



LYNX Finance & Audit Committee

AGENDA

May 18, 2016

9:00AM

**LYNX Central Station
Second Floor Open Space**

- Call to Order
- Approval of Prior Meeting Minutes
- Health Care Update
- Overview of Paratransit Trip Increase
- Update on LYNX Reserves
- Use of \$2 Capital Contributions for Compressed Natural Gas (CNG) Facility Improvements
- Adjournment

Information Item:

Draft Monthly Financial Reports- March 31, 2016

LYNX
Central Florida Regional Transportation Authority
Finance & Audit Committee Meeting Minutes

PLACE: **LYNX Central Station**
 455 N. Garland Avenue
 Open Space, 2nd. Floor
 Orlando, FL 32801

DATE: **March 16, 2016**

TIME: **09:04 AM**

Members in Attendance:

Chairperson Chris McCullion, City of Orlando
Vice Chairperson Ray Walls, Orange County
Michael Kurek, Osceola County
Edward Bass, Seminole County
Lisa Buscher, FDOT

LYNX Staff in Attendance:

Blanche Sherman, Director of Finance
James Goldsmith, LYNX' General Counsel

Members Absent:

1. Call to Order/Introduction

Chairperson Chris McCullion called the meeting to order at 09:04 AM.

2. Approval of Prior Meeting Minutes

Chris McCullion asked for approval of the prior meeting minutes. **Motion** was made and seconded to approve the Minutes of the January 19, 2016 Finance & Audit Committee. The Motion passed unanimously.

3. Audit Agenda Items

✓ **Overview of FY2015 Annual Audit Results**

Chris McCullion called on Blanche Sherman, Director of Finance, who introduced Ron Conrad, Partner with the firm of Cherry Bekaert LLP, to present an overview of the FY2015 Annual Audit Results. Mr. Conrad introduced Artus Nemati, Staff Accountant, who worked on the audit.

Mr. Conrad briefly spoke about being engaged to provide an audit of the financial statements as well as grant audits which both require government auditing standards and issuing separate reports on compliance matters and internal controls. Mr. Conrad mentioned that last

year's audit (2014) was subject to a specific review by the Federal Transit Administration (FTA) with no comments from the FTA on that examination.

Mr. Conrad then reviewed the following items:

1. Scope of Services for LYNX
2. Required Communications
3. Draft Summary of Audit Results
4. Draft of Management Representation Letter

Mr. Conrad discussed the big accounting and auditing regulatory change this year with the adoption of the pension accounting standards (GASB 68 and GASB 71) requiring the employer to record any net pension liability associated with the Union plan, requiring a separate audit of the plan, and additional disclosures for the pension assets.

Mr. Conrad discussed that this year the employer (LYNX) had to look at the Net Present Value (NPV) of what is owed to the participants versus what is in the plan and what is the net amount owed by the employer after deducting what has been accumulated in the pension plan. The net effect for LYNX of this difference and of deferred inflows and outflows related to the pension standards this year is shown on the financial statements as a net asset with an increase of \$8.3M in the Authority's net position related to the recording of the net pension asset. Mr. Conrad stated that this is very odd with most organizations throughout the country showing a net liability. Mr. Conrad stated that LYNX is in good shape with respect to the pension plan.

Mr. McCullion, Mr. Conrad, and Ms. Sherman then discussed the following in regards to this change:

- Chapter 112 requirements/amounts
- Updated/changed mortality tables
- New reporting that adds additional tables and has multiple funded ratios, multiple liability numbers, and multiple funded levels
- Financial statements being almost unreadable/not usable for management
- Using September 30, 2014 as the measurement date of the net pension asset
- GASB 68 adding deferred inflow calculations that smooth out investment performance
- GASB 67 statutory actuarial requirements and disclosure of the September 30, 2014 date
- LYNX having a funding standard account- percent value rather than a dollar value
- Transition guidance for 2015
- Increase in net position not being cash

Mr. Conrad spoke about working well with the organization (LYNX), still being in the draft stage, certain reclassifications dealing with cash flows, the statutory requirements in the management letter and stated that the draft results are unmodified "clean" opinions with no findings or exceptions. Mr. Conrad also mentioned that the financial statements are not

currently available due to the complexity of the pension reporting. Mr. Conrad then asked for questions.

Edward Bass asked about when the statements would be available. Mr. Conrad responded that they would be available in about a week. Mr. Conrad then spoke about booking the actuarial smoothing of the investment performance and the timing with the actuary. Ms. Sherman mentioned that there will be a draft included in the Oversight and Board of Directors packages and that those meetings have been moved to April 14th. Ms. Sherman stated that she will send the draft to the Committee members as soon as it is available.

Ms. Sherman and Mr. Conrad acknowledged Nancy Navarro, Interim Manager of Accounting for stepping in when the Manager of Accounting left, Craig Charrette, the new Manager of Accounting, and Julie Caple, the Manager of Financial Planning & Budgets. Mr. McCullion also gave his thanks to the staff.

✓ **Overview of the FY2016 Amended Operating and Capital Budgets**

Chris McCullion called on Blanche Sherman to present the amendments to the current FY2016 budgets.

Ms. Sherman provided a brief overview of the 0.2% increase in the FY2016 Amended Operating Budget based on the following budget amendment requests which have previously gone to the Board for approval:

	FY2016 Adopted Budget	Other Services Unified Planning Work Program	Purchased Transportation - Maitland NL	Purchased Transportation - Sub Recipients	FY2016 Amended Budget Total
Revenue					
Fund Balance	\$ 571,571	\$ -	\$ -	\$ -	\$ 571,571
LYNX-Generated Revenue	37,392,598	-	4,654	-	37,397,252
Federal Revenue	16,087,336	42,000	-	97,380	16,226,716
State Revenue	14,103,842	59,528	28,983	-	14,192,353
Local Revenue	58,890,097	-	28,984	-	58,919,081
Total Revenue	\$ 127,045,444	\$ 101,528	\$ 62,621	\$ 97,380	\$ 127,306,973
Expense					
Salaries/Wages/Fringes	\$ 73,270,554	\$ -	\$ -	\$ -	\$ 73,270,554
Other Services	10,861,200	101,528	-	-	10,962,728
Fuel	13,569,071	-	-	-	13,569,071
Materials & Supplies	8,284,043	-	-	-	8,284,043
Utilities	1,454,571	-	-	-	1,454,571
Casualty & Liability	1,524,850	-	-	-	1,524,850
Taxes & Tags	434,605	-	-	-	434,605
Purchased Transportation	16,334,771	-	62,621	97,380	16,494,772
Miscellaneous	826,779	-	-	-	826,779
Interest & Leases	485,000	-	-	-	485,000
Total Operating Expenses	\$ 127,045,444	\$ 101,528	\$ 62,621	\$ 97,380	\$ 127,306,973

Ms. Sherman presented changes which included increases to be used for the Transportation Marketing and Educations project, the second year pilot services for the Maitland SunRail NeighborLink, and Section 5310 and 5317 funding for the Urbanized Orlando and Kissimmee selected sub-recipient agency expenses. The net change is listed below:

	FY2016 Adopted Budget	FY2016 Amended Budget	% Change
Operating Revenue	\$ 127,045,444	\$ 127,306,973	0.2%
Operating Expenses	<u>127,045,444</u>	<u>127,306,973</u>	<u>0.2%</u>
Operating Income/(Deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>

Mr. McCullion asked about when the budget actually gets changed in the financial systems and Mr. Bass asked about when LYNX is allowed to proceed with the amendments. Ms. Sherman responded that LYNX is allowed to proceed once the Board approves, but the budget system is formally amended only upon adoption of the amended budgets by the Board. Ms. Sherman discussed the adoption of the budget amendments which come in March and September each year.

Ms. Sherman then discussed the decrease of -3.0% in the capital budget which is due to the true-up of the carryovers as of September 30, 2015 plus small increases to leasehold improvements at the Osceola Satellite Facility (OSF) and the 2015 CNG bus procurement/build change order. The net change is listed below:

	FY2016 Adopted Budget	FY2016 Amended Budget	% Change
Capital Contributions	\$ 94,543,799	\$ 91,734,305	-3.0%
Capital Expenditures	<u>94,543,799</u>	<u>91,734,305</u>	<u>-3.0%</u>
Capital Gains/(Losses)	<u>\$ -</u>	<u>\$ -</u>	<u>N/A</u>

The FY2016 overall budget amendments are listed below:

	FY2016 Adopted Budget	FY2016 Amended Budget	% Change
Operating	\$ 127,045,444	\$ 127,306,973	0.2%
Capital	94,543,799	91,734,305	-3.0%
Total	\$ 221,589,243	\$ 219,041,278	-1.1%

Ms. Sherman mentioned the action requesting the Finance & Audit Committee recommendation for approval of the FY2016 Amended Operating and Capital Budgets. Mr. McCullion asked for a Motion to approve the requested action.

Motion was made and seconded to approve the requested action. The Motion passed unanimously.

✓ **Overview of FY2017 Preliminary Operating Budget**

Chris McCullion called on Blanche Sherman to present the third agenda item.

Ms. Sherman provided a brief overview of the FY2017 preliminary operating budget based on the budget assumptions presented in January 2016 and the funding model adopted in January 2013 as follows:

- FY2017 Funding based on the adopted LYNX Funding Model
- Maximize current service levels through efficiencies
- Apply additional Flex (NeighborLink) services, where appropriate
- Maintain current Preventative Maintenance funding level, as approved by LYNX' Board
- Maximize use of anticipated Advertising Revenue
- Anticipated increase in Royalties from third party usage of Compressed Natural Gas (CNG)
- Salary increases consistent with Funding Partners
- Anticipated impact of a new Union contract
- Continuation of Fuel Hedging Program, as appropriate
- Annualized impacts of conversion to Compressed Natural Gas (CNG)
- Impacts of converting to Self-Insured Health Insurance Program
- Continued application of reductions based on LYNX ownership of Paratransit vehicles
- Continuation of Bio-diesel Program, as appropriate
- Anticipated cost savings from implementing a Mobile Ticketing System

Ms. Sherman then discussed the FY2017 Preliminary Operating Budget in comparison to the FY2016 Amended Budget including the following:

➤ Funding Sources

Operating Revenues	FY2017 Preliminry Budget
Fund Balance	\$ 268,638
Customer Fares	26,148,826
Contract Services	5,567,075
Advertising on Buses	2,332,134
Advertising - Trade	30,000
Interest & Other Income	681,206
Federal Revenue	16,598,651
State Revenue	13,529,285
Local Revenue	64,772,147
Total Revenue	\$ 129,927,962

➤ Expenses

Operating Expenses	FY2017 Preliminry Budget
Salaries/Wages/Fringes	\$ 76,108,171
Other Services	12,981,111
Fuel	9,679,958
Materials & Supplies	7,973,395
Utilities	1,475,080
Casualty & Liability	1,583,631
Taxes & Tags	436,843
Purchased Transportation	18,251,224
Miscellaneous	854,476
Interest & Leases	584,073
Total Operating Expenses	\$ 129,927,962

➤ Local Funding

LYNX FY2017 Preliminary Local Funding				
	Amended Local Funding FY2016	Preliminary Regional Model Need for FY2017	Dollar Change	Percentage Change
Orange County	\$ 39,730,495 *	\$ 43,272,293	\$ 3,541,798	8.91%
Osceola County	6,393,683 *	7,128,995	735,312	11.50%
Seminole County	6,175,067	7,149,433	974,366	15.78%
City of Orlando	4,046,660 *	4,542,603	495,943	12.26%
City of Orlando - LYMMO	2,305,411	2,200,910	(104,501)	-4.53%
Subtotal	<u>\$ 58,651,316</u>	<u>\$ 64,294,234</u>	<u>\$ 5,642,918</u>	9.62%
St. Cloud	\$ -	\$ -	\$ -	0.00%
Altamonte Springs	120,900	120,900	-	0.00%
Sanford	93,000	93,000	-	0.00%
Lake County	259,990	264,013	4,023	1.55%
Subtotal	<u>\$ 473,890</u>	<u>\$ 477,913</u>	<u>\$ 4,023</u>	0.85%
Capital Contributions:				
Orange County	\$ 1,701,304	\$ 1,698,160	\$ (3,144)	-0.18%
Osceola County	203,270	198,914	(4,356)	-2.14%
Seminole County	214,016	215,822	1,806	0.84%
Subtotal	<u>\$ 2,118,590</u>	<u>\$ 2,112,896</u>	<u>\$ (5,694)</u>	-0.27%
Total Local Funds	<u><u>\$ 61,243,796</u></u>	<u><u>\$ 66,885,043</u></u>	<u><u>\$ 5,641,247</u></u>	9.21%

**Includes prepaid funding from Osceola County, City of Orlando, and Orange County for new Service Development routes.*

A detailed summary of the preliminary budget changes will be provided by Ms. Sherman to Committee members.

The group discussed the following topics during the presentation:

- Salary increases based on the average of the increases for the funding partners
- Working on Compressed Natural Gas (CNG) fuel hedging since a fuel mule is currently being used and prices for CNG are yet to be determined
- Self-insured trends/projections, one time claims, increase in employee premiums, and stop/loss
- Impact of CNG and planning for thirty-five (35) more CNG buses
- Mobile ticketing anticipated savings
 - Release of advertising
 - Timeline adjusted from December 2016 to January 2017
- Anticipated \$1M in I-4 mitigation funds from FDOT confirmed by Tiffany Homler
- Decrease in fare revenue in FY2016 reflected in FY2017 with decline in ridership as the economy recovers and gas prices go down

- Possibility of a fare increase and the need to do a comprehensive fare equity analysis of all the modes with consideration of all factors
- Utilizing reserves as authorized by the Board for the LYNX portion of the continuation of the Link 208 pilot program which is a premium type service
- Proposed addition of six positions
- Union pension contributions, union pension trustee issues and arbitrations
- Status of pension over-funding and the funding standard account
- Planning projects including a major update to TDP, State Road 50 study and State Road 436 study with Federal grant funds anticipated for the first two projects
- Compensation study being requested for FY2017 by Human Resources
- Fuel savings/fuel hedging
- Changes in purchased transportation (Paratransit)
- Double digit increase for some of the funding partners- overall increase of 9.21%
- Changes in capital contributions

During the discussion, the following items were mentioned for follow-up at the May meeting:

1. Bringing in AJ Gallagher for an update on the self-insured plan
2. Providing an update on reserves
3. Providing information on Paratransit including verification of who is eligible, how the fares work, who is riding, and allocation by region

Other follow-up items included:

1. Providing the budget to actual monthly reports that are provided to the Board of Directors to the Finance & Audit Committee members as an information item on the Agenda
2. Including the Finance & Audit Committee members on the distribution of the Quarterly Report provided to LYNX funding partners
3. Discussing the funding model - full cost allocation

Ms. Sherman discussed the budget calendar including the change in the Board of Directors meeting to April 14th. Ms. Sherman spoke about presenting this to the Oversight Committee and to the Board in a work session. Mr. McCullion then asked if any action was needed. Ms. Sherman asked for a recommendation to the Oversight Committee to move forward with the process. Mr. McCullion clarified that the action was not to approve the budget just to move to the next step. Mr. McCullion asked for a motion to recommend approval to move forward with the process.

Motion was made and seconded to recommend approval to move forward with the process. Further discussion included Mr. Walls speaking about looking at the unrestricted fund balance, expenditures and priorities of the studies and having the percentage increase be more in the realm of what they are looking at for their own operating budgets. Mr. Walls stated that something in the range of 3% to 4% may be more palatable but that this is an ongoing discussion. Ms. Sherman mentioned that she could come and meet with the

Committee members, as has been done in the past, to explain the budgets. Mr. Bass spoke about fares being down and what the funding amount would be with the \$1M for the 436 corridor study backed out. Ms. Sherman spoke about a possible re-allocation from the state for this study which has not yet been included as the details are not available. Ms. Sherman stated that she will send out the budget narrative to the Committee members by the end of the week. There being no further discussion, the Motion passed unanimously.

✓ **Comprehensive Fare Review and Equity Analysis**

Chris McCullion called on Blanche Sherman to present the fare review.

Ms. Sherman discussed the last fare increase being done in 2009 and fare changes with the incorporation of SunRail fares in 2013 and stated that she strongly believes this is the time to do the fare equity analysis. This process includes a fare study and because of title VI a fare equity analysis which includes the Disproportionate Burden Policy and Disparate Impact Policy which address equity between low-income, minority and non-minority groups. This also includes looking at the ridership for price sensitivity to fare changes as well as looking at different aspects and components associated with the elasticity and cross-elasticity of the fares as well as coordinating with SunRail, LYMMO (with a slight fare), and Paratransit. The analysis involves surveys, meetings and public involvement. In the past, fare increases resulted in a gain of approximately \$1M.

Mr. McCullion commented on and Ms. Sherman confirmed that the current budget numbers do not reflect a fare increase. Mr. McCullion stated he did not have a problem supporting the study but what is done with the results of the study is another discussion.

Mr. Bass asked if the \$50,000 in the budget was enough for the study. Ms. Sherman responded that LYNX has been able to do the study with that amount in the past.

Mr. McCullion then asked for a motion to recommend that the Oversight Committee move forward with the fare study and equity analysis.

Motion was made and seconded to recommend that the Oversight Committee move forward with the fare study and equity analysis. The Motion passed unanimously.

✓ **Use of \$2 Capital Contributions for Compressed Natural Gas (CNG) Facility Improvements**

Chris McCullion called on Blanche Sherman to discuss the capital contributions for the CNG facility improvements.

Ms. Sherman discussed the following:

- The CNG facility improvements are about \$2.6M.

- For the facility improvements, LYNX has the \$.40 adder but was looking at using the proceeds from the sale of South Street but found out on December 21, 2015 that LYNX could not use those funds.
- LYNX has capital funds set aside for the lease payments locked in at \$1M per year.
- As funds become available, it will be more to LYNX' advantage to prepay and get rid of the \$.40 adder.

Mr. McCullion summarized as follows:

- Could either finance with NoPetro through an adder which includes a financing cost or get federal funding or some other source which did not pan out
- Options are to pay \$2.6M now or \$.40 adder over a ten (10) year period with a financing cost and cost of capital

Ms. Sherman commented that she did not have the costs of the financing but that she is meeting with NoPetro next week on the terms of the financing.

