

LYNX Finance & Audit Committee Agenda

Meeting Date: 7/16/2020
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.

The Central Florida Regional Transportation Authority d/b/a LYNX meeting will be held virtually by means of communications media technology pursuant to the Office of the Governor Executive Order #20-69 and subsequently extended.

The opportunity to provide public comment is available until the Chair closes the item. To appear in person to speak or to submit written comments to LYNX Finance & Audit Committee, complete the customer service form and select Public Comment on <http://www.golynx.com/contactus> or email to publiccomments@golynx.com. For additional information regarding other methods of submitting comments, contact the Board Agenda Coordinator at 407-254-6003.

When you are recognized, state your name and address. Please limit your comments to the 3 minute limit set by LYNX Board of Directors policy. Large groups are asked to name a spokesperson.

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. Discussion Items

- A.  FY2021 Preliminary Capital Budget Pg 5
- B.  Discussion Regarding the Budget Stabilization Fund Pg 6

6. Consent Agenda

- A. **Miscellaneous**
- i.  Authorization to Transfer Two (2) Retired Revenue Vehicles to the Lakeland Area Mass Transit System Pg 7

7. Other Business

8. Adjourned

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, Open Space
 Orlando, FL 32801

DATE: **June 18, 2020**

TIME: **2:00 p.m.**

Members in Attendance:

Amanda Clavijo, Osceola County
Michelle McCrimmon, City of Orlando
Kurt Petersen, Orange County
Jo Santiago, FDOT, 5th District
Tim Jecks, Seminole County

Staff in Attendance:

James E. Harrison, Esq. P.E., Chief Executive Officer
Bert Francis, Chief Financial Officer
Tiffany Homler-Hawkins, Chief Administrative Officer
John Slot, Chief Innovation & Sustainability Officer
Leonard Antmann, Director of Finance
Michelle Daley, Manager of Financial Planning & Budgets
Chris Plummer, Manager of Financial Reporting
Pat Christiansen, LYNX Attorney

1. Call to Order

Chair Clavijo called the meeting to order at 2:01 p.m., and she read the statement that allows for this meeting to take place electronically.

2. Approval of Minutes

Chair Clavijo requested a motion for approval of the Finance & Audit Committee minutes from the May 21, 2020, Finance & Audit Committee meeting. Motion to approve the May 21, 2020, minutes was made by Michelle McCrimmon, seconded by Kurt Petersen 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, Chief Financial Officer. Mr. Francis stated that we received notification from the FTA that LYNX has been approved on the CARES application. We have already started gathering our expenses, and we hope to get our first reimbursement in the month of June. This is estimated to be about \$28 million for the months of February through May less fare revenues that were collected.

We received new fare boxes and this installation should be completed by the end of June or early July.

5. Committee Discussion Items

A. FY2021 Preliminary Operating Budget

Mr. Francis led the presentation. LYNX is planning to continue the current level of service in FY2021. CARES funding will be used in the short-term and the long-term. Our maintenance staff has done a great job maintaining the buses and the buildings, and these costs will continue until the pandemic is over. We plan to maintain current staffing levels, which includes manpower for cleaning and sterilizing the buses.

Paratransit trip levels are starting to come back. We are planning to budget the ridership for FY2021 at the same level as the FY2020 budget.

We are not proposing any changes to the fare structure. Currently, ridership is about fifty percent of pre-COVID ridership levels, and we believe that this will rise to sixty percent for the next fiscal year.

Our advertising revenue was doing well, but we are expecting it to drop off for the next fiscal year.

Preventative maintenance can be reduced due to CARES funding, and this will free up Capital funds to purchase more buses, etc.

We continue to look at salaries and staffing. The staffing level may include positions for the cleaning and sanitizing of the buses.

We continue with our fuel hedging program, and our new vehicles are CNG along with the electric bus purchases.

We expect to use approximately twenty-three million in CARES funding and use of stabilization funds to balance the FY2021 budget due to reduced fare revenue and increased expenses.

We included a \$2.1 million increase in materials and supplies for PPE and sanitizing supplies over the original amount that we had proposed in March.

The preliminary Capital budget will be presented at the July meeting.

The local funding partner revenue is projected to remain at the same level for FY2021 as it was for FY2020.

The use of CARES funding, along with contributions from the funding partners, will allow LYNX to create a budget stabilization fund. This will be similar to the operating reserve fund that we currently maintain. We will use part of this to balance next year's budget. We are aggressively pursuing reimbursements under the CARES funding. We have prepared a five year projection using various revenue and expense scenarios to see how far we can utilize the CARES funding and the budget stabilization fund. These projections reflect the fact that the CARES funding may not extend as far as one would think. We used very conservative revenue and expense projections.

