

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Years Ended
September 30, 2021 and 2020

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY



ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the

**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY d/b/a
LYNX**

**FOR YEARS ENDED
SEPTEMBER 30, 2021 AND 2020**

PREPARED BY THE FINANCE DEPARTMENT

Leonard Antmann, Chief Financial Officer
Michelle Daley, Director of Finance

LYNX® BOARD OF DIRECTORS



Chair
Buddy Dyer
CITY OF ORLANDO
MAYOR



Vice-Chair
Jerry Demings
ORANGE COUNTY
MAYOR



Secretary
Jared Perdue
FDOT DISTRICT 5
SECRETARY



Lee Constantine
SEMINOLE COUNTY
COMMISSIONER



Viviana Janer
OSCEOLA COUNTY
COMMISSIONER

LYNX® EXECUTIVE MANAGEMENT



James E. Harrison, ESQ., P.E.
CHIEF EXECUTIVE
OFFICER



Leonard Antmann
CHIEF FINANCIAL
OFFICER



Tiffany Homler Hawkins
CHIEF ADMINISTRATIVE
OFFICER



William John Slot
CHIEF INNOVATION &
SUSTAINABILITY
OFFICER



Dana Baker
CHIEF OPERATIONS
OFFICER



**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

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**CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY d/b/a
LYNX**

BOARD OF DIRECTORS

Mayor Buddy Dyer	Chairman, City of Orlando
Mayor Jerry Demings	Vice-Chairman, Orange County
FDOT District 5 Secretary, Jared Perdue	Secretary, FDOT
Commissioner Lee Constantine	Board Member, Seminole County
Commissioner Viviana Janer	Board Member, Osceola County

LYNX EXECUTIVE STAFF

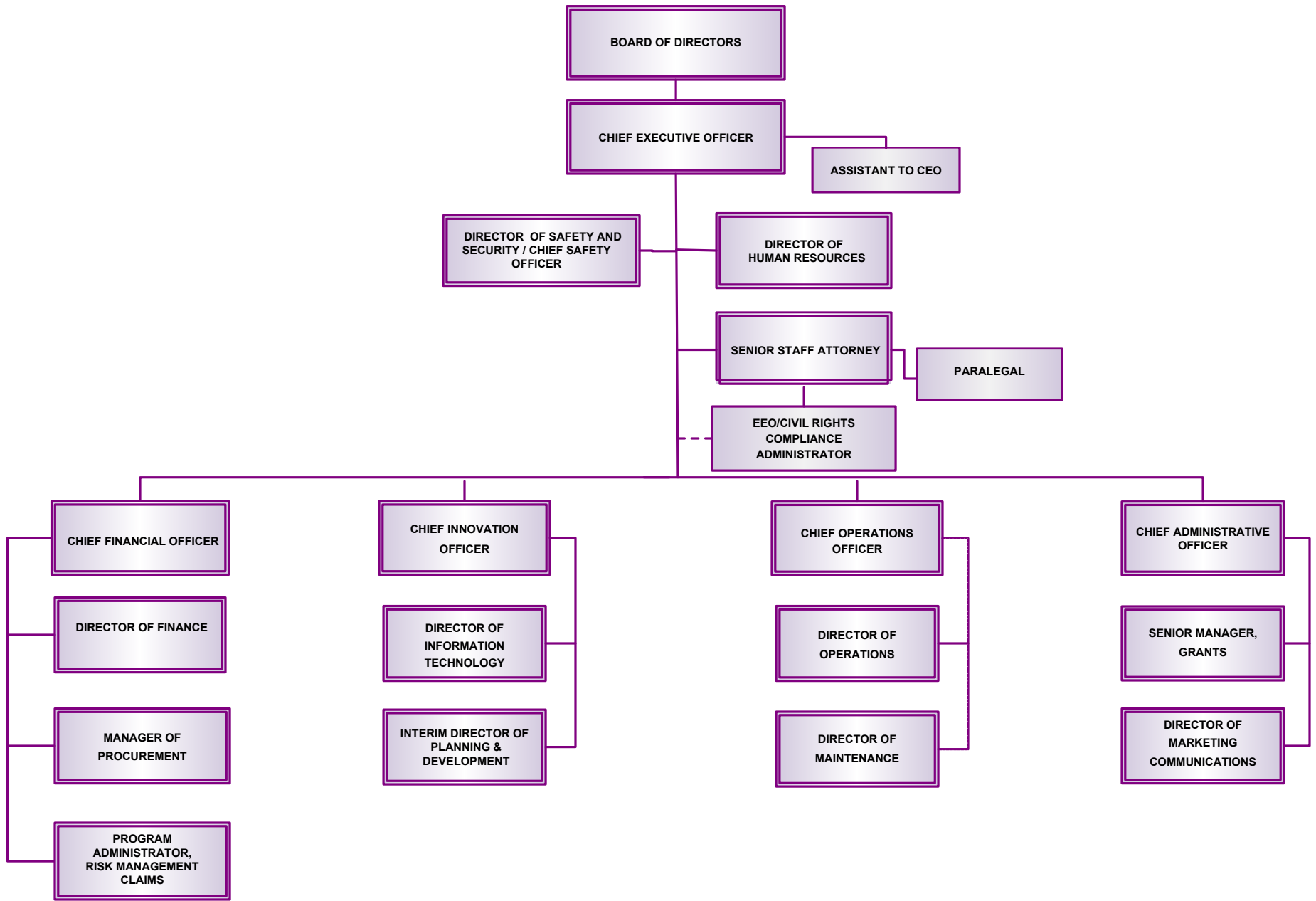
James E. Harrison	Chief Executive Officer
Leonard Antmann	Chief Financial Officer
Tiffany Homler Hawkins	Chief Administrative Officer
William John Slot	Chief Innovation Officer
Dana Baker	Chief Operating Officer

DEPARTMENT HEADS

Michelle Daley	Director of Finance
Bruce Detweiler	Interim Director of Planning & Development
Terri Settingington	Director of Human Resources
Craig Bayard	Director of Information Technology
Matt Friedman	Director of Marketing Communications
Elvis Dovalos	Director of Maintenance
Norman Hickling	Director of Operations

FINANCE DIVISION

Warren Hersh, CPA	Comptroller
Christopher Plummer, CPA	Senior Manager of Financial Reporting & Business Analysis
Nancy Navarro	Manager of Financial Reporting
Vacant	Manager of Financial Planning & Budgets
Irene Feliciano	Supervisor of Payroll & Accounts Payable
Patty Dolan	Supervisor of Revenue Control
Aida Diaz	Senior Accountant
Luis Buitrago	Senior Accountant
Shala Rowls	Accountant
Mariana Sanchez	Accountant
Mick Whitney	Accountant
Maurice Shorts	Accountant
Joyce Larson	Data Analyst
Vivian Revis	Financial Analyst
Edward Velez	Property Officer
Ismael Cruz	Accounting Technician
Andrew O'Neil	Accounting Technician
Andrea Boyd	Accounting Technician
Tyler Betts	Accounting Technician



LYNX ORGANIZATIONAL CHART
September 30, 2021



March 10, 2022

To the Governing Board of the Central Florida Regional Transportation Authority d/b/a LYNX:

The Annual Comprehensive Financial Report (ACFR) of the Central Florida Regional Transportation Authority d/b/a LYNX for the fiscal year ended September 30, 2021 is hereby submitted for your review.

This ACFR, prepared by LYNX's Finance Team contains financial statement and statistical data which detail material transactions and operating activities within the Authority. The Management Discussion and Analysis (MD&A), annual financial statements, supplemental schedules, and associated statistical information are representations by LYNX management. Authority management bears responsibility for this report's contents, precision, and completeness. In conformance with accounting principles generally accepted in the United States, this report was prepared on the accrual basis of accounting, treating the Authority as a single enterprise fund. The ACFR disseminates accurate, concise, and actionable financial information to the Governing Board, citizens of central Florida, and all other interested parties.

The MD&A follows the Report of Independent Auditor and provides a narrative introduction, overview, and analysis of LYNX's financial statements. The MD&A complements this transmittal letter and should be read in conjunction with it.

This ACFR is presented in the following four sections:

- The **INTRODUCTORY SECTION** contains a title page, a table of contents, a list of the Principal Officials, this Letter of Transmittal, the Authority's current organizational chart, and a Certificate of Achievement for Excellence in Financial Reporting. This section is intended to acquaint the reader with the organizational structure, the scope of the services the Authority provides, and a summary of the financial activities including material factors influencing the aforementioned activities;
- The **FINANCIAL SECTION** includes the MD&A, the Report of Independent Auditor, the Authority's comparative financial statements, and notes to the financial statements;
- The **STATISTICAL SECTION** includes selected financial, economic, and demographic information presented on a multi-year basis and is used to determine trends for comparative fiscal year purposes; and;
- The **SINGLE AUDIT SECTION** includes supplemental schedules, internal control reports, and compliance reports as required by federal and state regulations.

REPORTING ENTITY

The Central Florida Regional Transportation Authority (CFRTA) was created in 1989 pursuant to Section 343.63, Florida Statutes. This legislation was amended in 1993, allowing the CFRTA to assume the operations of the former Central Florida Commuter Rail Authority and provide an opportunity to merge with the local transportation provider, Orange-Seminole-Osceola Transportation Authority (OSOTA) d/b/a LYNX. The legislation created a one-stop public transportation entity within Central Florida using the “doing business as” designation: LYNX. Through formal action by both the CFRTA and OSOTA Board of Directors, the merger of the two organizations was ratified March 1994 and became effective October 1, 1994.

LYNX provides public transportation services to the general public within the Orlando, Florida metropolitan area; a region which includes Orange, Seminole, and Osceola counties. LYNX also offers limited out-of-county flexible and fixed-route service to Polk and Lake counties. LYNX provides transportation alternatives in the form of fixed-route, bus rapid transit (BRT), neighborhood circulator, paratransit, and vanpool services.

A five-member Governing Board serves LYNX. The members of the Governing Board are as follows: one Commissioner from Osceola County, one Commissioner from Seminole County, the Mayor of the City of Orlando (or appointed designee), the Mayor of Orange County (or appointed designee), and a representative of the Florida Department of Transportation (FDOT). Each serves a term as designated by Section 343.63, Florida Statutes. The Board of Directors typically meets monthly on the fourth Thursday to conduct the business of the Authority.

Responsibility for managing the administration and operations of LYNX resides with the Chief Executive Officer (CEO). Assisting the CEO is a senior management group comprised of a Chief Financial Officer, Chief Administrative Officer, Chief Operating Officer, and Chief Innovation Officer who all support the executive office, as well as a Senior Staff Attorney and nine (9) directors. These nine directors are responsible for providing guidance and oversight to the following departments: Vehicle Maintenance, Transportation, Mobility Services, Human Resources, Information Technology, Marketing/Communications, Planning and Development, Safety and Security, and Finance.

For purposes of defining the reporting entity, LYNX is an Independent Special District of the State of Florida.

ECONOMIC CONDITION AND OUTLOOK

The tri-county area, comprised of Orange, Seminole, and Osceola counties, remains one of the leading growth regions within the country and is a premier worldwide tourist destination. Like many other travel and leisure focused areas, COVID-19 disproportionately impacted global commerce in 2021, inhibiting travelers from spending time in sunny Central Florida. This area is home to numerous world-renowned tourist attractions including: Walt Disney World, Universal Studios, and SeaWorld. Orlando is home to three pro or semi-professional sports teams – the NBA’s Orlando Magic, Major League Soccer’s (MLS) Orlando City Lions, National Women Soccer League’s (NWSL) Orlando Pride, and the ECHL Hockey’s Orlando Solar Bears. The City of Orlando has a vibrant, downtown corridor, including several community

venues: the Amway Center, Dr. Phillips Center for the Performing Arts, Camping World Stadium, and Exploria Stadium for the Orlando City and Pride soccer teams. Additionally, Orange County is home to the second largest convention center in the United States and plays host to numerous medical, technology, and home renovation conventions. The University of Central Florida, Seminole State College, Valencia College, Florida A&M College of Law, and a number of other higher learning institutions also call Central Florida home.

Central Florida experienced a significant population increase over the last several years. The region's growth can be attributed to the numerous activity destinations and year-round warm weather. SunRail has helped connect workers with businesses, patients with hospitals, and pleasure seekers with opportunities to explore exciting Central Florida.

While Central Florida is known for its warm climate, enviable tourist attractions, and tranquil lifestyle; the region is also one of the top ten locations in the United States to do business. Behind the area's tourism and entertainment industry is a dynamic and diversified marketplace. An influx of startup e-commerce, cloud, and medical technology companies have made Orlando one of the fastest growing new economy centers worldwide.

MAJOR INITIATIVES

LYNX senior management under direction from the Governing Board, emphasized new health and safety initiatives in FY2021 by installing fleet wide bus disinfecting systems to protect against bacteria and/or virus transmission. Other significant measures include: dispersing personal protective equipment (PPE) to riders free of charge, enacting revenue vehicle capacity limitations to minimize passenger social contact, and ensuring all internally staffed facilities underwent enhanced sanitizing frequently.

Beyond LYNX's commitment to safety, the Authority prioritized four major initiatives. These initiatives included completing construction of the LYNX Operations Center (LOC) Paratransit Expansion; and completion of Pine Hills transfer station and Rosemount and Florida Mall super-stops.

Additional information detailing LYNX's performance delivering revenue service and managing organizational priorities is separated by functional department herein:

Fixed Route Ridership

Total ridership for FY2021 was 12,804,548, from LYNX's fixed route transportation network.

Paratransit Services

ACCESS LYNX is an origin to destination transportation service for customers unable to access fixed route bus service. ACCESS LYNX accomplishments this year included:

- Providing 473,030 trips – a 13.2% decrease year-over-year due to the impact of Covid-19;
- Completing nearly 1,000 specialized transportation trips to and from designated testing/vaccination sites; and

- Realigned the Paratransit eligibility approval process by revising a single application into two separate (ADA and TD) forms. This change created a more thorough and stringent review process to assure eligibility requirements are met.

Service Planning

In FY2021, the Service Planning Division accomplished the following:

- Conducted three (3) service changes. Major system changes included adding direct service from downtown Orlando to the resort corridor and extending service to Orlando International Airport (OIA) seven (7) days a week;
- Continued work on LYNX's Bus Stop Assessment Plan, which involves addressing improvements such as: adding trash receptacles, re-positioning route signs and bus stop flags to be more visible; and
- Recertified or refurbished all Automatic Passenger Counter (APC) units on the fixed-route fleet to manage ridership and analysis of operations.

Strategic Planning

In FY2021, the Strategic Planning Division accomplished the following:

- Completed the FY2022 Annual Update to the Transit Development Plan (TDP);
- Enhanced LYNX Service Guideline criteria to assess underperforming routes, created route scenarios to increase ridership on existing lines, and evaluated new service potential;
- Modernized the FY2021 Transportation Disadvantaged Service Plan (TDSP);
- Initiated changes to the Geographic Information System (GIS) and Intelligent Transportation Systems (ITS) Strategic Plans;
- Updated the existing Transit Asset Management (TAM) Plan; and
- Conducted passenger surveys to gauge rider comfort with using public transit amid risks of viral transmissibility.

Engineering and Construction

In FY2021, the Engineering and Construction Department accomplished the following:

- Completed final design of three (3) transfer centers: Pine Hills, Florida Mall and Rosemont;
- Continued construction of the Authority's Operations Center (LOC) Expansion, this project is scheduled to receive certificate of occupancy during FY2022;
- Installed 20 new and restored 41 existing shelters throughout the LYNX service area;
- Secured State of Good Repair (SGR) permits for the LYMMO Orange Line; and
- Assisted Innovation with construction of the LYMMO Electric Bus Charging Station.

Intelligent Transportation Systems (ITS) and Innovation

- Completed the Automated Vehicle Concept of Operations (CoO) with the goal of developing driverless vehicles for transit service;
- Implemented the General Transit Feed Specification – RealTime (GTFS-RT) allowing third-party information providers access to the real-time LYNX fixed route bus locations;
- Mounted a multi-vehicle electrical charging station and started zero emission transit service utilizing eight (8) battery electric buses for the City of Orlando's LYMMO BRT; and

- Installed new fixed route fleet fareboxes which can be adapted to allow touchless electronic payment options for passengers.