Mr. McCullion discussed that there was a certain finite cost of the debt payment and wanting more information to determine if LYNX should fund with its own money or pay with financing. Mr. Walls mentioned that the \$2.6M could be paid back at any time.

Ms. Sherman stated that the \$2 capital can be used for other things but it cannot continue to be rolled over. The \$2 capital from 2015 was going to be spent for buses or other local match needs for capital and will be used.

The group discussed the availability and use of capital funds, knowing what the borrowing costs will be over the 10 year period, looking at the CNG costs being higher because of the adder, and possible reduction in the local contribution with the elimination of the adder.

Ms. Sherman also mentioned that the adder is part of the operating costs and is included in the operating budget.

Mr. McCullion recommended no action right now but bringing back the item once there is more information on the financing.

✓ **Other Business**

Chris McCullion asked if there was anything else or any questions.

There being none, **the meeting was adjourned at 11:04 AM.**

LYNX Finance & Audit Committee Agenda

Agenda Item #1

To: LYNX Finance & Audit Committee Members

From: Blanche W. Sherman, Director of Finance
Julie Caple, Technical Contact

Phone: 407.254.6100

Item Name: Overview of Health Insurance Status

Date: 05/18/16

At the July 15, 2015 Finance and Audit Committee meeting, LYNX staff provided a brief recap of LYNX' five-year health insurance history and an update on the ongoing review of health insurance. At the time of that meeting, the table below summarized the preliminary costs to LYNX for health insurance premiums from Cigna, the current provider, and three optional providers, AIG, SunLife, and Voya for self-insured options.

Healthcare Plan Proposal without H.S.A. Component Summary - July 2015		
Description:	Employer FY2016 Projected Cost of Plan	Difference from FY2016 Preliminary Budget Healthcare Cost
FY2016 Preliminary Budgeted (26.0% Increase) - Fully-insured	\$ 8,508,987	\$ -
Cigna Proposed Policy (33.14% Increase) - Fully-insured	\$ 8,881,356	\$ 372,369
Cigna 12-12 (16.1% Increase) - Self-insured	\$ 7,992,678	\$ (516,310)
Cigna 12-15 (25.0% Increase) - Self-insured	\$ 8,456,835	\$ (52,153)
SunLife 12-12 (16.5% Increase) - Self-insured	\$ 7,995,285	\$ (513,702)
SunLife 12-15 (26.8% Increase) - Self-insured	\$ 8,550,709	\$ 41,722
AIG 12-12 (18.8% Increase) - Self-insured	\$ 8,133,489	\$ (375,498)
AIG 12-15 (31.6% Increase) - Self-insured	\$ 8,801,041	\$ 292,054
Voya 12-12 (18% Increase) - Self-insured	\$ 8,091,767	\$ (417,220)
Voya 12-15 (34% Increase) - Self-insured	\$ 8,926,207	\$ 417,220

At the September 2015, Finance and Audit Committee meeting, LYNX staff and Arthur J. Gallagher & Co., LYNX' broker, provided an update on the proposals from Cigna, SunLife, and AIG. Voya did not rebid. Cigna provided an updated proposal for a best and final offer for the current LYNX plan that represents an increase in rates of 24.53% over the current FY2015 rates, and a decrease in rates of 1.47% from those included in the FY2016 Preliminary Operating Budget. In addition, the three other vendors also revised their proposals for self-insured. The LYNX share of the annual plan costs and the difference of the plan costs for each provider compared to the FY2016 Proposed Operating Budget total for healthcare are also shown below. The health savings account share of the plan will remain constant and therefore is not included in the costs identified in the chart below.

LYNX Finance & Audit Committee Agenda

Healthcare Plan Proposal without H.S.A. Component Summary - September 2015		
Description:	Employer Cost of Plan	Difference from FY2016 Proposed Budgeted Healthcare Cost
FY16 Preliminary Budgeted (26.0% Increase) - Fully-insured	\$ 8,540,470	\$ -
Cigna Proposed Policy (24.53% Increase) - Fully-insured	\$ 8,463,438	\$ (77,031)
Cigna 12-12 (5.4% Increase) - Self-insured	\$ 7,460,981	\$ (1,079,489)
Cigna 12-36 (12.3% Increase) - Self-insured	\$ 7,822,558	\$ (717,912)
Cigna 12-36 (17.6% Increase) - Gallagher Projection Self-insured	\$ 8,100,290	\$ (440,180)
SunLife 12-12 (12.8% Increase) - Self-insured	\$ 7,848,759	\$ (691,711)
SunLife 12-15 (23.21% Increase) - Self-insured	\$ 8,394,267	\$ (146,203)
AIG 12-12 (13.9% Increase) - Self-insured	\$ 7,906,401	\$ (634,069)
AIG 12-15 (26.4% Increase) - Self-insured	\$ 8,561,431	\$ 20,961

Based on the offers received, LYNX staff and Gallagher recommended that the most viable option for health insurance coverage for FY2016 would be the Cigna 12-36 self-insured offer or the Gallagher projection for Cigna self-insured 12-36, which represents a decrease over the FY2016 Proposed Operating Budget by \$717,912 and 440,180, respectively.

The objective of modifying the health insurance program from fully-insured to self-insured is to provide long-term financial benefits and also allow for plan stability over continuing with a fully-insured plan. LYNX staff proposed migrating to the Cigna 12-36 Health Plan Option for the FY2016 budget year for Finance and Audit Committee consideration.

The Finance and Audit Committee members concurred with the above recommendations. As such, LYNX staff obtained the concurrence of the Oversight Committee and LYNX' Board of Directors approval on September 11, 2015 to move forward with the conversion to a self-insured health program for FY2016.

Eric Scott, Area President with Arthur J. Gallagher & Co, will be presenting an overview of LYNX' Health Insurance Program with updated projections for FY2016 and FY2017 at the May 18, 2016 Finance and Audit Committee meeting. Mr. Scott's presentation is attached for your review.



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

Health Insurance Financial Update

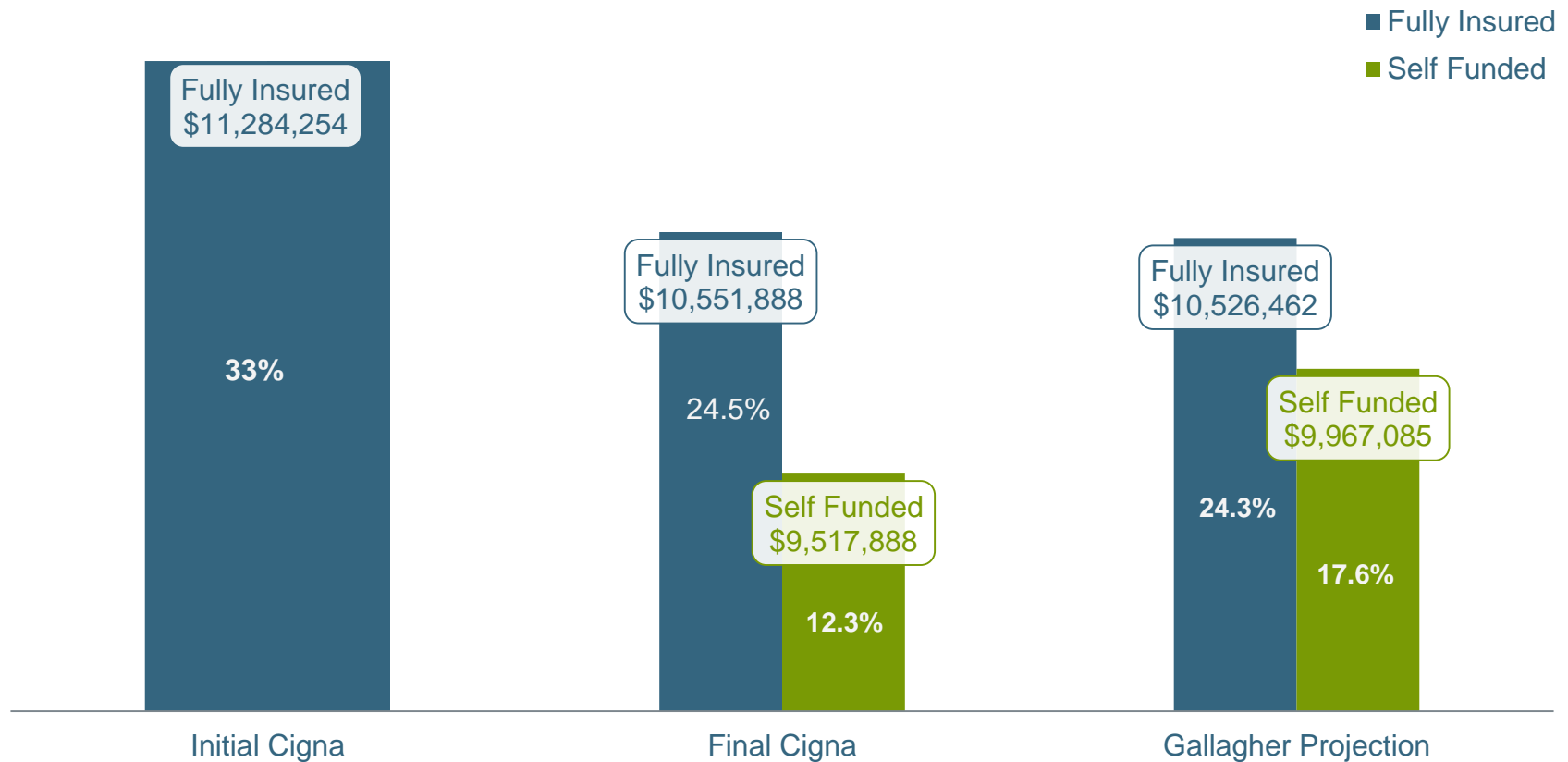
ERIC SCOTT, AREA PRESIDENT
DAVID PARKER, ASA, MAAA



MAY 18, 2016

2016 Proposal Comparison over 2015 Costs

Based upon claims through July



This analysis is for illustrative purposes only, and is not a proposal for coverage or a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. See your policy or contact us for specific information or further details in this regard.

Current 2016 Revenue Vs. Projected 2016 Revenue

September 2015 Enrollment						
	Local Plus		Buy Up HDHP IN		Buy Up HDHP OAP	
	EE	581	\$612.16	102	\$714.69	13
ES	66	\$1,298.53	25	\$1,516.03	3	\$1,802.53
EC	57	\$1,173.71	19	\$1,370.31	3	\$1,629.27
EF	53	\$1,860.11	29	\$2,171.68	1	\$2,582.08
Total	757		175		20	
Annual Total by Plan						
	\$7,282,227		\$2,397,767		\$287,091	
Total All Plans						
	\$9,967,085					
Employee Costs						
	18%		(\$1,796,370)			
Employer Costs						
	82%		\$8,173,748			

March 2016 Enrollment						
	Local Plus		Buy Up HDHP IN		Buy Up HDHP OAP	
	EE	638	\$612.16	89	\$714.69	9
ES	56	\$1,298.53	19	\$1,516.03	1	\$1,802.53
EC	60	\$1,173.71	12	\$1,370.31	3	\$1,629.27
EF	53	\$1,860.11	20	\$2,171.68	1	\$2,582.08
Total	807		140		14	
Annual Total by Plan						
	\$7,587,371		\$1,827,473		\$203,042	
Total All Plans						
	\$9,617,886					
Employee Costs						
	15%		(\$1,474,272)			
Employer Costs						
	85%		\$8,143,614			

This analysis is for illustrative purposes only, and is not a proposal for coverage or a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. See your policy or contact us for specific information or further details in this regard.

2016 Claims by Month

Claims and Spend Dashboard

Incurred **ONLY** in 2016 AND Paid in 2016 (Immature)

Paid Month	Plan Spend						Cov. EEs	Actual Cost				Expected Cost		
	Fixed Costs	In-Network + Capitation	Out-of-Network	Rx Claims	Total Claims	Total Spend		EE Ded.	LYNX Cost	Total Cost PEPM	LYNX Cost PEPM	Premium Equivalent	Prem. Equiv. PEPM	Spend % of P.E.
Jan-16	\$94,022	\$63,143	\$0	\$89,829	\$152,972	\$246,994	950	\$123,464	\$123,529	\$259.99	\$130.03	\$796,050	\$837.95	31.0%
Feb-16	\$95,209	\$403,693	\$536	\$169,698	\$573,927	\$669,136	962	\$122,330	\$546,806	\$695.57	\$568.41	\$801,708	\$833.38	83.5%
Mar-16	\$95,110	\$716,555	\$1,050	\$144,879	\$862,484	\$957,594	961	\$122,856	\$834,738	\$996.46	\$868.61	\$801,491	\$834.02	119.5%
Total	\$284,341	\$1,183,391	\$1,586	\$404,406	\$1,589,383	\$1,873,724	2,873	\$368,651	\$1,505,073	\$652.18	\$523.87	\$2,399,248	\$835.10	78.1%

Incurred in 2015 **OR** 2016 and Paid in 2016 (Mature)

Paid Month	Plan Spend						Cov. EEs	Actual Cost				Expected Cost		
	Fixed Costs	In-Network + Capitation	Out-of-Network	Rx Claims	Total Claims	Total Spend		EE Ded.	LYNX Cost	Total Cost PEPM	LYNX Cost PEPM	Premium Equivalent	Prem. Equiv. PEPM	Spend % of P.E.
Jan-16	\$94,022	\$572,538	\$3,204	\$107,301	\$683,043	\$777,065	950	\$123,464	\$653,600	\$817.96	\$688.00	\$796,050	\$837.95	97.6%
Feb-16	\$95,209	\$639,333	\$536	\$169,698	\$809,567	\$904,776	962	\$122,330	\$782,446	\$940.52	\$813.35	\$801,708	\$833.38	112.9%
Mar-16	\$95,110	\$998,910	\$1,693	\$126,611	\$1,127,214	\$1,222,324	961	\$122,856	\$1,099,468	\$1,271.93	\$1,144.09	\$801,491	\$834.02	152.5%
Total	\$284,341	\$2,210,781	\$5,433	\$403,610	\$2,619,824	\$2,904,165	2,873	\$368,651	\$2,535,514	\$1,010.85	\$882.53	\$2,399,248	\$835.10	121.0%

* Rx Claims for Runout for March had a credit of approx \$18k thus the difference between the immature and mature scenarios
Includes Active employees only

2016 Calendar Year End Projection

	Immature		
	YTD Through March 31st	Projected 2016 Annual Total	Projected 2016 PEPM
Fixed Costs (<i>admin, stop loss</i>)	(\$284,341)	(\$1,137,364)	(\$98.63)
Claims	(\$1,589,383)	(\$8,890,563)	(\$770.95)
Total Expense	(\$1,873,724)	(\$10,027,927)	(\$869.57)
LYNX Contribution	\$2,030,597	\$8,143,620	\$706.18
Employee Contribution	\$368,651	\$1,474,272	\$127.84
Premium Equivalent (LYNX Contribution + Employee Deductions)	\$2,399,248	\$9,617,886	\$834.02
Surplus or Shortfall	\$525,524	(\$410,041)	(\$35.56)

	Mature		
	YTD Through March 31st	Projected 2016 Annual Total	Projected 2016 PEPM
Fixed Costs (<i>admin, stop loss</i>)	(\$284,341)	(\$1,137,364)	(\$98.63)
Claims *	(\$2,619,824)	(\$9,921,004)	(\$860.30)
Total Expense	(\$2,904,165)	(\$11,058,368)	(\$958.93)
LYNX Contribution	\$2,030,597	\$8,143,620	\$706.18
Employee Contribution	\$368,651	\$1,474,272	\$127.84
Premium Equivalent (LYNX Contribution + Employee Deductions)	\$2,399,248	\$9,617,886	\$834.02
Surplus or Shortfall	(\$504,917)	(\$1,440,482)	(\$124.91)

* includes Cigna runoff of \$1,030,441

2016 Fiscal Year End Projection

	Immature	
	1/1/16-9/30/16 Projected	Projected FY 2016 PEPM
Fixed Costs (<i>admin, stop loss</i>)	(\$853,023)	(\$98.63)
Claims	(\$6,410,312)	(\$741.16)
Total Expense	(\$7,263,335)	(\$839.79)
LYNX Contribution	\$6,107,711	\$706.18
Employee Contribution	\$1,105,704	\$127.84
Premium Equivalent	\$7,213,415	\$834.02
Surplus or Shortfall	(\$49,921)	(\$5.77)

	Mature	
	1/1/16-9/30/16 Projected	Projected FY 2016 PEPM
Fixed Costs (<i>admin, stop loss</i>)	(\$853,023)	(\$98.63)
Claims *	(\$7,440,753)	(\$860.30)
Total Expense	(\$8,293,776)	(\$958.93)
LYNX Contribution	\$6,107,711	\$706.18
Employee Contribution	\$1,105,704	\$127.84
Premium Equivalent	\$7,213,415	\$834.02
Surplus or Shortfall	(\$1,080,362)	(\$124.91)

Oct-Dec 15 Fully Insured Premium

\$2,091,441

LYNX Contribution

\$1,714,982

Employee Contribution

\$376,459

* FY Based on CY of (\$9,921,004/12)*9. Immature then removes runoff of \$1,030,441

2017 Initial Projection



- Initial Projection given in February based upon the past 24 months of claims data
 - 2/1/14-1/1/15 (30% weighting) \$784 PEPM
 - 2/1/15-1/1/16 (70% weighting) \$707 PEPM
- This drove the 12.7% projection

	2016			Projection Based Upon Claims Through 1/1/16		
	Monthly Total	Annual Total	PEPM	Monthly Total	Annual Total	PEPM
Fixed Costs (<i>admin, stop loss</i>)	\$95,110	\$1,141,320	\$99	\$104,621	\$1,255,452	\$109
Claims Funding	\$706,381	\$8,476,572	\$747	\$796,091	\$9,553,097	\$828
Premium Equivalent (<i>gross costs</i>)	\$801,491	\$9,617,892	\$848	\$903,280	\$10,839,364	\$940
(Employee Contributions)	(\$122,856)	(\$1,474,272)	(\$130)	(\$138,459)	(\$1,661,505)	(\$144)
Lynx Costs (<i>net costs</i>)	\$678,635	\$8,143,620	\$706	\$764,822	\$9,177,860	\$796
				12.7%	12.7%	12.7%

2017 Revised Projection



- Since then two additional months have been posted
 - 4/1/14-3/31/15 (30% weighting) \$783 PEPM
 - 4/1/15-3/31/16 (70% weighting) \$768 PEPM
- CY 2016 YTD is running at approximately \$912 PEPM
- These two most recent months are having an adverse effect on the projection, i.e. an increase to 21.0% for 2017

	2016			Projection Based Upon Claims Through 3/1/16		
	Monthly Total	Annual Total	PEPM	Monthly Total	Annual Total	PEPM
Fixed Costs (<i>admin, stop loss</i>)	\$95,110	\$1,141,320	\$99	\$106,815	\$1,281,782	\$111
Claims Funding	\$706,381	\$8,476,572	\$747	\$865,905	\$10,390,860	\$901
Premium Equivalent (<i>gross costs</i>)	\$801,491	\$9,617,892	\$848	\$972,720	\$11,672,642	\$1,012
(Employee Contributions)	(\$122,856)	(\$1,474,272)	(\$130)	(\$149,147)	(\$1,789,766)	(\$155)
Lynx Costs (<i>net costs</i>)	\$678,635	\$8,143,620	\$706	\$823,573	\$9,882,876	\$857
				21.4%	21.4%	21.4%



Arthur J. Gallagher & Co.
BUSINESS WITHOUT BARRIERS™

Thank You

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Area President

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LYNX Finance & Audit Committee Agenda

Agenda Item #2

To: LYNX Finance & Audit Committee Members

From: Blanche W. Sherman, Director of Finance
Julie Caple, Technical Contact

Phone: 407.841.2279 extension 6100

Item Name: Overview of Paratransit Trip Increases

Date: 05/18/2016

At the March 16, 2016 Finance & Audit Committee Meeting, the committee members requested LYNX staff to provide an overview of the anticipated ACCESS LYNX Paratransit trip increases for FY2017 at the May meeting. LYNX Finance and Operations staff have met to discuss the request and reviewed the ridership trends to identify the major factors driving the increase in ridership.

