

LYNX Audit Committee Agenda



Board Date: 5/23/2013
Time: 10:30 AM

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

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

1. Call to Order

2. Approval of Minutes

-  Minutes from the Audit Committee Meeting April 11, 2013 Pg 2

3. Audit Agenda Items

- A.  Paratransit Cost Containment Options Pg 10
 - Attachment 
- B.  Service Development Process - Use of LYNX Reserves Pg 22

LYNX
Central Florida Regional Transportation Authority
Audit Committee Meeting Minutes

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

DATE: April 11, 2013

TIME: 10:30 a.m.

Members in Attendance:

Seminole County Commissioner, Carlton Henley, Chairman
FDOT District 5, Intermodal Systems Development Manager, Susan Sadighi
Orange County, Office of Regional Mobility, Jim Harrison
City of Orlando, Transportation Policy Advisor, Christine Kefauver
Osceola County, Transportation Planning, Tiffany Homler

Members Absent:

Osceola County Commissioner, Frank Attkisson
FDOT District 5 Secretary, Noranne Downs

1. Call to Order

The Chairman, Commissioner Carlton Henley, called the meeting to order at 10:30 a.m.

2. Approval of Minutes

The Chairman asked the Committee if there were any additions or deletions to the January 31, 2013 as presented.

A correction was noted: Commissioner Carlton Henley, Chairman, called the January 31, 2013 meeting to order.

Motion was made and seconded to approve the Minutes of the January 31, 2013 Audit Committee meeting as corrected. The motion passed unanimously.

3. Audit Agenda Items

A. Transportation America Discussion

The Chairman recognized Bill Hearndon, Manager of Paratransit, for presentation.

Mr. Hearndon noted that Transportation America, the provider of the non-core paratransit service, notified LYNX in July 2012, they were experiencing significant financial losses. At that time, they requested LYNX consider allowing the core service provider, MV Transportation, to provide overflow work. In addition, they requested to purchase their fuel directly from LYNX. These efforts began in early September 2012.

In October 2012, which was the beginning of the second Contract year with Transportation America, the per trip rate changed from \$34.08 to \$28.72 further increasing their losses. At that time, Transportation America requested that the first year rates be maintained throughout the term of the Contract and allow their operations to be relocated to LYNX' South Street facility. Given these concerns, LYNX began discussions with MV Transportation to determine if they would be willing to provide the non-core service should Transportation American elect to cancel their Contract.

On January 7, 2013, Transportation American officially requested to either (1) maintain the year one per trip rate, or (2) to terminate the Contract for convenience offering to pay LYNX a \$200,000 mitigation payment. Staff determined that option (1) would be a cardinal change to the Contract terms and conditions and option (2) was the better option although more costly to LYNX by terminating the Contract with Transportation America, accepting the \$200,000 mitigation payment, and enter into a contract amendment with MV Transportation to assume the non-core paratransit services pending Board approval.

John Lewis, LYNX' Chief Executive Officer, provided that at the Board of Directors' meeting in January, the Board authorized the CEO to negotiate the transition from Transportation America to MV Transportation. The transition occurred March 30th. The providers have worked out the operational issues surrounding the transition. Staff will be taking the ratification of the changes to the providers' Contracts to the Board.

Discussion ensued regarding the per trip rate increase in Transportation America's Contract effect on their ability to provide LYNX' service levels. In addition, the Committee discussed the transition's approximate \$80,000 net cost to LYNX for 2013 and approximately \$1.4 million for the balance of the Contract term (about 3 ½ years).

Without objection, the Audit Committee recommended the Board's ratification of exercising the non-core options in the Contract with MV Transportation.

B. Presentation on the Annual Financial Audit and Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ending September 30, 2012

The Chairman recognized Blanche Sherman, Director of Finance, for presentation.

Ms. Sherman introduced Mr. Ron Conrad, partner with the firm of Cherry, Bakeart & Holland, to present the results of the annual financial audit and CAFR.