Procurement

In FY2021, the Procurement Department accomplished the following key initiatives in addition to its day-to-day mission of efficiently and effectively supporting LYNX operational and strategic goals:

- Purchased 25 Gillig Compressed Natural Gas (CNG) 40-foot, 12 Paratransit Turtletop, and 7 Proterra Electric 35-foot buses;
- Completed three Architectural & Engineering (A&E) procurements to support construction and engineering infrastructure at bus shelters, transfer centers, and facilities;
- Contracted with a new administrator to manage LYNX's Pension and Deferred Compensation programs;
- Procured a fleet wide Bus Disinfecting Solution, purchased to minimize passenger and staff risk against virus and bacterial transmission; and
- Conducted multiple vendor outreach sessions to explain how to do business with the Authority.

Vanpool Program

LYNX coordinates with a third-party vendor to operate the Vanpool program. The mission of the Vanpool program is to offer alternative transportation options for businesses, agencies, and commuters. This program continues to be a viable mode of transportation for employees who desire a rideshare option at cost-effective monthly rates. Participation in the program provides participants a more affordable and social mode of transportation while also reducing traffic in the area. LYNX is excited to meet the increased demand and grow the number of actively operating vanpools during FY2022.

As of Sept. 30, 2021, LYNX Vanpool accounts for 3,015 work trips per week and 130 vehicles in service. LYNX' vanpool program was responsible for 1,645,398 revenue miles in FY2021.

Mobility Services

During FY2021, Mobility Services was not able to attend any external community events. The number of in-person events were significantly reduced due to national health advisories to alleviate future viral infection rates.

Additional activities associated with the Mobility Services Division:

- The call center received 635,024 calls;
- The customer service window served 56,724 customers, generating \$1.01M in revenue;
- Lost and found returned 27% of items found on LYNX property to their owners; and
- LYNX photo-ID program produced 5,534 IDs and replacements.

Employee Relations

Sound employee relations are critical to morale within LYNX. Human Resources (HR) continues to work with all LYNX staff to ensure the Authority's workplace is a diverse, equitable, and inclusive setting for all employees. Improvement has been made throughout new hire recruitment, existing employee retention

efforts, soft skill training, and career development. Regular labor and management meetings are conducted to ensure any environmental or work-related concerns are being addressed timely.

Fiscal Controls and Improvements

The Finance Department continued to advance the integrity of the financial control system within the Authority. An internal and external collaborative review of all the existing policies and procedures within LYNX, monthly departmental budget versus actual variance meetings, and programming procedures provide essential tools in managing the existing budget and in preparing for future periods. Other accomplishments were as follows:

- Negotiated funding agreement to allow for continuation of I-4 Road Ranger services;
- Successfully completed the 2021 annual Florida Transportation Commission Report; and
- Received the Government Finance Officers Association (GFOA) Award for Excellence in Financial Reporting for the 29th consecutive year.

The aforementioned capital projects will complement the following emphasis areas identified in fiscal year 2021:

Fixed-Route Service

LYNX continues to explore ways to improve fixed-route service in order to better serve our customers. The Authority's plan is to improve service by optimizing on-time performance across the fixed-route system and make operational improvements where possible.

Communications

FY2021 was another creative and award-winning year for communications. The team created hundreds of informative print media pieces to reassure the public of the Authority's commitment to cleanliness and public transit safety. Communications' recognition streak continued with an APTA Adwheel Marketing Award for the agency's electric bus partnership with the City of Orlando and Orlando Utilities Commission (OUC).

Capital Improvement Projects

Capital improvements are necessary for LYNX to deliver continued quality transit solutions. LYNX receives federal formula grant funding, state, and local contributions to fund the overall agency capital program. These capital resources ensure Agency vehicles, facilities, and dedicated projects support operations.

Vehicle purchases, facility improvements, information tools, and passenger amenities included in the FY2021 capital program are:

- **Rolling Stock - \$53.0 million**
Revenue vehicles include expansion and replacement vehicles for fixed route, vanpool, and paratransit service;
- **Bus Rapid Transit (BRT) - \$.8 million**
BRT includes the LYMMO - Orange Line Rehabilitation;
- **Facilities - \$16.1 million**

- Facilities include the completion of the construction of an additional administrative LYNX Operations Center building. Other facility improvements scheduled include, but are not limited to: HVAC system upgrades for all LYNX buildings and procuring a suitable sites' study for LYNX's planned Southern Operations Base;
- **Passenger Amenities/Related Enhancements - \$14.4 million**
Passenger amenities include construction and rehabilitation of shelters, transfer centers, benches, and trash receptacles;
- **Technology - \$2.6 million**
Technology includes improved Paratransit trip brokering systems enhancements, expansion of our existing real-time bus tracking capabilities, and increased spending on critical cybersecurity initiatives;
- **Security - \$2.3 million**
Security includes equipment to enhance organizational safeguards and surveillance;
- **Support Equipment - \$3.1 million**
Support equipment includes resources to modernize fare collection, mobile ticketing, and in-ground revenue vehicle maintenance lifts.

Capital Planning and Studies

The TDP annual update and progress reports contain planned capital and service improvements necessary to meet Central Florida's growing demand for public transportation throughout the next ten years. The most recent major TDP update was completed in FY2017. The current ten-year TDP will conclude in FY2022 and include fiscal years' 2023-2032 planning.

LYNX's 2018 Transit Asset Management (TAM) Plan was updated during FY2021. The TAM Plan details the Authority's asset lifecycle guidelines and future capital program needs, including management of our Rolling Stock purchases. The TAM policy documents LYNX's commitment to maintaining the agency's capital assets in a constant State of Good Repair.

Current Year Projects

LYNX continued investment in compressed natural gas (CNG) and alternative fueled fixed route vehicles to provide our community a more environmentally sustainable future. The Authority anticipates putting into revenue service twenty-five (25) more 40-foot CNG and six (6) entirely electric buses as part of our low-no emission initiative in FY2022.

Future Projects

LYNX will continue to implement plans from the Transportation Development Plan (TDP). Other significant Authority future projects include:

- Procuring six (6) additional battery electric buses. These buses are scheduled to be placed into revenue service on the LYMMO BRT during FY2022;
- Administering system-wide origin/destination trip surveys. These surveys will be collected across LYNX properties and select SunRail stations;
- Conducting a mobile payment pilot integrating third-party mobile information combined with rider trip planning systems; and

- Partnering with a third-party engineering company responsible for leading LYNX's Southern Operations Base Site Identification study. This study seeks to identify suitable locations for the development of LYNX's second Authority owned operation, maintenance, and storage facility.

FINANCIAL INFORMATION

Internal Control Structure

LYNX management is responsible for establishing and maintaining an internal control environment which minimizes risks and protect assets, ensure accuracy of records, promote operational efficiency, and adheres to organizational policies, financial regulations, and the law. The concept of reasonable assurance recognizes the cost of an internal control should not exceed the benefits derived. The use of estimates and sound judgment is required of management to assess the valuation of expected benefits and related costs of the current internal control structure.

Budgetary Controls

The operating and capital improvement budget is prepared annually. This plan is proposed by LYNX staff and adopted by the Board of Directors. Since LYNX operates as an enterprise fund, the adopted budget is prepared on an accrual basis. Expenses are recognized when incurred and revenues recognized when earned. The annual operating budget is balanced, whereby total estimated revenues equal total projected expenses. If unplanned expenses or revenues are identified during the year, the adopted budget can be amended with approval from the Governing Board. Last, the Chief Executive Officer and Board of Directors must approve any increases to the authorized personnel count. Once approved by the LYNX Board of Directors, the annual budget serves as the financial plan regulating expenses and fund obligation by the Authority.

LYNX staff monitors operations through a series of controls which include, but are not limited to:

- Budget to actual variance assessments completed on a monthly basis;
- Approved operating and un-obligated capital balances lapse at fiscal year-end; and
- Only project committed capital purchase orders are carried into the following fiscal year.

Last, budgetary control is maintained at the departmental level. It is the responsibility of each department to manage operations consistent with the goals and objectives set forth by the Board of Directors.

Debt Administration

In January 2015, LYNX's Board awarded a contract to Bank of America for the lease of the (10) Compressed Natural Gas (CNG) buses to be paid over a period of five (5) years. Once the capital lease was paid off, LYNX retained the CNG Rolling Stock by agreeing to the bargain purchase option. At the end of FY2021, the Authority did not have any open debt administration. For additional information on the history of the Authority's debt administration, please refer to notes to the financial statements discussing capital leases and loans payable.

Fuel Hedge Swap Agreements

Beginning in July 2011 the Authority began a fuel hedging program with a counterparty to cover a significant portion of planned fuel purchases for current and future fiscal years. The objective is to smooth out the fluctuation in fuel prices and to limit the extent to which the price paid for fuel could increase during the fiscal year. As of September 30, 2021, the maturity dates of the open contracts are September 30, 2022. For additional information on the Authority's fuel hedging activities, please refer to the fuel hedge swap agreements note to the financial statements.

Fiscal Controls and Improvements

The Material Control division continued to maintain the integrity of the financial control systems in the accounting and management of fleet inventory items (parts, fuels, fluids, and lubricants), bulk supplies (janitorial, sundry consumables), and capital component assets. Service efficiencies and cost savings have been maintained through the centralized receiving and distribution from LYNX Operations Center (LOC) warehouse to all agency locations and work centers.

Other accomplishments during FY2021 were as follows:

- Completed the annual physical inventory of 4,067-line items valued at \$2.5 million, with a net variance of – 0.097 percent;
- Maintained an inventory turn rate of greater than 1.7 times per year through optimal inventory stock levels and the disposal of obsolete stock items;
- Continued to stock inventory parts by product category to enhance the efficiency of ordering, maintaining, and distributing parts;
- Continued to develop a spare parts model inventory for Gillig and Proterra buses based on current or updated system specifications and analyzing “on demand” needs to minimize investment and bus down time;
- Continued to maintain and expand the assembly of kits within the inventory software to efficiently capture and track all related component costs directly to a bus work order; and
- Continued to utilize annual inventory contracts / Blanket Purchase Orders (approx. \$436 thousand) to eliminate administrative costs for recurring purchases and improve efficiencies in maintaining stock levels. Part categories included generators, transmission assemblies, filters, and batteries for the entire fleet.

OTHER INFORMATION

Independent Audit

The Single Audit Act Amendments of 1996 require state or local governments that expend \$750,000 or more in a year in Federal financial assistance to have an audit conducted for that year in accordance with the Uniform Guidance. The State of Florida has similar legislation, the Florida Single Audit Act, related to audits of State financial assistance. Pursuant to these Acts, the Authority's independent Certified Public Accountant, MSL PA have conducted the audit for fiscal year ended September 30, 2021.

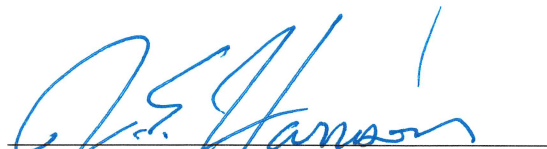
Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Central Florida Regional Transportation Authority for its comprehensive financial report for the fiscal year ended September 30, 2021. This was the 29th consecutive year that the Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.


A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Annual Comprehensive Financial Report was made possible by the hard work and dedicated service of the entire Finance Division. Special thanks and recognition go to Christopher Plummer, Senior Manager of Financial Reporting & Business Analysis and Nancy Navarro, Manager of Financial Reporting, for their efforts in preparing this report. We also give our sincere thanks to the Marketing Department for their special effort in designing the cover for this report and to the LYNX Governing Board for their continued outstanding support.

Respectfully submitted,



James E. Harrison, Esq., P.E.
Chief Executive Officer



Leonard Antmann, MBA
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Central Florida Regional Transportation Authority
dba LYNX**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Central Florida Regional Transportation Authority
Orlando, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority") as of and for the fiscal years ended September 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of September 30, 2021 and 2020, and the respective changes in its financial position and its cash flows for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, supplementary schedule of revenues and expenses – budget vs. actual (budgetary basis), schedule of local financial assistance and the statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance are presented for the purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, *Rules of the Auditor General*, and are also not a required part of the basic financial statements.

The supplementary schedule of revenues and expenses – budget vs. actual (budgetary basis) and schedule of expenditures of federal awards, schedule of local financial assistance, and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2022, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 10, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the annual comprehensive financial report of Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority") presents management's analysis of the Authority's financial performance during the fiscal years that ended on September 30, 2021 and 2020, respectively. Please read it in conjunction with the financial statements, which follow this section.

Financial Highlights

Fiscal 2021

- Customer fares increased by 22.3%, or \$2.7 million, from FY2020. This increase in fares collected was the result of LYNX's return to full fare collection during FY2021 versus the Authority's five (5) month fare suspension caused by COVID during FY2020.
- Operating expenses before depreciation decreased 4.7%, or \$6.8 million, and capital contributions increased 69.3% or \$15.4 million from FY2020. Material decreases in fringe benefits, purchase transportation, fuel, and casualty & liability expenses more than offset the salaries & wages expense increase from returning to pre-pandemic fixed route service. The decrease in fringe benefit and casualty & liability costs were related to non-recurring actuarial adjustments in general liability and Union pension related expense. Fuel decreased as a result of favorable prices associated with LYNX's Ultra Low Sulfur Diesel and 87-Unleaded hedging program. Purchased transportation trip volume decreased 13.2% from 544,353 in FY2020 to 473,030 in the FY2021 as the lingering effects from the economic slowdown discouraged riders from traveling.
- Overall net position increased by 26.3%, or \$54.0 million, from FY2020 as the Authority received federal stimulus to stabilize operations. This infusion helped offset a material reduction in passenger fare collection and allowed the organization to procure expensive personal protection equipment (PPE), and implement other social distancing measures to keep staff and the traveling public safe.

Fiscal 2020

- Customer Fares decreased by 48.5%, or \$11.6 million, from FY2019. The reduction in fares collected was a direct result of subsequent suspension of fare collection for five (5) months caused by COVID-19.
- Operating expenses before depreciation increased 1.8%, or \$2.6 million, and capital contributions increased 1.9% and \$.4 million from FY2019. Ratification to increase the Authority's top wage rates for both labor unions, price increases for employee fringe benefits, and buying bulk quantities of personal protective equipment (PPE) during the early stages of the pandemic were the principal drivers of the larger than expected operating expenditures. Paratransit trip volume decreased 19.8% year over year from 679,101 to 544,353.
- Overall net position increased by 24.0%, or \$41.2 million, from FY2019 because the Authority received an emergency FTA CARES Grant to stabilize operations. This infusion helped offset a material reduction in passenger fare collection and facilitated our ability to procure expensive personal protection equipment (PPE), hire temporary cleaning staff, and purchase large quantities of sanitizer to keep staff and the traveling public safe.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The basic financial statements consist of two parts: Financial Statements and Notes to the Financial Statements. The report also contains supplementary information in addition to the financial statements included herein.

Required Financial Statements

The financial statements of the Authority report information about the Authority using full accrual accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The Statements of Net Position include all of the Authority's assets, liabilities, deferred outflows and inflows

of resources and net position, and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). The assets and liabilities are presented in a classified format, which distinguishes between current and long-term assets and liabilities. It also provides the basis for computing the rate of return, evaluation of the capital structure of the Authority, and assessing the liquidity and financial flexibility of the Authority. All of the current year's revenues and expenses are accounted for in the Statements of Revenues, Expenses, and Changes in Net Position. These statements measure the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through customer fares, contract services, and operating subsidies, as well as determining profitability and credit worthiness. The Statement of Cash Flows is the last required financial statement included each fiscal year. The primary purpose of this statement is to provide information related to the Authority's cash receipts, cash payments, and net changes resulting from operating, investing, and financing activities. In layman's terms, the Statement of Cash Flow details which activities generated cash, which activities cash was used, and what was the net change from the beginning to the end of the reporting period.

Financial Analysis of the Authority

Determining the Authority's fiscal well-being begins with Financial Statement analysis. The Statements of Net Position and the Statements of Revenues, Expenses, and Changes in Net Position report information about the Authority's results of operations and financial stability. Changes in net position often serve as an indication whether the Authority's financial health is improving via positive or deteriorating from a negative change. However, other non-operating and indirect economic circumstances could be contributing factors to the financial health of the organization and not directly impact net position in the current period. Examples of these non-operating or indirect circumstances include material changes in regional economic conditions, federal or state regulation, or approved federal legislation governing transit.