It was determined, that although LYNX no longer provides Medicaid trips since March 2015, overall trips have increased over the past two or three years and continue to increase due to various reasons as follows:

- ✓ Americans with Disabilities (ADA) trips are increasing for employment and school purposes.
- ✓ Transportation Disadvantaged (TD) trips are increasing for dialysis, work, and school purposes.

LYNX staff anticipated trip increases of 3.81% for ADA over projected FY2016 actuals and 17.06% for TD for an overall trip increase of 8.53%, which is reflected in the FY2017 Preliminary Operating Budget.

As a result, the FY2017 Preliminary Operating Budget includes the following revenue and cost estimates based on anticipated trip increases and contractual obligations:

The cost estimates include the following factors:

- Purchased Transportation Costs:
 - ✓ Fixed & Variable Costs – October 2016 – March 2017 are based on the current contract amounts for fixed cost and variable hourly rate. April 2017 – September 2017 include a 5% increase over current contract amounts.

LYNX Finance & Audit Committee Agenda

- Fuel Costs:

- ✓ Unleaded fuel cost estimates for FY2017 have decreased from \$2.37 per gallon in FY2016 to \$1.51 per gallon. As of April 30, 2016, we are currently paying \$1.42.

The revenue estimates for FY2017 Preliminary Operating Budget have remained the same compared to FY2016 Adopted Operating Budget. The following charts provide a summary of cost and revenue estimates for FY2017 Preliminary Operating Budget and FY2016 Adopted Budget.

FY2017 Preliminary Operating Budget				
Paratransit Services				
Trips	ADA	TD	WS	Total
Total Trips	324,777	204,649	1,068	530,494
Trip Percentage	61.22%	38.58%	0.20%	100.00%
Paratransit Service Costs				
Total Administrative Costs	\$ 1,913,263	\$1,129,974	\$ 5,897	\$ 3,049,134
Purchased Transportation Costs	\$ 9,242,103	\$5,823,649	\$30,392	\$ 15,096,144
Total Costs	\$11,155,366	\$6,953,623	\$36,289	\$ 18,145,278
Paratransit Service Revenue				
Fares	\$ (1,149,470)	\$ (658,970)	\$ -	\$ (1,808,440)
ADA Federal Assistance	(2,500,000)	-	-	(2,500,000)
Transportation Disadvantage Grant		(4,264,013)		(4,264,013)
Planning Grants	(42,567)	(66,823)	(140)	(109,530)
Local Funding Required	\$ 7,463,329	\$1,963,817	\$36,149	\$ 9,463,295

FY2016 Adopted Operating Budget				
Paratransit Services				
Trips	ADA	TD	WS	Total
Total Trips	325,860	168,278	1,068	495,206
Trip Percentage	65.80%	33.98%	0.22%	100.00%
Paratransit Service Costs				
Administrative Costs	\$ 2,611,644	\$1,266,058	\$ 8,035	\$ 3,885,737
Purchased Transportation Costs	\$ 9,077,464	\$4,687,695	\$29,751	\$ 13,794,910
Total Costs	\$11,689,108	\$5,953,754	\$37,786	\$ 17,680,647
Paratransit Service Revenue				
Fares	\$ (1,108,301)	\$ (516,613)	\$ -	\$ (1,624,914)
ADA Federal Assistance	(3,169,922)	-	(10,948)	(3,180,870)
Transportation Disadvantage Grant		(3,728,407)		(3,728,407)
Planning Grants	(32,901)	(86,991)	(108)	(120,000)
Local Funding Required	\$ 7,377,984	\$1,621,742	\$26,731	\$ 9,026,457

LYNX Finance & Audit Committee Agenda

Overall, the major driver for the increase in Paratransit cost is related to the anticipated trip increases based on current trends, aging population, and increases in the disabled and employed population. Tangee Mobley, Director of Transportation and Maintenance and her staff prepared the attached document providing an explanation of the ACCESS LYNX Paratransit Ridership Trends for your review.

Also, Ms. Mobley will be presenting an overview of the ACCESS LYNX program at the May 18, 2016 Finance & Audit Committee Meeting. The presentation is attached for your review



Explanation of ACCESS LYNX

Paratransit

Ridership Trends



ACCESS LYNX
PARATRANSIT PARTNERSHIP

May 18, 2016

Introduction

As of March 2015, LYNX no longer provides Medicaid Non-Emergency Medical Transportation (NEMT) as a result of legislative action and moving NEMT to private providers. However, LYNX still schedules an average of 2,100 paratransit trips daily. When LYNX was still providing Medicaid transportation, it was common practice to allow dual funding sources (Americans with Disabilities Act - ADA and Medicaid or Transportation Disadvantaged - TD and Medicaid) to clients who qualified for Medicaid compensable transportation such as dialysis, or chronic medical visits, and transportation for other purposes. LYNX would charge the Medicaid funding source for medical compensable needs under the dual funding source and either ADA or TD for all other purposes. After Medicaid reform, staff went back and removed the dual funding sources when it was discovered that some trips from dual funding source customers could have been referred to the new Medicaid provider.

Since Medicaid reform in March of 2015, LYNX is no longer able to access the State of Florida Medicaid certification database to verify if a customer was certified for Medicaid transportation benefits. There was concern that former Medicaid customers would attempt to circumvent the system and continue to use LYNX paratransit service for Medicaid compensable trips. The following efforts have been instituted to ensure that trip dumping is not occurring:

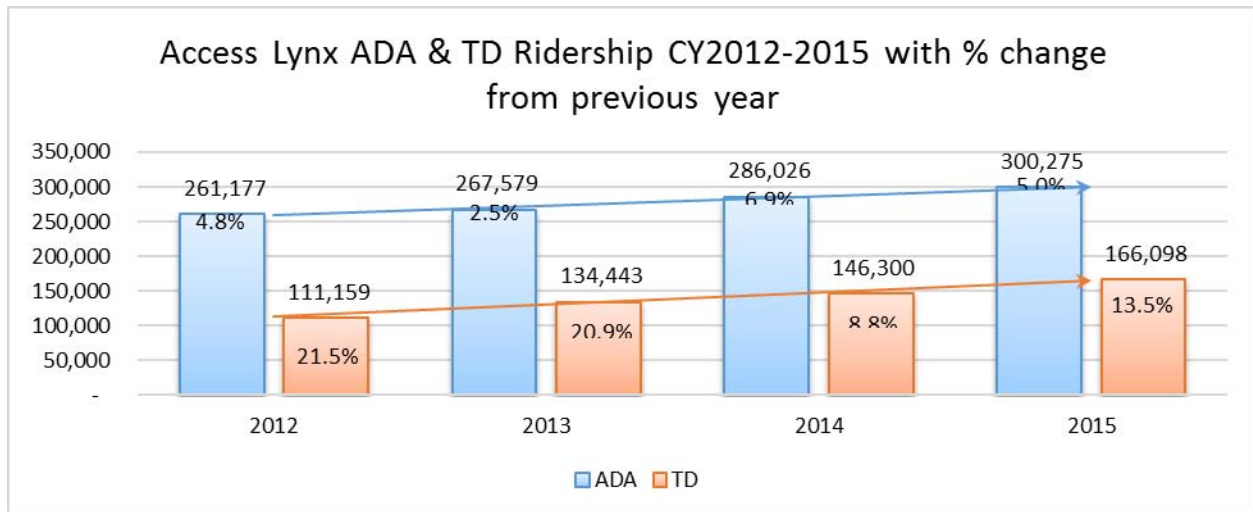
- Removed the Medicaid funding source from the trip booking screen.
- If a customer calls our eligibility call center requesting Medicaid transportation and they have Medicaid, they are referred to the Medicaid broker.
- Review new and recertification application for “Medical Transportation Only” requests and refer the customer to Medicaid.
- If the new or recertification customer puts a Medicaid number on the application, the application is denied and referred to Medicaid. If the customer does not have transportation benefits under Medicaid, the application is re-opened and referred for an assessment to determine the ability to access a fixed route bus.
- The Trapeze system alerts staff should a duplicate Social Security Number (SSN) or duplicate phone number be entered into the system. That application is reviewed further to ensure not a former Medicaid client.
- Placed a recording on the Eligibility phone system advising of new Medicaid provider and contact information.
- The new Medicaid provider information is posted in all paratransit vehicles.

Ridership

Ridership on LYNX paratransit service has increased over the past 3 years. There are several driving factors that have shown increased ridership for both the ADA and TD Programs. *These driving factors are not parallel to what drives fixed route ridership.*

Embedded in the overall population growth, are persons who claim a disability, persons who are at or below the poverty line, disabled **and** below the poverty line, and persons who are 65 years and older.

Graph A



Source: Trapeze Pass

Americans with Disabilities Act (ADA)

LYNX paratransit service is operated under the brand “ACCESS LYNX” and provides service based on two (2) programs. Those programs are:

- The Americans with Disabilities Act (ADA) – Federally Mandated Program
- Transportation Disadvantaged Program (TD) – State subsidized program

Under the ADA program, **all trips requested must be provided and there is no prioritization.** It is LYNX practice to automatically certify applicants who are 80 years of age or older, blind, paraplegic, quadriplegic, and applicants with Downs Syndrome.

The Americans with Disabilities Act allows for three types of eligibility. They are:

- Unconditional – May use the service for any need.
- Conditional – May use the service when certain conditions are met.
- Transitional – The disability is temporary and will only need the service until the condition has improved.

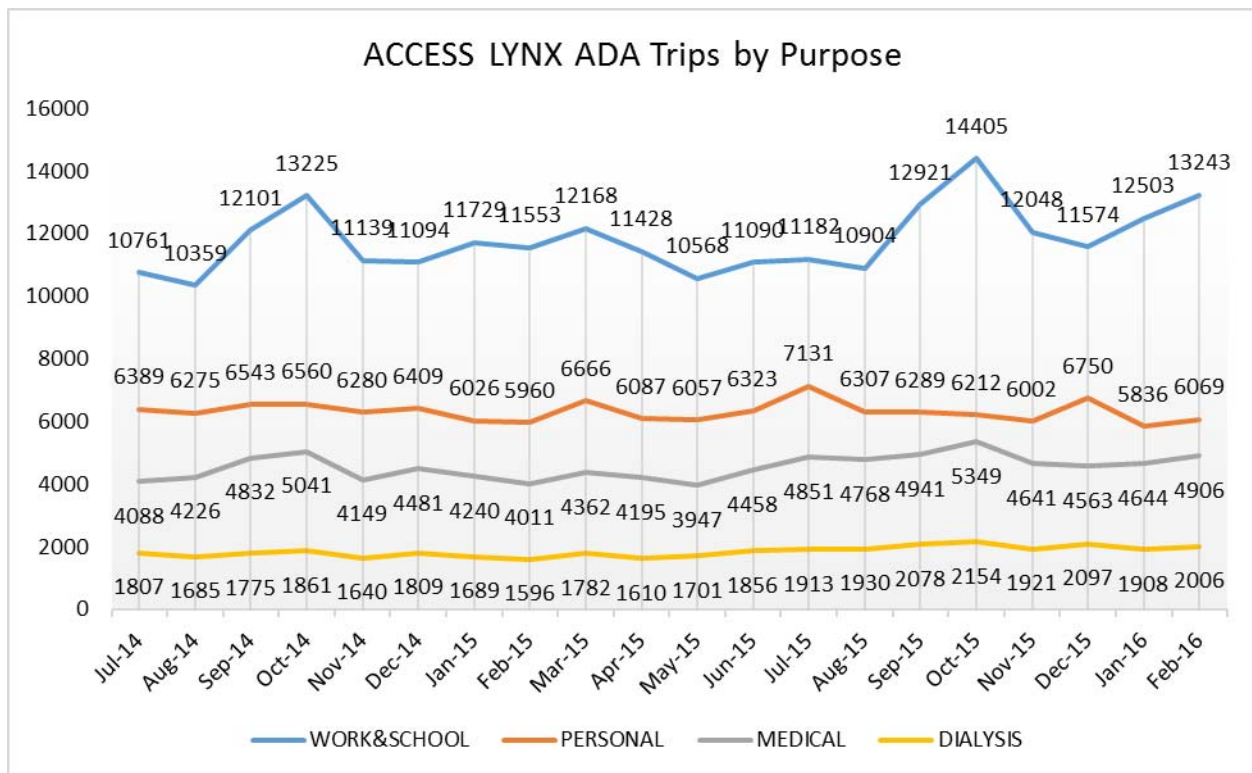
As a result of the Americans with Disabilities Act of 1990, any transit agency who receives Federal funding is required to provide paratransit services to individuals with disabilities who are unable to access or maneuver the fixed route bus system. It is important to note that while paratransit service is designed to accommodate persons with disabilities differently than that of fixed route service, paratransit service is a “parallel” service to fixed route service and is still “public transportation”.

Some accessibility issues could be that the customer is in a wheel chair and there are no sidewalks to maneuver the chair. There are no curb cuts (curb ramps) for the wheelchair to navigate over the curb. Cognitive limitations prevent the customer from being able to count the fare, or recognize landmarks that would alert the customer to get off of the bus, or transfer between routes, or other physical limitations that make waiting at a bus stop not possible. **ADA Trips cannot be denied** and are not prioritized to give one section of the population preference over another. These are just a few of the conditions that might exist that prevent a person with a disability from accessing a fixed route bus. Again, it is extremely important to note that if a customer is certified under the ADA program, the requested trips, regardless of purpose, cannot be refused and must be provided.

ADA Ridership Drivers

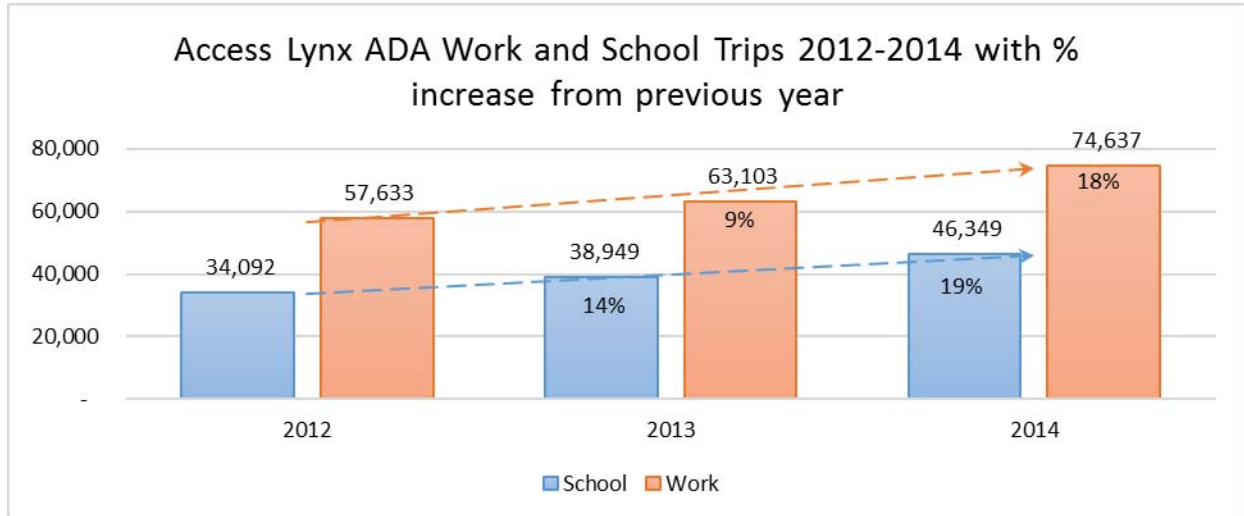
The ridership data shows ADA trips have increased for all trip purposes, but the majority of trips are employment driven. The graphs below shows employment and school trips increasing over the past 2 years. The 4 major employment centers, Disney, Universal Studios, Sea World, and Publix, each have programs in place to hire the disabled, as tax breaks are offered as an incentive (See Graph G). The second biggest trip generator is school. While we do have some high school aged customers, the majority of the school trips are to colleges, universities, and career training (See Graph H).

