

LYNX Finance & Audit Committee Agenda

Meeting Date: 2/16/2023
Meeting Time: 1:30 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. Consent Agenda

A. Request for Proposal (RFP)

- i.  Authorization to Release a Request for Proposal (RFP) for the Supply and Installation of Security Equipment and Associated Maintenance for LYNX Facilities Pg 8

B. Miscellaneous

- i.  Authorization to Extend Sub-Recipient Awards and to Enter into Sub-Recipient Agreements with the Selected Human Services Agencies Pg 10
- ii.  Authorization to Enter into a Sole Source Purchase for the Procurement of SPX d/ b/a Genfare Fast Fare Fareboxes for the NeighborLink Cutaway Bus Fleet Pg 12


6. Discussion Items

- A.  FY2022 Preliminary Financial Results Pg 14
- B.  FY2022 Preliminary Reserve Analysis Pg 15

C.  FY2023 1st Quarter Results Pg 16

D.  FY2024 Budget Assumptions Pg 17

7. Action Items

A.  Election of the 2023 Finance and Audit Committee Officers Pg 18

8. Other Business

9. 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, Board Room
Orlando, FL 32801

DATE: January 19, 2023

TIME: 1:30 p.m.

Members in Attendance:

Amanda Clavijo, Osceola County
Jamie Ledgerwood, FDOT, 5th District
Kurt Petersen, Orange County
Michelle McCrimmon, City of Orlando
James Goldsmith, LYNX Attorney

Staff in Attendance:

Leonard Antmann, Chief Financial Officer
Michelle Daley, Director of Finance
Tony DeGuzman, Manager of Financial Planning
& Budget

1. Call to Order

Chair Clavijo called the meeting to order at 1:31 p.m.

2. Approval of Minutes

Chair Clavijo requested a motion for approval of the December 1, 2022 Finance & Audit Committee meeting minutes. Motion to approve the December 1, 2022 minutes was made by Michelle McCrimmon, second by Kurt Petersen. The minutes were unanimously approved as presented.

3. Public Comments

No members of the public were present to speak.

4. Chief Financial Officer's Report

Chair Clavijo recognized Lenny Antmann, Chief Financial Officer.
Mr. Antmann provided the following updates:

- FY2023 Budget Books have been provided to the Finance & Audit committee members.
- MSL Auditors were on-site in December for the annual year-end audit and will be back in March to present the ACFR. No issues identified at this time.

- Two submissions received in response to the ERP RFP; moving forward to SEC review.
- Pinehill transfer station RFP submissions due January 17. SEC recommendation to Board expected in March. Planning/permits are in place.
- FY2022 Ridership ended at approximately 58K daily on Fixed Route, right at the 75% level. Paratransit ridership FY2022 year end was about 80%; in Dec PT was actually at 85%, the FY2023 Paratransit ridership goal is 95%.
- Today we will discuss FY2024 budget assumptions and preliminary FY2022 financial results. Next month we will present the complete FY2024 Assumption package and hold Finance & Audit committee officer elections. Additionally, we will present the first quarter FY2023 Results and Preliminary Reserve Analysis.
- 5.B.iii. Authorization to “Update On-Time Performance Standards for Fixed-Route Services” has been moved to Oversight Discussion Items and removed from our agenda today. “Authorization to transition NeighborLink On-Demand service to in-house operations” has been added as an Action Item for both Oversight and Board committee. “Chief Executive Officer position” and “Authorization to execute agreement for temporary employment with Mr. Frank Martin” as interim COO have been added to Board Action Items.

5. Consent Agenda

Chair Clavijo asked if there were any changes to the Consent Agenda. Jamie Ledgerwood, FDOT will abstain from voting on 5.B.i due to conflict.

A. Request for Proposal (RFP)

- i. Authorization to Release a Request for Proposal (RFP) for Contracted Janitorial Services for LYNX Facilities
- ii. Authorization to Release a Request for Proposal (RFP) for a Health Benefits Consultant

B. Request for Proposal (RFP)

- i. Authorization to Ratify a Grant Application Submitted to the Florida Department of Transportation for the FY2023 Intermodal Development Funding Program for the Orlando International Airport Bus Transfer Facility Feasibility Study and Preliminary Design and Adoption of Resolution #23-001
- ii. Authorization to Execute a Contract with the Center for Transportation and the Environment for a Not to Exceed Amount of \$816,500 for Project Management and Technical Assistance on the Battery Electric Bus Electrification Project
- iii. Authorization to Update On-Time Performance Standards for Fixed-Route Services
- iv. Authorization to Dispose of Items Accumulated Through the Lost and Found Process
- v. Authorization to Auction Surplus Capital Items

Kurt Petersen made a motion to approve Consent Agenda 5.A.i & ii, and B.ii, iv, v, seconded by Michelle McCrimmon. Motion passed unanimously.