We have taken a very conservative approach to the entire budget due to the uncertainty of what is to come this summer and the next fiscal year.

Kurt Petersen asked how many positions would be added. Mr. Francis stated that there could be twenty-eight due to cleaning and sanitizing the buses. This could be permanent positions or contract. We are still looking at that.

6. Consent Agenda

A. Miscellaneous

- i. Authorization to Enter into the FY2020 Bus Service Agreement with Shingle Creek
- ii. Authorize to Enter into Interlocal Project Agreement No. 2 with the Orlando Utilities Commission to Allow for Installation of Temporary Charging Infrastructure for Battery Electric Buses
- iii. Authorization to Purchase Against the National Association of Procurement Officials Contracts #M149-1 and #AR2470 Cooperative Purchase Agreements for Unified Communications and Fully Integrated Contact Center

Motion to approve Consent Agenda items 6.A.i through 6.A.iii. was made by Kurt Petersen, Second by Tim Jecks. Motion passed unanimously.

7. Other Business

No other business was discussed.

8. Adjourned

The meeting adjourned at 3:05 p.m.

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Discussion Item #5.A.

To: LYNX Finance & Audit Committee

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

Phone: 407.841.2279 ext: 6058

Item Name: FY2021 Preliminary Capital Budget

Date: 7/16/2020

ACTION REQUESTED:

LYNX staff will present the FY2021 Preliminary Capital budget.

LYNX Finance & Audit Committee Agenda

Discussion Item #5.B.

To: LYNX Finance & Audit Committee

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

Phone: 407.841.2279 ext: 6058

Item Name: Discussion Regarding the Budget Stabilization Fund

Date: 7/16/2020

ACTION REQUESTED:

LYNX staff will lead a discussion regarding the budget stabilization fund.

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Consent Agenda Item #6.A. i

To: LYNX Finance & Audit Committee

From: **Leonard Antmann**
Director Of Finance
Warren Hersh
(Technical Contact)
Edward Velez
(Technical Contact)

Phone: 407.841.2279 ext: 6125

Item Name: Authorization to Transfer Two (2) Retired Revenue Vehicles to the Lakeland Area Mass Transit System

Date: 7/16/2020

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to transfer two (2) revenue vehicles to the Lakeland Area Mass Transit System (Citrus Connection).

BACKGROUND:

LYNX maintenance staff identified two (2) diesel revenue vehicles for retirement. The Lakeland Area Mass Transit System has expressed an interest in receiving two of the LYNX retired vehicles for their agency.

Staff is recommending the removal of the two buses that were scheduled for retirement from service as part of the fleet reduction to comply with the 20% spare ratio requirements. The decision to remove these units from service is a business decision based on economics and service efficiencies.

The transfer of the two diesel buses will require Federal Transit Administration (FTA) approval in order to waive or transfer any outstanding obligation associated with the vehicles and the related components which is currently valued at \$0. LYNX staff will continue to work with Citrus Connection and/ or with other agencies to facilitate the transfer of the revenue vehicles.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE participation goal is applicable for this activity.

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FISCAL IMPACT:

The net book value of the two (2) diesel vehicles and components is \$0. The potential FTA obligation is \$0.

Vehicle Listing

| System Number | Asset ID | Acquisition Date | Class | Description | Estimated Life | Acquisition Value | Net Book Value |
|---------------|----------|------------------|-------|----------------------------------|----------------|-------------------|----------------|
| 12544 | 725 | 2/28/2008 | RV | 29' LF BRT -G27E102N2 Gillig Bus | 9 | \$289,014 | 0 |
| 11446 | 712 | 6/30/2007 | RV | 29' LF BRT- G29E102R2 Gillig Bus | 9 | \$274,502 | 0 |
| 12545 | 725A | 2/28/2008 | RV | CUMMINS ISL 8.3L 280HP ENGINE | 5 | \$19,636 | 0 |
| 11495 | 712A | 6/30/2007 | RV | CUMMINS ISL 8.3L 280HP ENGINE | 5 | \$19,636 | 0 |
| 12546 | 725B | 2/28/2008 | RV | ZF 594C AUTOMATIC TRANS | 5 | \$17,247 | 0 |
| 11496 | 712B | 6/30/2007 | RV | VOITH DIWA 864.3E SSP TRANS | 5 | \$17,247 | 0 |
| Totals | | | | | | \$637,282 | 0 |