Net Position

A summary of the Authority's Statements of Net Position is presented in Table A-1.

Table A-1

Condensed Statements of Net Position (In millions of dollars)

	September 30,		
	FY2021	FY2020	FY2019
Assets:			
Current and other assets	\$ 134.2	\$ 101.7	\$ 65.6
Non-current assets	165.0	142.9	139.2
Total assets	\$ 299.2	\$ 244.6	\$ 204.8
Deferred outflows of resources	\$ 6.2	\$ 9.4	\$ 5.5
Liabilities:			
Current liabilities	\$ 20.2	\$ 27.9	\$ 26.0
Long-term liabilities	17.5	18.4	14.1
Total liabilities	\$ 37.7	\$ 46.3	\$ 40.1
Deferred inflows of resources	\$ 8.4	\$ 2.4	\$ 6.1
Net position			
Net investment in capital assets	\$ 155.4	\$ 141.8	\$ 137.1
Restricted	2.3	1.7	9.6
Unrestricted	101.6	61.8	17.4
Total net position	\$ 259.3	\$ 205.3	\$ 164.1

The Statements of Net Position show changes in assets, liabilities, deferred outflows of resources, deferred inflows of resources, and the resulting net position. Net position may serve, over time, as a valuable indicator of the Authority's overall

financial position. From the Table A-1, Total Net Position increased \$54.0 million to \$259.3 million in FY2021 from \$205.3 million in FY2020. This \$54.0 million increase was due to direct intervention by the United States Congress and the Treasury via federal stimulus to offset losses from COVID-19. Without the stimulus Congress made available to offset potentially catastrophic economic decline; LYNX's statement of net position would have been materially different.

Table A-2

Condensed Statements of Revenues, Expenses, and Changes in Net Position (In millions of dollars)

	September 30,		
	FY2021	FY2020	FY2019
Operating revenues:			
Customer fares	\$ 15.0	\$ 12.3	\$ 23.9
Contract services	20.4	20.4	18.7
Advertising revenue	2.5	3.5	4.3
Other income	0.4	0.5	0.7
Total operating revenue	38.3	36.7	47.6
Non-operating revenues, net:			
Federal	61.2	67.3	15.6
State	13.8	15.0	14.3
Local	64.3	64.3	54.3
Interest and other income	0.3	0.4	0.9
Total non-operating revenue	139.6	147.0	85.1
Total revenues	177.9	183.8	132.7
Operating expenses:			
Salaries and wages	54.0	51.5	50.2
Fringe benefits	29.4	31.8	26.9
Purchased transportation services	24.2	26.1	28.2
Fuel	8.1	9.9	11.3
Materials & supplies	6.8	7.9	7.3
Professional services	8.0	7.8	9.1
Lease and miscellaneous	1.1	1.1	1.1
Casualty and liability	3.8	6.0	5.5
Utilities, taxes and licenses	2.0	2.1	2.1
Depreciation	24.1	20.5	21.6
Total operating expenses	161.5	164.7	163.3
Gain / (Loss) before capital contributions	16.3	19.1	(30.6)
Capital contributions	37.6	22.2	21.8
Change in net position	53.9	41.3	(8.8)
Beginning net position	205.4	164.1	172.9
Ending net position	\$ 259.3	\$ 205.4	\$ 164.1

The Statements of Revenues, Expenses, and Changes in Net Position provide answers as to the source of changes in Net Position. As shown in Table A-2, the \$53.9 million increase in net position for FY2021 is due the Authority's receipt of approximately \$55.0 million of stimulus funding; revenue which helped LYNX stabilize operations and minimize uncertainty from reduced fare collection and increased expenses. Four noteworthy year over year categorical expense decreases are: (1) \$1.9 million reduction in purchase transportation expense as trip volume for the entirety of FY2021 remained constrained. This activity level contrasts with only six months of reduced demand during FY2020; (2) \$2.2 million reduction in casualty and liability expense as the prior period actuarial reserves required an one-time material increase

which was not recurring in FY2021; (3) \$1.9 million decrease in fuel stems from favorably placed futures trades and several prior period CNG tax credits received; and (4) \$2.4 million decrease in fringe benefits from better than expected annual investment returns on the actuarial reserves within ATU1596's pension.

One material categorical expense increase: \$2.5 million paid in salaries and wages versus the prior year. A considerable amount of the aforementioned increase derived from the Authority's decision to return to full fixed route service with a greater need for consistent overtime paid versus the reduced schedule of service run for an extended period during FY2020.

Capital Assets

At the end of FY2021, the Authority had a broad range of Capital Assets, consisting of Land, Buildings and Shelters, Revenue Vehicles, Bus Rapid Transit (BRT) Roadway, Pedestrian Walkways, and Equipment. For additional information on the Authority's capital assets, please see financial statement note 2, capital assets.

Table A-3

Capital Assets (In millions of dollars)

	September 30,		
	FY2021	FY2020	FY2019
Depreciable assets and land:			
Land	\$ 10.0	\$ 10.0	\$ 10.0
Buildings and shelters	97.4	97.3	97.4
Revenue vehicles	197.1	184.2	175.4
BRT roadway	22.7	22.7	22.7
Pedestrian walkways	1.4	1.4	1.4
Equipment	58.4	48.3	48.7
Subtotal	388.0	363.9	355.6
Less accumulated depreciation	(242.4)	(231.8)	(219.6)
Subtotal	145.6	132.1	136.0
Construction in progress:			
Bus shelters	4.1	3.2	2.1
Facility capital improvements	0.1	0.1	0.1
Other miscellaneous projects	5.8	7.4	1.0
Subtotal	10.0	10.7	3.2
Net capital assets	\$ 155.6	\$ 142.9	\$ 139.2

Fuel Hedging

GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, was implemented in FY2011. This accounting standard requires that hedging derivative instruments be reported at fair value on the Statements of Net Position. Subsequently, GASB Statement No. 65, *Items Previously reported as Assets and Liabilities*, has been issued to require presentation of related deferred outflows of resources or deferred inflows of resources for certain items that were previously reported as assets or liabilities.

Beginning in July 2011, the Authority entered into several fuel hedging contracts with a counterparty to cover a significant portion of planned fuel purchases. The objective is to stabilize fuel costs and to limit the extent to which the price per gallon paid for fuel could increase during the fiscal year. Prior to September 30, 2020, two fuel hedges were purchased and will be active to offset any material fluctuation in Ultra Low Sulfur Diesel and 87 Octane Unleaded during FY2022. As swap contracts are considered effective futures agreements, the fair value of the open contracts is presented as either a deferred outflow or inflow of resources, rather than as an activity. For additional information on the Authority's fuel hedging activities, see financial statement note 8, fuel hedge swap agreements.

Economic Factors and Next Year's Budget and Rates

LYNX Senior Management considered many factors amidst presenting the FY2022 operating budget to the Board of Directors. These factors include, but were not limited to: the ongoing impact of reduced ridership from pre-COVID periods compounded with an increased cost of fixed route and other contracted bus services, providing the necessary resources to keep up a rapidly growing transportation disadvantaged population in need of future Paratransit services, and maintaining a clean operating environment to protect staff and the traveling public from communicable disease exposure and transmission.



FINANCIAL STATEMENTS

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2021 AND 2020

ASSETS	2021	2020
CURRENT ASSETS:		
Cash and cash equivalents	\$ 103,863,254	\$ 59,979,681
Receivables:		
Local, trade and operating assistance	1,860,453	1,573,264
Federal grants	11,010,280	14,598,201
State grants	8,907,632	16,450,510
Inventory	2,755,265	2,387,997
State fuel tax refundable	2,653,232	1,944,487
Prepaid expenses and other assets	379,324	324,147
Derivative instruments - fuel hedge	2,818,451	-
Total current assets	134,247,891	97,258,287
NON-CURRENT ASSETS:		
Restricted cash and cash equivalents	4,864,245	4,425,903
Total restricted cash and cash equivalents	4,864,245	4,425,903
Property and equipment:		
Land	10,018,522	10,018,522
Buildings and shelters	97,377,897	96,718,650
Bus Rapid Transit Roadway Infrastructure	22,673,715	22,673,715
Pedestrian walkways	1,404,894	1,404,894
Revenue vehicles	197,468,091	184,218,669
Equipment	58,489,060	48,339,986
Leasehold improvements	611,609	592,357
Total property and equipment	388,043,788	363,966,793
Less accumulated depreciation	(242,405,400)	(231,806,487)
Construction in progress	9,959,283	10,740,637
Net property and equipment	155,597,671	142,900,943
Net pension asset	4,501,730	-
Total non-current assets	164,963,646	147,326,846
Total assets	299,211,537	244,585,133
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	4,968,274	7,892,348
Deferred outflows related to OPEB	1,273,178	379,590
Deferred outflows related to fuel hedge instrument	-	1,203,263
Total deferred outflows of resources	\$ 6,241,452	\$ 9,475,201

See notes to financial statements.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2021 AND 2020

LIABILITIES AND NET POSITION	2021	2020
CURRENT LIABILITIES:		
Accounts payable	\$ 10,147,687	\$ 12,750,254
Accrued salaries and related taxes	923,209	2,316,564
Accrued compensated absences, current	5,204,523	5,016,365
Accrued self-insurance liability, current	3,322,303	5,028,415
Leases payable, current	-	1,051,268
Unearned operating revenue	585,432	484,556
Derivative instrument - fuel hedge	-	1,203,263
Total current liabilities	20,183,154	27,850,685
NON-CURRENT LIABILITIES:		
OPEB liability	5,816,654	5,355,542
Net pension liability	-	2,725,872
Accrued compensated absences, long-term	465,880	336,364
Accrued self-insurance liability, long-term	8,714,437	7,313,068
Unearned capital	2,564,138	2,725,903
Total non-current liabilities	17,561,109	18,456,749
Total liabilities	37,744,263	46,307,434
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	4,200,906	1,804,684
Deferred inflows related to OPEB	1,379,416	589,169
Deferred inflows related to fuel hedging instrument	2,818,451	-
Total deferred inflows of resources	8,398,773	2,393,853
NET POSITION:		
Net investment in capital assets	155,388,205	141,849,676
Restricted		
State mandated self insurance reserve	1,700,000	1,700,000
Catastrophic claims reserve	600,108	-
Total restricted net position	2,300,108	1,700,000
Unrestricted	101,621,639	61,809,371
Total net position	\$ 259,309,952	\$ 205,359,047

See notes to financial statements.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED SEPTEMBER 30, 2021 AND 2020**

	2021	2020
OPERATING REVENUES		
Customer fares	\$ 15,037,923	\$ 12,298,257
Contract services		
Local financial assistance	15,529,861	14,973,731
Other contractual services	4,911,303	5,473,531
Advertising	2,466,089	3,491,062
Other income	395,296	474,329
Total operating revenues	<u>38,340,472</u>	<u>36,710,910</u>
OPERATING EXPENSES		
Salaries and wages	54,018,997	51,519,762
Fringe benefits	29,419,289	31,742,030
Purchased transportation services	24,179,741	26,099,806
Fuel	8,067,161	9,951,775
Materials and supplies	6,825,258	7,962,048
Professional services	8,066,626	7,763,054
Lease and miscellaneous	1,091,488	1,131,299
Casualty and liability	3,769,791	6,026,201
Utilities	1,448,761	1,313,551
Taxes and licenses	595,388	677,557
Total operating expenses before depreciation	<u>137,482,500</u>	<u>144,187,083</u>
OPERATING EXPENSES IN EXCESS OF OPERATING REVENUES BEFORE DEPRECIATION	(99,142,028)	(107,476,172)
DEPRECIATION	(24,090,308)	(20,532,396)
OPERATING LOSS	(123,232,336)	(128,008,568)
NON-OPERATING REVENUES AND EXPENSES:		
Operating assistance grants		
Federal	53,525,601	58,796,000
State of Florida	10,329,240	11,620,340
Local	64,330,313	64,268,309
Planning and other assistance grants		
Federal	7,625,890	8,581,385
State of Florida	3,420,571	3,391,141
Interest expense	-	(32,463)
Interest income	114,128	368,662
Other income	208,662	42,039
Total non-operating revenues and expenses, net	<u>139,554,405</u>	<u>147,035,413</u>
GAIN / (LOSS) BEFORE CAPITAL CONTRIBUTIONS	16,322,069	19,026,844
Capital contributions	37,628,836	22,216,416
Change in net position	53,950,905	41,243,260
NET POSITION AT BEGINNING OF YEAR	205,359,047	164,115,787
NET POSITION AT END OF YEAR	\$ 259,309,952	\$ 205,359,047

See notes to financial statements.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 15,037,923	\$ 12,298,257
Cash received for contract services	20,153,975	21,234,747
Cash paid to employees	(96,080,714)	(56,664,225)
Cash paid to suppliers	(48,680,467)	(86,516,803)
Cash received from advertising and miscellaneous	2,765,385	3,861,391
Net cash used in operating activities	<u>(106,803,898)</u>	<u>(105,786,633)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Proceeds from assistance grants	<u>150,495,344</u>	<u>133,053,176</u>
Net cash provided by noncapital financing activities	<u>150,495,344</u>	<u>133,053,176</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Construction and acquisition of property and equipment	(32,225,227)	(25,226,331)
Interest paid on leases	-	(44,021)
Proceeds from sale of property and equipment	217,715	67,060
Capital assistance grants	<u>32,523,853</u>	<u>35,192,355</u>
Net cash provided by capital and related financing activities	<u>516,341</u>	<u>9,989,063</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income	<u>114,128</u>	<u>368,662</u>
Net cash provided by investing activities	<u>114,128</u>	<u>368,662</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	44,321,915	37,624,268
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>64,405,584</u>	<u>26,781,316</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 108,727,499</u>	<u>\$ 64,405,584</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating loss	\$ (123,232,336)	\$ (128,008,567)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	24,090,308	20,532,396
Changes in operating assets and liabilities and deferred amounts:		
Receivables	(287,189)	787,485
Inventory	(367,268)	(95,731)
State fuel tax refundable	(708,745)	(960,992)
Prepaid expenses; deferred outflows of resources; and net pension asset / liability	(2,182,240)	2,146,934
Accounts payable; and hedging liability	(2,867,467)	(2,166,833)
Accrued salaries and related taxes; and OPEB liability	(3,658,115)	3,262,873
Accrued compensated absences	317,674	421,031
Accrued self-insurance liability	(304,742)	3,152,254
Deferred inflows of resources	2,396,222	(4,857,483)
Net cash used in operating activities	<u>\$ (106,803,898)</u>	<u>\$ (105,786,633)</u>

See notes to financial statements.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2021 AND 2020**

1. SIGNIFICANT ACCOUNTING POLICIES

Organization - The Central Florida Regional Transportation Authority (the “Authority”) was created in 1989 pursuant to Section 343.63, *Florida Statutes*. This same legislation was amended in 1993, allowing the Authority to assume the operations of the entity formerly known as Central Florida Commuter Rail Authority and providing an opportunity to merge with the local transportation provider, Orange-Seminole-Osceola Transportation Authority (“OSOTA”) d/b/a LYNX, thereby creating a one-stop public transportation entity. The Authority continues to use LYNX as its doing business as name and serves as the focal point in developing all modes of public transportation in the Central Florida region. Through formal action by both the Authority and OSOTA Board of Directors, the merger of the two organizations was ratified March 1994 and became effective October 1, 1994. The Authority provides public transportation services to the general public in the Orlando, Florida metropolitan area--Orange County, Seminole County, and Osceola County.

Reporting Entity - The Authority is a stand-alone governmental unit.

Basis of Accounting - The Authority accounts for its activities through the use of an enterprise fund. Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of a change in financial position is necessary or useful for sound financial administration (business-type activities). Because the Authority has only business-type activities, it is considered to be a special-purpose government for financial reporting under Governmental Accounting Standards Board (“GASB”) Statement No. 34 *Basic Financial Statements-and Management’s Discussion and Analysis-for State and Local Governments* (“GASB 34”). Accordingly, the Authority only presents fund financial statements as defined in GASB 34. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses when incurred. The Authority’s property and equipment acquisitions and operations are subsidized by the Federal Transit Administration, the Florida Department of Transportation, and local governments. Capital grants for the acquisition of property and equipment (reimbursement type grants) are recorded as grant receivables and credited to capital contributions when the related qualified expenditures are incurred. Unrestricted net position consists of state and local government operating subsidies received in excess of net expenses.