Mr. Conrad reviewed the sectional contents of the Comprehensive Annual Financial Report:

- Introduction including management discussion and analysis
- Financial including report of independent auditor
- Statistics including trends and analysis
- Single Audit including grant testing for State and Federal purposes

He then reviewed the Disclosures contained in the report:

- Capital Leases. Payments / obligations of the 21 bus lease.
- Loans Payable. SIB Loan payments.
- Fuel Hedge Swap. Detailing fuel purchases.
- Other Post-Employment Benefits. Actuarial calculations.

Mr. Conrad stated that LYNX received a "clean opinion".

He noted the Management Letter includes a comment regarding the preparation of the National Transit Database (NTD) Report.

C. Overview of the FY2013 Amended Operating and Capital Budgets

The Chairman recognized Blanche Sherman, Director of Finance, for presentation.

Ms. Sherman reported that since approval of the FY2013 Operating and Capital Budgets, staff has requested approval of amendments to include service changes, new and amended contracts and projects, human service agency sub-recipient agreements and vehicle purchases. .

Key Operating Budget Amendment Basis:

- Additional Job Access and Reverse Commute (JARC) and New Freedom Grant Programs
- Alternative Analysis (AA) Studies Transfer from Capital
- ARRA Funds for Paratransit Capital Cost of Contracting
- JARC/NF Awards to Human Service Agencies

Key Capital Budget Amendment Basis:

- Alternative Analysis (AA) Studies Transfer to Operating
- SunRail Vehicle Purchases
- LYNX Transit Bus Purchases
- LYMMO Rehabilitation

Staff is requesting the Boards' approval of this amendment and formally amending the Operating and Capital Budgets in the amount of \$119,851,134 (3.8% increase) and \$105,031,248 (6.84% increase), respectively.

D. FY2014 Preliminary Budget Discussion

The Chairman recognized Blanche Sherman, Director of Finance, for presentation.

After review of the Revenue and Expense key budget assumptions, Ms. Sherman provided a comparison of the FY2014 Operating Budget and the Amended FY2013 Operating Budget.

	FY2013 <u>Amended</u>	FY2014 <u>Preliminary</u>	<u>% of Change</u>
Op Revenue	\$119,851,134	\$124,796,817	4.1%
Op Expenses	119,851,134	124,796,817	4.1%

The Committee discussed the savings realized from utilization of NeighborLink services. Staff was requested to quantify the savings and provide the information to the Committee.

Discussed ensued regarding the inclusion of assumptions of a budgetary impact from 6 months of SunRail operations and some revenue sharing. Ms. Sherman stated that the assumptions considered for the Preliminary FY2014 Operating Budget was based on the Amended FY2013 Budget; however, it was assumed and that revenues from SunRail passengers would off-set the costs of additional ridership. The Committee discussed the funding FDOT provided for twelve SunRail feeder buses.

Discussion ensued regarding repairs and maintenance of revenue vehicles, 2010 emissions regulations, MAP 21 requirements for State of Good Repair for facilities and LYNX must certify that it is not only conducting preventative maintenance on vehicles but facilities and federally funded property. The Committee also discussed the impact of maintaining paratransit vehicles due to assuming their ownership. Staff provided the paratransit vehicles are maintained by the contractor, MV Transportation.

The Committee discussed the potential for increased insurance costs based on potential legislative changes in Sovereign Immunity laws. Mr. Lewis noted staff will bring an update after the Legislative session on the effects of changes.

Discussion ensued regarding the Operating “Miscellaneous” Expense line item. The Committee requested staff provide details of the included expenses.

Ms. Sherman provided a breakdown of FY2014 Local Revenue by Jurisdiction.

