

LYNX Finance & Audit Committee Agenda

Meeting Date: 4/12/2019

Meeting Time: 2:00 PM

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



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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 Financial Officer Report

5. Committee Discussion Items



Discussion on Paratransit Operations

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6. Committee Action Items



Approval of Reserve Level for FY2020

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Approval of the Proposed Preliminary FY2020 Operating Budget.

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7. 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
Finance and Audit Committee Meeting Minutes

PLACE: LYNX Central Station
455 N. Garland Avenue
2nd Floor, Board Room
Orlando, FL 32801

DATE: March 28, 2019

TIME: 2:00 p.m.

Members in Attendance:
Amanda Clavijo, Osceola County
Michelle McCrimmon, City of Orlando
Kurt Petersen, Orange County
Timothy Jecks, Seminole County
Libertad Acosta-Anderson, FDOT, 5th
District

Staff in Attendance:
Jim Harrison, Interim Chief Executive Officer
Bert Francis, Chief Financial Officer
Tiffany Hawkins, Chief Administrative Officer
John Slot, Chief Innovation & Sustainability Officer
Leonard Antmann, Director of Finance

Members Absent:

1. Call to Order

Chair Clavijo called the meeting to order at 2:02 p.m.

2. Approval of Minutes

Chair Clavijo requested a motion for approval of the Finance & Audit Committee minutes from the February 15, 2019, Finance & Audit Committee meeting. Motion to approve the February 15, 2019, minutes was made by Kurt Petersen, seconded by Michelle McCrimmon and unanimously adopted. The minutes were approved as presented.

3. Public Comments

No members of the public were present to speak.

4. Chief Financial Officer's Report

Chair Clavijo recognized Bert Francis, LYNX Chief Financial Officer. Mr. Francis stated that he had two follow-up items. Last month there was discussion about using \$2 Capital funds for matching funds for projects with FDOT. The handout show a summary of the calculation for the LOC expansion and where the funds will be during FY19 and FY20. We will have an adequate amount of \$2 Capital funds for the projects. The second item is a follow-up on the dates for the next few Committee meeting dates.

5. Committee Discussion Items

A. FY2020 Preliminary Operating Budget

Chair Clavijo recognized Mr. Francis to make the presentation. Mr. Francis stated that we are going back onto the funding model. We will not be utilizing any reserves in this budget. The Preliminary Operating budget for FY2020 is \$148,428,548. Salaries, wages and fringe and also purchased transportation are the primary increases, everything else has remained relatively the same. Chair Clavijo would like to see more detail on the increase in salaries, wages, and fringe. There may be an opportunity to budget a smaller number for the salaries. Mr. Francis stated that we have scaled down the amount of overtime for our drivers. There was a handout and a discussion on the headcount. Staff will provide more detail at the next meeting. Chair Clavijo would like to see the agreements with other partners, and would like them to pay their cost of the service. The committee agreed that all partners should pay for their share of the service. Econ River High School is the only partner paying the ninety-five dollar rate. Valencia and UCF pay one dollar per student per year. These students can utilize the whole LYNX system. This will be presented to the Oversight Committee on April 4, 2019, and will be presented to the Board on April 25, 2019.

B. Discussion of Reserve Policy

Chair Clavijo recognized Bert Francis to make the presentation. There are three primary discussion items. First, the reserve policy states that you "may" keep up to five percent for additional contingency reserves, in addition to the forty-five day requirement. This figure may be a bit too much. Second, the state requires a medical self-insurance reserve which is about \$1.7 million. It is a non-current asset, so we took that figure out of the current reserve calculation. Third item is compensated absences. This is currently about \$4.4 million. This is at the discretion of the Board and also may be too much. We plan on using \$6.5 million in reserves to balance the FY19 budget. Discussion ensued regarding the level of the cash balance.

C. Updated Paratransit operations report presentation

Chair Clavijo recognized John Slot, Chief Innovation & Sustainability Officer, to make the presentation. Mr. Slot stated Selita Stubbs is the new Deputy Director of Mobility Services and Norm Hickling is the new Director of Mobility Services. The TNC Mears has put a policy in place to adhere to the FTA requirement on the drug and alcohol policy. Lyft has decided to not to meet the requirements and will no longer be utilized by mobility services. We believe that adjustments need to be made on the customer service salaries. The salaries are too low, and trip volume keeps rising. Our HR department will conduct a study to compare salaries of similar positions. Ms. McCrimmon stated that she has a few questions, and asked if she could send the questions to save time at this meeting. Chair Clavijo asked if we could have a brief discussion and a follow-up in the next meeting. Ms. McCrimmon asked about the eligibility process and a walk thru of the application process. Mr. Slot stated that ninety-five percent of the applications are approved. Ms. McCrimmon will send the rest of the questions for a later response.

6. Committee Action Items

A. Authorization to Approve Submittal of CAFR to GFOA

Chair Clavijo recognized Ron Conrad and Brian Lippick of Cherry Bekaert to make the presentation. Mr. Conrad stated that there were two reports issued this year. There is an annual form for agreed upon procedures, and this year an IES FD report that occurs every ten years. These reports are separately issued from the CAFR. There was an unmodified clean opinion on the reports. There were no findings. There is one comment on the management letter that dealt with one contractor that did not have reporting. This was an immaterial non-compliance, and only one occurrence.

Motion to Authorize Submittal of CAFR to GFOA was made by Michelle McCrimmon, second by Tim Jecks. Motion passed unanimously.

7. Other Business

No other business was discussed.

The meeting adjourned at 4:30 p.m.

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Finance Committee Discussion Item #5.A.

To: LYNX Finance & Audit Committee

From: William Slot
Chief Innovation Sustain Off
Selita Stubbs
(Technical Contact)
Leonard Antmann
(Technical Contact)

Phone: 407.841.2279 ext: 6146

Item Name: Discussion on Paratransit Operations

Date: 4/12/2019

LYNX Staff will provide an update on Paratransit Operations.

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Finance Committee Action Item #6.A.

To: LYNX Finance & Audit Committee

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

Phone: 407.841.2279 ext: 6058

Item Name: Approval of Reserve Level for FY2020

Date: 4/12/2019

ACTION REQUESTED:

LYNX Staff will present final recommendations on the reserve level for FY2020.

LYNX Finance & Audit Committee Agenda

Finance Committee Action Item #6.B.

To: LYNX Finance & Audit Committee

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

Phone: 407.841.2279 ext: 6058

Item Name: Approval of the Proposed Preliminary FY2020 Operating Budget.

Date: 4/12/2019

ACTION REQUESTED:

LYNX Staff is requesting approval of the proposed Preliminary FY2020 Operating Budget.