Cash and Cash Equivalents - For purposes of the statements of cash flows, the Authority considers all investments with a maturity of three months or less when purchased to be cash equivalents. All cash and cash equivalents are insured by the Federal Deposit Insurance Corporation or are considered insured by the State of Florida collateral pool. The State of Florida collateral pool is a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails.

The Authority’s policy allows for investments in the Local Governmental Surplus Funds Investment Pool (the “Pool”), which is administered by the State Board of Administration of Florida. The Pool includes direct obligations of the United States government or its agencies and instrumentalities, interest bearing time deposits or saving accounts, mortgage-backed securities, collateralized mortgage obligations, bankers’ acceptance, commercial paper, repurchase agreements, and shares in common-law trust established under *Florida Statutes*, Section 163.01. The Pool allocates investment earnings to participants monthly, based on a prorated dollar days participation of each account in the Pool.

The Authority held investments throughout fiscal years 2021 and 2020 in the Pool, which are considered cash and cash equivalents for financial reporting purposes. Florida PRIME qualifies under GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, to be treated as a qualifying investment pool because it has a policy that it will, and does, operate in a manner consistent with specified conservative investment strategies. The current rating of Florida PRIME by Standard and Poor’s AAAM and the weighted average days to maturity at September 30, 2021 was 60 days or less. The securities in Florida PRIME are valued the same as the pool shares based on amortized costs, which approximates fair value. There are no restrictions or limitations on withdrawals; however, Florida PRIME may, on the occurrence of an event that has a material impact on

liquidity or operations, impose restrictions on withdrawals for up to 48 hours. The Authority presents all investments at a fair value, or amortized cost which approximates fair value, as follows:

	September 30,	
	2021	2020
Pool Investments - Florida PRIME	\$ 102,560,064	\$ 53,446,149
Bank Deposits	6,167,435	10,959,435
Total Cash and Cash Equivalents	<u>\$ 108,727,499</u>	<u>\$ 64,405,584</u>

As of September 30, 2021, and 2020, the Authority classified as restricted \$2,300,108 and \$1,700,000 respectively to offset future related liabilities for the newly implemented medical health self-insurance plan as required by the State of Florida.

It is the policy of the Authority to diversify its investment portfolios so as to protect against issuer defaults, market price changes, technical complications leading to temporary lack of liquidity, or other risks resulting from an over concentration of assets in a specific maturity, a specific issuer, a specific geographical distribution, or a specific class of securities.

The Authority's investment policy objectives are to preserve the principal of funds within its portfolio, ensure that funds are available to meet reasonably anticipated cash flow requirements, and maximize return on investments, while meeting the established quality, safety and liquidity restrictions.

To limit credit risk, in addition to diversification, the Authority has established a list of authorized investments, of which the principal ones are:

- (1) The Local Government Surplus Funds Trust Fund;
- (2) United States Treasury and Agency securities;
- (3) Interest-bearing time deposits or savings accounts in Qualified Public Depositories;
- (4) Obligations of the Federal Farm Credit Banks and the Federal Home Loan Mortgage Corporation; and
- (5) Deposits, federal funds or bankers' acceptance of any domestic bank.

Receivables - Local, Trade, Operating Assistance - Includes receivables from customers, Local Funding Partners and Medical Assistance. As of September 30, 2021 and 2020, the Authority had receivables, net of allowances, as follow:

	September 30,	
	2021	2020
Customers	\$ 1,341,082	\$ 1,278,418
Local Funding Partners	519,371	294,846
Total	<u>\$ 1,860,453</u>	<u>\$ 1,573,264</u>

Inventory - Inventory, consisting of minor spare or repair parts and fuel, is valued at historical cost. Each inventory item's cost is determined by using the first-in, first-out (FIFO) method.

State Fuel Tax Refundable - Represents claims refundable from the State of Florida Department of Revenue for fuel tax.

Restricted Assets - When both restricted and unrestricted resources are available for use, the Authority's policy is to use restricted resources first, and then unrestricted resources, as they are needed. Restricted assets include \$4,864,245 and \$4,425,903 of cash and cash equivalents for the Pine Hill Super Stop project, health self-insurance reserve, stabilization fund, shelters, bus procurement and other enhancements, and various capital projects as of September 30, 2021 and 2020, respectively. Restricted assets are offset by liabilities, except for the \$2,300,108 comprised of LYNX's state required medical self-insurance (\$1,700,000) and catastrophic claims (\$600,108) reserves as of September 30, 2021. As of September 30, 2020, the restricted net position comprised entirely of LYNX's state required medical self-insurance reserve (\$1,700,000).

Property and Equipment - Property and equipment in the amount of \$300 or more is recorded at acquisition cost and depreciated over the following estimated useful lives using the straight-line method:

	<u>Years</u>
Buildings and shelters	3 – 30
Revenue vehicles	5 – 9
Equipment	3 – 12
Leasehold improvements (shorter of useful lives or lease term)	5 – 10

Construction work in progress primarily relates to facilities improvements, bus shelters and transfer centers and other projects. Depreciation commences when projects are completed and the underlying property and equipment are available for use.

Accounts Payable - Accounts payable are recorded as expenses at the time services are rendered and the Authority receives items. As of September 30, 2021, and 2020, the Authority had accounts payable as follows:

	September 30,	
	2021	2020
Bus purchases and contractors	\$ 330,364	\$ 2,479,321
Trade	5,775,846	5,338,760
Due to FTA	2,719,280	2,437,999
Retainage	228,032	40,167
Other	1,094,165	2,454,007
Total	<u>\$ 10,147,687</u>	<u>\$ 12,750,254</u>

Accrued Compensated Absences - The Authority recognizes the accrual of compensated absences in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, accruing vacation pay benefits as earned and sick pay benefits as vested by its employees.

	September 30,	
	2021	2020
Accrued compensated absences liability, Beginning of year	\$ 5,352,729	\$ 4,931,698
Obligations	5,859,219	4,909,671
Payments	(5,541,545)	(4,488,640)
Accrued compensated absences liability, End of year	<u>\$ 5,670,403</u>	<u>\$ 5,352,729</u>
Amount due within one year	<u>\$ 5,204,523</u>	<u>\$ 5,016,365</u>

Accrued Self-Insurance Liability - The Authority has a self-insurance program for public liability claims, workers compensation and health insurance. Estimated claims are accrued in the year expenses are incurred to the extent payment is probable and subject to reasonable estimation.

Unearned Operating Revenue - Unearned operating revenue consists of revenue not yet recognized because services have not yet been rendered, although related cash has been received.

Unearned Capital - Unearned capital consists of contributed capital not yet recognized because it has not yet been expended on property or equipment, although the cash has been received.

Net Position - Net position represents the difference between all other elements in the statements of financial position and is displayed in three components – net investment in capital assets, restricted and unrestricted.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Operating Revenues - Transactions reported as operating revenues are those that arise from the activities of primary ongoing operations. Those include: Customer Fares, Contract Services, Advertising and Other Operating Income. Customer fares are recorded as revenue at the time services are performed and revenues pass through the fare box. Contract services are recorded as revenue when services are provided, consisting primarily of bus services to area cities and counties that are funded based on hours of service and paratransit services funded through Medicaid, Transportation Disadvantage, and other means.

Nonoperating Revenues - Transactions reported in the nonoperating revenue category include government subsidies that are not contingent on service hours or other designated criteria, including Federal, State and Local Operating, Planning, and other grant assistance, as well as interest income and gains on the sales of capital assets, if applicable.

Operating Expenses - Transactions reported as operating expenses are those that arise from the activities of primary ongoing operations. Those include: Salaries and Wages, Fringe Benefits, Purchased Transportation Services, Fuel, Materials and Supplies, Professional Services, Lease and Miscellaneous, Casualty and Liability, Utilities, and Taxes and Licenses. On the Statements of Revenues, Expenses and Changes in Net Position, Depreciation is presented separately below the other expenses of primary ongoing operations.

Nonoperating Expenses - Transactions reported in the nonoperating expense category include those that do not arise from the activities of primary ongoing operations. These include interest expense for leases as well as losses on the sales of capital assets, if applicable.

2. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

Property and Equipment:	Beginning Balance	Additions	Reclass/ Disposals	Ending Balance
Depreciable Assets				
Buildings and Shelters	\$ 96,718,650	\$ 659,247	-	\$ 97,377,897
Revenue Vehicles:				
Buses	175,736,447	26,490,481	(12,702,447)	189,524,481
Other Support Vehicles	8,482,222	27,716	(566,328)	7,943,610
Furniture, Fixtures & Equipment	48,339,986	10,477,981	(328,907)	58,489,060
Leasehold Improvements	592,357	19,252	-	611,609
BRT Roadway Improvements	22,673,715	-	-	22,673,715
Pedestrian Walkways	1,404,894	-	-	1,404,894
Non-Depreciable Assets				
Land	10,018,522	-	-	10,018,522
Construction in Progress	10,740,637	6,990,676	(7,772,030)	9,959,283
Totals at Acquisition Cost	\$ 374,707,430	\$ 44,665,353	\$ (21,369,712)	\$ 398,003,071
Less Accumulated Depreciation for:				
Buildings and Shelters	\$ (59,518,782)	\$ (3,023,669)	-	\$ (62,542,451)
Revenue Vehicles:				
Buses	(120,998,000)	(14,967,739)	12,640,430	(123,325,309)
Other Support Vehicles	(7,479,812)	(230,841)	522,057	(7,188,596)
Furniture, Fixtures & Equipment	(37,964,257)	(4,661,567)	328,907	(42,296,917)
Leasehold Improvements	(240,383)	(39,185)	-	(279,568)
BRT Roadway Improvements	(5,532,083)	(1,132,183)	-	(6,664,266)
Pedestrian Walkways	(73,171)	(35,122)	-	(108,293)
Total Accumulated Depreciation	(231,806,488)	(24,090,306)	13,491,394	(242,405,400)
Capital Assets, net	\$ 142,900,942	\$ 20,575,047	\$ (7,878,318)	\$ 155,597,671

Capital asset activity for the year ended September 30, 2020 was as follows:

Property and Equipment:	Beginning Balance	Additions	Reclass/ Disposals	Ending Balance
Depreciable Assets				
Buildings and Shelters	\$ 96,820,701	\$ 71,105	\$ (173,157)	\$ 96,718,650
Revenue Vehicles:				
Buses	166,504,169	13,417,418	(4,185,140)	175,736,447
Other Support Vehicles	8,884,906	233,284	(635,968)	8,482,222
Furniture, Fixtures & Equipment	48,674,115	3,898,688	(4,232,817)	48,339,986
Leasehold Improvements	592,357	-	-	592,357
BRT Roadway Improvements	22,673,715	-	-	22,673,715
Pedestrian Walkways	1,404,894	-	-	1,404,894
Non-Depreciable Assets				
Land	10,018,522	-	-	10,018,522
Construction in Progress	3,233,709	8,149,456	(642,528)	10,740,637
Totals at Acquisition Cost	\$ 358,807,088	\$ 25,769,951	\$ (9,869,610)	\$ 374,707,430
Less Accumulated Depreciation for:				
Buildings and Shelters	\$ (56,503,884)	\$ (3,188,053)	\$ 173,155	\$ (59,518,782)
Revenue Vehicles:				
Buses	(111,506,737)	(12,848,259)	3,356,996	(120,998,000)
Other Support Vehicles	(7,495,065)	(620,714)	635,967	(7,479,812)
Furniture, Fixtures & Equipment	(39,493,801)	(2,668,313)	4,197,857	(37,964,257)
Leasehold Improvements	(200,631)	(39,752)	-	(240,383)
BRT Roadway Improvements	(4,399,900)	(1,132,183)	-	(5,532,083)
Pedestrian Walkways	(38,049)	(35,122)	-	(73,171)
Total Accumulated Depreciation	(219,638,067)	(20,532,396)	8,363,975	(231,806,488)
Capital Assets, net	\$ 139,169,021	\$ 5,237,682	\$ (1,505,634)	\$ 142,900,942

3. CAPITAL LEASES

The Authority entered into a capital lease agreement for 10 buses in September 2015, of which 5 buses were received by September 30, 2015 and the remaining 5 buses were received in October 2015. The lease agreement covered a term of 5 years, with a final payment made in October 2020. These buses were included in property and equipment at carrying value of \$1,764,797 and \$2,287,803 at September 30, 2021 and 2020, respectively.

Leases payable activity for the years ended September 30, 2021 and 2020 was as follows:

Lease Payable September 30, 2021					
Leases Payable	Beginning Balance	Additions	Payments	Ending Balance	Amounts Due Within One Year
Lease # 5	\$ 1,051,268	\$ -	\$ 1,051,268	\$ -	\$ -
Total	\$ 1,051,268	\$ -	\$ 1,051,268	\$ -	\$ -

Lease Payable September 30, 2020					
Leases Payable	Beginning Balance	Additions	Payments	Ending Balance	Amounts Due Within One Year
Lease # 5	\$ 2,013,282	\$ -	\$ 962,014	\$ 1,051,268	\$ 1,051,268
Total	\$ 2,013,282	\$ -	\$ 962,014	\$ 1,051,268	\$ 1,051,268

The above do not represent borrowings, but are considered capital leases under generally accepted accounting principles due to the length of respective lease terms as compared to estimated useful lives of assets leased.

4. ACCRUED SELF-INSURANCE LIABILITY

The Authority has been self-insured since 1986 for personal injury coverage related to its transit coaches, since 1991 for workers compensation coverage and since 2016 for health insurance; all other risks of loss are covered through the purchase of commercial insurance. The Authority has sovereign immunity with respect to personal injury claims, which limits its liability to \$200,000 for each claim and \$300,000 for each accident. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The amounts recorded as accrued self-insurance liability at September 30, 2021 and 2020, the current portion of which represents an estimate of payments required in the next fiscal year, are at present value based on estimates derived through actuarial determinations discounted at 4% for the fiscal years 2021 and 2020. Such estimates are subject to change based on circumstances surrounding each claim. Changes in the balances of accrued self-insurance liability, including incurred but not reported claims (IBNR), were as follows during the years ended:

	September 30	
	2021	2020
Accrued self-insurance liability, beginning of year	\$ 12,341,483	\$ 9,189,229
Insured claims (including IBNR's)	13,388,813	19,090,685
Claim payments	(13,693,555)	(15,938,431)
Accrued self-insurance liability, end of year	\$ 12,036,741	\$ 12,341,483

The estimated amounts due in one year are \$3,322,304 and \$5,028,415 at September 30, 2021 and 2020, respectively.

The health self-insurance plan established in 2016 is a limited risk management program to help contain rising health insurance costs. The program consists of purchasing an aggregate stop loss and individual maximum claims reinsurance policy with LYNX being responsible for the claims not covered by the policy. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include \$678,000 for claims incurred but not reported (IBNRs) based on the estimated claims incurred as of September 30, and offset by an estimated recovery from the excess insurance. During the year, the excess individual insurance policy covers claims in excess of \$250,000, while the aggregate covers total claims in excess of \$1,000,000. In accordance with the Affordable Care Act, the lifetime maximum for a covered individual is unlimited.

5. PENSION PLANS

Union Defined Benefit Plan

Plan Description

Substantially all Union employees of the Authority are participants in the Amalgamated Transit Union Local 1596 Pension Plan (the "Union Defined Benefit Plan"), a defined benefit, single-employer public employee retirement system, formed April 22, 1986 by agreement between the Authority and the Union. All Authority Union employees hired on or before February 28, 2014 are eligible to participate in the Union Defined Benefit Plan as of their hire date. Employees who have reached the age of 62 are entitled to a retirement union benefit, payable monthly for life, equal to 2.13% of their average compensation for each unit of benefit credit. Average compensation is the average of the highest sixty consecutive calendar months preceding retirement or termination. Participants are credited with units of benefit credit for hours of service worked in a plan year. Benefits fully vest upon reaching 10 years of vested service. Vested employees who retire on or after age 62 will receive full benefits. Participants who have reached age 58 and have 20 years of service are entitled to an unreduced pension benefit. Participants who reach age 55 with 10 years of vesting service and 10 units of benefit credit are entitled to retire early with benefits as follows: (a) accrued benefit to early retirement date payable at normal retirement date, or (b) actuarially reduced and payable immediately, reduced 5/9% per month for the first 60 months by which retirement precedes age 62, and 5/18% per month for additional months by which retirement precedes age 62. Participants' benefits are established by the Trustees of the Union Defined Benefit Plan.