	FY2013 <u>Amended</u>	FY2014 <u>Preliminary</u>	<u>% of Change</u>
Orange County	\$33,583,056	\$35,644,169	6%
Osceola County	4,554,824	5,776,072	27%
Seminole County	4,083,948	5,920,884	45%
City of Orlando	3,482,292	3,864,624	11%
City of Orlando-LYMMO	<u>1,231,575</u>	<u>1,883,055</u>	<u>53%</u>
Total Local Funds	\$46,935,695	\$53,088,804	13%
Cities, Other Agencies & Private	785,761	537,995	-32%
Sub-Total	\$47,721,456	\$53,626,799	12%
Capital Contributions	<u>(1,005,094)</u>	<u>2,113,746</u>	<u>-31%</u>
TOTAL	\$46,716,362	\$55,740,545	19%

The Chairman recognized Mr. Randy Singh, Orange County, Manager, Office of Management & Budget. Mr. Singh requested clarification of revenue from Orange County in FY2013 and the contribution projected in FY2014.

Mr. Singh noted that projected revenue from some jurisdictions was significantly increased. He asked what systems are in place if a jurisdiction is unable to pay the level of increase. Ms. Sherman responded that each jurisdiction had made a commitment to fund the increase; however, if they do not, LYNX would examine the option of utilizing reserves as well as look for other revenue sources. Mr. Singh expressed concern that reserve funds are not identified as to which funding partner contributed to the reserved funds. He asked in the case funding partner(s) cannot pay the level of increase, will the matter come back to the Audit Committee for conversation to manage reserves. Mr. Lewis stated there are multiple options to cover the shortfall should that occur 1) fare increase, 2) reduction in service to meet the afforded levels, 3) utilize reserves. Mr. Singh pointed out that a funding partner should not be incentivized for not paying the calculated amount of service by going to reserves to make up the shortfall. He stated a fair process should be in place in order that no partner is unfairly treated or a partner is not subsidizing another. The Chairman noted that he supported Mr. Singh’s comment and that the partners review the amount of service each receives for the contribution.

The Chairman recognized Tiffany Homler. Ms. Homler stated that Osceola County was supportive of LYNX conducting a Comprehensive Operation Analysis (COA) and asked how the results or recommendations of the study play into the budget process. While the COA will not be complete, Mr. Lewis

estimated that by mid-summer LYNX will know if there are significant recommendations available from the study, there will be an opportunity for the recommendations to be addressed prior to reaching a final budget recommendation to the funding partners.

The Chairman again recognized Mr. Singh. Mr. Singh stated that procedural language should be included in Funding Agreements to address funding shortfalls and remedies.

In closing, Ms. Sherman reviewed the Budget calendar:

- | | |
|---|--------------|
| • Presentation to LYNX Board | April 11 |
| • Funding Request Letters Submitted to Funding Partners | April / May |
| • Budget Presentation Osceola & Orange Counties | June / July |
| • Budget Presentation Seminole County | August |
| • Final Board Action | September 19 |
| • Budget Year FY2014 Commences | October 1 |

4. Review of Board Package

The Chairman recognized John Lewis, Chief Executive Officer, to provide an overview of items that will come before the Board.

Mr. Lewis requested the following Board Agenda changes:

- 1) Move Consent Agenda Item 6.D.i Authorization to Ratify the Termination of Contract #12-C01 with Transportation America for Non-Core Paratransit Services to the Action Agenda;
- 2) Move Consent Agenda Item 6.D.xvi Authorization to Submit FY2014/2015 Service Development Grant Proposals to the Florida Department of Transportation (FDOT) and the Authority to Execute Upon Notification of Funding by Resolution No. 13-004 to the Action Agenda for the potential of removing Orange and Osceola County from the action as the long-term funding from the funding partners has not been identified

Chairman Henley provided that in recognition of the recent discussions regarding FlexBus, he requested staff to prepare some information for each of the Committee members in order for there to be a better understanding of LYNX' commitment to the project. The Chairman noted that LYNX had not committed to implementing or paying for the system.

