



Meeting Date: 11/2/2016  
Meeting Time: 9:00 AM

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

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

## 1. Call to Order

## 2. Committee Minutes

-  Finance & Audit Committee Minutes Pg 2

## 3. Committee Action Items

### A. Finance & Audit Committee Action Item

-  Request to Procure Cellular and Security Services for On-Board Wifi Services Pg 11

## 4. Committee Discussion Items

### A. Finance & Audit Committee Discussion Item

-  Discussion Regarding Legal Contract Pg 14


### B. Finance & Audit Committee Discussion Item

-  Update on LYNX Technology Projects Pg 15

 -Attachments

## 5. Committee Information Items

### A. Finance & Audit Committee Information Item

-  Monthly Financial Report- Preliminary September 30, 2016 Pg 28

 -Attachments

### B. Finance & Audit Committee Information Item

-  Monthly Financial Report - August 31, 2016 Pg 35

 -Attachments

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 & Audit Committee Meeting Minutes**

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

**DATE:** September 14, 2016

**TIME:** 09:04 AM

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**Members in Attendance:**

Vice Chairperson Ray Walls, Orange County  
Claudia Korobkoff, City of Orlando  
Michael Kurek, Osceola County  
Edward Bass, Seminole County  
Jo Santiago, FDOT

**LYNX Staff in Attendance:**

Bert Francis, Chief Financial Officer  
Blanche Sherman, Director of Finance  
James Goldsmith, LYNX' General Counsel

**Members Absent:**

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**1. Call to Order/Introduction**

Vice Chairperson Ray Walls called the meeting to order at 09:04 AM.

**2. Approval of Prior Meeting Minutes**

Ray Walls asked for approval of the prior meeting minutes. **Motion** was made and seconded to approve the Minutes of the July 20, 2016 Finance & Audit Committee. The Motion passed unanimously.

**3. Finance & Audit Agenda Items**

✓ **Amendment to LYNX' FY2016 Operating & Capital Budgets**

Ray Walls called on Blanche Sherman, Director of Finance, to provide an overview of the amendment to the FY2016 Operating & Capital Budgets.

Ms. Sherman provided a brief overview of the FY2016 amended operating budget which is increasing from \$127.3M to \$128.6M. Ms. Sherman discussed the increases and reclassifications of expenses previously approved by the Board of Directors from April to September as summarized below:

FY2016 Operating Budget Amendment					
Revenue	FY2016 Amended Budget	Avalon Park School Connector	State Road 436 Transit Study	Reclassifications	FY2016 Amended Budget Total
Fund Balance	\$ 571,571	\$ -	\$ -	\$ -	\$ 571,571
LYNX-Generated Revenue	37,397,252	32,916	-	-	37,430,168
Federal Revenue	16,226,716	-	-	-	16,226,716
State Revenue	14,192,353	-	175,000	-	14,367,353
Local Revenue	58,919,081	-	1,095,000	-	60,014,081
<b>Total Revenue</b>	<b>\$ 127,306,973</b>	<b>\$ 32,916</b>	<b>\$ 1,270,000</b>	<b>\$ -</b>	<b>\$ 128,609,889</b>
Expense					
Salaries/Wages/Fringes	\$ 73,270,554	\$ 32,916	\$ -	\$ -	\$ 73,303,470
Other Services	10,962,728	-	1,270,000	-	12,232,728
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	-	-	(20,000)	1,504,850
Taxes & Tags	434,605	-	-	20,000	454,605
Purchased Transportation	16,494,772	-	-	-	16,494,772
Miscellaneous	826,779	-	-	(124,277)	702,502
Interest & Leases	485,000	-	-	124,277	609,277
<b>Total Operating Expenses</b>	<b>\$ 127,306,973</b>	<b>\$ 32,916</b>	<b>\$ 1,270,000</b>	<b>\$ -</b>	<b>\$ 128,609,889</b>

Ms. Sherman also discussed the impact of the changes on the operating revenues as follows:

#### FY2016 Amended Operating Budget

Operating Revenues	FY2016 Amended Budget March 2016		FY2016 Amended Budget September 2016
		Revisions	
Fund Balance	\$ 571,571	\$ -	\$ 571,571
LYNX-Generated Revenue	37,397,252	32,916	37,430,168
Federal Revenue	16,226,716	-	16,226,716
State Revenue	14,192,353	175,000	14,367,353
Local Revenue	58,919,081	1,095,000	60,014,081
<b>Total Revenue</b>	<b>\$ 127,306,973</b>	<b>\$ 1,302,916</b>	<b>\$ 128,609,889</b>

Ms. Sherman then discussed the increases and reclassifications to the FY2016 amended capital budget which increased from \$91.7M to \$93.4M as listed below:

FY2016 Capital Budget Amendment									
Revenue	FY2016 Amended Budget	Paratransit Replacement Vehicle	Compressed Natural Gas Facility Improvements	Parramore BRT - OUC JPA	Parramore BRT - Project "C"	East/West BRT Improvement Project	No-Petro Vacant Land Purchase	Road Rangers	FY2016 Amended Budget Total
Federal Revenue	\$ 84,762,480	\$ (96,334)	\$ (2,890,599)	\$ -	\$ -	\$ 83,200	\$ 1,300,000	\$ -	\$ 83,158,747
State Revenue	429,256	48,167		-	-	-	-	71,165	548,588
Local Revenue	6,342,569	48,167	2,705,733	8,374	327,912	20,800	-	-	9,453,555
Reserves	200,000	-	-	-	-	-	-	-	200,000
<b>Total Revenue</b>	<b>\$ 91,734,305</b>	<b>\$ -</b>	<b>\$ (184,866)</b>	<b>\$ 8,374</b>	<b>\$ 327,912</b>	<b>\$ 104,000</b>	<b>\$ 1,300,000</b>	<b>\$ 71,165</b>	<b>\$ 93,360,890</b>
Expense									
Revenue Vehicles	\$ 52,355,593	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000	\$ 52,359,593
BRT	13,083,894	-	-	8,374	327,912	104,000	-	-	13,524,180
Facilities	5,622,656	-	(184,866)	-	-	-	1,300,000	-	6,737,790
Passenger Amenities	9,777,044	-	-	-	-	-	-	-	9,777,044
Technology	5,542,331	-	-	-	-	-	-	-	5,542,331
Security	591,600	-	-	-	-	-	-	-	591,600
Support Equipment	4,761,187	-	-	-	-	-	-	67,165	4,828,352
<b>Total Operating Expenses</b>	<b>\$ 91,734,305</b>	<b>\$ -</b>	<b>\$ (184,866)</b>	<b>\$ 8,374</b>	<b>\$ 327,912</b>	<b>\$ 104,000</b>	<b>\$ 1,300,000</b>	<b>\$ 71,165</b>	<b>\$ 93,360,890</b>

The following table summarizes the adjustments related to FY2016 Amended Capital Budget as follows:

#### FY2016 Amended Capital Budget

<u>Capital Contributions</u>	<u>FY2016 Amended Budget April 2016</u>	<u>Revisions</u>	<u>FY2016 Amended Budget September 2016</u>
Federal Contributions	\$ 84,762,480	\$ (1,603,733)	\$ 83,158,747
State Contributions	429,256	119,332	548,588
Local Contributions	6,342,569	3,110,986	9,453,555
Reserves	200,000	-	200,000
<b>Total</b>	<b>\$ 91,734,305</b>	<b>\$ 1,626,585</b>	<b>\$ 93,360,890</b>

Claudia Korobkoff, Ms. Sherman and James Goldsmith, LYNX' General Counsel, discussed the need for Amendment #3 for the City of Orlando funding on the Parramore BRT for Project "C" which was left over from the East/West project to be used for the Parramore BRT but not specified in the Interlocal Agreement with the City. Ms. Sherman stated that, on the LYNX side, there are no funds left for the match and Amendment #3 may be needed.

Ms. Sherman commented on the purchase of the NoPetro property being contingent upon funding from the Federal Transit Administration (FTA). Bert Francis, Chief Financial Officer, stated that LYNX was moving forward, has received and is evaluating the property appraisal, and is working on completing discussions with the FTA. Mr. Francis also stated that the purchase would not be closing for at least ninety (90) days.

Ray Walls called for a motion for a recommendation to approve the budget. Mr. Walls asked if there were any questions.

Edward Bass commented on the budget being taken to the Board for approval on September 22, 2016 and asked if LYNX makes adjustments during the year. Ms. Sherman responded that action is taken during the year once the adjustments have been approved by the Board.

**Motion** was made and seconded to recommend approval of the budget. The Motion passed unanimously.

✓ **Overview of the FY2017 Proposed Operating & Capital Budgets**

Ray Walls called on Blanche Sherman to present an overview of the FY2017 Proposed Operating & Capital Budgets.