Graph B



Source: Trapeze Pass

Graph C



Source: Trapeze Pass

Transportation Disadvantaged (TD)

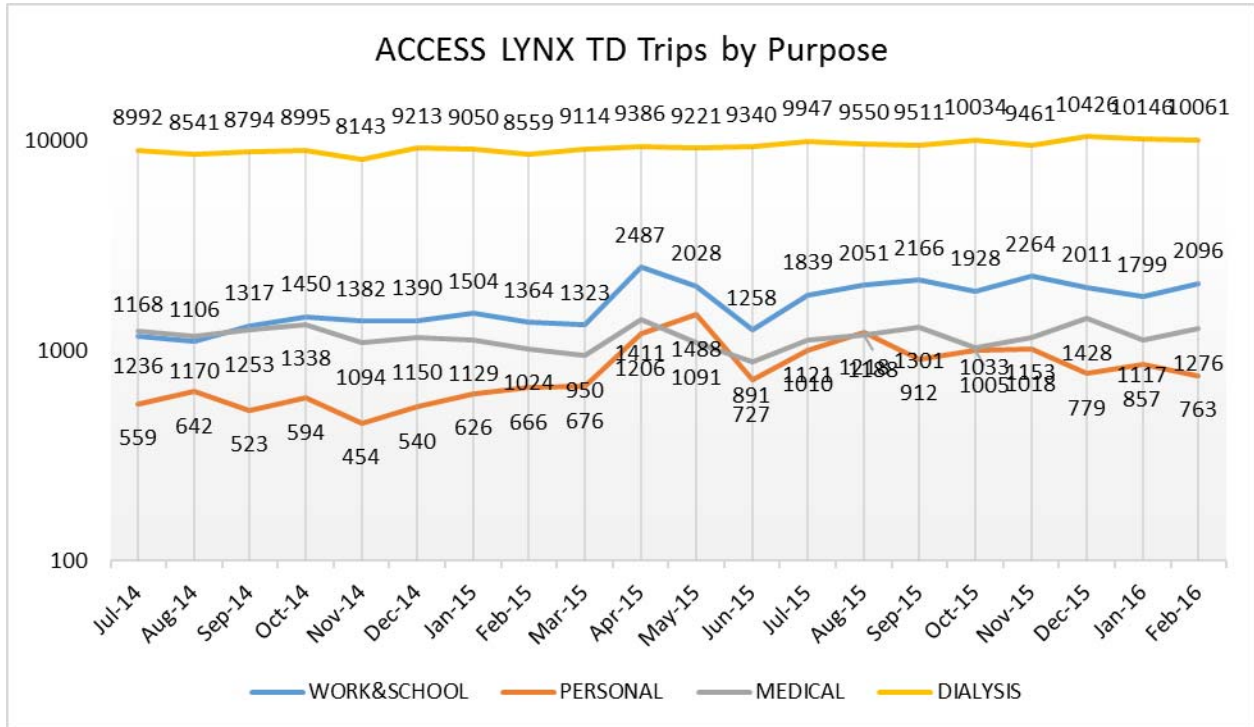
The Transportation Disadvantaged Program (TD) has similar guidelines as those laid out under the ADA, however the TD Program goes a few steps further. In addition to those with a disability, TD also provides paratransit service to those who are income qualified (at or below the poverty line) and those who do not have access to public transportation when needed. TD trips are prioritized with the life sustaining trips being the top priority. There are no eligibility categories (unconditional, conditional, transitional) for the Transportation Disadvantaged Plan, however, there are priorities set on trips, contrary to ADA guidelines, which prohibits prioritized trips. Dialysis customers are the driving force for TD trips.

The TD priorities are:

- Life Sustaining – Dialysis, Chemotherapy, Hyperbolic Treatments (Wound Care)
- Medical – Routine Medical Needs
- Nutritional
- Employment/School
- Personal/Recreational

The above categories are driving factors for continued use of TD paratransit service. The graph below shows TD ridership by trip purpose.

Graph D

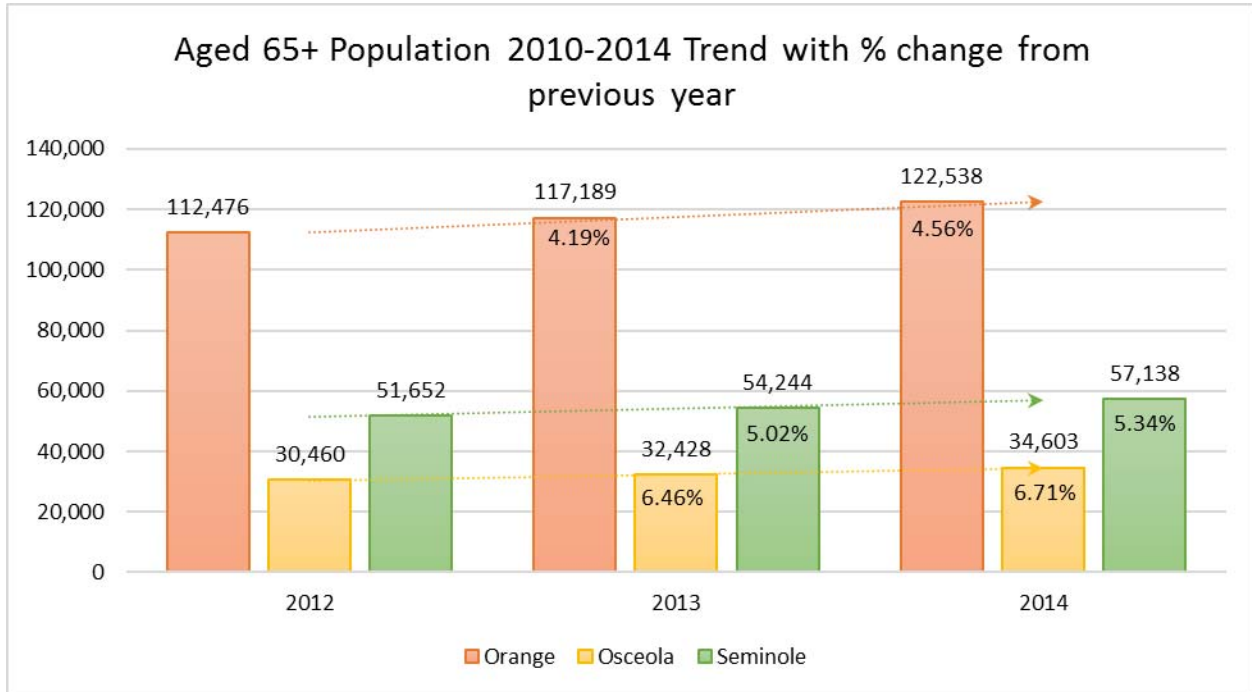


Source: Trapeze PASS

TD Ridership Drivers

Dialysis trips are the major force behind TD ridership. The necessity for additional dialysis centers drove the industry to add 4 new centers in the past 18 months bringing the total dialysis center count to 28. Of those 28, 5 centers added a third shift daily, adding 200 additional hours to help with capacity demand. Graph E shows an aging population that shows increases in each county over the previous years. The second biggest driver for TD trips is work and school, which mirror the ADA drivers.

Graph E



Source: census.gov

Overview of Paratransit

Metro Magazine, a resource for transit and motor coach companies, surveyed 149 paratransit providers from 37 states in the U.S. and Canada regarding ridership trends. The following is a quote from the survey:

Paratransit Ridership

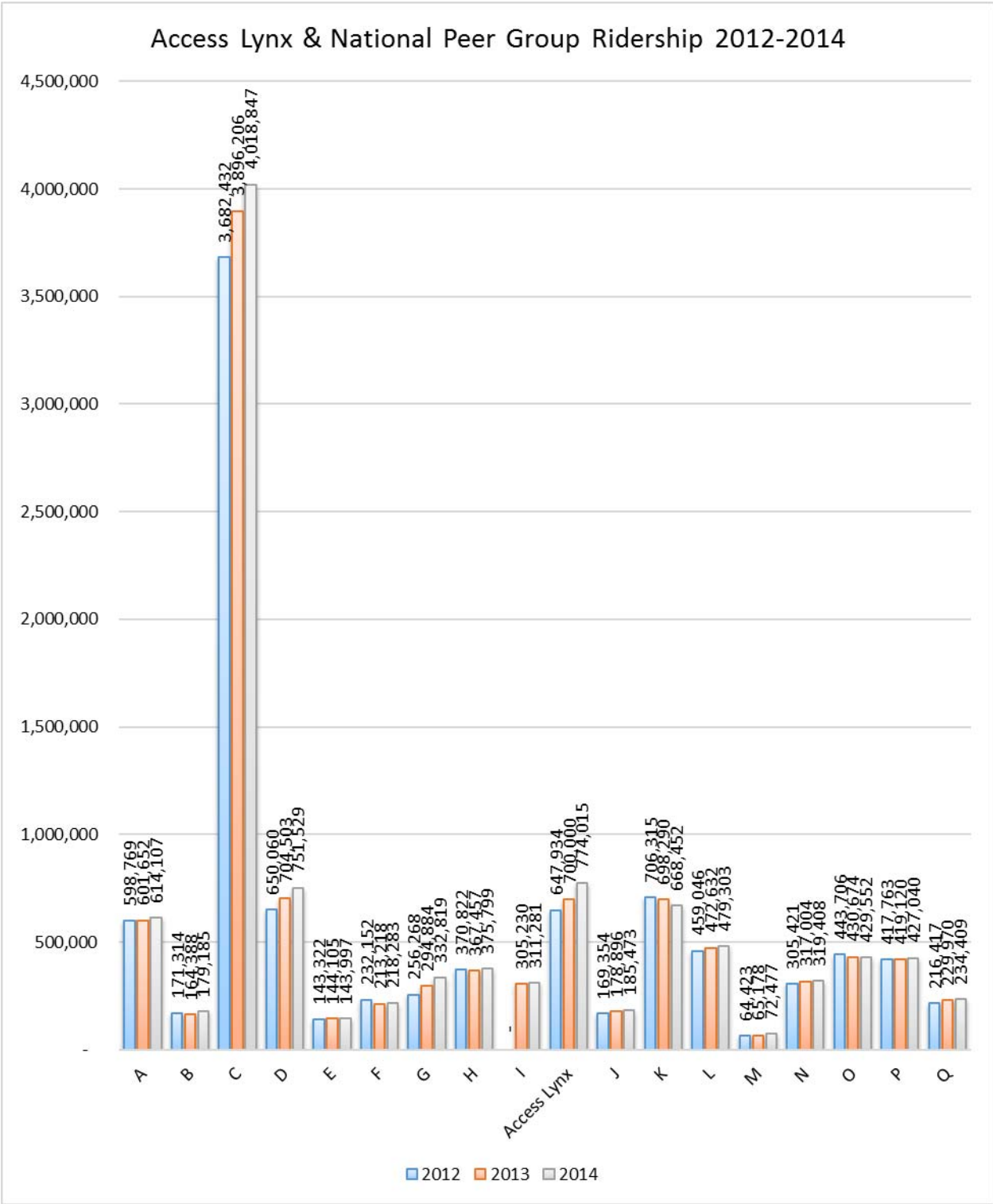
“Transit Agencies transported a total of 14.8 million riders in 2014. 66% of agencies cited an increase in their 2014 paratransit ridership numbers, and the average increase in ridership was 13%. 33% responded with decreases, which averaged only 5.5% decrease in paratransit ridership. The largest ridership increase reported was 60%.”

Concerns, Challenges

“No surprise here, as costs and funding remain the top challenges cited by survey participants, with 23% paratransit agencies reporting. Customers said demand was the second-highest challenge with regard to providing service. Limited resources, customer expectations and service area issues were also listed.”

Source: Metro Magazine

The following chart compares LYNX' ridership to our national peers:



Source: American Bus Benchmarking Group – Agency names withheld confidentiality agreements.

ABBG membership is defined as agencies with 100-600 buses – 5M to 50M Ridership

Fixed Route Ridership Drivers

- A strong economy and low gas prices can reduce fixed route ridership, as has been experienced here at LYNX.
- A bad economy and high gas prices can increase fixed route ridership, as has been experienced here at LYNX.

Forces that drive paratransit service are different from those that drive fixed route service.

Paratransit Cost Containment Efforts

Several cost containment efforts are already in place. The current cost containment efforts in place include:

- NeighborLink services
- No more than one percent (1%) of the total contractor invoice may be taxi charges. Currently, taxi usage is at 0.81%.
- Reduced fare program for elderly and disabled
- Complementary fixed route/NeighborLink/SunRail travel training.
- Enforcing Conditional ADA eligibility. Approximately 44% of conditionally eligible trips have been referred to other modes of transportation. No longer providing Medicaid Non-Emergency Transportation (NET) trips.
- Ensuring former Medicaid clients are not trip dumping.
- Customers are referred to an actual physical assessment to determine their capabilities to access the fixed route system, and while the majority of transit agencies require recertification every 3-5 years, LYNX requires recertification every 2 years.

Cost containment options to be considered are:

- Additional NeighborLink routes throughout the service area.
- Explore Uber and Lyft partnering options.
- Reduce the ADA service area to federally mandated requirements.
- Discontinue our role as the Community Transportation Coordinator (CTC) and provide federally mandated ADA trips only. This would require a 90-day written notice to the Florida Commission for the Transportation Disadvantaged.

LYNX staff is committed to continuing our efforts by finding new ways to make our paratransit service a model for others to follow through safety, efficiency, cost savings, and customer satisfaction, while remaining compliant with all Federal and State, and Local funding guidelines.

Conclusion

LYNX staff has made strides within our limitations to filter Medicaid customers out of the system. Ongoing monitoring efforts include removing the Medicaid funding source from the system, strict review of all applications requesting medical transportation only, as well as recordings on our phone system, and notification of the new Medicaid provider in all paratransit vehicles. We are able to filter known Medicaid customers out of the system and provide them the necessary information to continue with their Non-Emergency Medical Transportation needs. From our trip purpose data over the past 3 years, the main drivers for ADA trip increases were employment and school.

For TD trips, dialysis was the driving factor, which was noted in the increase of dialysis centers, as well as the average age of our dialysis customers being 69 years of age or older, which coincides with the increase in the aging population of our service area.

As outlined in the charts to follow, each of the population segments have increased and each of the population segments could require transportation under the programs offered by LYNX.

- Graph F will show Census Data for persons who claim a disability and are employed.
- Graph G shows ADA trips to top 5 employers.
- Graph H shows ADA trips to top 5 schools.

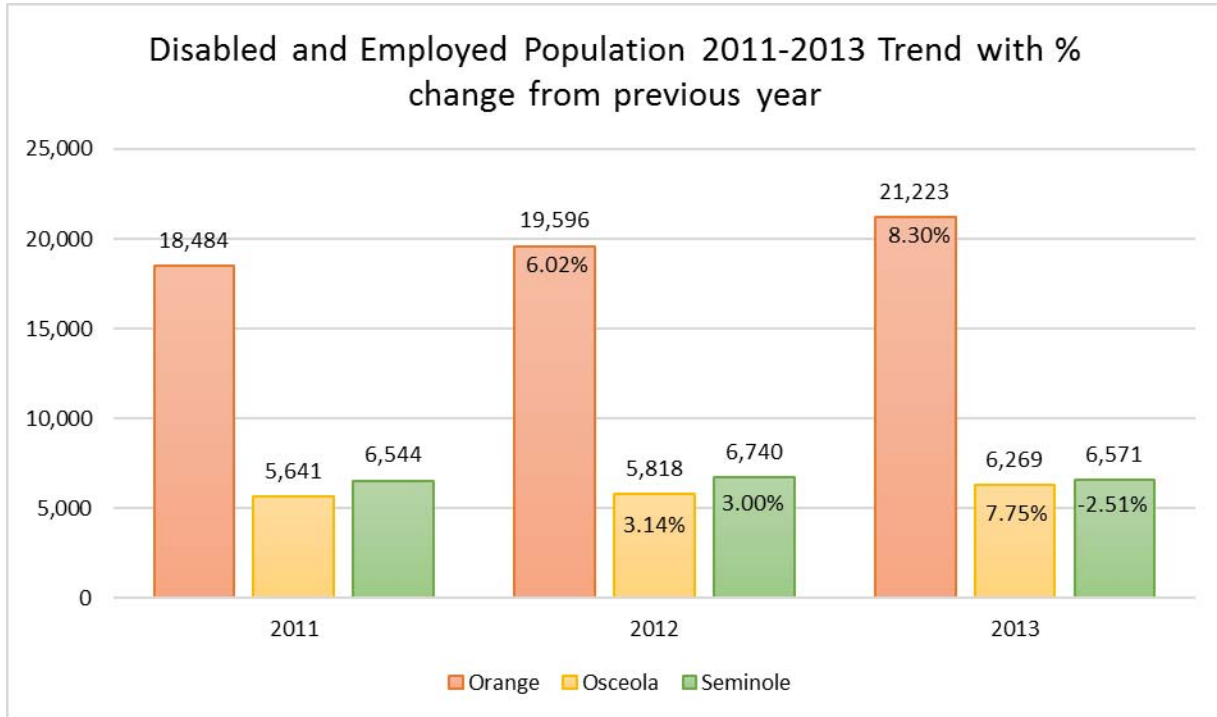
The following graphs will show individual county data ridership trends increasing state-wide.

:

- Graph I will show via Census Data that persons in our service area who claim a disability is on the rise.
- Graph J will show via Census Data that persons at or below the poverty level are on the rise.
- Graph K shows Orange County ACCESS LYNX customers by jurisdiction.
- Graph L shows Orange County ACCESS LYNX trips by jurisdiction.
- Graph M shows Osceola County ACCESS LYNX customers by jurisdiction.
- Graph N shows Osceola County ACCESS LYNX trips by jurisdiction.
- Graph O shows Seminole County ACCESS LYNX customers by jurisdiction.
- Graph P shows Seminole County ACCESS LYNX trips by jurisdiction.

Each of these groups could have a need for specialized transportation.