Plan Membership

Participants at the actuarial valuation dates of October 1, 2019 and 2018 utilized for the September 30, 2021 and 2020 fiscal years are as follows:

<u>Membership at Actuarial Valuation Date</u>	<u>2021</u>	<u>2020</u>
Retirees and beneficiaries currently receiving benefits and DROP	478	440
Terminated employees entitled to, but not yet receiving benefits	95	91
Active plan participants	439	493
Total	<u>1,012</u>	<u>1,024</u>

The Authority, as of March 1, 2014, closed the Union Defined Benefit Plan to all new union hires, and adopted a single-employer, defined contribution plan pension plan, Central Florida Regional Transportation Authority Money Purchase Plan (“the Union Defined Contribution Plan”), administered by Hartford Life Insurance Company for new employees. All full time Authority Union employees hired after July 1, 2013 are eligible to participate in the Union Defined Contribution Plan.

The Union Defined Benefit Plan’s fiduciary net position has been determined on the same basis used by the pension plan, which is in accordance with the accrual method of accounting, includes investments at fair value and recognizes benefits and refunds when due and payables in accordance with terms of the Union Defined Benefit Plan. Available historical information about the Union Defined Benefit Plan’s financial statement elements may be obtained by writing The Amalgamated Transit Union Local 1596 Pension Plan c/o Resource Centers LLC, 4360 Northlake Boulevard, Suite 206, Palm Beach Gardens, FL 33410.

Funding Policy

The Authority and Union employees are obligated to contribute to the Union Defined Benefit Plan in accordance with requirements of the Union Collective Bargaining Agreement; regular contribution rates are actuarially determined. Union Defined Benefit Plan members are required to contribute 5.25% of earnings; the Authority is required to contribute a minimum of 9.75% of Union Defined Benefit Plan members’ earnings. The amount by which the required contribution rate exceeds the regular contribution rate in the contract is shared on the same bases as the contribution rate, 65% employer and 35% employee. Employees may elect to enhance their future benefits by up to 0.25% and 0.50% by contributing an additional 2.5% and 5.0% of earnings, respectively. Shared contributions are the amount by which the required contribution rate exceeds the regular contribution rates, which is shared as 65% employer and 35% employee in the subsequent year.

Changes in Net Pension Liability (Asset)

The net pension liability (asset) at September 30, 2021 and 2020 is based on the October 1, 2019 and 2018 actuarial valuation rolled forward to the measurement date of September 30, 2020 and 2019, respectively. Changes in the Authority's Union Defined Benefit Plan net pension liability (asset) during the years ended at September 30, 2021 and 2020 are as follows:

<u>Total pension liability</u>	<u>2021</u>	<u>2020</u>
Service cost	\$ 2,881,747	\$ 3,599,629
Interest	11,638,557	11,137,845
Changes of benefit terms	-	87,818
Difference between actual & expected experience	233,031	2,809,999
Changes of assumptions	-	325,780
Benefit payments	(9,019,587)	(7,675,871)
Refunds	(140,857)	(103,652)
Net change in total pension liability	5,592,891	10,181,548
Total pension liability - beginning	158,976,276	148,794,728
Total pension liability (asset) - ending	\$ 164,569,167	\$ 158,976,276
<u>Plan fiduciary net position</u>		
Contributions - Employer	\$ 2,677,199	\$ 2,715,480
Contributions - Member	2,058,011	2,036,196
Net investment income	17,577,725	5,852,314
Benefit payments	(9,019,587)	(7,675,871)
Refunds	(140,857)	(103,652)
Administrative expense	(331,998)	(290,414)
Other	-	-
Net changes in Plan fiduciary net position	12,820,493	2,534,053
Total Plan fiduciary net position - beginning	156,250,404	153,716,351
Total Plan fiduciary net position - ending	169,070,897	156,250,404
Net pension liability (asset) - ending	\$ (4,501,730)	\$ 2,725,872

Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the years ended September 30, 2021 and 2020, the Authority recognized pension expense of \$667,709 and \$4,307,470, respectively. At September 30, 2021 and 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Fiscal Year 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 1,845,153	\$ 1,064,208
Changes in assumptions	548,106	-
Net difference between projected and actual earnings on pension plan investment	-	3,136,698
Authority contributions made subsequent to the measurement date	2,575,015	-
	<u>\$ 4,968,274</u>	<u>\$ 4,200,906</u>
Fiscal Year 2020	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 3,059,544	\$ 1,804,684
Changes in assumptions	988,891	-
Net difference between projected and actual earnings on pension plan investment	1,166,714	-
Authority contributions made subsequent to the measurement date	2,677,199	-
	<u>\$ 7,892,348</u>	<u>\$ 1,804,684</u>

Authority contributions subsequent to the measurement date (\$2,575,015) were recognized as a deferred outflow of resources during the year ending September 30, 2021 and will be recognized as an increase/reduction of the net pension asset/liability in FY2022. Similarly, the Authority's subsequent contributions in FY2020 (\$2,677,199) made after the measurement date, but before the end of the reporting period were recognized as a reduction of the net pension liability in FY2021 rather than in FY2020. Other amounts reported as deferred outflows of resources and deferred inflows of the resources related to pensions will be recognized in the pension expense as follow:

<u>Year Ended September 30</u>	
2022	\$ (252,517)
2023	(191,921)
2024	(124,968)
2025	(1,238,241)
Total	<u>\$ (1,807,647)</u>

Pension plan contributions for fiscal years 2021 and 2020 were determined as part of the October 1, 2019 and 2018 actuarial valuations, respectively, using the entry age actuarial cost method. The actuarial assumptions included (a) 7.40% investment rate of return (net of administrative expenses) and (b) projected salary increases ranging from 4.00% to 13.13% per year, dependent on years of service. Both (a) and (b) included an inflation component of 2.41%. The assumptions did not include post-retirement benefit increases, which are funded by the Authority when granted. Such assumptions are subject to future changes due to certain market conditions. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the fair value of investments over a five-year period.

Effective October 1, 2016, the mortality table was changed from the RP-2000 Combined Healthy Participant Mortality Table for males and females using scale AA, to the fully generational RP-2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected using Scale BB, used

by the Florida Retirement System (FRS) for Regular Class (non-special risk) members. This change was made in compliance with Florida House Bill 1309, which requires all public pension plans in Florida to use the same mortality tables used in either of the last two actuarial valuation reports of FRS. The assumption for inflation was 2.41%. The assumption for salary increases was 4.00% to 13.13%, depending on service.

For the fiscal years ended September 30, 2021 and September 30, 2020, the annual money-weighted rate of return of Plan investments was 11.20% and 3.80% respectively.

A single discount rate of 7.40% was used to measure the total pension liability (asset). This single discount rate was based on the expected rate of return on pension plan investments of 7.40%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan improvements of 7.40% was applied to all periods of projected benefit payments to determine the total pension liability (asset).

The assumed asset allocation of the Union Plan portfolio and the expected rate of return presented on an arithmetic basis as of September 30, 2021 is as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Rate of Return</u>
Large Cap Core - Passive	7%	8.12%
Large Cap Value - Active	7%	3.38%
Large Cap Growth - Active	7%	8.12%
Mid Cap Equity	10%	7.40%
Fixed Income (Bonds)	29%	3.55%
Small Cap Equity	6%	7.40%
International Equity	15%	6.78%
Convertibles	10%	6.68%
Private real estate	4%	4.87%
Infrastructure	5%	6.30%
Total	100%	

Sensitivity of net pension asset to changes in the discount rate – The following presents the net pension liability (asset) of the Authority, calculated using the discount rate of 7.40%, as well as what the Authority's net pension liability (asset) would be if calculated using a discount rate that is 1-percentage point lower (6.40%) or 1-percentage point higher (8.40%) than the current rate:

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
Discount Rate	6.40%	7.40%	8.40%
September 30, 2021	\$ 12,975,280	(\$ 4,501,730)	\$ (19,351,457)

Union - 401(a) Defined Contribution Pension Plan

The Authority maintains a single-employer, defined contribution pension plan, Central Florida Regional Transportation Authority Money Purchase Plan (the "Union Defined Contribution Plan"), administered by Hartford Life Insurance Company for new employees represented by the union. The Union Defined Contribution Plan is a tax-qualified plan pursuant to Section 401(a) of the Internal Revenue Code. All full-time Authority Union employees hired after July 1, 2013 are eligible to participate in the Union Defined Contribution Plan.

The Union Defined Contribution Plan provisions provide for the Authority to contribute 6% of employee earnings; employees are not required to make contributions. All plan amendments are administered and authorized by the Union Defined Contribution Plan's trustees. At the Union Defined Contribution Plan's inception,

employees are 100% vested after five years of employment with the Authority or other public service or transportation agencies. All employees may withdraw vested balances upon the normal retirement age of 65. The Union Defined Contribution Plan permits withdrawals for retirement, termination, and disability but does not allow participants to borrow against their accounts.

The Authority's contribution to the plan for the years ended September 30, 2021 and 2020 amounted to \$785,758 and \$770,639, respectively, representing 6% of covered payroll less forfeitures.

Employee 401(a) Pension Plan

The Authority maintains a single-employer, defined contribution pension plan, Central Florida Regional Transportation Authority Money Purchase Plan (the "Plan"), administered by Mass Mutual Financial Group for employees who are not represented by the Union, effective October 1, 1994. The Plan is a tax-qualified plan pursuant to section 401(a) of the Internal Revenue Code. All full-time administrative employees not represented by the Union are eligible for participation in the plan, with the exception of employees hired before October 1, 1994 who opted to stay in the FRS and supervisors represented by Union 1749.

The Plan provisions provide for the Authority to contribute 12% or 6% of employee earnings; employees are not required to make contributions. On October 1, 2013, the Authority's contribution changed from 12% to 6% for new employees. All plan amendments are administered and authorized by the Plan's trustees. At the Plan's inception, employees who switched from the FRS were automatically 100% vested and all other employees are 100% vested after five years of employment with the Authority or other public service or transportation agencies. All employees may withdraw vested balances upon the normal retirement age of 65. The Plan permits withdrawals for retirement, termination, and disability; but does not allow participants to borrow against their accounts.

The payroll for Authority employees covered by the plan for the years ended September 30, 2021 and 2020 was \$16,272,511 and \$13,175,307, respectively. The Authority's contribution to the plan for the years ended September 30, 2021 and 2020 amounted to \$1,335,524 and \$1,245,764, respectively, representing 12% and 6% of covered payroll less forfeitures.

6. OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS

Plan Description – In addition to the pension benefits described in Note 5, effective October 1, 1999, the Authority entered into a contractual agreement with Local 1596 of the Amalgamated Transit Union to provide postemployment health care benefits for those employees who, in accordance with Article 28 of the Amalgamated Transit Union Local 1596 Pension Plan, have at least ten (10) years vesting and retire between ages of 62 and 67 or until they are eligible for Medicare benefits (whichever comes first). The Central Florida Regional Transportation Post-Employment Benefits Plan (the "OPEB Plan") is a single-employer defined benefit plan administered by the Authority for which benefit provisions and contribution obligations have been established by the Authority's Board. Eligibility for retirement health care benefits will be determined by the years of credited service. The OPEB Plan does not issue a stand-alone report, and is not included in the report of a public employee retirement system or other entity. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Employees who elect to continue their health care coverage upon retirement are responsible for the employee and employer share over and above the stated contributions. Dependent coverage is available at the retiree's expense provided the retiree elects to continue health care coverage. As required by the Section 112.0801, *Florida Statutes*, the claims experience of the retirees is co-mingled with active employees in determining the health plan cost. The co-mingling of claims requirements equates to an implicit subsidy to retirees that creates another postemployment benefit liability on the part of the Authority.

Employees Covered by Benefit Terms – At September 30, 2021 and 2020, the following employees were covered by the benefit terms:

	<u>2021</u>	<u>2020</u>
Inactive employees or beneficiaries currently receiving benefit payments	17	14
Inactive employees entitled to but not receiving benefit payments	-	-
Active employees	990	1,033
Total Population	<u>1,107</u>	<u>1,047</u>

Funding Policy –The Authority has not advance-funded or established a funding methodology for the annual OPEB costs or the total OPEB liability. The postemployment health insurance benefits will continue to be offered on a pay-as-you-go basis, a percentage of the cost of the Consumer Driven Health Plan (“CDHP, Employee Only”) in accordance with the following schedule:

<u>Years of Service</u>	<u>Contribution Rate</u>
10-14	60% of CDHP, Employee Only
15-19	75% of CDHP, Employee Only
20+	100% of CDHP, Employee Only

Total OPEB Liability – The total OPEB liability at September 30, 2020 and 2019 is based on an actuarial valuation dated October 1, 2020, with roll-backward procedures to the measurement date of October 1, 2019 and an actuarial valuation dated October 1, 2017, with roll-forward procedures to the measurement date of September 30, 2018, respectively.

Actuarial Assumptions and Other Inputs – The Authority’s total OPEB liability was determined using the following actuarial methods, assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.75% in 2020, 3.83% in 2019 (1)
Inflation	2.40%
Salary increases	1.10% to 5.20% depending on service and gender
Mortality rates	Pub-2010 General Employees Headcount-Weighted Mortality Projected with Fully Generational MP-2020 Mortality Improvement Scale (sex distinct) projected from 2000 with Scale AA
Healthcare cost trend rates	Ultimate Rate 4.04%
Administrative expenses	Included in claim cost
Actuarial cost method	Entry Age Normal
Measurement date	September 30, 2020
Valuation date	June 1, 2021

- (1) As required by GASB Statement No. 75, this rate is equal to the tax-exempt municipal bond rate on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Changes in Total OPEB Liability – The following table shows the changes in the Authority's total OPEB liability during the year ended September 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Total OPEB liability - beginning	\$ 5,355,542	\$ 4,615,938
Changes for the year:		
Service cost	506,322	427,649
Interest	143,941	172,394
Experience loss/(gains)	(1,132,971)	-
Changes in assumptions	1,186,455	369,132
Benefit payments	(242,635)	(229,571)
Net changes	<u>461,112</u>	<u>739,604</u>
Total OPEB liability - Ending	<u>\$ 5,816,654</u>	<u>\$ 5,355,542</u>

Changes in assumptions or other inputs reflect a change in the discount rate from 3.5% to 3.8% for the Authority. All other assumptions are consistent with those used in the prior valuation.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Authority, as well as what the Authority’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the discount rate:

Fiscal Year 2021	1% Decrease	Current Rate	1% Increase
Discount Rate	1.41%	2.41%	3.41%
Total OPEB Liability	\$ 6,250,557	\$ 5,816,654	\$ 5,409,212

Fiscal Year 2020	1% Decrease	Current Rate	1% Increase
Discount Rate	1.75%	2.75%	3.75%
Total OPEB Liability	\$ 5,717,832	\$ 5,355,542	\$ 5,013,709

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate – The following presents the total OPEB liability of the Authority, as well as what the Authority’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the healthcare cost trend rate:

Fiscal Year 2021	1% Decrease	Current Rate	1% Increase
Healthcare cost trend	3.04%	4.04%	5.04%
Total OPEB Liability	\$ 5,284,322	\$ 5,816,654	\$ 6,426,791

Fiscal Year 2020	1% Decrease	Current Rate	1% Increase
Healthcare cost trend	3.02%	4.02%	5.02%
Total OPEB Liability	\$ 4,870,130	\$ 5,355,542	\$ 5,908,552

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended September 30, 2021 and 2020, the Authority recognized an OPEB expense of \$461,112 and \$739,604, respectively. At September 30, 2021 and 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Fiscal Year 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 1,352,515
Change of assumptions	1,273,178	26,901
Total	\$ 1,273,178	\$ 1,379,416

Fiscal Year 2020	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 535,366
Change of assumptions	379,590	53,803
Total	\$ 379,590	\$ 589,169

Amounts recognized as deferred inflows of resources and deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended September 30</u>	
2022	\$ (49,856)
2023	(22,955)
2024	(22,956)
2025	(22,955)
2026	(33,654)
Thereafter	46,138
Total	\$ (106,238)

7. COMMITMENTS

Operating Leases – Operating leases consist of facility leases for the Southern Operation Base in Osceola County, Paratransit Operations Facility in Orlando and parking at LYNX Central Station for terms of one year or less. Total lease expense amounted to \$513,859 and \$494,094 during the years ended September 30, 2021 and 2020, respectively.