Ms. Sherman discussed the FY2017 key budget assumptions as follows:

**Overall:**

- FY2017 Funding based on LYNX adopted Funding Model
- Maximize current service levels through efficiencies
- Apply additional Flex (NeighborLink) services, where appropriate

**Revenue:**

- Maintain current Preventative Maintenance funding level, as approved by LYNX' Board
- Maximize use of Anticipated Advertising Revenue

**Expenses:**

- Salary increases consistent with Funding Partners
- Anticipated impact of a new Union contract
- Continuation of Fuel Hedging Program, as appropriate
- Impact 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

**Pending Items:**

- Implementation of Funding Partner approved COA Recommendations
- Impacts of SunRail Phase 2 (South & North) expansion

Mr. Francis asked how many CNG buses LYNX would have by the end of FY2017. Ms. Sherman responded that LYNX would have seventy (70) CNG buses.

Ms. Korobkoff asked if LYNX will be having discussions with the funding partners on the COA recommendations to determine what could be implemented. Ms. Sherman responded that LYNX will be discussing the recommendations with the funding partners and that

Edward Johnson, Chief Executive Officer, is looking at other service initiatives including service changes and cutting costs.

Ms. Sherman briefly discussed the overall increase of 0.8% in the FY2017 proposed operating budget to the FY2016 amended operating budget as follows:

	<b>FY2016 Amended Budget</b>	<b>FY2017 Proposed Budget</b>	<b>% Change</b>
<b>Operating Revenue</b>	\$ 128,609,889	\$ 129,700,062	0.8%
<b>Operating Expenses</b>	128,609,889	129,700,062	0.8%
<b>Operating Income/(Deficit)</b>	\$ -	\$ -	N/A

The following table summarizes the FY2016 Proposed Operating Budget as follows:

	<b>FY2017 Proposed Budget</b>	<b>FY2016 Amended Budget</b>	<b>Dollar Change Amount</b>	<b>% Change</b>
<b>Operating Revenues</b>				
Fund Balance	\$ 1,023,348	\$ 571,571	\$ 451,777	79.0%
Customer Fares	26,167,535	29,459,808	(3,292,273)	-11.2%
Contract Services	5,742,153	5,427,507	314,646	5.8%
Advertising on Buses	2,332,134	2,050,000	282,134	13.8%
Advertising - Trade	30,000	30,000	-	0.0%
Interest & Other Income	681,206	462,853	218,353	47.2%
Federal Revenue	17,098,651	16,226,716	871,935	5.4%
State Revenue	13,704,285	14,367,353	(663,068)	-4.6%
Local Revenue	62,920,750	60,014,081	2,906,669	4.8%
<b>Total Revenue</b>	<b>\$ 129,700,062</b>	<b>\$ 128,609,889</b>	<b>\$ 1,090,173</b>	<b>0.8%</b>

Mr. Francis stated that the budget does not anticipate a fare increase which was confirmed by Ms. Sherman.

Ms. Sherman then discussed the FY2017 Operating Expenses as summarized below:

	<b>FY2017 Proposed Budget</b>	<b>FY2016 Amended Budget</b>	<b>Dollar Change Amount</b>	<b>% Change</b>
<b>Operating Expenses</b>				
Salaries/Wages/Fringes	\$ 75,960,271	\$ 73,303,470	\$ 2,656,801	3.6%
Other Services	13,251,111	12,232,728	1,018,383	8.3%
Fuel	9,329,958	13,569,071	(4,239,113)	-31.2%
Materials & Supplies	7,973,395	8,284,043	(310,648)	-3.7%
Utilities	1,475,080	1,454,571	20,509	1.4%
Casualty & Liability	1,583,631	1,504,850	78,781	5.2%
Taxes & Tags	436,843	454,605	(17,762)	-3.9%
Purchased Transportation	18,251,224	16,494,772	1,756,452	10.6%
Miscellaneous	854,476	702,502	151,974	21.6%
Interest & Leases	584,073	609,277	(25,204)	-4.1%
<b>Total Operating Expenses</b>	<b>\$ 129,700,062</b>	<b>\$ 128,609,889</b>	<b>\$ 1,090,173</b>	<b>0.8%</b>

Edward Bass asked if the salary increase includes the anticipated Union negotiation. Ms. Sherman responded that the Union negotiations impact was included in the increase. Mr. Francis stated that an offer had been made to the Union including a 3% retro increase and concessions from the Union on the pension side which was turned down by the Union and that LYNX is still in negotiations but has not received a counter offer.

The group discussed the following topics:

- Significant savings in fuel at LYNX with consumption being the same
- Decreases in the fare revenues leading to an increase in funding on the local side
- Seeing decreases in fuel prices which affects the vendors but purchased transportation going up, discussed impact of ownership of all the paratransit vehicles, fuel being purchased by LYNX for paratransit vehicles, and increases in ADA and TD trips
- Seeing a big difference in fuel taxes and refunds
- Increase in tolls and looking at the rebate offered to schools for LYNX

Ms. Sherman discussed the local revenue amounts as summarized below:

FY2017 Preliminary Local Funding				
	Amended Local Funding FY2016	Preliminary Regional Model Need for FY2017	Dollar Change	Percentage Change
Orange County	\$ 39,920,495 *	\$ 41,805,229 **	\$ 1,884,734	4.72%
Osceola County	6,393,683 *	6,889,938 **	496,255	7.76%
Seminole County	6,630,067	7,004,157 **	374,090	5.64%
City of Orlando	4,496,660 *	4,542,603 **	45,943	1.02%
City of Orlando - LYMMO	2,305,411	2,200,910	(104,501)	-4.53%
<b>Subtotal</b>	<b>\$ 59,746,316</b>	<b>\$ 62,442,837</b>	<b>\$ 2,696,521</b>	<b>4.51%</b>
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%
<b>Subtotal</b>	<b>\$ 473,890</b>	<b>\$ 477,913</b>	<b>\$ 4,023</b>	<b>0.85%</b>
<b>Capital Contributions:</b>				
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%
<b>Subtotal</b>	<b>\$ 2,118,590</b>	<b>\$ 2,112,896</b>	<b>\$ (5,694)</b>	<b>-0.27%</b>
<b>Total Local Funds</b>	<b>\$ 62,338,796</b>	<b>\$ 65,033,646</b>	<b>\$ 2,694,850</b>	<b>4.32%</b>

\* Includes prepaid funding from Osceola County, City of Orlando, and Orange County for new Service Development  
 \*\* The FY2017 Funding Model included the use of reserves, additional revenues, and cost savings to reduce the local funding requirements by \$1,946,397, plus the funding for SR 436 Transit Corridor Study.

Ms. Korobkoff requested a change on the last page of the City of Orlando service funding agreement to separate the State Road 436 funding amount in the summary since it is a separate funding agreement. Ms. Sherman stated that she will review the agreement and make the requested change.

Mr. Bass asked about the service initiatives for the budgeted increase in funding for Seminole County. Ms. Sherman responded that these were minor running time adjustments which are below the 2% threshold. Ms. Sherman stated that service changes are brought to the Board for approval three times per year and are discussed in detail at the Regional Working Group meetings.

Ms. Sherman mentioned that the FY2017 capital budget was discussed in detail at the Finance & Audit Committee meeting in July 2016. The key capital budget assumptions are as follows:

- Enhance LYNX facilities
- Advanced Fare Collection – Mobile Ticketing
- Fleet to support all service modes
- Continue LYMMO expansion activities
- Passenger Amenities Program improvements
- Continuation of security and surveillance
- Advance communications and technological capabilities

Ms. Sherman briefly discussed the overall decrease of (18.1%) in the FY2017 proposed capital budget to the FY2016 amended capital budget as follows:

	<b>FY2016 Amended Budget</b>	<b>FY2017 Proposed Budget</b>	<b>% Change</b>
<b>Capital Contributions</b>	\$ 93,360,890	\$ 76,448,943	-18.1%
<b>Capital Expenditures</b>	93,360,890	76,448,943	-18.1%
<b>Capital Gains/(Losses)</b>	\$ -	\$ -	N/A

The following table summarizes the FY2017 Proposed Capital Budget as follows:

<b>Capital Contributions</b>	<b>FY2017 Proposed Budget</b>	<b>FY2016 Amended Budget</b>	<b>Dollar Amount Change</b>	<b>% Change</b>
Federal Contributions	\$ 72,285,020	\$ 83,158,747	\$ (10,873,727)	-13.1%
State Contributions	807,945	548,588	259,357	47.3%
Local Contributions	3,355,978	9,453,555	(6,097,577)	-64.5%
Reserves	-	200,000	(200,000)	-100.0%
<b>Total</b>	<b>\$ 76,448,943</b>	<b>\$ 93,360,890</b>	<b>\$ (16,911,947)</b>	<b>-18.1%</b>

Ms. Sherman stated that the main reason for the decrease was the Parramore BRT project.