Michelle McCrimmon made a motion to approve Consent Agenda 5.B.i, seconded by Kurt Petersen. Jamie Ledgerwood abstained due to conflict. Motion passed.

6. Discussion Items

A. FY2022 Preliminary Operating Results

Mr. Antmann reviewed the preliminary FY2022 operating results. Overall, we are about \$16M favorable on cash position, the bulk of which should roll over into reserve analysis that we will see next month. Revenue is favorable by \$5.2M; \$4.2M from traditional revenue and \$1M favorable due to draw-down of remaining FY2021 CARES/CRRSA/ARPA funds. All stimulus funds have been fully drawn by the end of FY2022. Expenses are \$18.3M favorable which includes a non-cash impacting \$7M actuary adjustment.

Revenue - Customer fares are \$1M favorable associated with increased ridership. Contract Services are \$100K favorable due to higher than originally anticipated Paratransit TD service contracts. Advertising is \$425K favorable due to strong fourth quarter. Fixed route Interest & Other Income earned \$800K interest offset by approximately \$800K due back to FTA for written off assets. FTA changed the circular last year to determine due back as the lower of cost or market. We anticipate an approximate \$200K saving if we are able to substantiate market value was less than book value.

Federal Revenue is favorable to budget by \$2.7M. \$300K associated with additional ADA and subrecipient Paratransit revenue, \$2.6M 5307 operating funds drawn exceeding budget, \$1.6M unfavorable Planning studies which is offset on expense side and an additional \$1.4M FEMA award for reimbursement of temporary labor and PPE not previously submitted for stimulus reimbursement.

ARPA federal revenue was \$1M favorable. Paratransit drew down \$6M more than budgeted and fixed route drew down \$5M less than budgeted.

Salaries, Wages and Fringe Expense is \$8.1M favorable primarily due to \$7M pension actuarial adjustment. Other services are \$4.3M favorable to budget driven by fixed route planning activities, contract maintenance, temporary help, and reduction in paratransit functional assessments.

Fuel expense is \$2M favorable as a result of hedging program. Materials & Supplies are \$1.7M favorable associated with reduced COVID related PPE and sanitation needs. Casualty and liability expenses are \$1.7M unfavorable as a result of recent large claim settlements. Purchased transportation is \$3.3M favorable due to reduced trip volume. Leases and Miscellaneous are favorable on fixed route by \$571K due to reduced travel and training as a result of the pandemic and \$200K unfavorable on Paratransit due to additional lease payments associated with delayed move into new facility.

B. FY2024 Budget Assumptions Discussion

Mr. Antmann led the budget assumption workshop to review and solicit the committee's input on the preparation of the FY2024 Budget Assumptions. A formal presentation will be brought to Finance & Audit committee in February.

The key assumptions:

- FY2024 budget is being built as a base case budget based on business as we know it today.
- Maintain service consistent with the current levels.
- Paratransit cost containment strategies and stringent application process will continue.
- Preventative Maintenance will continue at \$6.8M as previously recommended by the board.
- Lines of Business – We plan to budget and report by Paratransit, Fixed Route and roll-up the total and provide the details of each.
- Reduce operating expense budget to be consistent with current trends for temporary labor, sanitizing materials and PPE in support of CDC COVID protocols.
- Prepare the Partner Contributions using the approved Regional Funding Model.
- Budget Stabilization last year end \$86M, expect approx. \$100M at the end of this year. The FY2023 budget assumed we would use \$31M to fully fund the budget. Based on that we have about \$75M left. As in past years, we will provide several scenarios with trends going out several years so we can pick a scenario to provide a consistent increase back to fully funded. We did have a larger than budgeted wage increase this last year.
- No anticipated fare increases.
- FY2023 ridership was budgeted at 75% and 95% of pre-COVID levels for Fixed Route and Paratransit respectively. Based on committee recommendation, we will budget FY2024 at 75% Fixed Route and 95% Paratransit pre-COVID levels.
- We will budget state funding consistent with FY2023 until additional funding information is received. Mr. Antmann asked FDOT to confirm that DDR funds will be included with the FY2024 block grant.
- Advertising revenue budget at contract guarantee level of \$2.5M.
- Interest Income – budget \$1M based on conservative estimate and expectation that interest rates may decrease as the economy improves.
- Wages – we plan to follow funding partner lead when budgeting increases for administrative staff and will follow contractual increases for the unions.
- We are seeing a consistent increase in medical expense and plan a 12% increase to medical benefits. We will continue to maximize prescription rebate opportunities.
- Continue Fuel hedging program on diesel, gas and expand to include CNG.
- No expected headcount increases other than approximately 28 associated with bringing NeighborLink in-house which would be offset by the amount we currently pay the contractor or service change requirements.

