, for all remaining commercial establishments."

Link to City of Orlando Council Agenda Item:

<https://orlando.novusagenda.com/AgendaPublic/CoverSheet.aspx?ItemID=46937&MeetingID=1240>

## **APPLICATION TO LYNX:**

LYNX will work to implement a commercial recycling program at LYNX administrative properties before April 1, 2020.

## **FISCAL IMPACT:**

During the course of coordination staff will determine the extent of fiscal impact. Staff will request board authorization at future meetings for any agreements or contracts that may be identified during this coordination

# LYNX Oversight Committee Agenda

## Oversight Committee Information Item #9.C.

**To:** LYNX Oversight Committee

**From:** William Slot  
Chief Innovation Sustain Off  
Kenneth Jamison  
(Technical Contact)  
Eric Hale  
(Technical Contact)  
Kenneth Jamison  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6146

**Item Name:** Notification of Paratransit Alternative Fuel Vehicle Research

**Date:** 4/4/2019

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### **BACKGROUND:**

As part of LYNX' Sustainability initiative, LYNX is currently researching the viability of introducing Propane fueled vehicles into its Paratransit fleet. A portion of the research may include a test pilot of vehicles. The research will explore the potential benefits of alternative fueled vehicles including possible environmental and economic benefits. LYNX will collaborate with other transit agencies within the state who are also incorporating alternative fueled vehicles into their Paratransit fleets.

# LYNX Oversight Committee Agenda

## Oversight Committee Information Item #9.D.

**To:** LYNX Oversight Committee

**From:** William Slot  
Chief Innovation Sustain Off  
Kenneth Jamison  
(Technical Contact)  
Elvis Dovales  
(Technical Contact)  
Edward Flynn  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6146

**Item Name:** Information Item Status Update on the Computer Aided Dispatch  
Conversion from Clever Devices to TripSpark

**Date:** 4/4/2019

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The LYNX Board of Directors authorized staff at its September 27, 2018 meeting to purchase hardware order to support the conversion to one Computer Aided Dispatch CAD/AVL System. LYNX had been operating two different CAD/AVL systems which created challenges for routine transit operations and planning including data collection, data quality, route bus assignments, passenger counts, on-time performance and customer service responsiveness. These challenges required LYNX Planning, Bus Operators, Dispatch and Customer Service staff to be trained on two duplicate systems.

The LYNX Maintenance Division worked with the system vendor, Trapeze Software Inc., to complete four prototype bus conversions in November 2018. These four buses represented each of the configurations that would be necessary for the LYNX fleet. The combined team verified the parts required, the on bus system configuration, and documented the steps to create a conversion plan for the conversion.

The LYNX Maintenance Division began conversions the last week of January 2019 using three teams of mechanics. Ninety-six buses have been fully converted with the final 10 buses in the process of conversion. This will result in all fixed route buses operating on the Trapeze CAD/AVL system.

The installation of Automatic Passenger Counters (APC) were delayed due to time needed for the vendor to manufacture the parts needed. This installation will begin once the parts are available and is expected to be completed by May 2019.



# Project Name: Conversion of Bus Fleet to Single CAD System

**Grant / Funding Award date:**

Executive Sponsor: John Slot

Contract Manager: Louemma Cromity

Project Manager: (Internal) Doug Jamison

Project Manager: (External) Jordan Maretzki (Trapeze)

Project Team: John Slot, Doug Jamison, James Fetzer, Lenny Antmann, Craig Bayard, Walter Gant, Terri Settingington, Tellis Chandler, Rey Quinones

Consultant: None

## Project Description (Who, What, Why, Where, How)

Convert 106 buses from Clever Devices Computer Aided Dispatch (CAD) to Trapeze CAD, including the integration to fareboxes, Automated Passenger Counters (APC) and on-bus digital signage. Conversions will be completed by the LYNX Maintenance Division with support from vendor staff.

## Expectations

### Outcomes:

- All buses operating on the Trapeze CAD system

### Deliverables:

- Pilot of 5 buses – 10/26/18 through 10/30/2018
- Installation of Ranger 4 buses on 101 buses, replacing Clever CAD equipment – 1/1/19\* through 4/03/19

\*Initial installations delayed due to issues in configuration and staff availability due to Kissimmee Circulator bus outfit.

## Business Process Start & Stop

- Start: Equipment piloted on 5 buses for TripSpark MDTs, and UTA APCs
- End: Complete and operational conversion of 106 buses from Clever CAD to TripSpark CAD

## Out of Scope

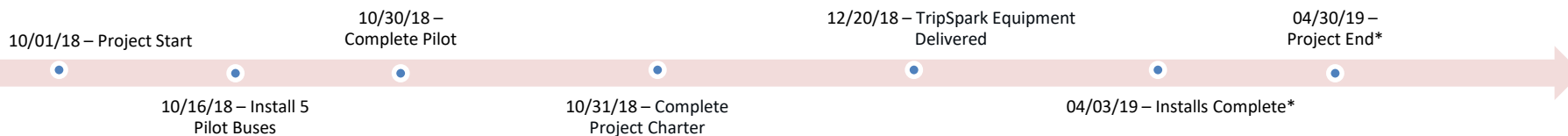
- Changes to CAD software functionality

## Stakeholders

- Transportation Division
- Maintenance Division
- IT Division
- Finance Department
- Planning Department

## Impacted Policies, Procedures, Connected or Dependent Efforts

- UTA APCs to replace Clever Devices compatible APCs



\*APC order on hold until Federal Shutdown ends freeing Capital funds.





# Project Name: Conversion of Bus Fleet to Single CAD System

Overall	Approval	\$ / People	Scope	Schedule	Key Message / Decisions Required
<b>G</b>	<b>C</b>	<b>G</b>	<b>G</b>	<b>G</b>	<ul style="list-style-type: none"> <li>96 buses complete to date</li> <li>Final conversions scheduled for April 3, 2019</li> </ul>

Baseline Schedule		Actual Comp Date	Owner	Status	Task / Phase Description	Project Deliverables	Comments / Accomplishments
Start	End						
10/18	11/18	11/18	Fetzer	Done	5 bus pilot	Test plans, installation plans	Complete, design documents completed
12/18	3/19		Gant	Ongoing	Implement Announcements in CAD	Announcement trigger sheet	Sent to Trapeze 02/25/19
12/18	4/19		Fetzer	Ongoing	Installation of TripSpark CAD equip	LYNX installed buses converted to TripSpark	91% of 110 buses converted as of 3/25/19

Major Milestones / Activities	Upcoming Activities	Key Risks / Issues
<ul style="list-style-type: none"> <li>APC's installed on 5 pilot buses</li> <li>96 buses converted to Ranger 4 to date</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing conversions of buses</li> <li>Implementation of announcements for T-Box</li> <li>Coding of announcements for LYMMO</li> </ul>	<p><u>Risks:</u></p> <p><u>Issues:</u> Operators have to manually announce stops until announcements configured</p>

Funding Description	Authorized	Amount Encumbered	Amount Spent To Date
PO 1801210	\$543,359	\$482,320.36	\$0
PO 1900237	\$656,641	\$356,300.00	\$0

- No Impacts    NS Not Started    **G** On Track    **Y** At Risk  
**R** Off Track    **C** Complete    **CX** Cancelled



Additional comments and/or explanation
As of 3/25/2019 (projected by End of Day) <ul style="list-style-type: none"><li>• 96 Converted to Ranger 4</li><li>• Conversions currently scheduled to be completed on April 3, 2019</li></ul>