Ms. Sherman then discussed the FY2017 local contributions as listed below:

<b>Description</b>	<b>FY2017 Preliminary Budget Amount</b>	<b>Source</b>
LYMMO- Parramore	827,296	City of Orlando, Orlando Utilities Commission, Other Utilities
LYMMO - East/West	20,800	City of Orlando
Capital Bus Lease	898,151	Local \$2 Capital
Articulated CNG Buses	1,263,967	Local \$2 Capital
Paratransit Vehicles	95,764	Local \$2 Capital
Passenger Amenities	250,000	Orange County
<b>Total</b>	<b>\$ 3,355,978</b>	

Ms. Sherman presented the FY2017 Budget Summary as follows:

	<b>FY2016 Amended Budget</b>	<b>FY2017 Proposed budget</b>	<b>Change</b>
<b>Operating Revenue</b>	\$ 128,609,889	\$ 129,700,062	0.8%
<b>Operating Expenses</b>	128,609,889	129,700,062	0.8%
<b>Operating Income/(Deficit)</b>	\$ -	\$ -	N/A
<b>Capital Funding</b>	\$ 93,360,890	\$ 76,448,943	-18.1%
<b>Capital Expenditures</b>	93,360,890	76,448,943	-18.1%
<b>Capital Income/(Deficit)</b>	\$ -	\$ -	N/A
<b>Total Sources of Funding</b>	\$ 221,970,779	\$ 206,149,005	-7.1%
<b>Total Uses of Funding</b>	221,970,779	206,149,005	-7.1%
<b>Net Financial Position</b>	\$ -	\$ -	N/A
<b>Staffing Count</b>	1117	1121	4

Ms. Sherman then mentioned future items which included the following:

- Maintain planned stability and financial benefits of converting to a self-insured Health Insurance Program
- Continue to review the type of fixed route vehicles used in future operations
- Ongoing efforts to secure funding for service expansion, satellite facilities and BRT to support service demands
- Continue to seek State grant funding opportunities for capital projects

Ms. Sherman commented on the budget calendar with final action by the Board on September 22, 2016 and commencement of fiscal year 2016-2017 on October 1, 2016.

Ray Walls asked if there were any questions. Mr. Bass asked if Ms. Sherman anticipated any issues for the final action by the Board. Ms. Sherman responded that she does not anticipate any issues and that the Oversight Committee usually supports the recommendation of the Finance & Audit Committee. Mr. Walls commented that there were no issues concerning the budget at the July 2016 meeting of the Finance & Audit Committee.

**Motion** was made and seconded to recommend approval of the budget. The Motion passed unanimously.

✓ **Election of Officers**

Ray Walls recognized Blanche Sherman to preside over the election of officers.

Edward Bass made a Motion to nominate Ray Walls as Chairperson of LYNX' Finance & Audit Committee. The Motion received a second.

Hearing no other nominations, Ms. Sherman asked for the vote.

**Motion** to elect Ray Walls as Chairperson of LYNX' Finance & Audit Committee passed unanimously.

Mr. Walls made a Motion to nominate Edward Bass as Vice Chairperson of LYNX' Finance & Audit Committee. The Motion received a second.

Hearing no other nominations, Ms. Sherman called for the vote.

**Motion** to elect Edward Bass as Vice Chairperson of LYNX' Finance & Audit Committee passed unanimously.

✓ **Other Business**

Ray Walls asked if there was anything else. Mr. James Goldsmith, LYNX' General Counsel, suggested adding public comments to the Agenda. Mr. Walls agreed.

**The meeting was adjourned at 9:48 AM.**

**Finance Committee Action Item #3.A.**

**To:** LYNX Finance & Audit Committee

**From:** Craig Bayard  
DIRECTOR OF INFORMATION TECH  
Craig Bayard  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6008

**Item Name:** Request to Procure Cellular and Security Services for On-Board Wifi Services

**Date:** 11/2/2016

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**OVERVIEW:**

LYNX has started on a pilot of providing free WI-FI service onboard the bus. The technology that is used is similar to the equipment used on SunRail. Each bus will be equipped with a cellular Wi-Fi router which will use cellular service to provide Internet access within the bus.

At this time there are thirty (30) buses in the LYNX fleet that have the equipment installed. The pilot project will include staff testing, cellular service provider testing, as well as public participation. Once the staff testing is complete and adjustments made there will be a marketing campaign to solicit feedback from the public riding the buses equipped with Wi-Fi.

Devices and internet service are managed through full management dashboards that can manage the entire fleet remotely, thus allowing adjustments to be uniform across all buses. There are two management interfaces, the first one manages the device and modem on the bus. Within this interface, LYNX can configure, monitor, and adjust the connectivity in the bus. The second interface controls where on the internet users are able to go. In order to preserve bandwidth this interface blocks internet access to websites based on categories such as “Adult Material”, “Streaming Media”, and “Peer To Peer”.

The cost for this service is shown in the table below and includes both the cost for capital and operating cost through FY2018-2019.

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Capital – Grant Funded	Description	Price per device for each bus	FY2016-	FY2016-	FY2016-	FY2017-	FY2018-
			2017 (Oct through Jan) (30 Bus pilot) 30 Buses	2017 (Feb through Sept) (300 bus) Adding 270 Buses	2017 (Oct through Sept) Pilot and full fleet 300 Buses	2018 Full Fleet 300 Buses	2019 Full Fleet 300 Buses
	Cradle Point COR IBR600B-NM Integrated Broadband router	\$280	\$8,400	\$75,597	\$ 83,997		
	CradlePoint 2 meter power and GPIO cable (direct wire) with filter for IBR6xx (all versions) (required for E-mark compliance)COR IBR600/650	\$ 16	\$ 480	\$ 4,317	\$ 4,797		
	USB Modem Antenna	\$ 35	\$ 1,050	\$ 9,450	\$ 10,500		
	Cradle Point 1-yr subscription for Internet Security (per device)	\$180	\$ 5,400	\$ 48,600	\$ 54,000		
	Cradle Point Endpoint management and support (per device)	\$ 71	\$ 2,133	\$ 19,197	\$ 21,330		
	1 time fee programing and configuration per device	\$ 25	\$ 750	\$ 6,750	\$ 7,500		
<b>TOTAL GRANT FUNDED</b>			<b>\$18,212</b>	<b>\$163,912</b>	<b>\$182,124</b>		

## Operating Cost

AT&T Cell service - Unlimited Data	\$ 36	\$ 4,320	\$ 86,400	\$ 90,720	\$129,600	\$129,600
<b>OR</b>						
Verizon Cell service 25 GB LTE Advanced then down throttle to 2g speed (no overages)	\$ 36	\$ 4,326	\$ 86,520	\$ 90,846	\$129,780	\$129,780
<b>AND the two items below</b>						
Cradle Point 1-yr subscription for Internet Security (per device)	\$180	Grant Funded	Grant Funded	Grant Funded	\$ 54,000	\$ 54,000

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Cradle Point Endpoint management and support (per device)	\$ 71	Grant Funded	Grant Funded	Grant Funded	\$ 21,330	\$ 21,330
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<b>TOTAL OPERATING COST</b>	<b>ATT Service</b>	<b>\$ 4,320</b>	<b>\$ 86,400</b>	<b>\$ 90,720</b>	<b>\$204,930</b>	<b>\$204,930</b>
	<b>Verizon Service</b>	<b>\$ 4,326</b>	<b>\$ 86,520</b>	<b>\$ 90,846</b>	<b>\$205,110</b>	<b>\$205,110</b>

Staff is requesting a recommendation for approval to move forward with the Wi-Fi pilot and testing.

**Finance Committee Discussion Item #4.A.**

**To:** LYNX Finance & Audit Committee

**From:** Bert Francis  
CHIEF FINANCIAL OFFICER  
Blanche Sherman  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6058

**Item Name:** Discussion Regarding Legal Contract

**Date:** 11/2/2016

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Contract to be discussed at the meeting.

**Finance Committee Discussion Item #4.B.**

**To:** LYNX Finance & Audit Committee

**From:** **Edward Johnson**  
CHIEF EXECUTIVE OFFICER  
**Douglas Robinson**  
(Technical Contact)  
**Kenneth Jamison**  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6017

**Item Name:** Update on LYNX Technology Projects

**Date:** 11/2/2016

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**Overview:**

Staff will provide an overview of technology projects currently under development and deployment.

**BACKGROUND:**

LYNX is in the process of developing and deploying technology to assist our customers in using LYNX services. This presentation will provide an overview of the status of four technology projects:

- Wireless Internet Access on Buses
- Mobile Fare Payment
- Real-time Next Vehicle on Fixed Route
- Real-time on NeighborLink

# Technology Projects

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Finance & Audit Committee Update

November 2, 2016



# Wireless Internet Access on Buses



**Purpose:** Provide internet access to customers on LYNX buses for their mobile devices.

**Pilot:** 30 buses, October 2016 – November 2016

**Full:** 270 buses, December 2016

**Marketing:** January 2017

- Social Media
- Website
- Information on buses

**Funding:** Funds will be reprogrammed in the FY2017 Capital and Operating budgets



# Wireless Internet Access on Buses



## Capital Costs – One Time

Description	Unit Price	Pilot (30)	Fleet (270)	Full Deployment
Router	\$279.99	\$8,399.70	\$75,597.30	\$83,997.00
Cable	\$15.99	\$479.70	\$4,317.30	\$4,797.00
Modem Antenna	\$35.00	\$1,050.00	\$9,450.00	\$10,500.00
Internet Security*	\$180.00	\$5,400.00	\$48,600.00	\$54,000.00
Device Support*	\$71.10	\$2,133.00	\$19,197.00	\$21,330.00
Device Configuration	\$25.00	\$750.00	\$6,750.00	\$7,500.00
<b>Total</b>		<b>\$18,212.40</b>	<b>\$163,911.60</b>	<b>\$182,124.00</b>