8. FUEL HEDGE SWAP AGREEMENTS

The Authority first entered into fuel hedge swap agreements (“swaps”) during fiscal year 2011 in order to smooth out the fluctuation in diesel fuel cost and to set predetermined upper limits with respect to the cost of fuel. Swaps for fiscal years 2022, 2021, and 2020 as follows:

<u>Trade Date</u>	<u>Effective Period</u>	<u>Total Quantity Gallons</u>	<u>Fixed Price Per Gallon</u>
09/26/2018	10/01/18 – 01/31/19	356,000	\$2.0660 ^A
12/03/2018	02/01/19 – 09/30/19	720,000	\$1.5890 ^A
10/03/2019	11/01/19 – 09/30/20	825,000	\$1.7610 ^A
01/31/2020	02/01/20 – 09/30/20	240,000	\$1.5785 ^B
02/27/2020	10/01/20 – 03/31/21	270,000	\$1.3490 ^A
02/28/2020	10/01/20 – 03/31/20	270,000	\$1.2975 ^A
02/28/2020	04/01/21 – 09/30/21	270,000	\$1.4315 ^A
02/03/2020	02/01/20 – 09/30/20	240,000	\$1.5345 ^B
03/02/2020	04/01/21 – 09/30/21	270,000	\$1.4705 ^A
09/26/2018	10/01/18 – 01/31/19	504,000	\$2.2940 ^B
10/03/2019	11/01/19 – 09/30/20	825,000	\$1.5520 ^B
01/31/2020	02/01/20 – 09/30/20	600,000	\$1.6275 ^A
02/27/2020	10/01/20 – 09/31/21	900,000	\$1.5415 ^B
02/03/2020	02/01/20 – 09/30/20	600,000	\$1.571 ^A
02/27/2020	10/01/20 – 03/31/21	270,000	\$1.349 ^B
02/28/2020	10/01/20 – 03/31/20	450,000	\$1.5225 ^B
03/02/2020	10/01/20 – 09/30/21	900,000	\$1.5605 ^B
10/29/2020	10/01/21 – 09/30/22	1,800,000	\$1.2265 ^B
10/29/2020	10/01/21 – 09/30/22	1,080,000	\$1.1699 ^A

^A US Gulf Coast Gasoline (UNL-87)

^B US Gulf Coast Ultra Low Sulfur Diesel (ULSD)

Settlements with the counterparty are made monthly based on the difference between the number of gallons hedged at the fixed price and the number of gallons hedged at the average price per gallon based on the U.S. Gulf Coast Pipeline Ultra Low Sulfur Diesel Platts Index and the U.S. Gulf Coast Pipeline Gasoline Unleaded 87 Platts Index (“Platts”). If the Platts price is higher than the fixed price the counterparty pays the Authority a settlement amount and if the fixed price is higher than the Platts price the Authority pays the counterparty. The Authority is exposed to basis risk on the swaps if the index on which fuel is purchased differs from the Platts index specified in the related fuel hedge agreements. During fiscal years 2021 and 2020, the Authority purchased all diesel fuel from vendors using the Platts index.

The Authority is also exposed to rollover risk on the swaps to the extent that the maturities of fuel hedges differ from the timing of fuel purchases. To the extent there are timing differences, the Authority is re-exposed to the fuel price risks being hedged.

The swaps are considered effective hedges at September 30, 2021, 2020 and 2019 under the dollar-offset method, which compares the changes in expected cash flows of the hedging instruments to the cash flows of the diesel fuel subjected to hedge. Accordingly, the swaps are presented at estimated fair value on the statement of net position, with \$2,818,451 as a deferred inflow of resources on September 30, 2021, and is a derivative financial instrument on balance sheet as of September 30, 2021. The estimated fair value of swaps is determined based on the contracted strike prices and applicable future prices at September 30, 2021, and these values represent the change in fair value of the swaps during the fiscal year.

9. LITIGATION

The Authority is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operation, most of which are covered by the self-insurance program discussed in Note 4. In the opinion of management, any adjustments that would result from the settlement of lawsuits and other claims would not be significant.

REQUIRED SUPPLEMENTARY INFORMATION
UNION PENSION PLAN SCHEDULE OF CHANGES IN NET PENSION
LIABILITY (ASSET) AND RELATED RATIOS

Total pension liability	2021	2020	2019	2018	2017	2016
Service cost	\$ 2,881,747	\$ 3,599,629	\$ 3,504,724	\$ 4,177,847	\$ 4,174,172	\$ 4,324,270
Interest	11,638,557	11,137,845	10,763,561	10,041,777	9,337,562	8,827,032
Benefit changes	-	87,818	981,945	-	-	-
Difference between actual & expected experience	233,031	2,809,999	(2,944,884)	1,015,883	2,082,258	(638,418)
Assumption changes	-	325,780	-	1,793,830	-	-
Benefit payments	(9,019,587)	(7,675,871)	(6,757,303)	(5,494,839)	(5,590,105)	(4,808,642)
Refunds	(140,857)	(103,652)	(282,766)	(929,948)	(401,384)	(311,317)
Net change in total pension liability	5,592,891	10,181,548	5,265,277	10,604,550	9,602,503	7,392,925
Total pension liability - beginning	158,976,276	148,794,728	143,529,451	132,924,901	123,322,398	115,929,473
Total pension liability	\$ 164,569,167	\$ 158,976,276	\$ 148,794,728	\$ 143,529,451	\$ 132,924,901	\$ 123,322,398
Plan fiduciary net position						
Contributions - Employer	\$ 2,677,199	\$ 2,715,480	\$ 2,983,198	\$ 3,000,228	\$ 2,233,626	\$ 3,315,335
Contributions - Member	2,058,011	2,036,196	2,118,761	2,044,172	2,192,180	2,264,655
Net investment income (loss)	17,577,725	5,852,314	11,698,371	14,943,745	11,523,579	(1,070,462)
Benefit payments	(9,019,587)	(7,675,871)	(6,757,303)	(5,494,839)	(5,590,105)	(4,808,642)
Refunds	(140,857)	(103,652)	(282,766)	(929,948)	(401,384)	(311,317)
Administrative expense	(331,998)	(290,414)	(234,611)	(300,019)	(397,607)	(237,972)
Other	-	-	-	2,518	-	-
Net changes in Plan fiduciary net position	12,820,493	2,534,053	9,525,650	13,265,857	9,560,289	(848,403)
Total Plan fiduciary net position - beginning	156,250,404	153,716,351	144,190,701	130,924,844	121,364,555	122,212,958
Total Plan fiduciary net position - ending	169,070,897	156,250,404	153,716,351	144,190,701	130,924,844	121,364,555
Net pension liability (asset) - ending	\$ (4,501,730)	\$ 2,725,872	\$ (4,921,623)	\$ (661,250)	\$ 2,000,057	\$ 1,957,843
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.74%	98.29%	103.31%	100.46%	98.50%	98.41%
Covered payroll	\$ 21,071,557	\$ 23,557,100	\$ 24,181,638	\$ 28,338,911	\$ 29,800,533	\$ 34,028,032
Net pension liability (asset) as a percentage of covered payroll	(21.36%)	11.57%	(20.35%)	(2.33%)	6.71%	5.75%

Note to Schedule:

Since the measurement date is one year prior to fiscal year end, the amounts presented were determined as of the prior fiscal year ending September 30. Additional years will be displayed as the information becomes available.

**REQUIRED SUPPLEMENTARY INFORMATION
UNION PENSION PLAN SCHEDULE OF CONTRIBUTIONS, NET PENSION
LIABILITY (ASSET) AND MONEY-WEIGHTED RATE OF RETURN**

SCHEDULE OF CONTRIBUTIONS

FY Ending September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency/ (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2021	\$2,095,386	\$2,212,000	(\$116,614)	\$19,539,406	11.32%
2020	\$2,329,350	\$2,677,199	(\$347,849)	\$21,071,557	12.71%
2019	\$2,595,795	\$2,715,479	(\$119,684)	\$23,557,100	11.53%
2018	\$2,842,481	\$2,885,961	(\$43,480)	\$24,181,638	11.93%
2017	\$3,604,720	\$2,838,977	\$765,743	\$28,338,911	10.02%
2016	\$3,427,954	\$2,930,490	\$497,464	\$29,800,533	9.83%
2015	\$3,283,667	\$3,315,057	(\$31,390)	\$34,028,032	9.74%
2014	\$3,521,356	\$2,337,699	\$1,183,657	\$34,962,723	6.69%
2013	\$3,422,542	\$3,568,777	(\$146,235)	\$32,821,564	10.87%
2012	\$3,543,980	\$3,638,572	(\$94,592)	\$34,369,299	10.59%

SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY (ASSET) *

FY Ending September 30	Total Pension Liability	Plan Net Position	Net Pension Liability (Asset)	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability (Asset) as a % of Covered Payroll
2021	\$164,569,167	\$169,250,404	(\$4,501,730)	102.74%	\$21,071,557	(21.36)%
2020	\$158,976,276	\$156,250,404	\$2,725,872	100.46%	\$23,557,100	11.57%
2019	\$148,794,728	\$153,716,351	(\$4,921,623)	103.31%	\$24,181,638	(20.35)%
2018	\$143,529,451	\$144,190,701	(\$661,250)	100.46%	\$28,338,911	(2.33)%
2017	\$132,924,901	\$130,924,844	\$2,000,057	98.50%	\$29,800,533	6.71%
2016	\$123,322,398	\$121,364,555	\$1,957,843	98.41%	\$34,028,032	5.75%
2015	\$115,929,473	\$122,212,958	(\$6,283,485)	105.42%	\$34,962,723	(17.97)%

NPL SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN *

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return net of investment expense	11.2%	3.7%	4.1%	8.4%	11.8%	9.8%	8.7%

*Since the measurement date is one year prior to fiscal year end, the amounts presented were determined as of the prior fiscal year ending September 30. Additional years will be displayed as the information becomes available.

REQUIRED SUPPLEMENTARY INFORMATION
UNION PENSION PLAN NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Valuation Date: 10/1/2019 (for FYE 9/30/21)
 Measurement Date: September 30, 2018

Note: Actuarially determined contributions are calculated as of the October 1 which is one year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	29 years
Asset Valuation Method	5-year smoothed market
Inflation	2.41%
Salary Increases	4.0% to 13.13% depending on service
Expenses	Average of the actual administrative expenses for the two most recent years is added to Normal Cost
Investment Rate of Return	7.40%
Retirement Age	20% to 100% depending on age
Mortality	RP-2000 Combined Healthy Participant Mortality Tables for males and females using projection scale BB to anticipate future mortality improvements, and without projection for disabled lives; structured to align with assumed mortality for non-special risk employees under the Florida Retirement System (FRS), as mandated by Florida Health Bill 1309 (codified in Chapter 2015-157).

Other Information:

See Discussion of Valuation Results in the October 1, 2018 Actuarial Valuation Report dated May 23, 2019. This valuation reflects Amendment No. 5, which changes the interest credited to member contributions from 5.0% to 0.0% per annum, retroactive to March 31, 2013.

The Board adopted updated assumptions to be effective October 1, 2018, following an experience study. Changes were made in the assumed investment return, average salary increases, retirement rates, termination rates, mortality tables (100% blue collar adjustment), and rates of disability. The new assumptions are detailed in Section II of this report.

In addition, the amortization periods for new bases set up in the future will be reduced by one year each year, until reaching a 20-year amortization period.

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND
RELATED RATIOS – REQUIRED BY GASB 75**

	<u>Fiscal Year</u> <u>2021</u>	<u>Fiscal Year</u> <u>2020</u>	<u>Fiscal Year</u> <u>2019</u>	<u>Fiscal Year</u> <u>2018</u>
Report period ending	09/30/2021	09/30/2020	09/30/2019	09/30/2018
Measurement date	10/01/2020	10/01/2019	10/01/2018	10/01/2017
<u>Total OPEB liability</u>				
Service cost	\$ 506,322	\$ 427,649	\$ 423,239	\$ 429,100
Interest	143,941	172,394	167,170	140,928
Experience loss/(gains)	(1,132,971)	-	(713,822)	-
Trust contribution/benefit payments	(242,635)	(229,571)	(224,817)	(185,740)
Changes in assumptions	<u>1,186,455</u>	<u>369,132</u>	<u>75,468</u>	<u>(134,509)</u>
Net change in total OPEB liability	461,112	739,604	(272,762)	249,779
Total OPEB liability – beginning	<u>5,355,542</u>	<u>4,615,938</u>	<u>4,888,700</u>	<u>4,638,921</u>
Total OPEB liability – ending	\$ <u>5,816,654</u>	\$ <u>5,355,542</u>	\$ <u>4,615,938</u>	\$ <u>4,888,700</u>
Covered employee payroll	\$ 54,018,999	\$ 51,519,761	\$ 50,167,528	\$ 48,919,052
Total OPEB liability as a percentage of covered employee payroll	10.77%	10.40%	9.20%	9.99%

Notes to Schedule:

*Since the measurement date is one year prior to fiscal year end, the amounts presented were determined as of the prior fiscal year ending September 30. There are no assets accumulating in a trust which meet the criteria of GASB codification P22.101 or P52.101 to pay related benefits in the OPEB plan.

Change of Assumptions: Change of assumptions reflects the effects of changes in the discount rate from 2.75% to 3.83% for the reporting period ended September 30, 2021.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SUPPLEMENTARY SCHEDULE OF REVENUES AND EXPENSES
BUDGET VS ACTUAL (BUDGET BASIS)
YEAR ENDED SEPTEMBER 30, 2021

	Budget	Actual	Variance Favorable/ (Unfavorable)
OPERATING REVENUES			
Customer fares	\$ 13,424,892	\$ 15,037,923	\$ 1,613,031
Contract services:			
Local financial assistance	15,001,239	15,529,861	528,622
Other contractual services	5,164,937	4,911,303	(253,634)
Advertising	2,900,000	2,466,089	(433,911)
Other income	373,000	395,296	22,296
	<u>36,864,068</u>	<u>38,340,472</u>	<u>1,476,404</u>
OPERATING EXPENSES:			
Transportation	53,643,652	51,431,722	2,211,930
Maintenance and operations	75,653,736	66,104,343	9,549,393
General and administrative	24,623,761	19,946,435	4,677,326
	<u>153,921,149</u>	<u>137,482,500</u>	<u>16,438,649</u>
OPERATING LOSS	(117,057,081)	(99,142,028)	17,915,053
NON-OPERATING REVENUES/(EXPENSES):			
Federal	63,974,047	61,151,491	(2,822,556)
State of Florida	14,033,601	13,749,811	(283,790)
Local	64,233,063	64,330,313	97,250
Interest income	250,000	114,128	(135,872)
	<u>142,490,711</u>	<u>139,345,743</u>	<u>(3,144,968)</u>
Increase (decrease) in net position	<u>\$ 25,433,630</u>	<u>40,203,715</u>	<u>\$ 14,770,085</u>
BASIS DIFFERENCES:			
Depreciation		(24,090,308)	
Other income		208,662	
Capital contribution		<u>37,628,836</u>	
Increase in net position - GAAP basis		<u>\$ 53,950,905</u>	



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Statistical Section

STATISTICAL INFORMATION

This section contains statistical tables reflecting various supplemental financial data concerning the Authority's operations. Where applicable, a 10-year history has been depicted to disclose trends in financial operations and other finance-related matters. These tables have been included as a part of this report for information purposes only, and, therefore, have not been subjected to audit by the Authority's independent auditors. Below is a summary of the components and purpose for the tables provided here-in.