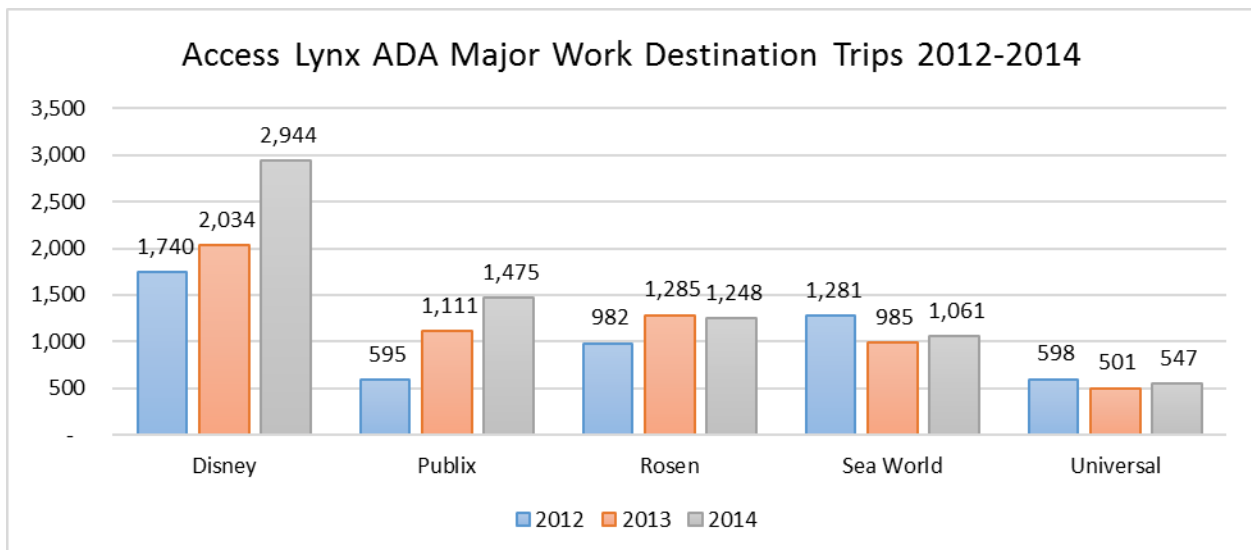
Graph F



Source: census.gov

This graph supports the increase in the ADA workforce and trip need.

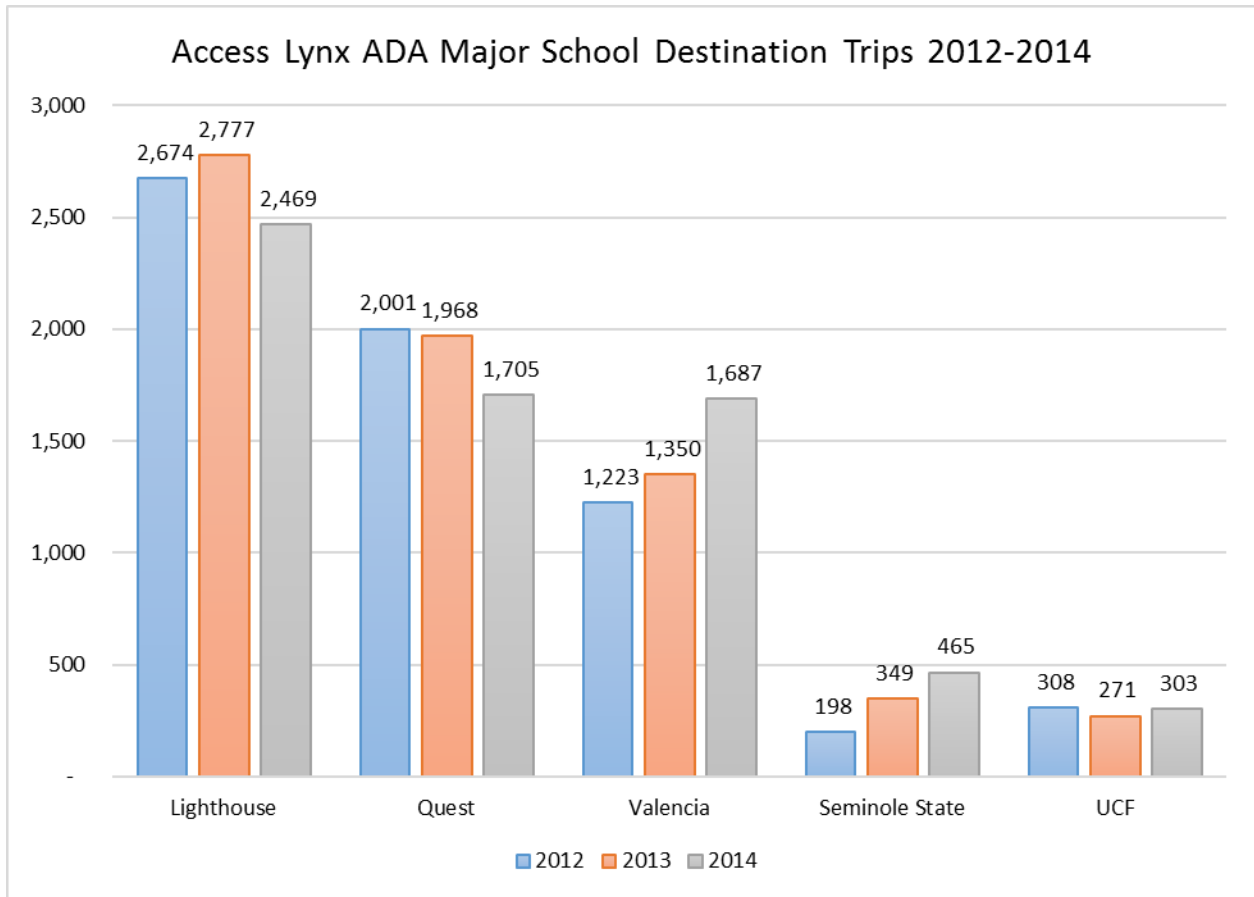
Graph G



Source: Trapeze PASS

This graph depicts the top 5 employment centers for the disabled workforce.

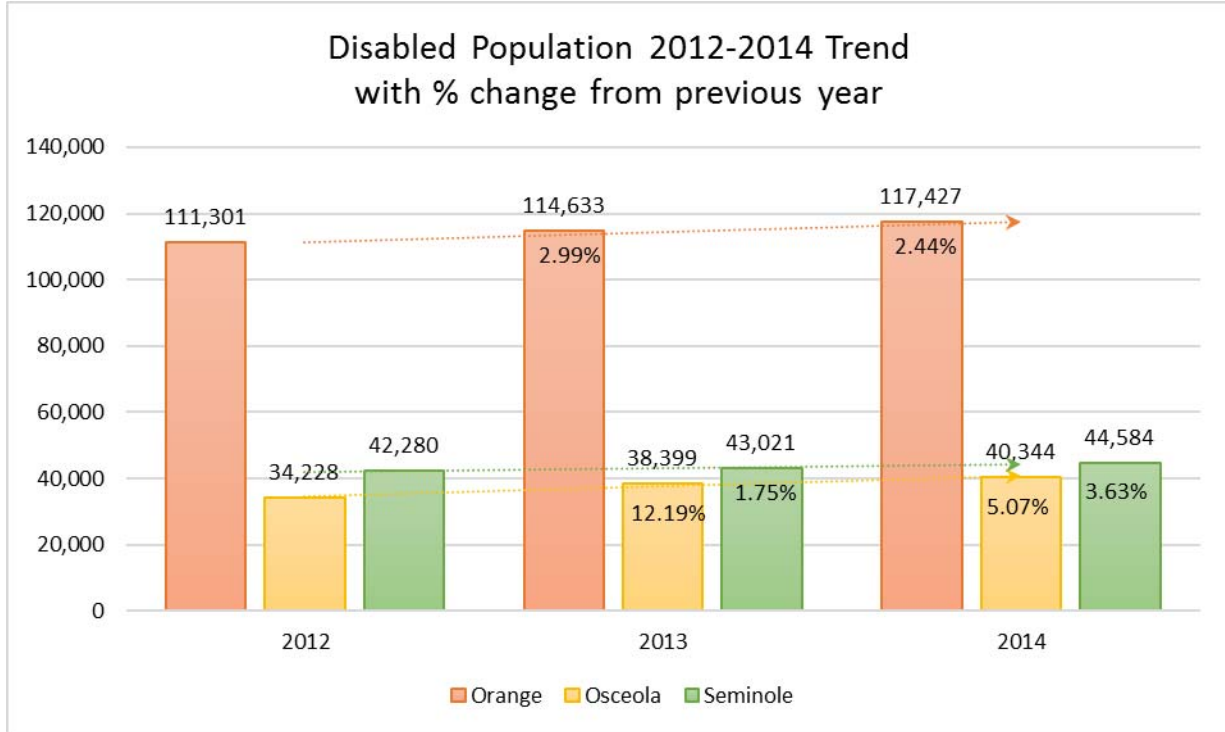
Graph H



Source: Trapeze PASS

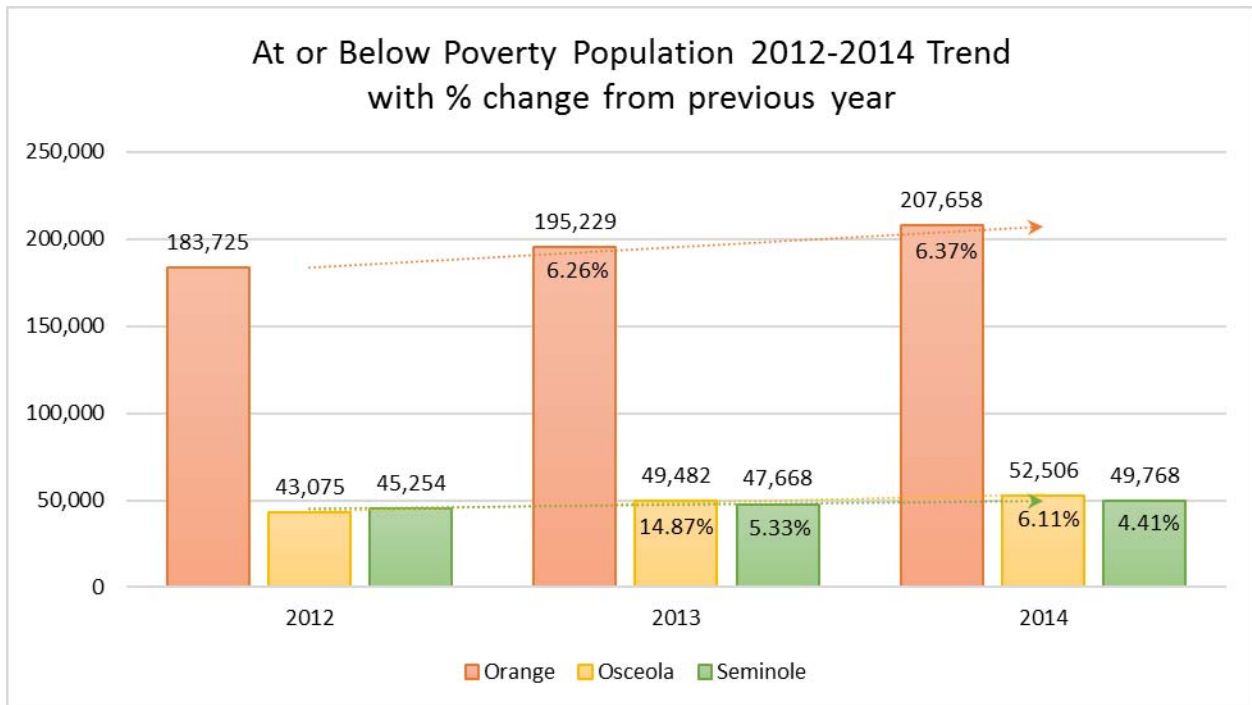
This graph supports the increase in ridership for those attending school.