## Operating Costs (First year and Annualized)

Description	Unit Price	Pilot (30, 3 month)	Full Fleet (9 months)	Annual
Cell Service	\$36.00	\$3,240.00	\$97,200.00	\$129,600.00
Internet Security*	\$180.00	(1 <sup>st</sup> year included in Capital purchase)	(1 <sup>st</sup> year included in Capital purchase)	\$54,000.00
Device Support*	\$71.10	(1 <sup>st</sup> year included in Capital purchase)	(1 <sup>st</sup> year included in Capital purchase)	\$21,330.00
<b>Total</b>		<b>\$3,240.00</b>	<b>\$97,200.00</b>	<b>\$204,930.00</b>

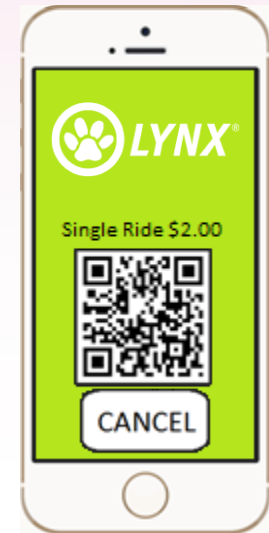
# Mobile Fare Payment



**Purpose:** Allow customers to purchase fare products that can be validated hands-free upon boarding.

Project is currently in the procurement selection process with proposals under review by the Source Evaluation Committee.

- Eight proposals were received
- Committee will determine which proposers will demonstrate the functionality of their proposals
- Successful vendor(s) chosen by the committee will deploy software during pilot



*Conceptual*

# Mobile Fare Payment



**Purpose:** Allow customers to purchase fare products that can be validated hands-free upon boarding.

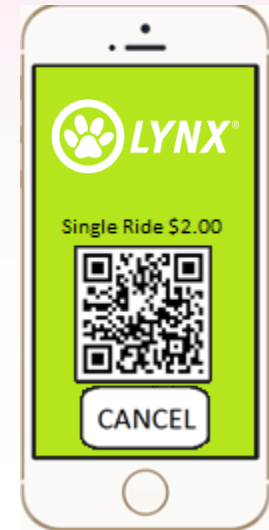
**Pilot:** Employees, December 2016 – January 2017

**Pilot:** Customers, January 2017 – February 2017

**Board Award of Contract:** March 2017

**Installation and Testing:** May 2017 – June 2017

**Final Acceptance:** June 2017 – July 2017



*Conceptual*

# Real-time Next Vehicle on Fixed Route

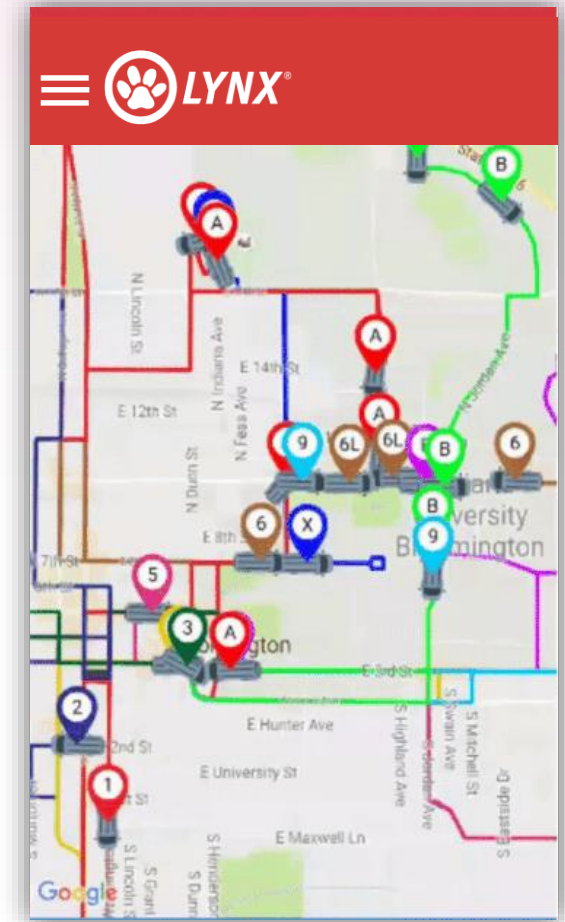


**Purpose:** Provide real-time location of LYNX fixed route and LYMMO buses to customers on mobile devices.

**Development:** November 2016 – December 2016

**Pilot:** Customers, January 2017

**Acceptance:** April 2017



*Concept based on Bloomington*

# Real-time Next Vehicle on Fixed Route

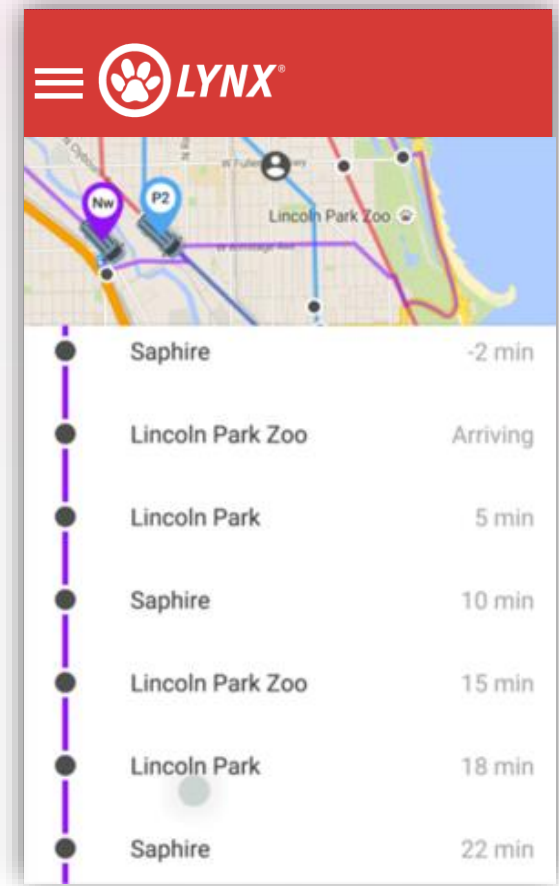


**Purpose:** Provide real-time location of LYNX fixed route and LYMMO buses to customers on mobile devices.

Project involves merging of data from LYNX' two Computer Aided Dispatch systems

**Capital Cost:** Quote is in process from vendor, estimated at \$40,000

**Operating Cost:** Estimated at \$80,000 annually



*Concept based on Chicago deployment*



# Real-time on NeighborLink

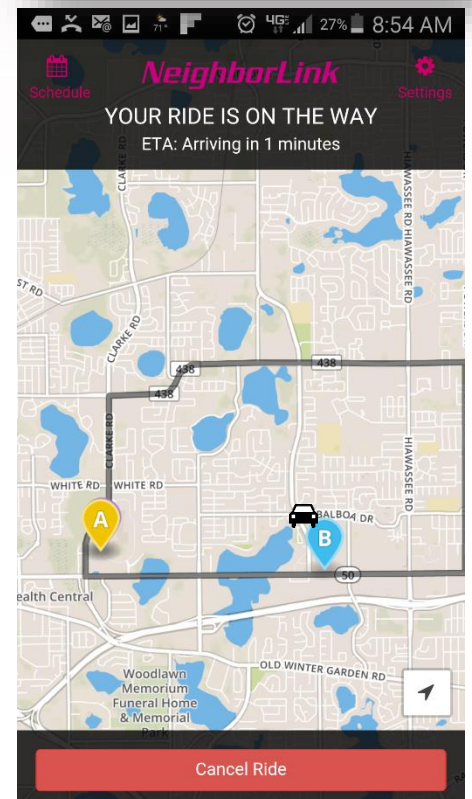


**Purpose:** Allow customers to make real-time trip requests on NeighborLink and to receive real-time location of vehicle assigned to their trip.