The Chairman recognized Mr. Lewis to provide an overview of the information on the project:

- 1) Memorandum of Understanding
- 2) Correspondence
- 3) Grant Agreements

Mr. Lewis noted that staff has not received a final cost estimate from the consultant on the operation of the system; however, several documents from previous studies are being provided which outline the potential cost.

The Chairman noted that the operating cost outlined in the previous studies does not include the purchase by the participating Cities for some number of additional vehicles.

The Chairman provided that while LYNX' Board authorized staff to release a Request for Proposal (RFP) for the software and equipment component of the system on January 31, 2013, the RFP has not been released. Staff explained that it could not be released until the final information from the consultant is received.

Mr. Lewis pointed to a language on Page 3, Item 4, Memorandum of Understanding, signed by all of the FlexBus Partners and dated November 28, 2011, which states "Nothing contained in this Memorandum will obligate any party including LYNX to incur any cost or expenses or any commitment to provide any additional funding." He stated that LYNX is committed to complete the technology pilot that the grant funds at which time the Partners can evaluate the manner in which they want to move forward. LYNX has put forward a model, NeighborLink, which could potentially be operated; however, the Partners have indicated they are not interested in that model of service. With that, LYNX' role in the future operation of the FlexBus service will be as a resource to provide the technology and any expertise we can give in their setting up that transit system that they would then operate.

The Chairman noted that the software designed to operate the FlexBus system could be utilized for the NeighborLink system; however, several of the FlexBus partners expressed the funds they provided was not intended for the NeighborLink system.

The Committee asked for clarification from staff on a comment by Dr. Fogelson at the MetroPlan Orlando meeting on April 10th, regarding a presentation. Mr. Lewis provided that LYNX staff made a presentation to MetroPlan's Citizen Advisory Committee (CAC) on January 23, 2013. The schedule of the pilot and the technology aspect was contained within the presentation and that perhaps the Committee drew the conclusion that the implementation of the pilot has been scheduled so, therefore, LYNX had always contemplated funding it. Mr. Lewis noted that LYNX had not or could not make a commitment until each of the funding partners had taken an action and an action was taken by the LYNX Board of Directors.

The Chairman recognized Mr. Lewis to discuss LYNX' service development grant process. The current process begins when LYNX receives funding notification which occurs after the beginning of the fiscal year. Once the notification is received, staff attempts to locate projects and approach the funding partners seeking their commitment. What staff is considering is creating a process similar to last

years' service enhancements whereby staff would come to the funding partners during the budget cycle and seek the partners' priorities. Knowing the priorities, staff could begin to study what the service would look like and what the cost associated with it would be. Then when the funding is made available, the priorities are known. Mr. Lewis recommended that staff be permitted to utilize reserves to fund years 1 and 2. This would allow for leveraging the 50% contribution from FDOT. This process provides the funding partners 2 years to consider and prepare the budget. LYNX' reserve policy and the funding agreements with the partners' permits a 2% change without requiring written authorization from the partners. Staff will begin having conversations with each of the partners on a proposal and bring it back to the Audit Committee for consideration.

The meeting adjourned at 11:51 p.m.

Audit Committee Agenda Item #2.A

To: LYNX Board of Directors

From: Blanche Sherman
DIRECTOR OF FINANCE
William Hearndon
(Technical Contact)

Phone: 407.841.2279 ext: 6100

Item Name: Paratransit Cost Containment Options

Date: 5/23/2013

ACCESS LYNX ridership along with Medicaid reform information and options to control costs are outlined in the attached PowerPoint presentation.

You may recall during the August 2012 Board of Directors meeting, staff requested authorization to increase the not to exceed amount of the Core Paratransit Services Contract by \$2.6M to accommodate increased trip demand beyond initial RFP projections. The projections were based on an average 3% ridership increase annually. Calendar Year 2012 experienced an increase of 5.96% over Calendar Year 2011.