Graph I



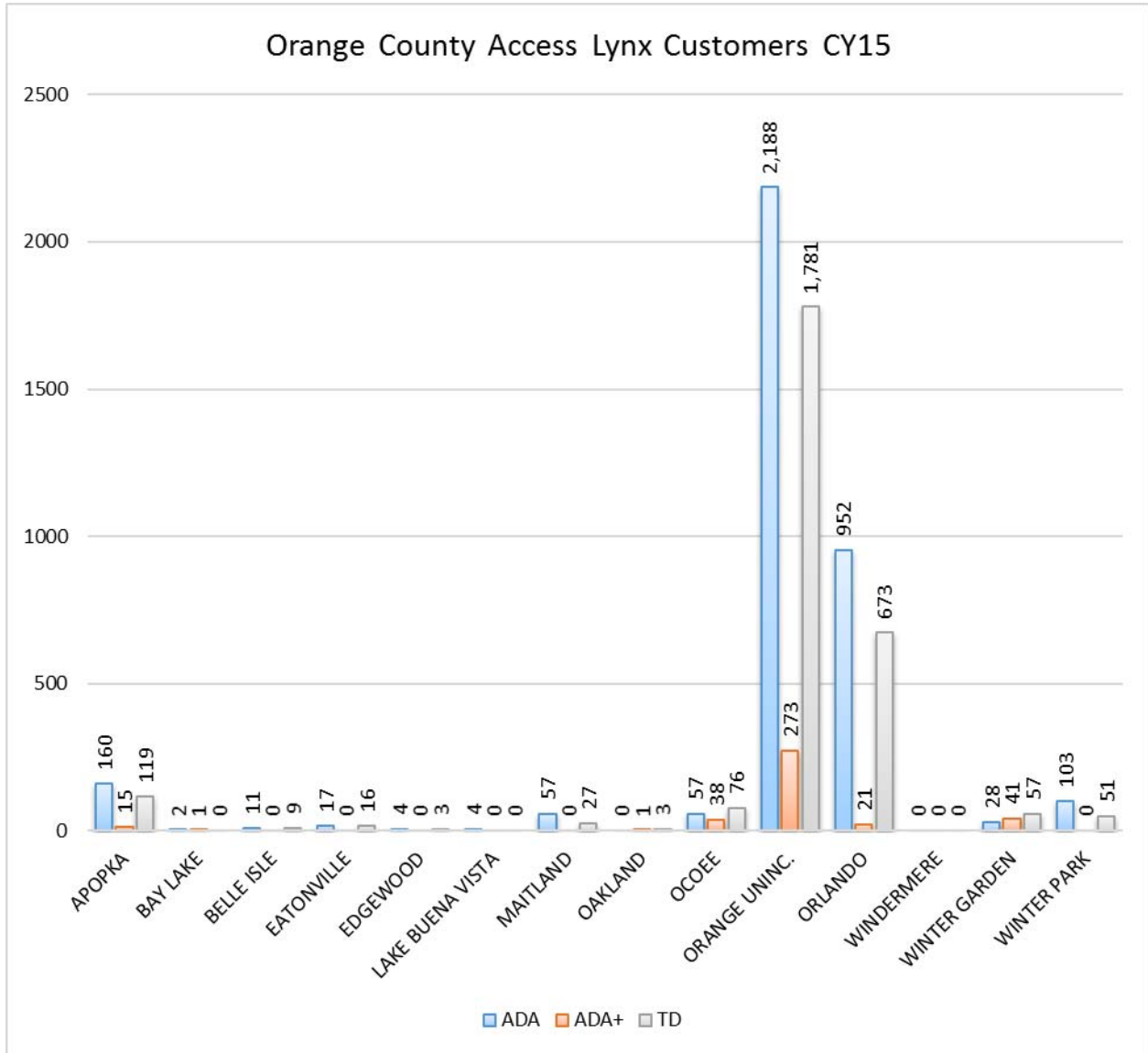
Source: census.gov

Graph J



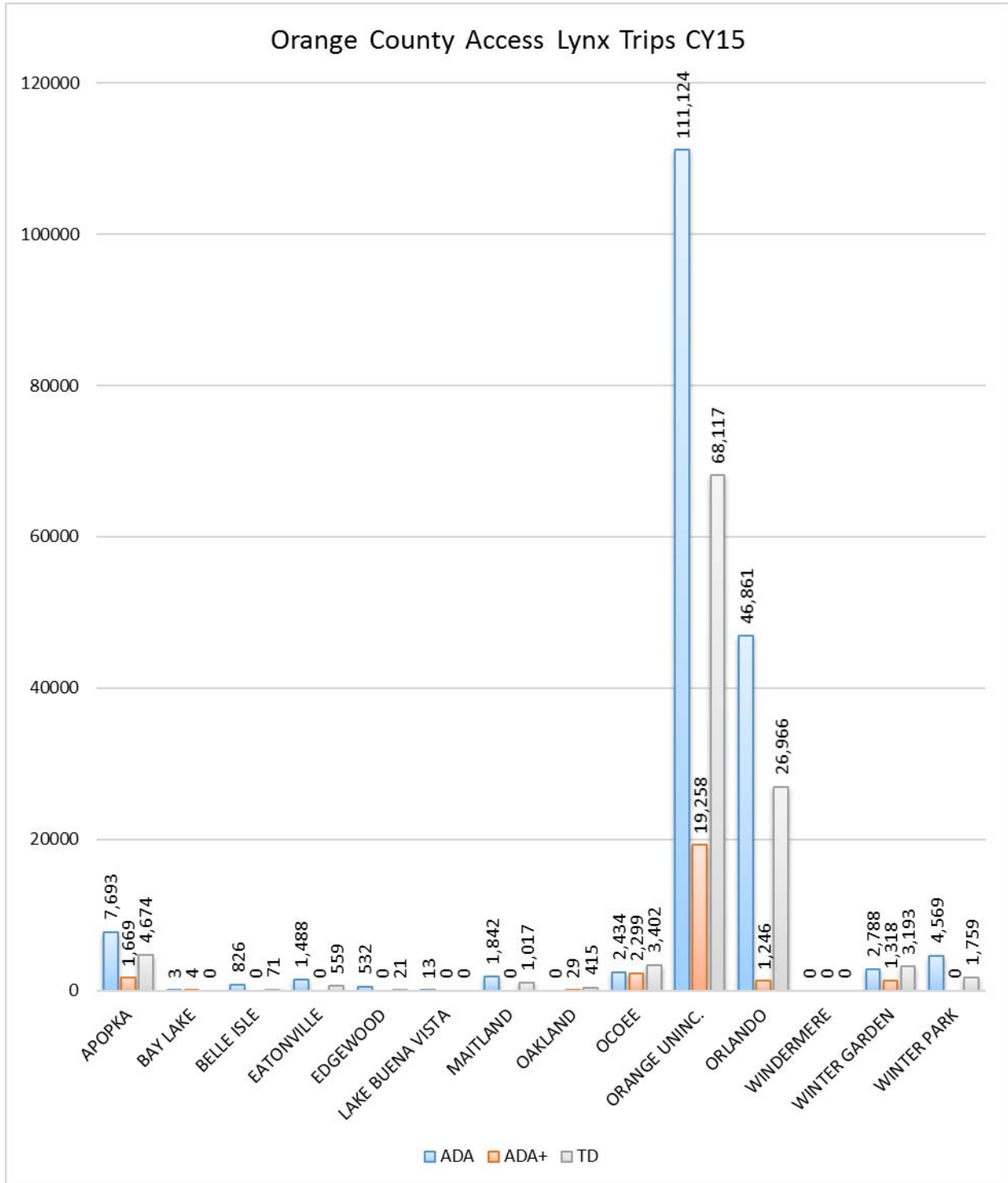
Source: census.gov

Graph K



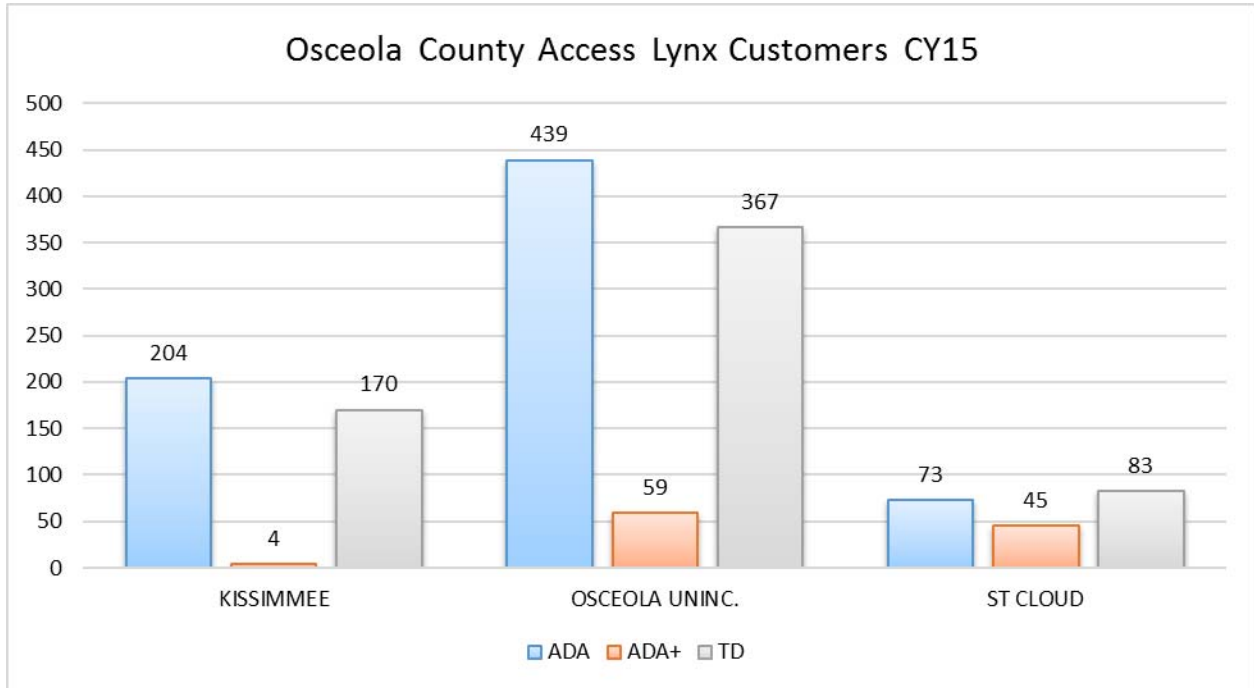
Source: Trapeze PASS

Graph L



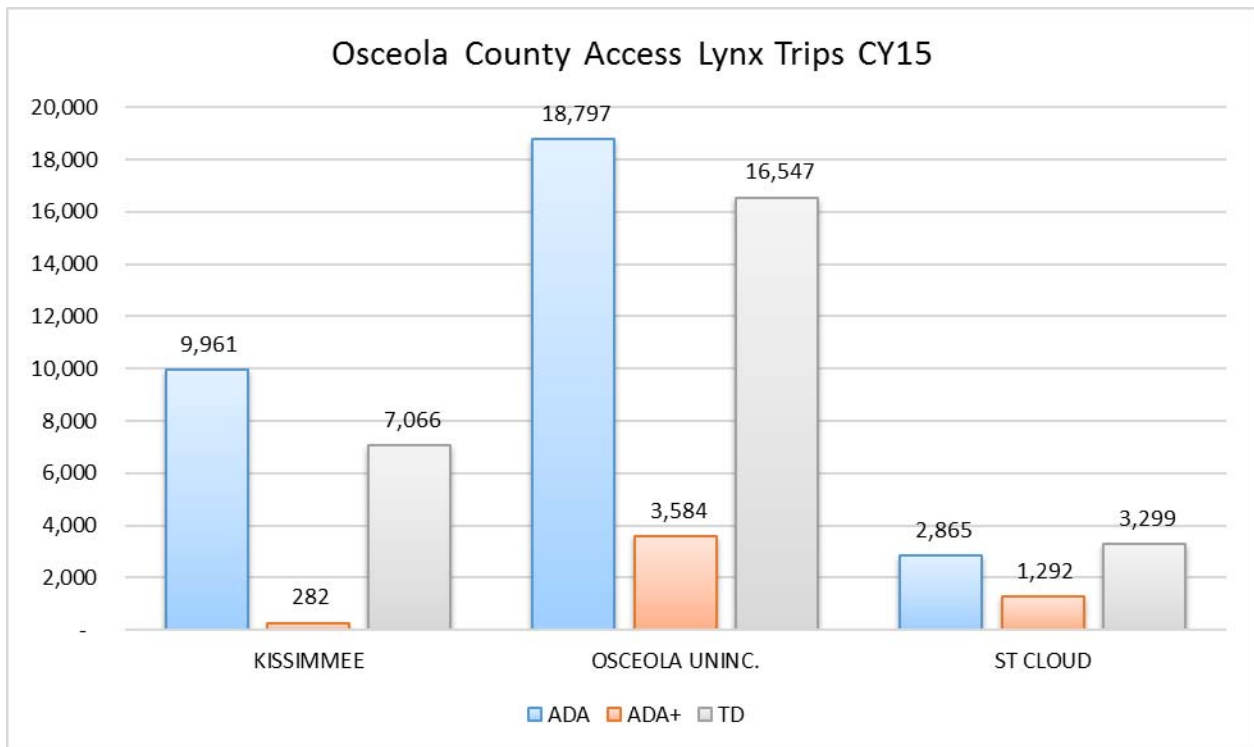
Source: Trapeze PASS

Graph M



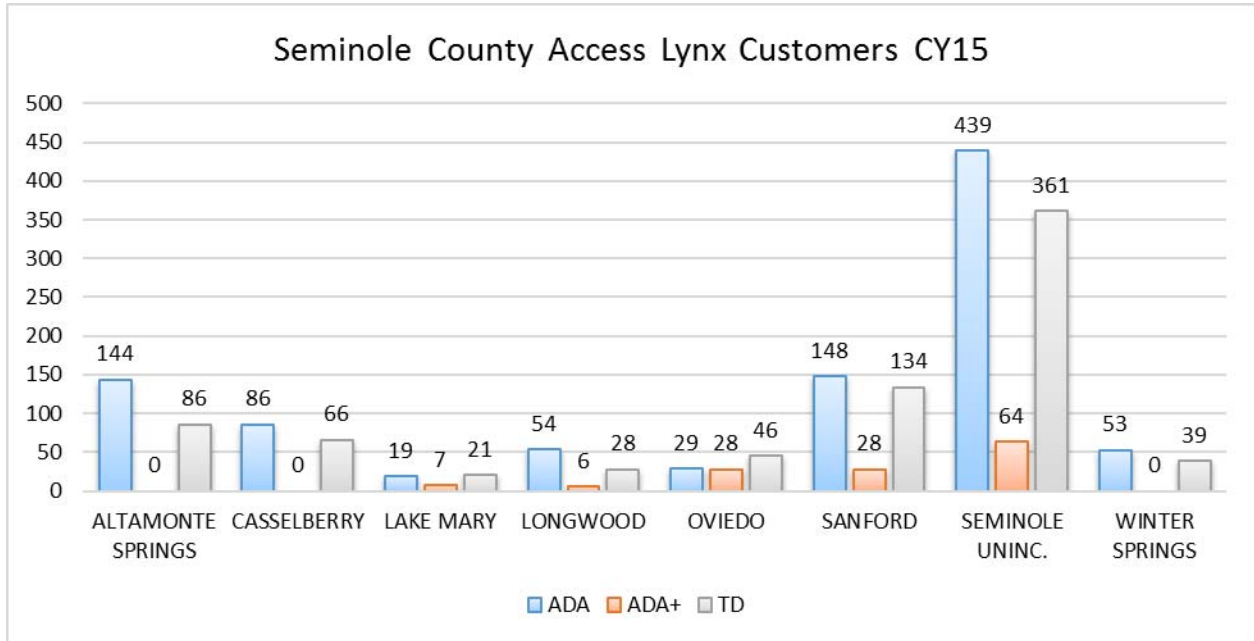
Source: Trapeze PASS

Graph N



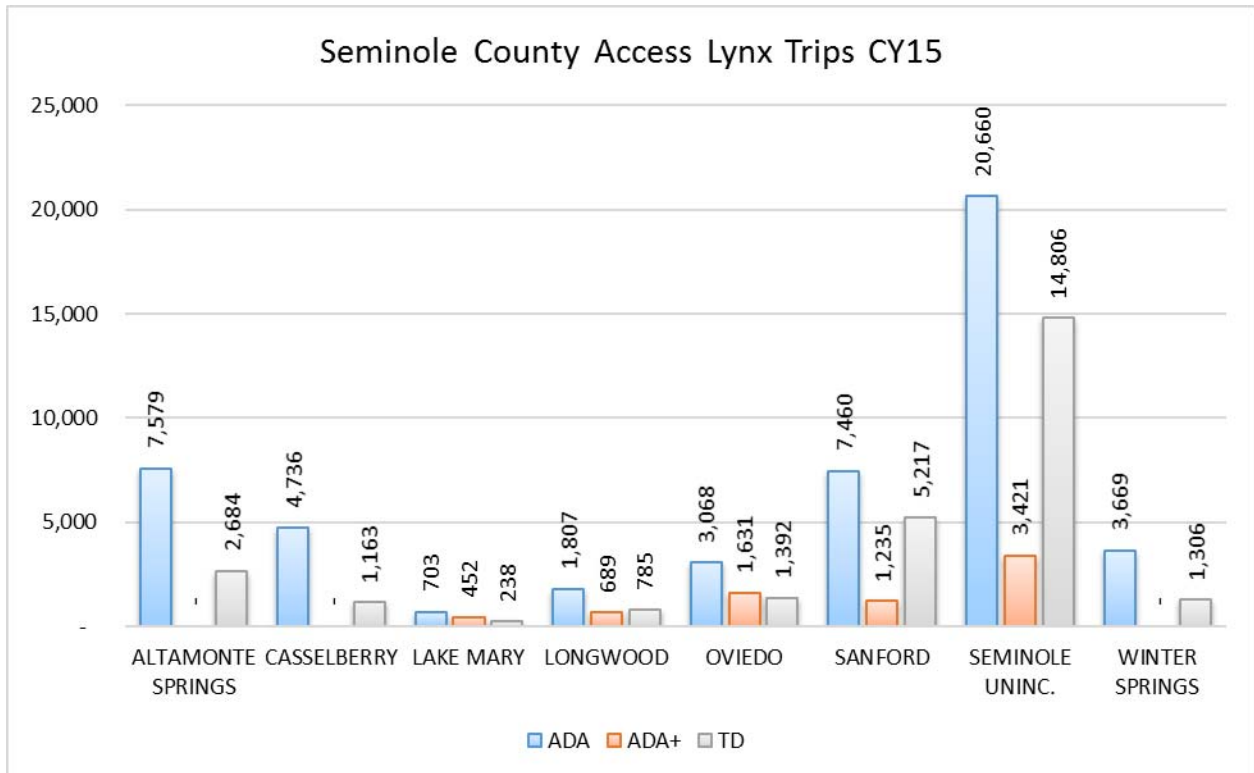
Source: Trapeze PASS

Graph O



Source: Trapeze PASS

Graph P



Source: Trapeze PASS

ACCESS LYNX

Medicaid Reform



LYNX was the last agency to move away from Medicaid in March 2015. The trend continues to show a steady increase in ADA and TD ridership.

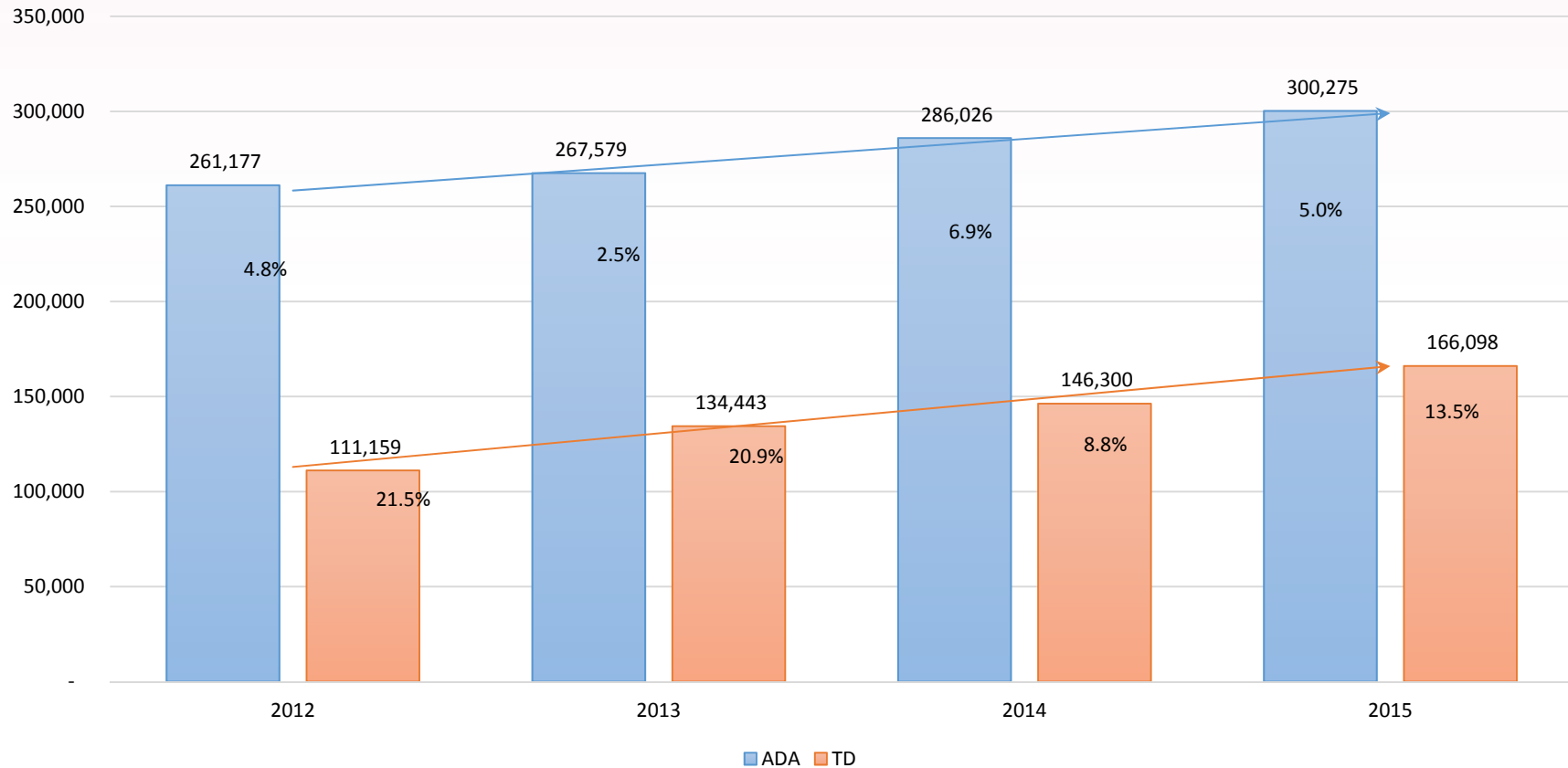
Actions to curb Medicaid Trip Dumping

- Recorded an alert on the phone system and referred those who have Medicaid to the Medicaid broker.
- Callers requesting for trips are asked if they have a Medicaid ID, if they do, they are referred to the broker
- Applicants with "Medical Transportation Only" are referred to the broker
- Checking for duplicate SSN and/or phone numbers to make sure applicant is not a former Medicaid client