**Testing:** April 2016 – July 2016

**Soft Deployment:** January 2017

**Deployment:** March 2017



# Real-time on NeighborLink



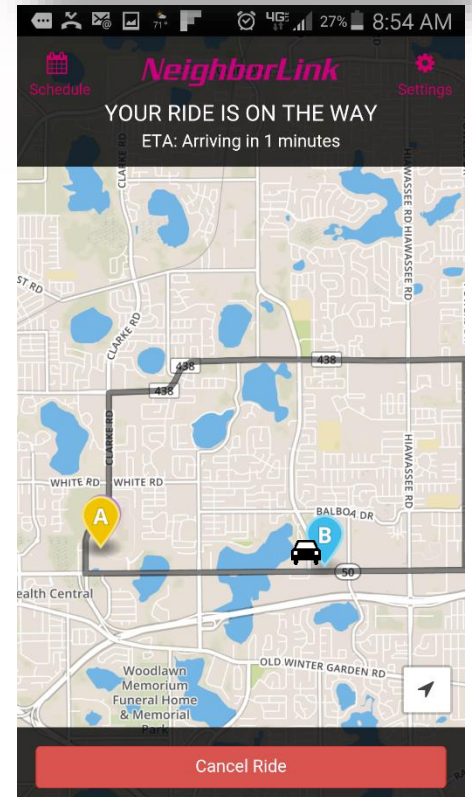
## Capital (Grant Funded)

Description	Expended R&D	Remaining Cost
FlexRide Software*	\$476,560	
NeighborLink Customization	\$297,560	
Hardware (2,450 / vehicle, 14 vehicles)	\$34,300	
Training and On-site Support		\$29,000
Year 2 Maintenance Service		\$25,540
Year 3 Maintenance Service		\$25,540
	\$808,420	\$80,080

\* Software developed as part of research and demonstration project

## Operating Costs

Description	Cost
Maintenance Service (\$1,964.62 per vehicle)	\$25,540
	\$25,540





# Real-time on ACCESSLYNX



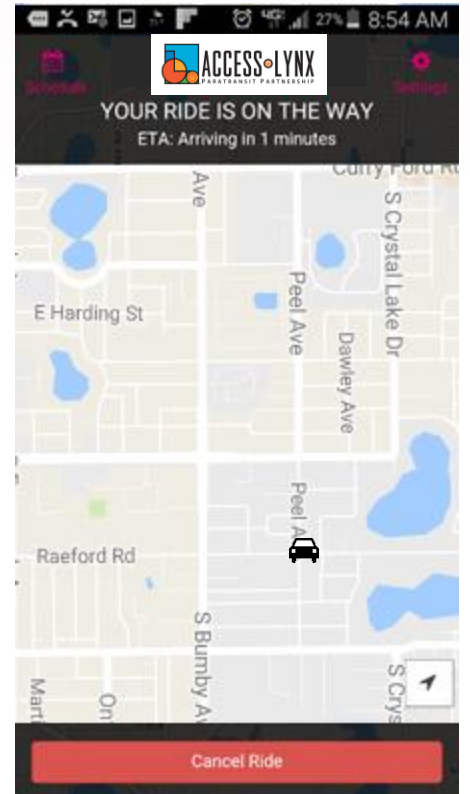
**Purpose:** Provide real-time location of LYNX vehicle assigned to the customer's trip on mobile devices.



**Projected:** Summer 2017

**Capital Cost:** Estimated at \$132,000 for development

**Operating Cost:** Estimated at \$30,000 annually



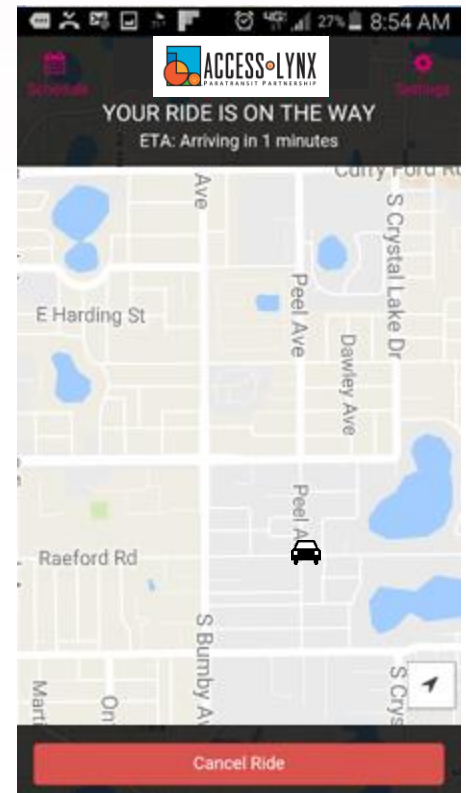
# Real-time on ACCESSLYNX



**Purpose:** Provide real-time location of LYNX vehicle assigned to the customer's trip on mobile devices.

## Issues:

- Information is specific to the vehicle assigned to the customer, not whole system
- Trips can be moved from one vehicle to another
- Show information only after the vehicle is in route for pickup, not while performing other trips
- Information is restricted to authorized customers, must meet HIPAA regulations



# Doug Jamison, Senior ITS Developer

**Finance Committee Information Item #5.A.**

**To:** LYNX Finance & Audit Committee

**From:** **Blanche Sherman**  
DIRECTOR OF FINANCE  
**CRAIG CHARRETTE**  
(Technical Contact)  
**Nancy Navarro**  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6100

**Item Name:** Monthly Financial Report- Preliminary September 30, 2016

**Date:** 11/2/2016

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Please find attached the preliminary monthly financial report for the twelve months ending September 30, 2016. LYNX' Statement of Revenues, Expenses, and Changes in Net Assets (Operating Statement) for the twelve months ending September 30, 2016 reflect total revenue earned in the amount of \$120,116,314 and total expenses incurred in the amount of \$114,852,176 resulting in a net operating profit of \$5,264,138.

- Fixed route, Vanpool, and Neighbor Link services resulted in an operating profit of \$5,451,918 for the twelve months of the fiscal year.
- Paratransit services resulted in a loss of (\$187,780) for the twelve months of the fiscal year.

**Fixed Route Operations:**

The year-to-date Operating Revenues are 93% of the budgeted amount as of September 2016. Customer fares are 11% or \$3,135,431 lower than the budgeted amount year-to-date due to a decrease in ridership as of result of lower gas prices.

Advertising revenue is 86% of the amount budgeted for the month of September 2016 due to a true up in revenues over the guaranteed amount. Advertising year-to-date is 12% lower than the budgeted amount; moreover, advertising is down on a national average, but the guaranteed revenue is being paid monthly. Actual revenues through September 30, 2016, for advertising on buses, shelters, and in-kind (trade) transactions are \$1,179,153, \$555,621, and \$0, respectively. Direct Media's staff continue 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.

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 September 2016, LYNX locked in eighty-six percent (86%) of the total monthly purchases, resulting in the cap (LYNX locked) prices higher than the future (float) prices. At this time, LYNX is 28% or \$3,123,513 under budget year-to-date. In the month of September LYNX paid an average price of \$1.58 (net) per gallon for diesel fuel and \$1.36 (net) per gallon for bio-diesel, plus fuel hedging losses which is lower than the budgeted price per gallon of \$2.24 (net). The national diesel fuel price for the month of September 2016 was \$2.05 (net).

LYNX' staff proactively seeks ways to maximize operational efficiencies and improve services. As a result, fixed route operating expenses for salaries and fringe benefits are 6% and 11% respectively under budget or \$5,714,111 due to various vacancies as of September 30, 2016. Other materials and supplies expenses are 11% or \$945,716 under budget. Professional service expenses are 69% or \$3,701,447 under budget due to various planning projects that did not commence in the current fiscal year. Expenditures associated with other services, contract maintenance and other miscellaneous expenses are less than budget, with the exception of Taxes and Licensing. This account will be well under budget for fiscal year-end once the IRS Tax rebate in the amount of \$109,641 for CNG is received.

**Paratransit Operations:**

Paratransit's operational loss for the year is currently (\$187,780). Contract Services are on target at 104% of budgeted amount. The year-to-date cost of unleaded fuel is 29% or \$745,616 lower than budget. During the month of September 2016, LYNX locked in thirty nine percent (39%) 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 \$1.48 (net) per gallon. The national unleaded fuel price for the month of September 2016 was \$1.99 (net). An analysis of year-to-date purchased transportation trips and costs is as follows:

<b>ACCESS LYNX</b>			
<b>FY2016</b>	<b>Trips (Year-to-Date)</b>	<b>Blended Trip Rate</b>	<b>Costs</b>
<b>Actual (with est.)</b>	<b>513,876</b>	<b>\$29.97</b>	<b>\$15,402,842</b>
<b>Budget (rounding)</b>	<b>503,043</b>	<b>\$27.86</b>	<b>\$13,794,910</b>
<b>Trips / Costs Over (Under) Budget</b>	<b>10,833</b>	<b>\$2.11</b>	<b>\$1,607,932</b>

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY**  
**BALANCE SHEETS**  
**September 30, 2016 and 2015**  
(UNAUDITED)

	<b>2016</b>	<b>2015</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 29,364,444	44,995,294
Receivables:		
Local, trade and operating assistance	2,707,950	6,491,239
Federal grants	16,685,721	4,499,675
State grants	7,045,586	6,347,377
Inventory	1,843,272	2,036,447
State fuel tax refund	143,881	143,819
Prepaid expenses and other assets	503,231	355,183
	58,294,085	64,869,034
<b>NONCURRENT ASSETS:</b>		
Restricted cash and cash equivalents	14,878,243	2,236,150
Property and equipment:		
Land	8,161,465	8,571,465
Buildings and shelters	93,606,716	96,500,763
BRT Roadway	6,522,100	6,400,454
Revenue vehicles	161,304,570	156,522,824
Furniture, Fixtures & Equipment	39,813,824	37,118,747
Leasehold improvements	205,476	110,109
Total property and equipment	309,614,151	305,224,362
Less: accumulated depreciation	(170,644,053)	(173,064,331)
Construction in progress	24,290,666	12,881,233
Net property and equipment	163,260,764	145,041,264
Net Pension asset	6,283,485	234,450
Total noncurrent assets	184,422,492	147,511,864
<b>TOTAL ASSETS</b>	<b>242,716,577</b>	<b>212,380,898</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
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**  
**September 30, 2016 and 2015**  
(UNAUDITED)