- Continue transition of technology to cloud environment with roll-out of new Genfare software, Trapeze for NeighborLink and Paratransit, Microsoft 365 and new ERP system. This will reduce capital investment and increase operating expense.
- Pine Hills Transfer Station expected to break ground and begin construction in the next few months.
- Southern Operation Base site selection and land purchase expected this fiscal year.
- LCS project to expand some bays to accommodate 60ft buses.
- LCS window replacement project for improved sound, wind protection and energy savings.
- Continue roll-out of employee development opportunities.

7. Other Business

None

8. Adjourned

The meeting adjourned at 2:41 p.m.

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Consent Agenda Item #5.A. i

To: LYNX Finance & Audit Committee

From: **Jafari Bowden**
Director Of Safety And Security
Robert Carey
(Technical Contact)

Phone: 407.841.2279 ext: 6127

Item Name: **Authorization to Release a Request for Proposal (RFP) for the Supply and Installation of Security Equipment and Associated Maintenance for LYNX Facilities**

Date: 2/16/2023

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to release a Request for Proposal for the supply and installation of security equipment and associated maintenance for LYNX facilities.

BACKGROUND:

The RFP scope of work will require the procurement and installation of 200 access control badge readers to our current access control system. In addition, to include but not limited to repairs to our inoperable existing badge readers, cameras and necessary infrastructure, integration, and preventative maintenance. The system and software must be similar or compatible with current access control system and software currently installed and used by LYNX for its access control system.

The major goal of additional access card badge readers to our current access control system is to enhance the protection of soft targets, crowded places, enhance security measures against terroristic activity and to expand access control. LYNX wants to increase the security posture of the agency to protect its property and employees. The additional access control badge readers and repair to the inoperable readers will reduce security concerns related to lost keys, access to documents considered security sensitive and allow for the agency to lock doors remotely in the event of an active shooter. Lastly, the new system will give LYNX the ability to set parameters on all doors and generate reports to track behavior.

LYNX recently completed a TSA Baseline Assessment Enhancement (BASE) Review in 2021 and a Threat Vulnerability Assessment (TVA) in 2020. The TSA BASE and the TVA evaluates

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the likelihood of specific threats that may endanger system operations and provides recommended actions and countermeasures to eliminate or mitigate such threats based on the TSA/FTA Security and Emergency Management Action Items for Transit Agencies. This project is in accordance with several of the recommendations outlined in the BASE and TVA report.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE Goal has been established for this contract. LYNX encourages the Contractor to make every attempt to obtain participation of certified DBEs and other small businesses in the completion of this contract (Race Neutral).

FISCAL IMPACT:

The FY2023 Approved Capital Budget includes \$1,019,000 for Security Equipment. This capital expense is 100% Federally funded. The FY2023 Approved Operating Budget includes \$7,000 for Repair and Maintenance.

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Consent Agenda Item #5.B. i

To: LYNX Finance & Audit Committee

From: Tiffany Homler Hawkins
Chief Executive Officer
Prahallad Vijayvargiya
(Technical Contact)

Phone: 407.841.2279 ext: 6064

Item Name: Authorization to Extend Sub-Recipient Awards and to Enter into Sub-Recipient Agreements with the Selected Human Services Agencies

Date: 2/16/2023

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to extend sub-recipient awards to selected Human Services Agency projects and to enter into sub-recipient agreements with the selected applicants for Section 5310 Funding, a Federal Transit Administration (FTA) Program for the Enhanced Mobility of Seniors and Individuals with Disabilities.

BACKGROUND:

LYNX is the designated recipient of Section 5310 program funds for the Urbanized Orlando and Kissimmee areas. LYNX received Board authorization on September 22, 2022 to solicit Human Services Agency projects for the Urbanized Orlando and Kissimmee Section 5310 Program funds.

LYNX conducted a Section 5310 Virtual Grant Workshop on October 21, 2022 and each interested applicant was required to coordinate projects with ACCESS LYNX as the Community Transportation Coordinator (CTC). Project proposals were due November 23, 2022 and a multi-disciplinary team comprised by the Florida Department of Transportation, Metroplan Orlando and ACCESS LYNX met to evaluate them.

APPLICATION EVALUATION:

A total of eight (8) proposals were received. One (1) of the proposals was disqualified due to incomplete or missing documentation, and/or lack of authorized signatures. The other seven (7) applications moved forward for evaluation.

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Proposals were prioritized and notices of intent to award were issued. A pre-award monitoring phase will be conducted to ensure compliance with federal regulations and LYNX requirements. These projects will support the travel needs of the elderly and individuals with disabilities in the LYNX service area, targeted to provide cost-effective transportation options beyond paratransit and supporting regional transportation coordination while reducing resource demands on ACCESS LYNX.