Several cost containment efforts are already in place and LYNX is reviewing additional cost containment efforts that will be discussed in more detail at the Audit Committee meeting. Some of the current cost containment efforts include:

- NeighborLink services
- Reduced fare program for elderly and disabled
- Complimentary travel training

Other cost containment options that could be considered include:

- Reduced fixed route fare for eligible paratransit customers
- Additional NeighborLink routes
- Reduce ADA services to minimum Federally mandated requirements
- No longer provide Medicaid Non-Emergency Transportation (NET) trips

Upcoming Medicaid changes will have an impact on the level of trips provided since 44.0% of all trips provided during calendar year 2012 were Medicaid trips. Medicaid reform begins in August 2013 and must be completed by April 2015.

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LYNX needs to determine its future role in providing Medicaid NET services. Moving away from that role requires a 90-day written notice to the Florida Commission for the Transportation Disadvantaged.

Staff recommends the consideration of reduced fares and the evaluation of continuing to provide Medicaid NET services.

Staff seeks the Committee's direction for consideration of cost containment options.

Paratransit Ridership Increases and Cost Containment Options

LYNX Audit Committee

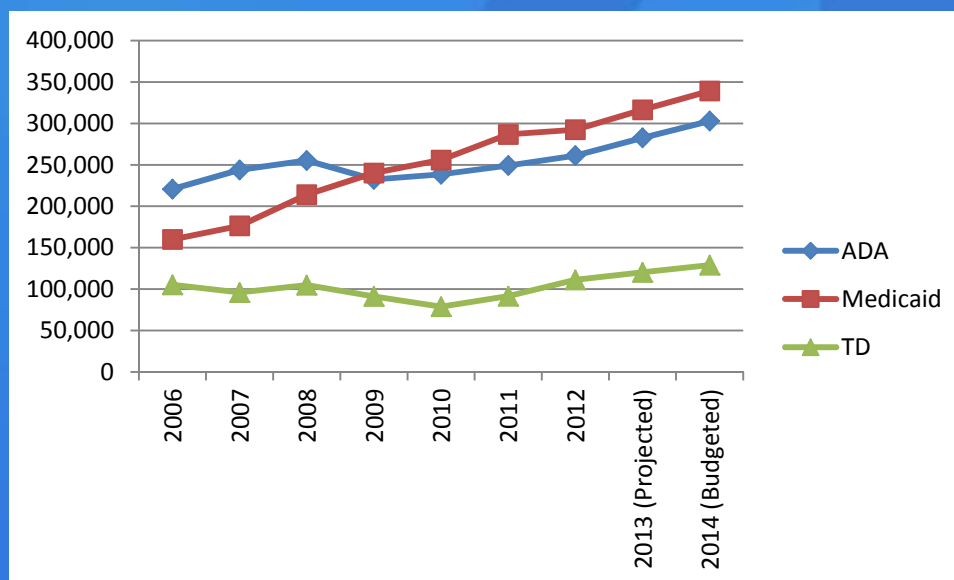
May 23, 2013



Ridership Overview

Calendar Year 2012, ridership increased by 5.96%

Calendar year 2013 and 2014 ridership projections are estimated to increase by 8.21% and 7.18%



Paratransit Ridership Trends

Calendar Year	ADA	Medicaid	TD	Total	Change	2 Year Change
2006	220,657	159,907	105,158	485,722	N/A	N/A
2007	243,851	176,388	95,923	516,162	6.27%	N/A
2008	255,255	213,997	104,796	574,048	11.21%	18.18%
2009	232,359	240,191	91,186	563,736	-1.80%	9.22%
2010	238,535	255,833	78,838	573,206	1.68%	-0.15%
2011	249,194	286,733	91,487	627,414	9.46%	11.30%
2012	261,177	292,496	111,159	664,832	5.96%	15.98%
2013 (Projected)	282,623	316,514	120,287	719,424	8.21%	14.66%
2014 (Budgeted)	302,913	339,237	128,922	771,072	7.18%	15.98%