	<b>2016</b>	<b>2015</b>
<b>LIABILITIES AND NET POSITION</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 17,751,427	9,640,182
Accrued salaries and related taxes	1,706,296	1,207,675
Accrued compensated absences, current	4,170,615	3,967,050
Accrued self-insurance liability, current	2,097,048	2,103,398
Leases payable, current	330,123	797,282
Loans payable, current	813,225	-
Unearned operating revenue	956,624	5,120,955
Unearned capital	4,050,060	4,582,081
Derivative instrument - fuel hedge	821,949	828,151
Total current liabilities	32,697,367	28,246,774
<b>NONCURRENT LIABILITIES:</b>		
Leases payable, long-term	4,440,501	-
Loans payable	-	813,225
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	3,699,104
Total noncurrent liabilities	9,338,226	6,460,234
Total liabilities	42,035,593	34,707,008
<b>DEFERRED INFLOW OF RESOURCES</b>		
Pension Contributions	1,318,794	-
Accumulated increase in fair value of fuel hedge instrument	-	-
	1,318,794	-
<b>NET POSITION:</b>		
Invested in capital assets, net of related debt	155,042,109	141,795,221
Restricted	-	-
Unrestricted	48,457,087	36,706,820
Total net position	203,499,196	178,502,041
<b>TOTAL LIABILITIES AND NET POSITION</b>	\$ 245,534,789	\$ 213,209,049

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY**  
**STATEMENT OF REVENUES AND EXPENSES**  
**FOR THE MONTH OF SEPTEMBER 2016 AND THE TWELVE MONTHS ENDED SEPTEMBER 30, 2016**  
**(UNAUDITED)**

	Year to Date			Month of September		
	Budget	Actual	%	Budget	Actual	%
<b>OPERATING REVENUES</b>						
Customer Fares	\$ 29,459,809	26,650,814	90%	\$ 2,458,740	\$ 2,238,934	91%
Contract Services:						
Local Financial Assistance	14,149,173	13,389,064	95%	1,205,903	1,197,586	99%
Other Contractual Services	3,738,905	3,992,120		311,575	367,864	
Advertising	2,080,000	1,821,939	88%	173,333	149,148	86%
Other Operating Income	426,439	373,687	88%	35,536	15,893	45%
Total Operating Revenues	<u>49,854,326</u>	<u>46,227,623</u>	93%	<u>4,185,088</u>	<u>3,969,425</u>	95%
<b>NONOPERATING REVENUES</b>						
Operating assistance grants:						
State of Florida	10,357,019	10,273,732	99%	863,085	856,144	99%
Local	46,458,510	46,543,246	100%	3,873,958	3,900,503	101%
Planning and other assistance grants:						
Federal - Other	16,646,716	14,218,087	85%	1,398,841	1,171,378	84%
State of Florida - Other	3,590,334	2,740,109	76%	466,987	237,859	51%
Local Matching - Other	1,095,000	5,961	N/A	1,095,000	147	N/A
Interest Income	36,413	43,206	119%	3,034	9,026	297%
Gain / (Loss) on Sale of Assets	-	64,349	N/A	-	2,730	N/A
Total Nonoperating Revenues	<u>78,183,992</u>	<u>73,888,691</u>	95%	<u>7,700,906</u>	<u>6,177,788</u>	80%
Total Revenues	<u>128,038,318</u>	<u>120,116,314</u>	94%	<u>11,885,994</u>	<u>10,147,213</u>	85%
<b>OPERATING EXPENSES</b>						
Salaries and Wages	46,681,735	43,845,582	94%	3,924,259	3,605,558	92%
Fringe Benefits	26,621,735	23,739,069	89%	2,214,536	2,047,241	92%
Purchased Transportation Services	16,494,772	17,759,478	108%	1,387,898	1,734,406	125%
Fuel	13,569,071	9,699,943	71%	1,130,756	887,535	78%
Other Materials and Supplies	8,284,043	7,334,165	89%	690,337	584,894	85%
Professional Services	5,593,005	1,761,362	31%	1,513,852	369,816	24%
Other Services	5,727,861	5,096,851	89%	431,483	462,349	107%
Lease and Miscellaneous Expenses	1,187,502	1,086,657	92%	98,958	82,155	83%
Casualty and Liability Insurance	2,416,712	2,562,054	106%	372,091	116,794	31%
Utilities	1,454,571	1,313,794	90%	121,214	121,383	100%
Taxes and Licenses	454,605	529,459	116%	38,829	38,591	99%
Interest Expense	124,277	123,762	100%	10,356	10,484	101%
Total Operating Expenses	<u>128,609,889</u>	<u>114,852,176</u>	89%	<u>11,934,569</u>	<u>10,061,205</u>	84%
<b>OPERATING GAIN / (LOSS)</b>	<u>\$ (571,571)</u>	<u>\$ 5,264,138</u>	N/A	<u>\$ (48,575)</u>	<u>\$ 86,007</u>	N/A



**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY**  
**FIXED-ROUTE, VANPOOL AND NEIGHORLINK SEGMENT**  
**STATEMENT OF REVENUES AND EXPENSES**  
**FOR THE MONTH OF SEPTEMBER 2016 AND THE TWELVE MONTHS ENDED SEPTEMBER 30, 2016**  
**(UNAUDITED)**

	Year to Date			Month of September		
	<u>Budget</u>	<u>Actual</u>	<u>%</u>	<u>Budget</u>	<u>Actual</u>	<u>%</u>
<b>OPERATING REVENUES</b>						
Customer Fares	\$ 27,834,894	\$ 24,699,463	89%	\$ 2,323,331	\$ 2,055,456	88%
Contract Services:						
Local Financial Assistance	14,149,173	13,389,064	95%	1,205,903	1,197,586	99%
Other Contractual Services	-	115,696	N/A	0	10,774	N/A
Advertising	2,080,000	1,821,939	88%	173,333	149,148	86%
Other Operating Income	<u>426,439</u>	<u>373,687</u>	88%	<u>35,536</u>	<u>15,893</u>	45%
Total Operating Revenues	<u>44,490,506</u>	<u>40,399,849</u>	91%	<u>3,738,103</u>	<u>3,428,857</u>	92%
<b>NONOPERATING REVENUES</b>						
Operating assistance grants:						
Federal	-	-	N/A	-	-	
State of Florida	10,357,019	10,273,732	99%	863,085	856,144	99%
Local	37,432,054	37,516,790	100%	3,121,753	3,148,302	101%
Planning and other assistance grants:						
Federal - Other	13,147,448	10,845,196	82%	1,099,121	893,061	81%
State of Florida - Other	3,540,334	2,740,109	77%	462,820	237,859	51%
Local Matching - Other	1,095,000	5,961	N/A	1,095,000	147	N/A
Interest Income	36,413	43,206	119%	3,034	9,026	297%
Gain / (Loss) on the Sale of Assets	<u>-</u>	<u>64,349</u>	N/A	<u>-</u>	<u>2,730</u>	N/A
Total Nonoperating Revenues	<u>65,608,268</u>	<u>61,489,343</u>	94%	<u>6,644,814</u>	<u>5,147,270</u>	77%
Total Revenues	<u>110,098,774</u>	<u>101,889,192</u>	93%	<u>10,382,917</u>	<u>8,576,127</u>	83%
<b>OPERATING EXPENSES</b>						
Salaries and Wages	46,276,775	43,463,640	94%	3,899,313	3,571,689	92%
Fringe Benefits	26,355,199	23,484,223	89%	2,195,074	2,029,467	92%
Purchased Transportation Services	2,479,982	2,263,179	91%	211,884	178,529	84%
Fuel	11,019,088	7,895,575	72%	918,257	713,654	78%
Other Materials and Supplies	8,264,603	7,319,049	89%	688,717	580,043	84%
Professional Services	5,332,805	1,631,358	31%	1,492,168	342,780	23%
Other Services	5,477,675	4,887,118	89%	410,634	443,583	108%
Lease and Miscellaneous Expenses	1,181,503	1,085,047	92%	98,458	82,155	83%
Casualty and Liability Insurance	2,416,712	2,562,054	106%	372,091	116,794	31%
Utilities	1,402,301	1,266,700	90%	116,858	119,867	103%
Taxes and Licenses	384,857	455,565	118%	33,017	33,835	102%
Interest Expense	<u>124,277</u>	<u>123,762</u>	100%	<u>10,356</u>	<u>10,484</u>	101%
Total Operating Expenses	<u>110,715,777</u>	<u>96,437,274</u>	87%	<u>10,446,828</u>	<u>8,222,881</u>	79%
<b>OPERATING GAIN / (LOSS)</b>	<u>\$ (617,003)</u>	<u>\$ 5,451,918</u>	N/A	<u>\$ (63,911)</u>	<u>\$ 353,246</u>	N/A

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY  
PARATRANSIT SEGMENT  
STATEMENT OF REVENUES AND EXPENSES  
FOR THE MONTH OF SEPTEMBER 2016 AND THE TWELVE MONTHS ENDED SEPTEMBER 30, 2016  
(UNAUDITED)**