	<u>Pages</u>
<u>Debt Capacity</u>	
This schedule presents information to help the reader assess the ability of LYNX to service its outstanding debt.	51
<u>Revenue Capacity</u>	
These schedules contain information to help the reader assess LYNX' most significant revenue sources.	52-54
<u>Financial Trends</u>	
These schedules contain trend information to help the reader understand how LYNX' financial performance and financial position have changed over time.	49-50, 55-57, 65-67
<u>Demographic and Economic Information</u>	
These schedules contain demographic and economic indicators to help the reader understand the environment within which LYNX' financial activities take place.	48, 58-63
<u>Other Operating Information</u>	
These schedules contain service levels and capital asset data and insurance information to help the reader understand how the information in LYNX' financial report relates to the services the Authority provides to its customers and the community.	64, 68-69

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
LYNX
Miscellaneous Statistics
Year End September 30, 2021
(Unaudited)

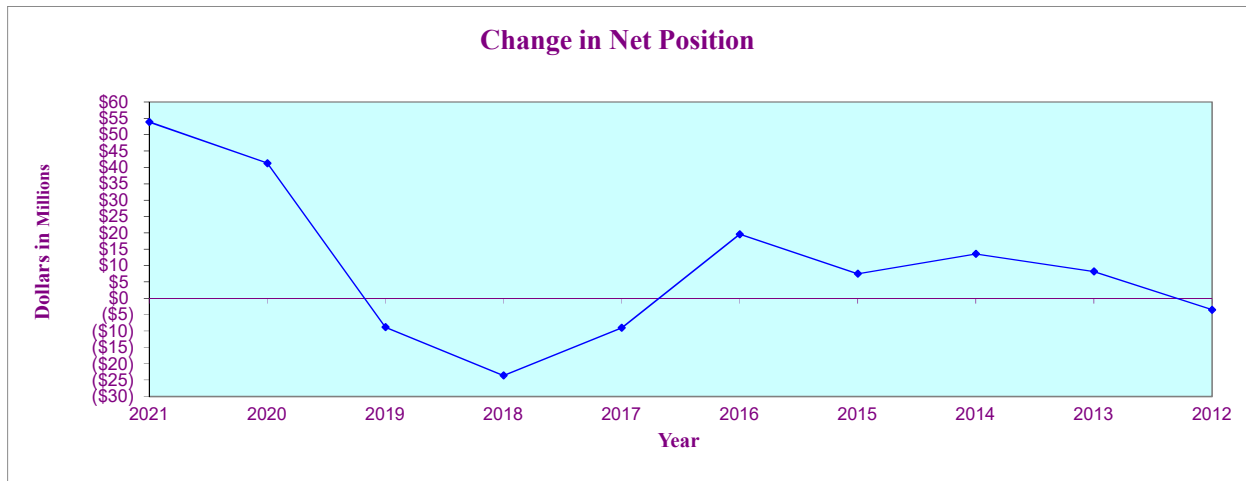
Form of Government	Local Government (Independent Special District)
Number of Directors	Five (5) Voting
Area Population	2,287,049
Counties Served	Orange, Seminole and Osceola
Number of Service Routes	71
Peak Vehicle Requirement	257
Hours of Operation	4:00 a.m. to 3:10 a.m.
Average Weekday Passengers	41,330
Vehicle Miles Operated	16,329,764
Vehicle Hours Operated	1,192,983

Sources: Metro Orlando Economic Development Commission
National Transit Database Report

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Revenue, Expenses, and Change in Net Position
Last Ten Years
Dollars in Millions
(Unaudited)**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Operating Revenue:										
Customer Fares	\$ 15.1	\$ 12.3	\$ 23.9	\$ 24.1	\$ 25.2	\$ 26.6	\$ 28.2	\$ 29.1	\$ 29.4	\$ 28.6
Other	23.3	24.4	23.7	22.6	21.9	20.2	20.6	22.5	20.0	18.0
Total Operating Revenue	38.4	36.7	47.6	46.7	47.1	46.8	48.8	51.6	49.4	46.6
Operating Expenses:										
Administration, Transportation, and Maintenance	137.5	144.2	141.7	135.3	127.8	116.6	114.2	120.5	119.8	112.0
Depreciation	24.1	20.5	21.6	23.2	25.9	26.8	26.2	23.5	19.9	19.1
Capital Project Abandonment Expense	-	-	-	-	4.2	-	-	-	-	-
Total Operating Expenses	161.6	164.7	163.3	158.5	157.8	143.4	140.4	144.0	139.7	131.1
Operating Loss	(123.2)	(128.0)	(115.9)	(111.8)	(110.7)	(96.6)	(91.6)	(92.4)	(90.3)	(84.5)
Non-Operating Revenue (Expenses):										
Operating Assistance	128.2	134.6	65.8	61.9	59.1	56.8	56.1	53.4	49.0	47.8
Planning and Other Income (Expenses)	11.4	12.4	19.3	18.9	17.4	17.0	16.3	17.3	19.3	20.3
Capital Contributions	37.6	22.2	21.8	9.7	25.2	42.4	19.7	35.3	30.2	12.9
Total Non-Operating Revenue (Expenses)	177.2	169.2	106.9	88.1	101.7	116.2	92.1	106.0	98.5	81.0
Change in Net Position Before Accounting Change	53.6	41.3	(8.8)	(21.3)	(9.0)	19.6	0.5	13.6	8.2	(3.5)
Change in Accounting Principle	-	-	-	(2.3)	-	-	7.0	-	-	-
Change in Net Position After Accounting Change	\$ 53.6	\$ 41.3	\$ (8.8)	\$ (23.6)	\$ (9.0)	\$ 19.6	\$ 7.5	\$ 13.6	\$ 8.2	\$ (3.5)



For the past 10 years the chart shows the change in net position each year versus the immediately preceding year. Net Position increased in 2021 due to federal funding from CARES Act to cover operating expenses and maintain services levels related to the COVID-19 pandemic.

Source: Financial Statements

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

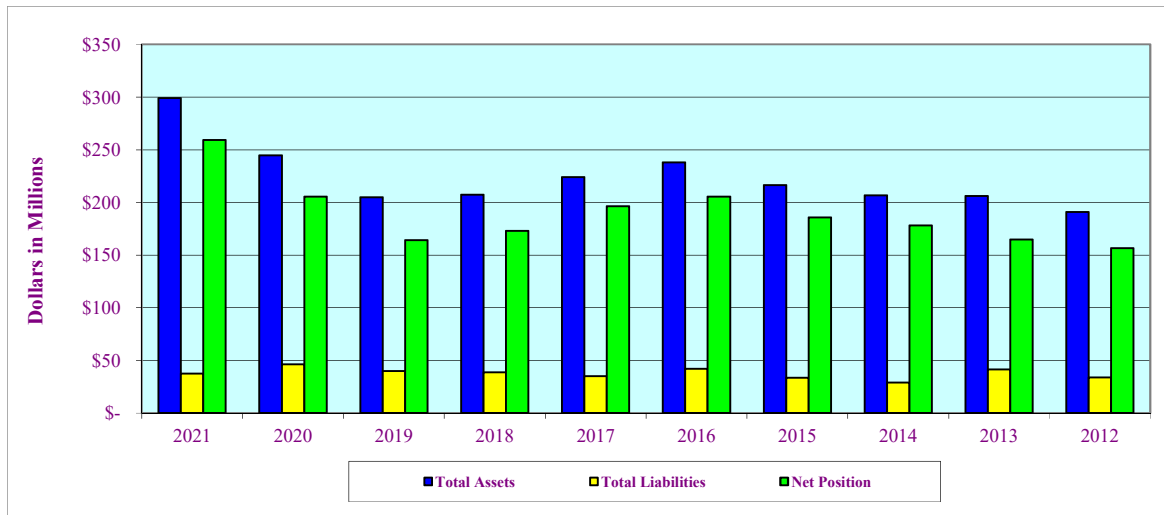
Condensed Summary of Net Position

Last Ten Years

Dollars in Millions

(Unaudited)

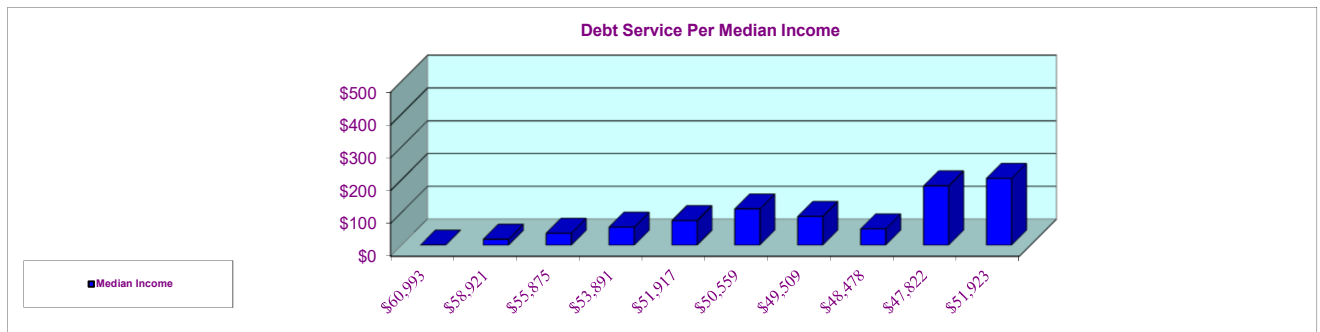
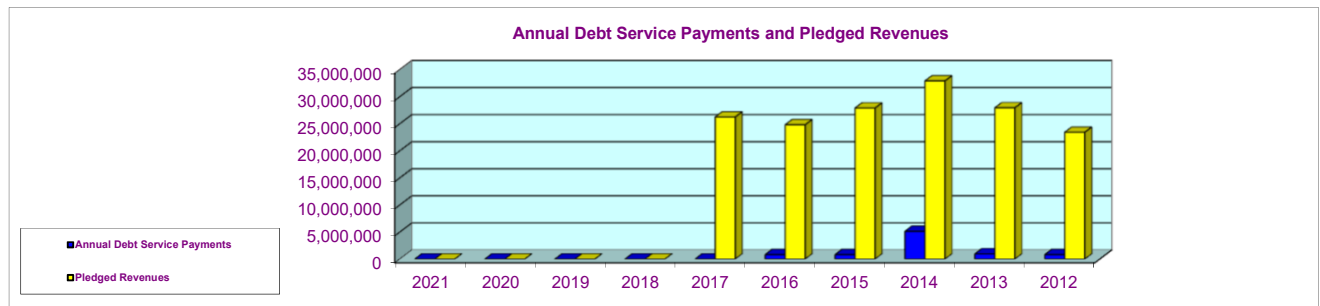
Year	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Total Assets	\$299.2	\$244.6	\$204.8	\$207.4	\$224.1	\$238.0	\$216.6	\$206.7	\$206.0	\$191.0
Deferred Outflow of Resources	\$6.2	\$9.5	\$5.5	\$6.5	\$8.1	\$10.3	\$4.1	\$0.8	\$0.1	\$0.0
Deferred Inflow of Resources	\$8.4	\$2.4	\$6.1	\$2.3	\$0.7	\$0.5	\$1.3	\$0.0	\$0.0	\$0.7
Total Liabilities	\$37.7	\$46.3	\$40.1	\$38.7	\$35.0	\$42.2	\$33.5	\$29.2	\$41.4	\$33.8
Ending Net Position	\$259.3	\$205.4	\$164.1	\$172.9	\$196.5	\$205.5	\$185.9	\$178.3	\$164.7	\$156.5
Net investment in capital assets	\$155.4	\$146.1	\$137.1	\$139.3	\$153.0	\$149.9	\$142.7	\$147.6	\$135.6	\$124.9
Restricted	\$2.3	\$1.7	\$9.6	\$1.7	\$1.7	\$1.6	\$0.0	\$0.0	\$0.1	\$0.5
Unrestricted	\$101.6	\$57.6	\$17.4	\$31.9	\$41.8	\$54.0	\$43.2	\$30.7	\$29.0	\$31.1
Ending Net Position	\$259.3	\$205.4	\$164.1	\$172.9	\$196.5	\$205.5	\$185.9	\$178.3	\$164.7	\$156.5



This chart compares Total Assets, Total Liabilities, and Net Position values over the last 10 years. Total Assets increased 56.64% during this period as the Authority expanded service, acquired new rolling stock, and constructed bus shelters and intermodal transfer centers. Total Liabilities at the end of fiscal year 2021 are 11.53% greater than at the end of fiscal year 2012. Net Position increased in 2021 due to federal funding from CARES Act to cover operating expenses and maintain services levels related to the COVID-19 pandemic.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX
Total Debt
Last Ten Years
(Unaudited)**

Year	Total Debt	SIB Loans	Capital Leases	Annual Debt Service Payments	Pledged Revenues	Debt Service Coverage	Median Income	Debt per Median Income
2021	\$0	\$0	\$0	\$0	\$0	0.00	\$60,993	\$0.00
2020	\$1,051,268	\$0	\$1,051,268	\$0	\$0	0.00	\$58,921	\$17.84
2019	\$2,013,282	\$0	\$2,013,282	\$0	\$0	0.00	\$55,875	\$36.03
2018	\$2,953,519	\$0	\$2,953,519	\$0	\$0	0.00	\$53,891	\$54.81
2017	\$3,872,473	\$0	\$3,872,473	\$0	\$26,228,105	0.00	\$51,917	\$74.59
2016	\$5,583,849	\$813,225	\$4,770,624	\$829,490	\$24,800,447	29.90	\$50,559	\$110.44
2015	\$4,325,942	\$1,610,507	\$2,715,435	\$829,492	\$27,889,437	33.62	\$49,509	\$87.38
2014	\$2,392,156	\$2,392,156	\$0	\$5,127,064	\$32,892,077	6.61	\$48,478	\$49.35
2013	\$8,636,268	\$7,413,500	\$1,222,768	\$958,423	\$27,936,006	29.15	\$47,822	\$180.59
2012	\$10,563,319	\$8,164,797	\$2,398,522	\$829,492	\$23,411,900	28.22	\$51,923	\$203.44



Source: Financial Statements, NTD Report, and Orlando Economic Development Commission.

Note: Total debt consists of State Infrastructure Bank loans and capital lease obligations but annual debt service payments consist only of payments on State Infrastructure Bank loans. Available pledged revenues are for capital expenditures and debt service payments.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

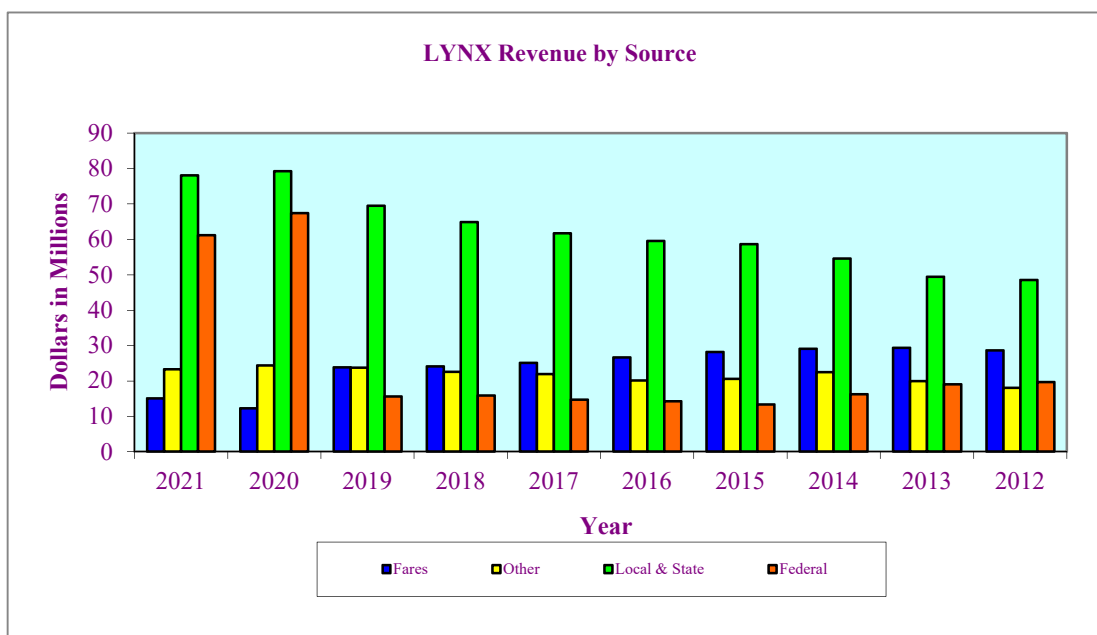
Revenue by Source

Last Ten Years

Dollars in Millions

(Unaudited)

Fiscal Year	MISCELLANEOUS REVENUE		OPERATING AND OTHER			Total Revenue
	Fares	Other	Total	Local & State	Federal	
2021	\$15.037	\$23.302	\$38.340	\$78.080	\$61.151	\$177.571
2020	\$12.298	\$24.412	\$36.710	\$79.279	\$67.377	\$183.366
2019	\$23.863	\$23.748	\$47.611	\$69.486	\$15.633	\$132.730
2018	\$24.143	\$22.557	\$46.700	\$64.867	\$15.877	\$127.444
2017	\$25.165	\$21.926	\$47.091	\$61.665	\$14.680	\$123.436
2016	\$26.643	\$20.171	\$46.814	\$59.522	\$14.223	\$120.560
2015	\$28.225	\$20.572	\$48.797	\$58.646	\$13.385	\$120.828
2014	\$29.081	\$22.475	\$51.556	\$54.558	\$16.257	\$122.371
2013	\$29.394	\$19.985	\$49.379	\$49.433	\$19.060	\$117.872
2012	\$28.620	\$18.074	\$46.667	\$48.521	\$19.678	\$114.866



The table and graph show the primary sources of revenues, the amount received from each source over the last ten years and, consequently, the Authority's relative dependency on each of the revenue sources. Local and state governments have consistently been the biggest providers of operating funds. Fares increased in 2021 and were up 22.27% compared to 2020. Total revenue was lower due to the decrease in federal assistance. In 2021, federal revenue decreased to 34.43% of LYNX's total revenue, versus 36.74% in 2020.