LYNX proposes to provide Section 5310 sub-recipient funding, subject to Federal Transit Administration (FTA) grant awards for the respective agencies below, based on the Evaluation Committee recommendation:

Agency Name	Operating Funds	Vanpool Funds	Total
Seniors First, Inc.	\$ -	\$ 8,280.00	\$ 8,280.00
Aspire Health Partners	\$ 101,078.00	\$ 8,280.00	\$ 109,358.00
Quest, Inc.	\$ 40,000.00	\$ -	\$ 40,000.00
Meals on Wheels, etc., Inc.	\$ 45,000.00	\$ 16,560.00	\$ 61,560.00
Special Hearts Farm	\$ 17,375.00	\$ 4,140.00	\$ 21,515.00
EduMatics, Inc.	\$ -	\$ 8,280.00	\$ 8,280.00
	\$ 203,453.00	\$ 45,540.00	\$ 248,993.00

Funds will be provided to sub-recipients at 50% federal share under the Section 5310 grant program for operating and vanpool projects.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

A DBE participation goal is not applicable for this activity.

FISCAL IMPACT:

The FY2023 Approved Operating Budget includes \$600,000 for Sub-Recipient Agreements with Human Service Agencies.

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Consent Agenda Item #5.B. ii

To: LYNX Finance & Audit Committee

From: Elvis Dovalés
Director Of Maintenance
Norman Hickling
(Technical Contact)

Phone: 407.841.2279 ext: 6239

Item Name: Authorization to Enter into a Sole Source Purchase for the Procurement of SPX d/b/a Genfare Fast Fare Fareboxes for the NeighborLink Cutaway Bus Fleet

Date: 2/16/2023

ACTION REQUESTED:

Staff is requesting the Board of Directors' authorization for the Chief Executive Officer (CEO) or designee to enter into a sole source procurement of eighteen (18) Genfare Fast Fare "Super Short" fareboxes from SPX d/b/a Genfare for use in the NeighborLink cutaway bus fleet, for a not to exceed amount of \$330,000.

BACKGROUND:

On January 26, 2023, the LYNX Board of Directors authorized LYNX under Action Agenda item #7.B, to transition the NeighborLink "On-Demand" mode of service from a private transportation contracted service to an 100% internal LYNX operation. The intent is to complete transition by the April 23, 2023 service change.

In order to collect fares, process the collected revenue through the vaulting system and track ridership for the Neighbor link service, the buses must be equipped with the Fast Fare model farebox currently used on the fixed route fleet. The NeighborLink buses are currently equipped with Odyssey fareboxes which are not compatible with the current LYNX farebox vaulting and back office systems.

DISADVANTAGE BUSINESS ENTERPRISE (DBE) PARTICIPATION:

No DBE Goal has been established for this contract. LYNX encourages the Contractor to make every attempt to obtain participation of certified DBEs and other small businesses in the completion of this contract.

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FISCAL IMPACT:

This project will be funded with federal dollars through the FY2023 Approved Capital Budget.

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Discussion Item #6.A.

To: LYNX Finance & Audit Committee

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

Phone: 407.841.2279 ext: 6125

Item Name: FY2022 Preliminary Financial Results

Date: 2/16/2023

LYNX staff will present the FY2022 Preliminary Financial Results.

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Discussion Item #6.B.

To: LYNX Finance & Audit Committee

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

Phone: 407.841.2279 ext: 6125

Item Name: FY2022 Preliminary Reserve Analysis

Date: 2/16/2023

LYNX staff will present the FY2022 Preliminary Reserve Analysis.

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Discussion Item #6.C.

To: LYNX Finance & Audit Committee

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

Phone: 407.841.2279 ext: 6125

Item Name: FY2023 1st Quarter Results

Date: 2/16/2023

LYNX staff will present the FY2023 1st Quarter results.

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Discussion Item #6.D.

To: LYNX Finance & Audit Committee

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

Phone: 407.841.2279 ext: 6125

Item Name: FY2024 Budget Assumptions

Date: 2/16/2023

LYNX staff will present the FY2024 Budget Assumptions.

LYNX Finance & Audit Committee Agenda

Action Agenda Item #7.A.

To: LYNX Finance & Audit Committee

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

Phone: 407.841.2279 ext: 6125

Item Name: Election of the 2023 Finance and Audit Committee Officers

Date: 2/16/2023

ACTION REQUESTED:

Per Administrative Rule 2.12.2, E, the Finance and Audit Committee shall annually elect from its members a Chairperson and Vice Chairperson.

General Counsel will guide the Finance and Audit Committee in the election of officers for the upcoming year.