	Year to Date			Month of September		
	Budget	Actual	%	Budget	Actual	%
<b>OPERATING REVENUES</b>						
Customer Fares	\$ 1,624,915	\$ 1,951,350	120%	\$ 135,409	\$ 183,479	135%
Contract Services:						
Local Financial Assistance	-	-	N/A	-	-	N/A
Other Contractual Services	3,738,905	3,876,424	104%	311,575	357,090	115%
Advertising	-	-	N/A	-	-	N/A
Other Operating Income	-	-	N/A	-	-	N/A
Total Operating Revenues	<u>5,363,820</u>	<u>5,827,774</u>	109%	<u>446,985</u>	<u>540,569</u>	121%
<b>NONOPERATING REVENUES</b>						
Operating assistance grants:						
Federal	-	-	N/A	-	-	N/A
State of Florida	-	-	N/A	-	-	N/A
Local	9,026,456	9,026,456	100%	752,205	752,201	100%
Planning and other assistance grants:						
Federal - Other	3,499,268	3,372,892	96%	299,721	278,317	93%
State of Florida - Other	50,000	-	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>12,575,724</u>	<u>12,399,348</u>	99%	<u>1,056,092</u>	<u>1,030,518</u>	98%
Total Revenues	<u>17,939,544</u>	<u>18,227,122</u>	102%	<u>1,503,077</u>	<u>1,571,087</u>	105%
<b>OPERATING EXPENSES</b>						
Salaries and Wages	404,960	381,943	94%	24,946	33,868	136%
Fringe Benefits	266,536	254,846	96%	19,462	17,774	91%
Purchased Transportation Services	14,014,790	15,496,299	111%	1,176,014	1,555,877	132%
Fuel	2,549,983	1,804,368	71%	212,499	173,881	82%
Other Materials and Supplies	19,440	15,115	78%	1,620	4,851	299%
Professional Services	260,200	130,004	50%	21,683	27,036	125%
Other Services	250,186	209,733	84%	20,849	18,766	90%
Lease and Miscellaneous Expenses	5,999	1,609	27%	500	-	0%
Casualty and Liability Insurance	-	-	N/A	-	-	N/A
Utilities	52,270	47,093	90%	4,356	1,516	35%
Taxes and Licenses	69,748	73,893	106%	5,812	4,756	82%
Interest Expense	-	-	N/A	-	-	N/A
Total Operating Expenses	<u>17,894,112</u>	<u>18,414,902</u>	103%	<u>1,487,741</u>	<u>1,838,324</u>	124%
<b>OPERATING GAIN / (LOSS)</b>	<u>\$ 45,432</u>	<u>\$ (187,780)</u>	N/A	<u>\$ 15,336</u>	<u>\$ (267,238)</u>	N/A

**Finance Committee Information Item #5.B.**

**To:** LYNX Finance & Audit Committee

**From:** Blanche Sherman  
DIRECTOR OF FINANCE  
CRAIG CHARRETTE  
(Technical Contact)

**Phone:** 407.841.2279 ext: 6100

**Item Name:** Monthly Financial Report - August 31, 2016

**Date:** 11/2/2016

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Please find attached the preliminary monthly financial report for the eleven months ending August 31, 2016. LYNX' Statement of Revenues, Expenses, and Changes in Net Assets (Operating Statement) for the eleven months ending August 31, 2016 reflect total revenue earned in the amount of \$109,969,101 and total expenses incurred in the amount of \$104,790,971 resulting in a net operating profit of \$5,178,131.

- Fixed route, Vanpool, and Neighbor Link services resulted in an operating profit of \$5,098,674 for the eleven months of the fiscal year.
- Paratransit services resulted in a profit of \$79,457 for the eleven months of the fiscal year.

**Fixed Route Operations:**

The year-to-date Operating Revenues are 91% of the budgeted amount as of August 2016. Customer fares are 11% lower than the budgeted amount year-to-date due to a decrease in ridership and low gas prices.

Advertising revenue is 120% of the amount budgeted for the month of August 2016 due to a true up in revenues over the guaranteed amount. Advertising year-to-date is 14% lower than the budgeted amount; moreover, advertising is down on a national average, but the guaranteed revenue is being paid monthly. Actual revenues through August 31, 2016, for advertising on buses, shelters, and in-kind (trade) transactions are \$1,080,588, \$507,539, and \$0, respectively. Direct Media's staff continue 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.

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 August 2016, LYNX locked in eighty-one percent (81%) of the total monthly purchases, resulting in the cap

(LYNX locked) prices higher than the future (float) prices. At this time, LYNX is 29% under budget year-to-date. In the month of August LYNX paid an average price of \$1.56 (net) per gallon for diesel fuel and \$1.37 (net) per gallon for bio-diesel, plus fuel hedging losses which is lower than the budgeted price per gallon of \$2.24 (net). The national diesel fuel price for the month of August 2016 was \$2.01 (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 6% and 11% respectively under budget due to various vacancies as of August 31, 2016. Other materials and supplies expenses are 11% under budget. Professional service expenses are 76% under budget due to various planning projects that did not commence in the current fiscal year. Expenditures associated with other services, contract maintenance and other miscellaneous expenses are less than budgeted, with the exception of Taxes and Licensing. This account will be well under budget for fiscal year-end once the IRS Tax rebate for CNG is received.

**Paratransit Operations:**

Paratransit's operational profit is currently \$79,547. Contract Services are on target at 100% of budgeted amount. The year-to-date cost of unleaded fuel is 30% lower than budgeted. During the month of August 2016, LYNX locked in thirty seven percent (37%) 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 \$1.52 (net) per gallon. The national unleaded fuel price for the month of August 2016 was \$1.95 (net). An analysis of year-to-date purchased transportation trips and costs is as follows:

<b>ACCESS LYNX</b>			
<b>FY2016</b>	<b>Trips (Year-to-Date)</b>	<b>Blended Trip Rate</b>	<b>Costs</b>
<b>Actual (with est.)</b>	<b>464,110</b>	<b>\$29.87</b>	<b>\$13,861,121</b>
<b>Budget (rounding)</b>	<b>453,939</b>	<b>\$27.86</b>	<b>\$12,645,334</b>
<b>Trips / Costs Over (Under) Budget</b>	<b>10,171</b>	<b>\$2.01</b>	<b>\$1,275,788</b>

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

	<b>2016</b>	<b>2015</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 30,334,628	41,944,916
Receivables:		
Local, trade and operating assistance	6,365,619	5,177,861
Federal grants	13,961,732	9,222,316
State grants	6,678,424	5,343,470
Inventory	1,861,434	2,132,065
State fuel tax refund	138,550	182,589
Prepaid expenses and other assets	706,196	520,946
	<b>60,046,582</b>	<b>64,524,163</b>
<b>NONCURRENT ASSETS:</b>		
Restricted cash and cash equivalents	14,870,333	2,236,014
Property and equipment:		
Land	8,161,465	8,571,465
Buildings and shelters	93,606,716	96,500,763
BRT Roadway	6,522,100	6,400,454
Revenue vehicles	158,149,257	155,345,474
Furniture, Fixtures & Equipment	39,771,357	37,078,958
Leasehold improvements	205,476	110,109
Total property and equipment	306,416,371	304,007,223
Less: accumulated depreciation	(168,504,434)	(170,900,236)
Construction in progress	23,701,510	12,832,384
	<b>161,613,448</b>	<b>145,939,371</b>
Other assets	6,283,485	234,450
	<b>182,767,266</b>	<b>148,409,835</b>
<b>TOTAL ASSETS</b>	<b>242,813,848</b>	<b>212,933,998</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Pension Contributions	3,315,057	
Accumulated decrease in fair value of fuel hedge instrument	821,949	828,151
	<b>4,137,006</b>	<b>828,151</b>

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

	<b>2016</b>	<b>2015</b>
<b>LIABILITIES AND NET POSITION</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 14,626,063	10,014,397
Accrued salaries and related taxes	1,485,684	1,101,455
Accrued compensated absences, current	4,170,615	3,967,050
Accrued self-insurance liability, current	2,097,048	2,103,398
Leases payable, current	330,123	-
Loans payable, current	813,225	797,282
Unearned operating revenue	5,906,520	5,527,069
Unearned capital	4,276,975	4,014,763
Derivative instrument - fuel hedge	821,949	828,151
Total current liabilities	34,528,201	28,353,565
<b>NONCURRENT LIABILITIES:</b>		
Leases payable, long-term	4,440,501	-
Loans payable	-	813,225
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	3,699,104
Total noncurrent liabilities	9,338,226	6,460,234
Total liabilities	43,866,427	34,813,799
<b>DEFERRED INFLOW OF RESOURCES</b>		
Pension Contributions	1,318,794	-
Accumulated increase in fair value of fuel hedge instrument	-	-
	1,318,794	-
<b>NET POSITION:</b>		
Invested in capital assets, net of related debt	153,394,554	142,740,007
Restricted	-	-
Unrestricted	48,371,080	36,208,343
Total net position	201,765,634	178,948,350
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 245,632,060</b>	<b>\$ 213,762,149</b>