Calendar Year	ADA	Medicaid	TD	Total
2006	N/A	N/A	N/A	N/A
2007	10.51%	10.31%	-8.78%	6.27%
2008	4.68%	21.32%	9.25%	11.21%
2009	-8.97%	12.24%	-12.99%	-1.80%
2010	2.66%	6.51%	-13.54%	1.68%
2011	4.47%	12.08%	16.04%	9.46%
2012	4.81%	2.01%	21.50%	5.96%
2013 (Projected)	8.21%	8.21%	8.21%	8.21%
2014 (Budgeted)	7.18%	7.18%	7.18%	7.18%



Cost Containment Options

- ✓ Customer incentives for eligible paratransit customers
 - Reduced fare for fixed route and NeighborLink

FY2012 National Transit Database (NTD) Cost Per Trip

<u>Service Options</u>	<u>Cost Per Trip</u>
Fixed Route	\$ 3.07
NeighborLink	\$10.30
ACCESS LYNX	\$34.18

- Bus Buddy Program
 - Requires the development of a database and staff time, no additional costs



Cost Containment Options

- ✓ Provide picture ID's to ensure eligible customers are riding:
 - Eight highest density paratransit ridership areas
 - Objective is to gain efficiencies
 - The MDT will verify the validity of the ID for eligible clients

- ✓ Additional NeighborLink routes
 - Eight highest density paratransit ridership areas
 - Bus Stop Inventory System
 - Less Operating Cost



Cost Containment Options

Fixed Route Compared to NeighborLink (NL)

Service Area	Fixed Route	Fixed Route Costs	NL	NL Costs	Cost Savings
Buena Ventura	Link 12	\$ 499,000	NL- 631	\$ 159,586	\$ (339,414)
Ocoee	Link 27	679,568	NL- 611	191,504	(488,064)
Bithlo	Link 32	255,480	NL- 621	191,504	(63,976)
Williamsburg	Link 43	877,845	NL- 641	191,504	(686,341)
Oveido	Link 47	695,599	NL- 622	191,504	(504,095)
Winter Garden	Link 53	<u>349,073</u>	NL- 612	<u>191,504</u>	<u>(157,569)</u>
		<u>\$ 3,356,564</u>		<u>\$ 1,117,106</u>	<u>\$ (2,239,458)</u>



Cost Containment Options

- ✓ Four types of eligibility
- ✓ Focus on conditional eligibility

	Customers		Average Weekday Trips	
Unconditional	10,503	58.6%	1,010	45.7%
Conditional	2,120	11.8%	329	14.9%
Temporary	213	1.2%	29	1.3%
Visitor	40	0.2%	3	0.1%
Unknown	5,053	28.2%	838	37.9%
Total	17,929		2,209	

- Approximately 46% of new paratransit applicants are conditionally eligible, and take **15% of total trips** (9% ADA and 6% Medicaid), which is approximately **\$3.6 million savings**, assuming the total 15% transferred from paratransit to fixed route.
- ✓ On average 239 of our 2,209 average weekday trips are for conditionally eligible customers



Cost Containment Options

- ✓ Medicaid enforcement of closest facility
- **Reduction in Revenue Hours**
- ✓ No longer provide Medicaid trips
- LYNX receives \$500,474 monthly, approx. \$6 million annually, and is currently anticipated a shortfall of approximately \$3.2 million for FY2014.
- **Reduction in trip cost \$7,667,668 and reduction in Federal revenue \$1,201,397**



Cost Containment Options

- ✓ Reduce ADA service to $\frac{3}{4}$ mile for fixed route, including days and times of the fixed route
 - Only about 11.4% of total ADA trips are outside the $\frac{3}{4}$ mile range
 - About 4.48% of all trips (ADA, Medicaid, & TD) are outside the $\frac{3}{4}$ mile range
 - Reduction in trip cost \$924,985 and reduction in Federal revenue \$149,878
- ✓ Reduce Taxi Usage
 - Limit to 1% of contract will provide a \$132,774 in annual savings
 - Eliminate use of taxi will provide a \$285,412 in annual savings