2012 to 2015 Ridership Trends



Access Lynx ADA & TD Ridership CY2012-2015 with % change from previous year

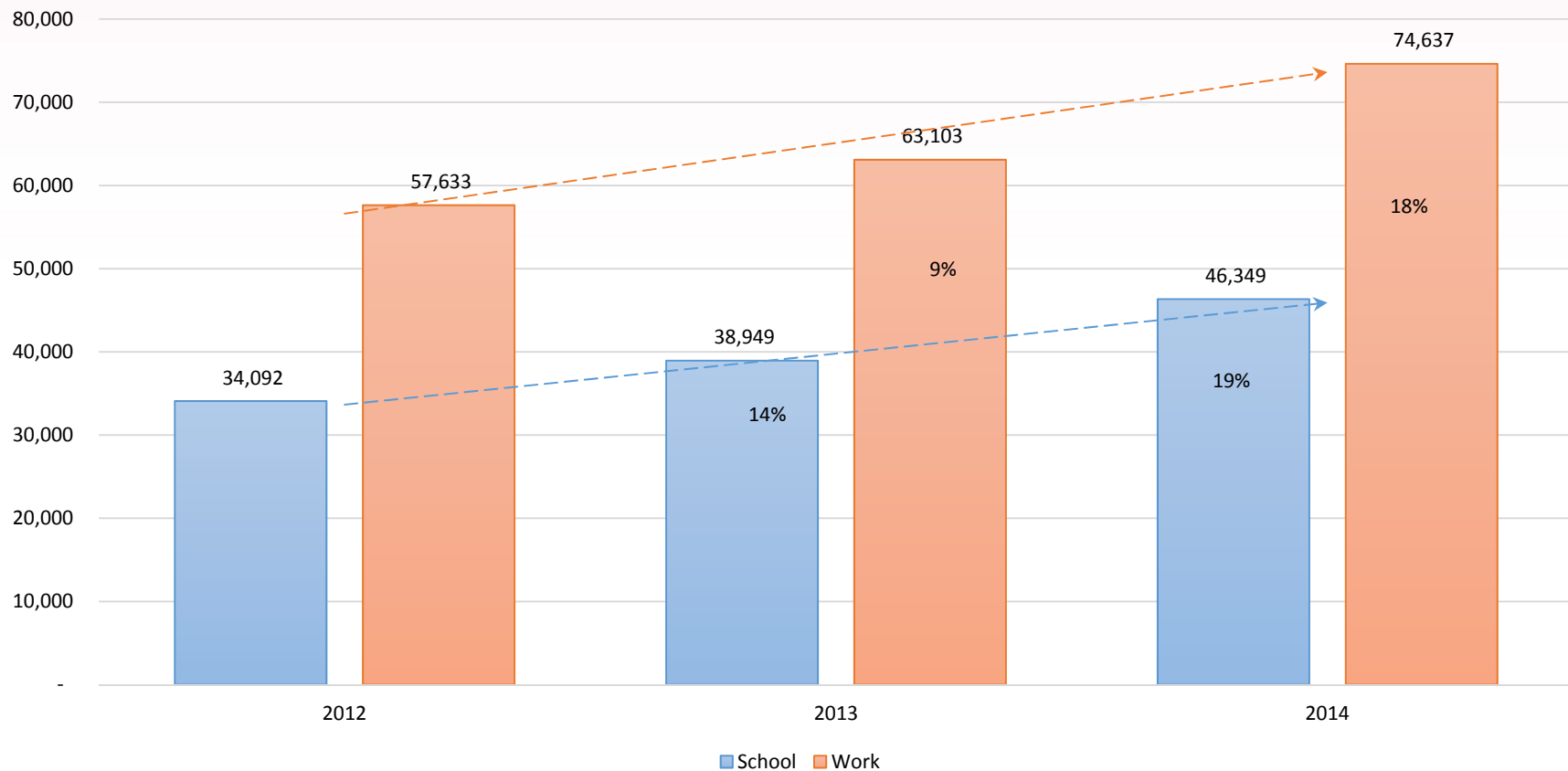


Drivers for Ridership Trends

ADA – Work and School Trips



Access Lynx ADA Work and School Trips 2012-2014 with % increase from previous year



Drivers for Ridership Trends

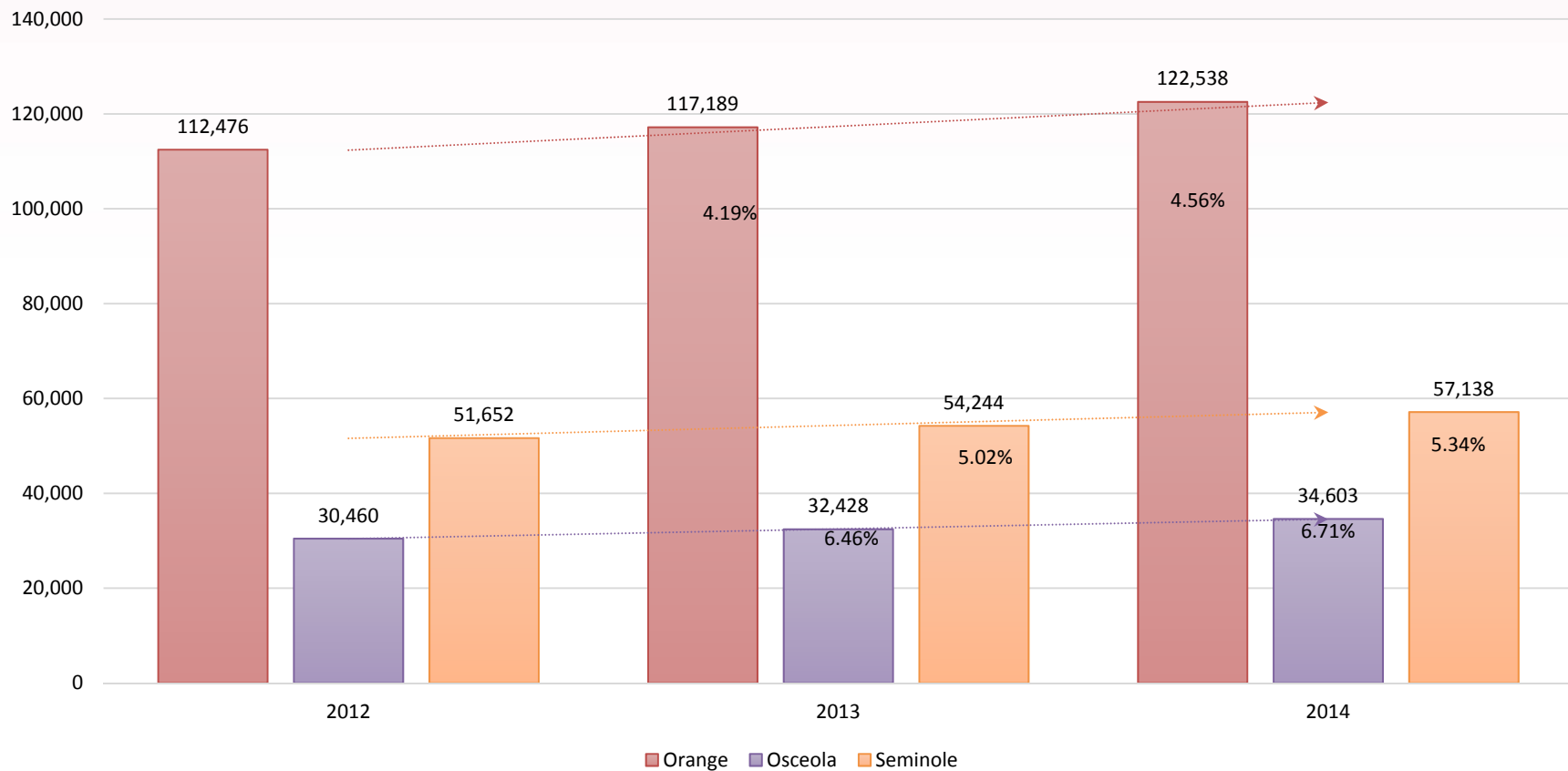
TD – Dialysis and Work Trips

- Dialysis Centers have increased by 15 % over the past 18 months. The total number dialysis centers went from 24 to 28 centers in the Central Florida Region.
- The hours of service for 5 Dialysis Centers has increased from 1 to 3 shifts, equating to an additional 200 hours available weekly
- Growing age of population, the average age for our Dialysis clients is 69. The Census data shows a trend in the increase of population aged 65+ over the previous year.
- As with ADA, the trips for work/school continue to increase. The period from July 2014 to July 2015 work trips have increased by 8% and the period from July 2015 to February 2016 (7 months) the trips have increased by 14%.

Aged 65+ Population 2010-2014 Trend



Aged 65+ Population 2010-2014 Trend with % change from previous year

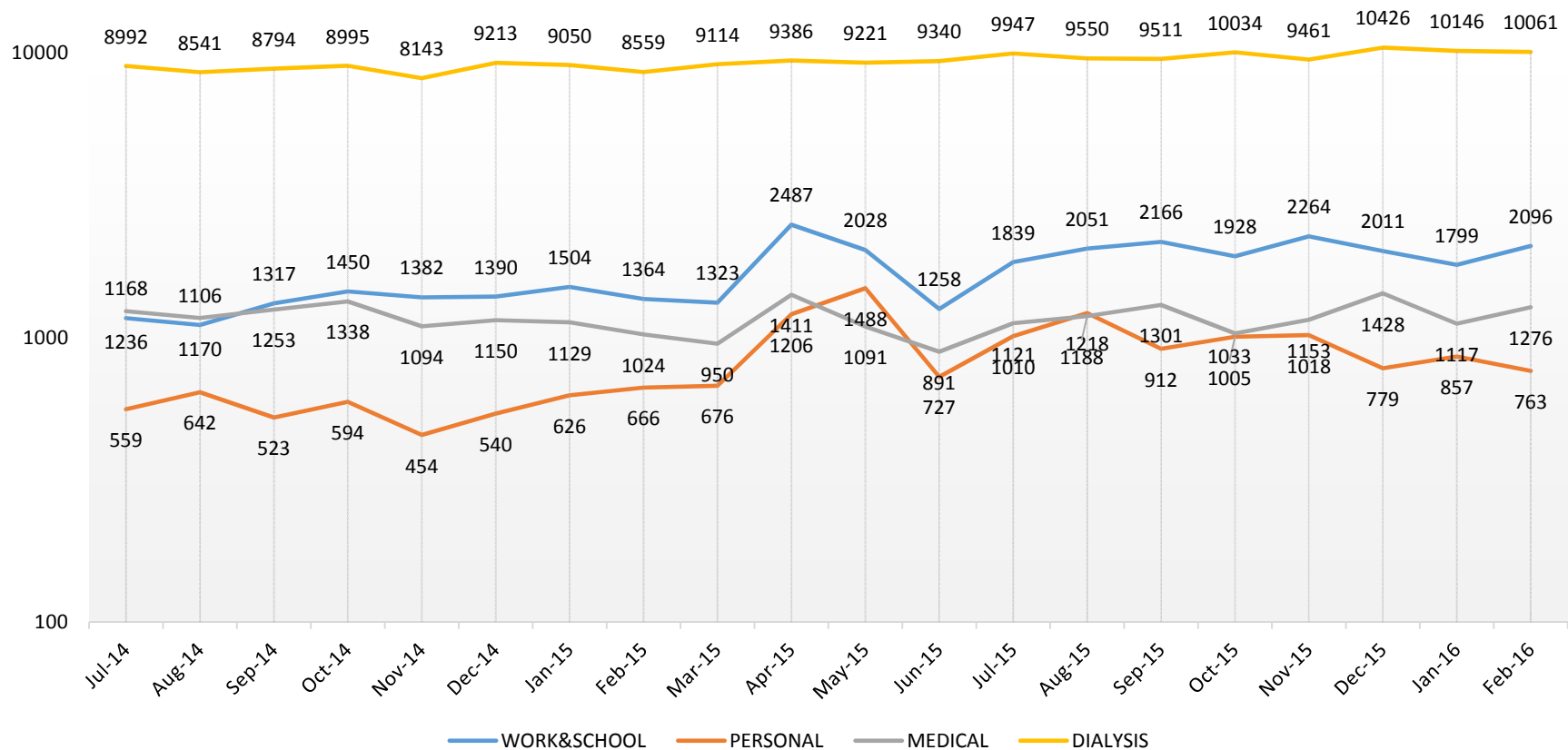


Drivers for Ridership Trends

TD – Dialysis and Work Trips



ACCESS LYNX TD Trips by Purpose



Paratransit Ridership Drivers



- A strong economy and low gas prices can reduce fixed route ridership, while a bad economy and high gas prices can increase fixed route ridership. Paratransit service does not have these same comparative driving factors.
- Paratransit service remains constant during an economic downturn, and increases as the economy improves.
- Life sustaining needs such as chemotherapy and dialysis are not conducive to waits at a bus stop, or transfers to multiple buses or transfer wait times.
- The Federally mandated door to door service is not only a convenience to our customers, but mandatory, and a necessity as well.

Current Cost Containment Factors



- Increase in NeighborLink services
- Contain no more than one percent (1%) of the total contractor invoice for taxi usage. Currently, taxi usage is at 0.81%.
- Complementary fixed route/NeighborLink/SunRail travel training.
- Enforcing Conditional ADA eligibility. Approximately 44% of conditionally eligible trips have been referred to other modes of transportation.
- Ensuring former Medicaid clients are not trip dumping.
- Customers are referred to an actual physical assessment to determine their capabilities to access the fixed route system

Future Cost Containment Endeavors



- Additional NeighborLink routes throughout the service area.
- Explore Uber and Lyft partnering options.
- Reduce the ADA service area to federally mandated requirements.
- Discontinue our role as the Community Transportation Coordinator (CTC) and provide federally mandated ADA trips only. This would require a 90-day written notice to the Florida Commission for the Transportation Disadvantaged.

THE END

LYNX Finance & Audit Committee Agenda

Agenda Item #3

To: LYNX Finance & Audit Committee Members

From: Blanche W. Sherman, Director of Finance
Julie Caple, Technical Contact

Phone: 407.254.6100

Item Name: Update on Reserves

Date: 05/18/2016

LYNX' Reserve Policy is based on sound fiscal principles designed to allow LYNX to maintain continuation of operations in adverse conditions. The Reserve Policy is essential to maintain adequate levels of reserves to mitigate current and future risks such as revenue shortfalls, emergencies, natural disasters, and unanticipated expenditures.

LYNX' Reserves are as follows:

- **Reserves for Operations (Cash Reserves)**

\$14,000,000 minimum \$28,000,000 maximum

LYNX should establish a goal to maintain a reserve of forty-five to sixty days, or fifteen to twenty percent of regular operating expenditures to be used for short term cash flow purposes, or to ensure adequate resources for operating purposes at the beginning of the fiscal year. The cash reserve also helps to protect LYNX in the event it must respond to a natural or man-made disaster. This appropriation may also be considered to fund one-time capital outlay, but shall not be used to support ongoing operating expenses.

- **Reserves for Contingency (Emergencies)**

\$6,352,272 - 5% of FY2016 Adopted Operating Budget

LYNX should establish a goal to maintain a contingency reserve at a not to exceed 5% of the total 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 used 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.

LYNX Finance & Audit Committee Agenda

- **Reserves for Capital Funds and Debt Service**

\$1,568,777 (CNG bus lease), \$1,263,966 (Articulated Buses), \$791,694 Replacement Buses, \$2,705,733 (CNG Facility Improvements) and \$797,282 (SIB loan)

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 will be to fund the future infrastructure. This only pertains to items and/or projects included in the annual capital budget. Debt Service Reserves are subjected to the creation of a very specific reserve amount as a part of the Loan Covenants. Therefore, the amount to be appropriated must adhere to these requirements and will be budgeted, accordingly.

- **Reserves for Self-Insurance Programs**

\$4,773,213 (Workers Compensation and General Liability Claims), \$1,600,000 (Medical Self Insured Surplus Assets) and \$1,642,758 (Medical Insurance Claims)

Risk Management should maintain a minimum reserve equal to the 80% to 90% undiscounted confidence level of the annual actuarial study to ensure financial viability for Workers Compensation and General Liability Claims. 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 reserves should be established to provide adequate funds in reserve.

Florida Statue requires that a self-funded medical plan offered by a public entity maintain surplus assets equal to at least 60 days of claims either as assets in the plan or in the form of unencumbered surplus elsewhere in the organization to pay claims. These funds are in addition to the run out liability. As such, LYNX established a reserve equal to two months to support unanticipated increases in medical insurance expenses.

- **Reserves for Fuel Stabilization**

\$1,000,000 Budget Stabilization

In 2011, LYNX established 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 provide budget stabilization. This program, combined with establishing a Fuel Stabilization Reserve, will give LYNX, and ultimately our funding partners, some assurance of price and

LYNX Finance & Audit Committee Agenda

funding stability, as it pertains to the costs of fuel. The reserve will be funded via reserving excess revenues.

In summary, the reserves are as follows:

LYNX Reserves	Minimum	Maximum
Operations	\$ 14,000,000	\$ 28,000,000
Contingency -5%	6,352,272	6,352,272
Capital Bus Lease	1,568,777	1,568,777
Articulated Buses	1,263,966	1,263,966
Replacement Buses	791,694	791,694
CNG Facility Improvements	2,705,733	2,705,733
Debt Service	797,282	797,282
Self-Insurance Programs	8,015,971	8,015,971
Fuel Stabilization	1,000,000	1,000,000
Subtotal	\$36,495,695	\$50,495,695
FY2015 \$2 Capital Funding	(2,098,684)	(2,098,684)
FY2016 \$2 Capital Funding	(2,118,590)	(2,118,590)
FY2017 \$2 Capital Funding	(2,112,896)	(2,112,896)
Self-Insurance (Long-term)	(2,676,165)	(2,676,165)
FY2014 Settlement Payout Budget	(1,200,000)	(1,200,000)
SIB Loan – Federally Funded	(797,282)	(797,282)
Reserve Fund Requirement	\$ 25,492,078	\$ 39,492,078
Unrestricted – Net Position	(43,190,768)	(43,190,768)
Net Pension Asset	6,283,485	6,283,485
(Excess) Shortfall Cash Reserves	\$ (11,415,205)	\$ 2,584,795

The total impact is **\$36,495,695 minimum and \$50,495,695 maximum**, of which approximately **\$43,190,768** in unrestricted net assets.

We estimated the “Operations” reserves based on anticipated expenditures in the first three months of operations. Due to the “Federal Shut Down” in October, the first quarter of the fiscal year is higher than normal.

LYNX Finance & Audit Committee Agenda

Agenda Item #4

To: LYNX Finance & Audit Committee Members

From: Blanche W. Sherman, Director of Finance
Julie Caple, Technical Contact

Phone: 407.841.2279 extension 6100

Item Name: Use of \$2 Capital Contributions for Compressed Natural Gas (CNG) Facility Improvements

Date: 05/18/2016

ACTION REQUESTED:

LYNX staff is requesting the Finance & Audit Committee recommendation for approval to use available \$2 Capital Contributions for the Compressed Natural Gas (CNG) facility improvements in an amount not-to-exceed \$2,625,733 and \$80,000 for engineer oversight.

BACKGROUND:

In January 2015, LYNX entered into a contract with NoPetro Orlando, LLC, for CNG vehicle fueling. As part of this contract, the LYNX Operations Center (LOC) maintenance facility has undergone renovations to allow staff to safely maintain our new fleet of CNG vehicles. The construction activity associated with this improvement is anticipated to be completed by May 2016.

Over the past year, LYNX staff has worked diligently with the Federal Transit Administration (FTA) to utilize the proceeds from the sale of LYNX' South Street Facility to the City of Orlando to support the funding of the CNG improvements. The LOC building improvements are at a cost not-to-exceed \$2,625,733 and \$80,000 for engineer oversight.