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

	Year to Date			Month of August		
	Budget	Actual	%	Budget	Actual	%
<b>OPERATING REVENUES</b>						
Customer Fares	\$ 27,001,069	24,411,880	90%	\$ 2,455,066	\$ 2,236,464	91%
Contract Services:						
Local Financial Assistance	12,943,270	12,191,478	94%	1,176,661	1,156,637	98%
Other Contractual Services	3,427,330	3,624,255		311,575	362,227	
Advertising	1,906,667	1,672,791	88%	173,333	207,267	120%
Other Operating Income	390,903	357,794	92%	35,537	20,772	58%
Total Operating Revenues	<u>45,669,238</u>	<u>42,258,198</u>	93%	<u>4,152,172</u>	<u>3,983,366</u>	96%
<b>NONOPERATING REVENUES</b>						
Operating assistance grants:						
State of Florida	9,493,934	9,417,588	99%	863,085	856,144	99%
Local	42,584,552	42,642,743	100%	3,873,958	3,869,726	100%
Planning and other assistance grants:						
Federal - Other	15,247,875	13,046,709	86%	1,398,841	1,274,544	91%
State of Florida - Other	3,123,347	2,502,250	80%	291,987	246,556	84%
Local Matching - Other	-	5,815	N/A	-	4,498	N/A
Interest Income	33,379	34,180	102%	3,034	8,568	282%
Gain / (Loss) on Sale of Assets	-	61,618	N/A	-	(11,770)	N/A
Total Nonoperating Revenues	<u>70,483,086</u>	<u>67,710,903</u>	96%	<u>6,430,906</u>	<u>6,248,266</u>	97%
Total Revenues	<u>116,152,324</u>	<u>109,969,101</u>	95%	<u>10,583,078</u>	<u>10,231,633</u>	97%
<b>OPERATING EXPENSES</b>						
Salaries and Wages	42,757,476	40,240,025	94%	3,887,043	3,864,636	99%
Fringe Benefits	24,407,199	21,691,828	89%	2,218,836	2,027,711	91%
Purchased Transportation Services	15,106,874	16,025,072	106%	1,387,898	1,461,148	105%
Fuel	12,438,315	8,812,408	71%	1,130,756	877,018	78%
Other Materials and Supplies	7,593,706	6,749,270	89%	690,337	629,261	91%
Professional Services	4,079,153	1,391,546	34%	380,062	229,782	60%
Other Services	5,296,378	4,634,502	88%	481,489	588,696	122%
Lease and Miscellaneous Expenses	1,088,544	1,004,502	92%	98,959	74,056	75%
Casualty and Liability Insurance	2,044,621	2,445,260	120%	185,875	348,874	188%
Utilities	1,333,357	1,192,410	89%	121,214	111,355	92%
Taxes and Licenses	415,776	490,868	118%	36,938	(8,166)	-22%
Interest Expense	113,921	113,278	99%	10,356	10,484	101%
Total Operating Expenses	<u>116,675,320</u>	<u>104,790,971</u>	90%	<u>10,629,763</u>	<u>10,214,854</u>	96%
<b>OPERATING GAIN / (LOSS)</b>	<u>\$ (522,996)</u>	<u>\$ 5,178,131</u>	N/A	<u>\$ (46,686)</u>	<u>\$ 16,779</u>	N/A

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

	Year to Date			Month of August		
	Budget	Actual	%	Budget	Actual	%
<b>OPERATING REVENUES</b>						
Customer Fares	\$ 25,511,563	\$ 22,644,008	89%	\$ 2,319,656	\$ 2,071,157	89%
Contract Services:						
Local Financial Assistance	12,943,270	12,191,478	94%	1,176,661	1,156,637	98%
Other Contractual Services	-	104,922	N/A	-	5,972	N/A
Advertising	1,906,667	1,672,791	88%	173,333	207,267	120%
Other Operating Income	390,903	357,794	92%	35,537	20,772	58%
Total Operating Revenues	<u>40,752,403</u>	<u>36,970,992</u>	91%	<u>3,705,187</u>	<u>3,461,804</u>	93%
<b>NONOPERATING REVENUES</b>						
Operating assistance grants:						
Federal	-	-	N/A	-	-	
State of Florida	9,493,934	9,417,588	99%	863,085	856,144	99%
Local	34,310,301	34,368,488	100%	3,121,753	3,117,521	100%
Planning and other assistance grants:						
Federal - Other	12,048,327	9,952,135	83%	1,099,121	869,663	79%
State of Florida - Other	3,077,514	2,502,250	81%	287,820	246,556	86%
Local Matching - Other	-	5,815	N/A	-	4,498	N/A
Interest Income	33,379	34,180	102%	3,034	8,568	282%
Gain / (Loss) on the Sale of Assets	-	61,618	N/A	-	(11,770)	N/A
Total Nonoperating Revenues	<u>58,963,454</u>	<u>56,342,074</u>	96%	<u>5,374,814</u>	<u>5,091,180</u>	95%
Total Revenues	<u>99,715,857</u>	<u>93,313,066</u>	94%	<u>9,080,001</u>	<u>8,552,985</u>	94%
<b>OPERATING EXPENSES</b>						
Salaries and Wages	42,377,462	39,891,951	94%	3,852,497	3,832,323	99%
Fringe Benefits	24,160,125	21,454,756	89%	2,196,375	2,003,617	91%
Purchased Transportation Services	2,268,098	2,084,650	92%	211,884	201,923	95%
Fuel	10,100,831	7,181,921	71%	918,257	699,658	76%
Other Materials and Supplies	7,575,886	6,739,006	89%	688,717	629,261	91%
Professional Services	3,840,637	1,288,579	34%	358,379	211,482	59%
Other Services	5,067,041	4,443,535	88%	460,640	569,930	124%
Lease and Miscellaneous Expenses	1,083,045	1,002,892	93%	98,459	74,056	75%
Casualty and Liability Insurance	2,044,621	2,445,260	120%	185,875	348,874	188%
Utilities	1,285,443	1,146,833	89%	116,858	106,573	91%
Taxes and Licenses	351,840	421,731	120%	31,126	(15,431)	-50%
Interest Expense	113,921	113,278	99%	10,356	10,484	101%
Total Operating Expenses	<u>100,268,949</u>	<u>88,214,393</u>	88%	<u>9,129,422</u>	<u>8,672,750</u>	95%
<b>OPERATING GAIN / (LOSS)</b>	<u>\$ (553,092)</u>	<u>\$ 5,098,673</u>	N/A	<u>\$ (49,422)</u>	<u>\$ (119,766)</u>	N/A



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

	Year to Date			Month of August		
	Budget	Actual	%	Budget	Actual	%
<b>OPERATING REVENUES</b>						
Customer Fares	\$ 1,489,506	\$ 1,767,872	119%	\$ 135,410	\$ 165,308	122%
Contract Services:						
Local Financial Assistance	-	-	N/A	-	-	N/A
Other Contractual Services	3,427,330	3,519,334	103%	311,575	356,255	114%
Advertising	-	-	N/A	-	-	N/A
Other Operating Income	-	-	N/A	-	-	N/A
Total Operating Revenues	<u>4,916,835</u>	<u>5,287,206</u>	108%	<u>446,985</u>	<u>521,563</u>	117%
<b>NONOPERATING REVENUES</b>						
Operating assistance grants:						
Federal	-	-	N/A	-	-	N/A
State of Florida	-	-	N/A	-	-	N/A
Local	8,274,251	8,274,255	100%	752,205	752,205	100%
Planning and other assistance grants:						
Federal - Other	3,199,547	3,094,575	97%	299,721	404,881	135%
State of Florida - Other	45,833	-	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>11,519,632</u>	<u>11,368,830</u>	99%	<u>1,056,092</u>	<u>1,157,086</u>	110%
Total Revenues	<u>16,436,467</u>	<u>16,656,035</u>	101%	<u>1,503,077</u>	<u>1,678,649</u>	112%
<b>OPERATING EXPENSES</b>						
Salaries and Wages	380,014	348,074	92%	34,547	32,313	94%
Fringe Benefits	247,074	237,072	96%	22,461	24,094	107%
Purchased Transportation Services	12,838,776	13,940,422	109%	1,176,014	1,259,225	107%
Fuel	2,337,484	1,630,487	70%	212,499	177,360	83%
Other Materials and Supplies	17,820	10,264	58%	1,620	-	0%
Professional Services	238,517	102,968	43%	21,683	18,300	84%
Other Services	229,337	190,967	83%	20,849	18,766	90%
Lease and Miscellaneous Expenses	5,499	1,609	29%	500	-	0%
Casualty and Liability Insurance	-	-	N/A	-	-	N/A
Utilities	47,914	45,577	95%	4,356	4,782	110%
Taxes and Licenses	63,936	69,137	108%	5,812	7,265	125%
Interest Expense	-	-	N/A	-	-	N/A
Total Operating Expenses	<u>16,406,371</u>	<u>16,576,578</u>	101%	<u>1,500,341</u>	<u>1,542,104</u>	103%
<b>OPERATING GAIN / (LOSS)</b>	<u>\$ 30,096</u>	<u>\$ 79,457</u>	N/A	<u>\$ 2,736</u>	<u>\$ 136,545</u>	N/A