Summary

Cost Containment Options

Paratransit Cost Containment Items	Financial Impact
Customer incentives- reduced fares	lower cost per trip
Customer incentives- Buddy Program	no additional costs
Provide picture ID's to ensure eligibility	gain efficiencies & validity of eligible clients
Additional NeighborLink routes	gain efficiencies in highest density ridership areas, lower trip costs
Focus on conditional eligibility	\$3,600,000 in savings assuming 15% transferred to fixed route
Medicaid closest facility enforcement	reduction In revenue hours
Medicaid trips no longer provided	\$7,667,668 reduction in trip cost and \$1,201,397 in Federal revenue
Reduce ADA service to 3/4 Mile	\$924,985 reduction in trip cost and \$149,878 in Federal revenue
Reduce taxi usage to 1%	\$132,774 in annual savings with a 1% contract limit
Eliminate taxi usage	\$285,412 in annual savings



Audit Committee Agenda Item #2.B

To: LYNX Board of Directors

From: **John Lewis**
CHIEF EXECUTIVE OFFICER
Blanche Sherman
(Technical Contact)
Stuart Boggs
(Technical Contact)

Phone: 407.841.2279 ext: 6017

Item Name: Service Development Process - Use of LYNX Reserves

Date: 5/23/2013

ACTION REQUESTED:

Adoption of an annual process for identifying and selecting candidate transit routes for FDOT's Service Development Grant Program

BACKGROUND:

Currently, the Florida Department of Transportation (FDOT) undertakes an annual grant solicitation under their Service Development Grant (SDG) Program. This grant program is designed to provide start-up funding for new public transit projects that provide new or innovative techniques to improve system efficiencies, ridership, or revenues. Due to the short application period (six weeks from notice of grant availability to application deadline) for these grants, LYNX staff find it challenging to engage in effective outreach with potential local funding partners and must rely to a great extent on the service and corridor recommendations of the Transit Development Plan (TDP) to define routes that could be eligible for funding under the program. This results in route requests that have not been completely vetted through the local funding partners.

PROPOSED PROCESS:

To address these issues, Staff is proposing the development and adoption of a joint process with our agency partners that would allow for the identification and prioritization of candidate corridors that would subsequently form the basis for future SDG requests.

- Each summer, the LYNX Planning Department would work with representatives of our partner jurisdictions to identify the community's top three (3) priority corridors.
- The starting point of this discussion would be the adopted TDP. LYNX staff would work with each local jurisdiction to identify their top three funding priorities in the TDP.

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- LYNX' Planning staff will kick off the annual process with Regional Working Group representatives to jointly discuss jurisdictional priorities that may be locally, or regionally, significant. This will afford early joint coordination with FDOT staff on funding availability in the state work program,
- Based on identified jurisdictional priorities, LYNX Service planning will develop service plan options for review with jurisdiction staff.
- LYNX' Finance staff will work with jurisdictions on future funding allocations as they impact jurisdictional regional model contributions.
- Presentations with the respective Boards will be conducted and Board resolutions will be requested for adoption as the Board staff will permit.
- The following spring, when FDOT issues a call for applications, the top priority for each local jurisdiction would be included in the grant request forwarded by LYNX.

To provide a local match for these requests, LYNX would utilize operating reserve funds to provide the local contribution for these routes for the first two years of the grant. In year three, the served jurisdiction would then assume funding responsibility for the route.

The use of operating reserve for the local match would be capped at \$1,000,000 for the two year period. This would allow time for the jurisdictions to address the operating fund requirements through their annual budget process for year three.

This process is being presented for discussion. LYNX' staff are seeking direction from the Audit Committee regarding moving this forward for consideration and action by the LYNX Governing Board at the July meeting.

FISCAL IMPACT:

The anticipated use of LYNX' operating reserves as a local match in the amount of \$1,000,000 represents less than 1% of LYNX' annual operating budget.