On December 21, 2016, FTA notified LYNX staff that the sale proceeds from the South Street facility could not be used to fund the CNG Improvements. As such, LYNX staff would like to use the available \$2 Capital Funds to cover the cost of the CNG improvements, which will eliminate the \$.40 adder included in the fuel cost.

In accordance with the terms of the Construction Agreement, LYNX has the ability to prepay the financed portion of the project with no penalties since it requires LYNX pre-approval. For any portion of the project funded via equity, the rate of return is limited to 3.75% above any third party borrowed amount. The adder is initially set at \$.40 per Diesel Gallon Equivalent (DGE) with annual true ups (if any) for either.

LYNX Finance & Audit Committee Agenda

NoPetro is currently seeking financing for the LOC improvements as follows:

- \$2,000,000 at 5.30% interest over ten years
- \$625,733 Equity at 9.05% interest for ten years

The following are the pros and cons as it relates to eliminating the adder:

Pros

- ✓ Save over \$700,000 - \$900,000 in unnecessary financing costs and reduce funding partners' obligations next year and succeeding years
- ✓ Save legal costs and extensive staff time by preventing more financing negotiations and documents
- ✓ Prevent contract controversy over financing options
- ✓ Increase budget control and predictability – annual “true up” uncertainty eliminated
- ✓ Eliminate debt exposure that is not a re-financing or lease

Cons

- ✓ Temporary ~ 6 or 7% reduction in cash balances, but \$2 capital funds are available to support the pay-off.

Mr. Walt Bussells, Chief Financial Officer with NoPetro, will be attending the May 18, 2016 Finance & Audit Committee meeting to address questions pertaining to the financing.

Monthly Report A: Monthly Financial Report

To: LYNX Board of Directors

From: <<Blanche Sherman /Chief>>
<<DIRECTOR OF FINANCE /Title>>
<<CRAIG CHARRETTE /Tech 1>>
<<Technical / Project Lead Title 1>>
<<Technical / Project Lead 2>>
<<Technical / Project Lead Title 2>>
<<Technical / Project Lead 3>>
<<Technical / Project Lead Title 3>>
<<Presented By>>

Phone: <<407.841.2279 ext: 6100 /Phone>>

Item Name: Monthly Financial Reports - March 31, 2016

Date: 5/26/2016

Please find attached the preliminary monthly financial report for the six months ending March 31, 2016. LYNX' Preliminary Statement of Revenues, Expenses, and Changes in Net Assets (Operating Statement) for the six months ending March 31, 2016 reflect total revenue earned in the amount of \$59,856,333 and total expenses incurred in the amount of \$55,298,691 resulting in a net operating profit of \$4,557,642.

- Fixed route, Vanpool, and Neighborlink services resulted in an operating profit of \$4,154,367 for the first six months of the fiscal year.
- Paratransit services resulted in an operating profit of \$403,274 for the first six months of the fiscal year.

Fixed Route Operations:

The year-to-date Operating Revenues are 90% budgeted whereas month-to-date for March is 93%. Customer fares are 90% budgeted and 10% lower than the budgeted amount year-to-date.

Advertising revenue is at 123% of the amount budgeted for the month of March 2016 and year-to-date is 10% lower than the budgeted amount. Actual revenues through March 31, 2016 for advertising on buses, shelters, and in-kind (trade) transactions are \$547,732, \$319,706, and \$0, respectively. Direct Media's staff continues to enhance LYNX advertising program and to increase the advertising revenue stream. Direct Media's sales staff is actively seeking new clients and working with existing clients to offer an attractive and affordable advertising program.

LYNX Board Agenda

In an attempt to stabilize fuel cost in the future, LYNX' staff entered into a fuel hedging arrangement with Merrill Lynch Commodities, Incorporated. During the month of March 2016, LYNX locked in eighty-one percent (81%) of the total monthly purchases resulting in the cap (LYNX locked) prices being higher than the future (float) prices. At this time, LYNX is 32% under budget year-to-date. In the month of March, LYNX paid an average price of \$1.21 (net) per gallon for diesel fuel and \$1.40 (net) per gallon for bio-diesel plus fuel hedging losses which are lower than the budgeted price per gallon of \$2.24 (net). The national diesel fuel price for the month of March 2016 was \$1.75 (net).

LYNX staff proactively seeks ways to maximize operational efficiencies and improve services. As a result, fixed route operating expenses for salaries, wages and fringe benefits are 7% and 16% respectively under budget due to various vacancies as of March 31, 2016. Other materials and supplies expenses are 13% under budget. Professional service expenses are 61% under budget due to various planning projects that will commence later in the fiscal year. Expenditures associated with other services, contract maintenance and other miscellaneous expenses are less than budgeted.

Paratransit Operations:

The operating profit from Paratransit operations as of March 31, 2016 is due to Customer Fares being 16% over budget. Contract Services are on target at 100% of the budgeted amount. The year-to-date cost of unleaded fuel is 26% lower than budgeted. During the month of March 2016, LYNX locked in forty three percent (43%) of the total monthly purchases, resulting in cap (LYNX locked) prices higher than the future (float) prices. The fuel is budgeted at a net price of \$2.37 (net) per gallon in the FY2016 budget. LYNX is currently paying \$1.38 (net) per gallon plus fuel hedging losses. The national unleaded fuel price for the month of March 2016 was \$1.74 (net). An analysis of year-to-date purchased transportation trips and costs is as follows:

ACCESS LYNX			
FY2016	Trips (Year-to-Date)	Blended Trip Rate	Costs
Actual (with est.)	244,292	\$29.41	\$7,185,139
Budget (rounding)	247,603	\$27.86	\$6,897,455
Trips / Costs Over (Under) Budget	(3,311)	\$1.55	\$287,684

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
BALANCE SHEETS
March 31, 2016 and 2015
(UNAUDITED)

	2016	2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 38,297,499	38,082,212
Receivables:		
Local, trade and operating assistance	7,753,981	12,624,260
Federal grants	13,607,530	8,766,932
State grants	8,389,137	7,524,843
Inventory	2,215,685	1,986,324
State fuel tax refund	82,828	112,484
Prepaid expenses and other assets	1,433,570	1,239,943
	71,780,230	70,336,998
NONCURRENT ASSETS:		
Restricted cash and cash equivalents	4,855,570	2,183,670
Property and equipment:		
Land	8,161,465	8,571,465
Buildings and shelters	91,534,127	96,541,410
BRT Roadway	6,499,619	6,404,069
Revenue vehicles	166,566,380	155,895,258
Furniture, Fixtures & Equipment	39,707,702	37,228,214
Leasehold improvements	110,109	110,109
Total property and equipment	312,579,402	304,750,525
Less: accumulated depreciation	(168,325,473)	(161,448,093)
Construction in progress	20,156,484	10,167,761
Net property and equipment	164,410,413	153,470,193
Other assets	6,283,485	234,450
Total noncurrent assets	175,549,468	155,888,313
TOTAL ASSETS	247,329,698	226,225,311
DEFERRED OUTFLOW OF RESOURCES		
Pension Contributions	3,315,057	-
Accumulated decrease in fair value of fuel hedge instrument	821,949	828,151
	4,137,006	828,151

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
BALANCE SHEETS
March 31, 2016 and 2015
(UNAUDITED)

	2016	2015
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES:		
Accounts payable	\$ 11,021,825	10,054,794
Accrued salaries and related taxes	1,659,919	1,197,005
Accrued compensated absences, current	4,170,615	3,967,050
Accrued self-insurance liability, current	2,097,048	2,103,398
Leases payable, current	771,545	-
Loans payable, current	813,225	-
Unearned operating revenue	10,676,392	10,678,339
Unearned capital	4,677,412	3,270,793
Derivative instrument - fuel hedge	821,949	828,151
Total current liabilities	36,709,930	32,099,530
NONCURRENT LIABILITIES:		
Leases payable, long-term	4,440,501	-
Loans payable	-	1,610,507
Net OPEB Obligation	1,683,525	1,424,525
Accrued compensated absences, long-term	538,035	523,380
Accrued self-insurance liability, long-term	2,676,165	6,699,104
Total noncurrent liabilities	9,338,226	10,257,516
Total liabilities	46,048,156	42,357,046
DEFERRED INFLOW OF RESOURCES		
Pension Contributions	1,318,794	-
Accumulated increase in fair value of fuel hedge instrument	-	-
	1,318,794	-
NET POSITION:		
Invested in capital assets, net of related debt	156,349,164	150,255,582
Restricted	-	-
Unrestricted	47,750,590	34,440,834
Total net position	204,099,754	184,696,416
TOTAL LIABILITIES AND NET POSITION	\$ 250,147,910	\$ 227,053,462

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES AND EXPENSES
FOR THE MONTH OF MARCH 2016 AND THE SIX MONTHS ENDED MARCH 31, 2016
(UNAUDITED)

	Year to Date			Month of March		
	Budget	Actual	%	Budget	Actual	%
OPERATING REVENUES						
Customer Fares	\$ 14,725,740	13,231,186	90%	\$ 2,454,290	\$ 2,299,713	94%
Contract Services:						
Local Financial Assistance	7,059,966	6,506,557	92%	1,108,361	986,920	89%
Other Contractual Services	1,869,452	1,922,422	103%	311,575	321,165	103%
Advertising	1,040,000	939,603	90%	173,333	214,065	123%
Other Operating Income	213,220	143,425	67%	35,537	46,631	131%
Total Operating Revenues	<u>24,908,378</u>	<u>22,743,193</u>	91%	<u>4,083,096</u>	<u>3,868,495</u>	95%
NONOPERATING REVENUES						
Operating assistance grants:						
State of Florida	5,178,510	5,136,866	99%	863,085	856,144	99%
Local	23,214,763	23,296,507	100%	3,937,427	3,982,723	101%
Planning and other assistance grants:						
Federal - Other	8,253,668	7,140,862	87%	1,340,611	1,206,005	90%
State of Florida - Other	1,663,412	1,462,348	88%	312,235	247,392	79%
Local Matching - Other	-	666	N/A	-	121	N/A
Interest Income	18,207	11,548	63%	3,034	2,043	67%
Gain / (Loss) on Sale of Assets	-	64,343	N/A	-	8,845	N/A
Total Nonoperating Revenues	<u>38,328,559</u>	<u>37,113,139</u>	97%	<u>6,456,393</u>	<u>6,303,274</u>	98%
Total Revenues	<u>63,236,937</u>	<u>59,856,333</u>	95%	<u>10,539,489</u>	<u>10,171,768</u>	97%
OPERATING EXPENSES						
Salaries and Wages	23,322,260	21,727,268	93%	3,887,043	3,701,001	95%
Fringe Benefits	13,313,018	11,198,097	84%	2,218,836	1,996,767	90%
Purchased Transportation Services	8,167,385	8,332,294	102%	1,361,231	1,451,729	107%
Fuel	6,784,535	4,550,859	67%	1,130,756	869,846	77%
Other Materials and Supplies	4,142,021	3,623,646	87%	690,337	669,890	97%
Professional Services	2,178,844	851,090	39%	363,141	176,300	49%
Other Services	2,888,933	2,288,527	79%	481,489	461,514	96%
Lease and Miscellaneous Expenses	593,751	528,677	89%	98,959	108,612	110%
Casualty and Liability Insurance	1,115,248	1,186,244	106%	185,875	340,719	183%
Utilities	727,286	657,980	90%	121,214	127,793	105%
Taxes and Licenses	227,303	285,739	126%	37,884	57,191	151%
Interest Expense	62,139	68,270	110%	10,356	11,548	112%
Total Operating Expenses	<u>63,522,723</u>	<u>55,298,691</u>	87%	<u>10,587,120</u>	<u>9,972,911</u>	94%
OPERATING GAIN / (LOSS)	<u>\$ (285,786)</u>	<u>\$ 4,557,642</u>	N/A	<u>\$ (47,631)</u>	<u>\$ 198,857</u>	N/A

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
FIXED-ROUTE, VANPOOL AND NEIGHORLINK SEGMENT
STATEMENT OF REVENUES AND EXPENSES
FOR THE MONTH OF MARCH 2016 AND THE SIX MONTHS ENDED MARCH 31, 2016
(UNAUDITED)

	Year to Date			Month of March		
	Budget	Actual	%	Budget	Actual	%
OPERATING REVENUES						
Customer Fares	\$ 13,913,283	\$ 12,282,601	88%	\$ 2,318,881	\$ 2,142,006	92%
Contract Services:						
Local Financial Assistance	7,059,966	6,506,557	92%	1,108,361	986,920	89%
Other Contractual Services	-	52,386	N/A	-	8,533	N/A
Advertising	1,040,000	939,603	90%	173,333	214,065	123%
Other Operating Income	213,220	143,425	67%	35,537	46,631	131%
Total Operating Revenues	<u>22,226,468</u>	<u>19,924,572</u>	90%	<u>3,636,111</u>	<u>3,398,155</u>	93%
NONOPERATING REVENUES						
Operating assistance grants:						
Federal	-	-	N/A	-	-	
State of Florida	5,178,510	5,136,866	99%	863,085	856,144	99%
Local	18,701,535	18,783,277	100%	3,185,222	3,168,862	99%
Planning and other assistance grants:						
Federal - Other	6,552,724	5,536,239	84%	1,057,121	925,633	88%
State of Florida - Other	1,638,411	1,462,348	89%	308,069	247,392	80%
Local Matching - Other	-	666	N/A	-	121	N/A
Interest Income	18,207	11,548	63%	3,034	2,043	67%
Gain / (Loss) on the Sale of Assets	-	64,343	N/A	-	8,845	N/A
Total Nonoperating Revenues	<u>32,089,386</u>	<u>30,995,286</u>	97%	<u>5,416,531</u>	<u>5,209,041</u>	96%
Total Revenues	<u>54,315,855</u>	<u>50,919,858</u>	94%	<u>9,052,642</u>	<u>8,607,196</u>	95%
OPERATING EXPENSES						
Salaries and Wages	23,114,979	21,537,601	93%	3,852,497	3,667,848	95%
Fringe Benefits	13,178,250	11,079,762	84%	2,196,375	1,974,754	90%
Purchased Transportation Services	1,208,681	1,127,493	93%	201,447	197,306	98%
Fuel	5,509,544	3,740,998	68%	918,257	718,417	78%
Other Materials and Supplies	4,132,301	3,614,249	87%	688,717	669,171	97%
Professional Services	2,048,744	805,984	39%	341,457	168,837	49%
Other Services	2,763,840	2,191,387	79%	460,640	442,749	96%
Lease and Miscellaneous Expenses	590,752	527,074	89%	98,459	108,137	110%
Casualty and Liability Insurance	1,115,248	1,186,244	106%	185,875	340,719	183%
Utilities	701,150	634,308	90%	116,858	123,186	105%
Taxes and Licenses	192,429	252,121	131%	32,071	51,389	160%
Interest Expense	62,139	68,270	110%	10,356	11,548	112%
Total Operating Expenses	<u>54,618,057</u>	<u>46,765,491</u>	86%	<u>9,103,009</u>	<u>8,474,061</u>	93%
OPERATING GAIN / (LOSS)	<u>\$ (302,202)</u>	<u>\$ 4,154,367</u>	N/A	<u>\$ (50,367)</u>	<u>\$ 133,135</u>	N/A

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
PARATRANSIT SEGMENT
STATEMENT OF REVENUES AND EXPENSES
FOR THE MONTH OF MARCH 2016 AND THE SIX MONTHS ENDED MARCH 31, 2016
(UNAUDITED)**

	Year to Date			Month of March		
	Budget	Actual	%	Budget	Actual	%
OPERATING REVENUES						
Customer Fares	\$ 812,458	\$ 948,585	117%	\$ 135,410	\$ 157,708	116%
Contract Services:						
Local Financial Assistance	-	-	N/A	-	-	N/A
Other Contractual Services	1,869,452	1,870,036	100%	311,575	312,633	100%
Advertising	-	-	N/A	-	-	N/A
Other Operating Income	-	-	N/A	-	-	N/A
Total Operating Revenues	<u>2,681,910</u>	<u>2,818,621</u>	105%	<u>446,985</u>	<u>470,341</u>	105%
NONOPERATING REVENUES						
Operating assistance grants:						
Federal	-	-	N/A	-	-	N/A
State of Florida	-	-	N/A	-	-	N/A
Local	4,513,228	4,513,230	100%	752,205	813,861	108%
Planning and other assistance grants:						
Federal - Other	1,700,944	1,604,623	94%	283,491	280,372	99%
State of Florida - Other	25,000	-	N/A	4,167	-	N/A
Local Matching - Other	-	-	N/A	-	-	N/A
Interest Income	-	-	N/A	-	-	N/A
Gain / (Loss) on the Sale of Assets	-	-	N/A	-	-	N/A
Total Nonoperating Revenues	<u>6,239,172</u>	<u>6,117,853</u>	98%	<u>1,039,862</u>	<u>1,094,233</u>	105%
Total Revenues	<u>8,921,082</u>	<u>8,936,474</u>	100%	<u>1,486,847</u>	<u>1,564,574</u>	105%
OPERATING EXPENSES						
Salaries and Wages	207,281	189,667	92%	34,547	33,153	96%
Fringe Benefits	134,768	118,335	88%	22,461	22,013	98%
Purchased Transportation Services	6,958,705	7,204,801	104%	1,159,784	1,254,423	108%
Fuel	1,274,991	809,860	64%	212,499	151,429	71%
Other Materials and Supplies	9,720	9,398	97%	1,620	719	44%
Professional Services	130,100	45,106	35%	21,683	7,463	34%
Other Services	125,093	97,140	78%	20,849	18,766	90%
Lease and Miscellaneous Expenses	3,000	1,603	53%	500	475	95%
Casualty and Liability Insurance	-	-	N/A	-	-	N/A
Utilities	26,135	23,672	91%	4,356	4,607	106%
Taxes and Licenses	34,874	33,619	96%	5,812	5,802	100%
Interest Expense	-	-	N/A	-	-	N/A
Total Operating Expenses	<u>8,904,666</u>	<u>8,533,200</u>	96%	<u>1,484,111</u>	<u>1,498,850</u>	101%
OPERATING GAIN / (LOSS)	<u>\$ 16,416</u>	<u>\$ 403,274</u>	N/A	<u>\$ 2,736</u>	<u>\$ 65,723</u>	N/A