Source: Financial statements and schedules included in the Annual Comprehensive Financial Reports

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX
Revenues by Source
Last Ten Years
(Unaudited)**

FISCAL YEAR	OPERATING AND OTHER MISCELLANEOUS REVENUE			OPERATING ASSISTANCE			TOTAL REVENUE
	FARES	OTHER	TOTAL	LOCAL & STATE	FEDERAL	TOTAL	
INDUSTRY							
2021	*	*	0.0%	*	*	0.0%	0.0%
2020	*	*	0.0%	*	*	0.0%	0.0%
2019	29.5%	4.5%	34.0%	58.1%	7.9%	66.0%	100.0%
2018	30.7%	5.4%	36.0%	55.3%	8.6%	64.0%	100.0%
2017	31.4%	5.0%	36.3%	55.2%	8.5%	63.7%	100.0%
2016	31.3%	5.0%	36.3%	55.7%	8.0%	63.7%	100.0%
2015	32.5%	4.9%	37.4%	54.3%	8.3%	62.6%	100.0%
2014	32.0%	3.9%	35.9%	55.5%	8.6%	64.1%	100.0%
2013	32.5%	3.8%	36.3%	54.8%	8.9%	63.7%	100.0%
2012	32.5%	4.6%	37.1%	54.0%	8.9%	62.9%	100.0%
LYNX							
2021	8.5%	13.1%	21.6%	44.0%	34.4%	78.4%	100.0%
2020	6.5%	13.3%	20.0%	43.2%	36.7%	80.0%	100.0%
2019	18.1%	18.0%	36.1%	52.1%	11.9%	63.9%	100.0%
2018	19.0%	17.8%	36.8%	50.6%	12.5%	63.2%	100.0%
2017	20.4%	17.8%	38.1%	50.0%	11.9%	61.9%	100.0%
2016	22.1%	16.7%	38.8%	49.4%	11.8%	61.2%	100.0%
2015	23.4%	17.0%	40.4%	48.5%	11.1%	59.6%	100.0%
2014	23.8%	18.4%	42.2%	44.6%	13.2%	57.8%	100.0%
2013	24.9%	17.0%	41.9%	41.9%	16.2%	58.1%	100.0%
2012	24.9%	15.7%	40.6%	42.3%	17.1%	59.4%	100.0%

Source: Financial Statements

APTA 2021 Transportation Fact Book

* Not available

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

Fare Structure

Year Ended September 30, 2021

(Unaudited)

TICKETS	
Cash Fare/Single Ride	\$ 2.00
Transfer	Free
Elderly and Disabled/Single Ride	\$ 1.00
Youth	\$ 1.00
Daily Pass	\$ 4.50
Elderly and Disabled Daily Pass	\$ 2.25
Youth Daily Pass	\$ 2.25
Children (6 years and under with an adult)	Free
PASSES	
7 Day Pass	\$ 16.00
Discounted 7 Day Pass (Students, Elderly and Disabled)	\$ 8.00
Youth Pass 7 Day	\$ 8.00
30 Day	\$ 50.00
AdvantAge Pass 30 Day (Elderly and Disabled)	\$ 25.00
Youth Pass 30 Day	\$ 25.00

SOURCE: LYNX Fare Structure Policy

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Fare Trends
Last Ten Years**

(Unaudited)

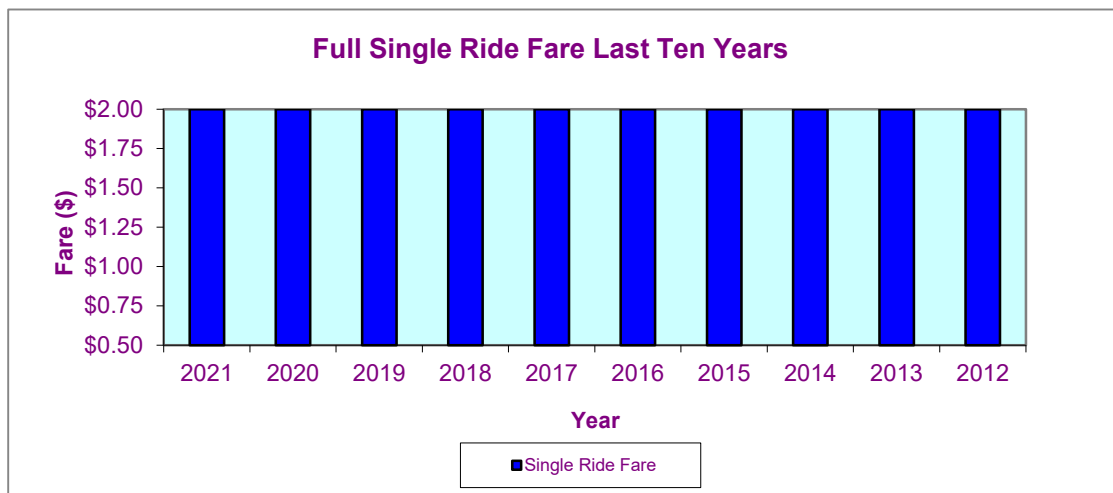
Fiscal Year	CASH FARES				PASSES			
	Single Fare	Discount Single	1 Day Fare	Discount 1 Day	7 Day Pass	Discount 7 Day	30 Day Pass	Discount 30 Day
2021	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2020	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2019	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2018	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2017	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2016	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2015	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2014	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2013	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2012	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00

Discounted Fares Include:

Students
Elderly and Handicapped

Discounted Passes Include:

Youth
Advantage
IQ

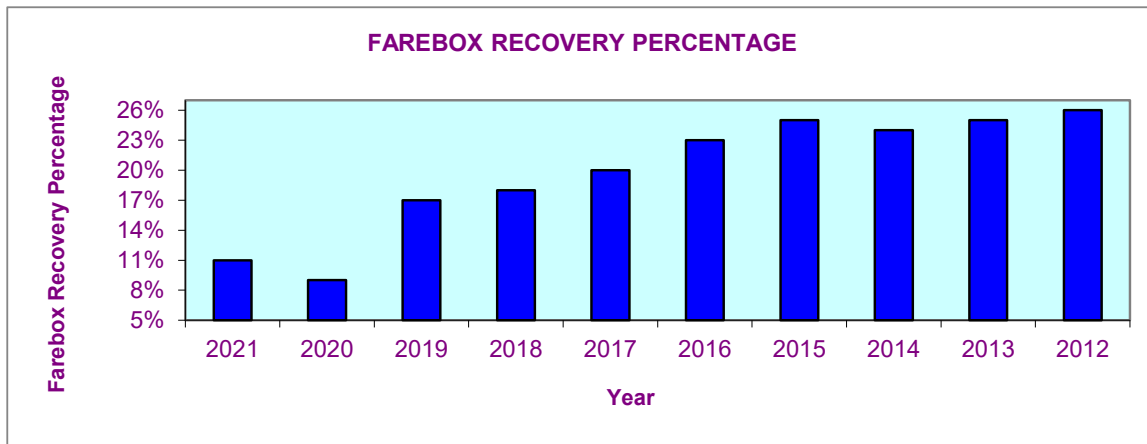


The table and graph show the amount of each standard fixed-route fare type by year. In keeping with the Authority's commitment to keep fares as low as fiscally feasible and to make relatively small rate increases periodically, no fare rate increases were made in 2021. The last increase was implemented in January 2009.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Farebox Recovery Percentage
Last Ten Years
(Unaudited)**

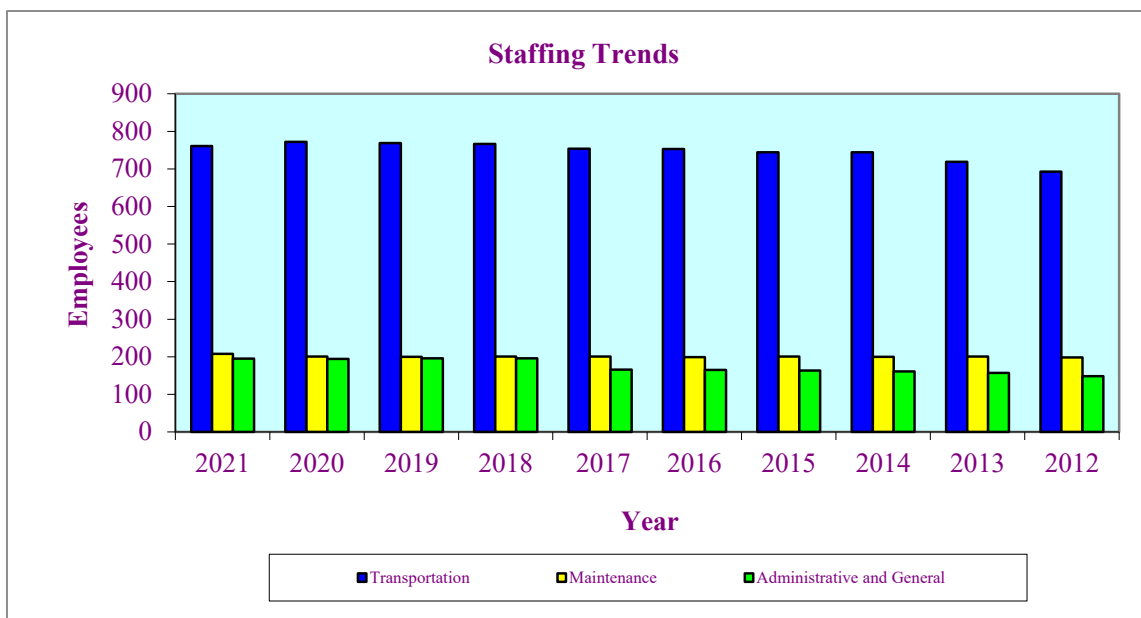
Fiscal Year	Percentage
2021	11%
2020	9%
2019	17%
2018	18%
2017	20%
2016	23%
2015	25%
2014	24%
2013	25%
2012	26%



Farebox Recovery Percentage is the percentage of the total operating cost that is funded by customer fares. It is calculated by dividing total customer fares by total operating cost before depreciation. 2021 Farebox recovery was up 2% from 2020.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX
Budgeted Staffing Trends
Last Ten Years
(Unaudited)**

Year	Transportation	Maintenance	Administrative and General	Total
2021	761	208	195	1,164
2020	772	201	194	1,167
2019	769	200	196	1,165
2018	766	201	196	1,163
2017	754	201	166	1,121
2016	753	199	165	1,117
2015	744	201	163	1,108
2014	744	200	161	1,105
2013	719	201	157	1,077
2012	693	198	148	1,039



The greatest fluctuation during the 10-year period was in the Administrative and General area, with 2021 staffing approximately 31.75% above the low level of the 10-year period shown above. Staffing level decreased as a result of a decrease in service demand. Despite the Administrative and General staff decrease, the organization-wide total from year to year varied less than 12.31%.

Source: Annual Budgets

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Top Ten Employers
Service Area Employers
Current Year and Nine Years Ago
(Unaudited)**

Company	2021			2012		
	Number of Full Time Employees	Rank	Percentage of Total Employment	Number of Full Time Employees	Rank	Percentage of Total Employment
Walt Disney World Company	58,478	1	4.52%	58,000	1	5.55%
Advent Health	37,000	2	2.86%	16,700	5	1.60%
Orange County Public Schools	25,125	3	1.94%	21,733	2	2.08%
Universal Studios Florida	21,143	4	1.64%	13,000	7	1.24%
Orlando Regional Healthcare	19,657	5	1.52%	14,310	6	1.37%
Orlando International Airport	15,783	6	1.22%	N/A	N/A	N/A
Publix Super Markets, Inc.	15,511	7	1.20%	17,521	4	1.68%
University of Central Florida	12,512	8	0.97%	10,567	8	1.01%
Seminole County Public Schools	10,000	9	0.77%	7,442	9	0.71%
Lockheed Martin	10,000	10	0.77%	N/A	N/A	N/A
Walmart	N/A	N/A	N/A	18,199	3	1.74%
Sea World Parks and Entertainment	4472	N/A	0.35%	7,442	10	0.67%
Other Employers	1,062,858		82.23%	861,018		82.35%
Region Total	1,292,539		100.00%	1,045,490		100.00%

Notes:

N/A = Not Available

Sources:

Metro Orlando Economic Development Commission
Orange County Public Schools
Seminole County Public Schools
Orange County Government, Florida

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

Employment Percentage by Industry

Service Region

Last Ten Years

(Unaudited)

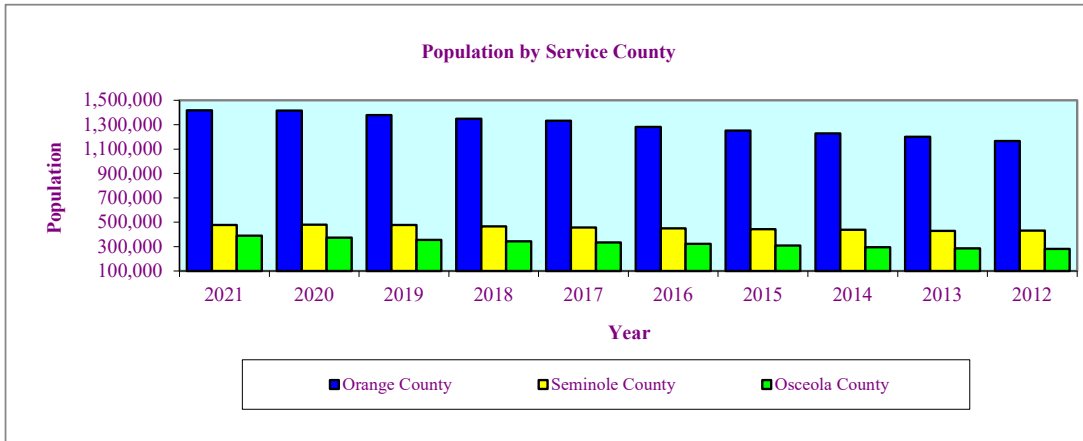
Year	Manufacturing	Construction	Transportation	Finance	Government	Retail Trade	Service	Total
2021	3.8%	6.9%	3.9%	6.2%	10.2%	12.1%	56.9%	100.0%
2020	4.1%	7.0%	3.9%	6.5%	10.1%	11.9%	56.5%	100.0%
2019	3.6%	6.6%	18.2%	5.7%	9.7%	11.4%	44.8%	100.0%
2018	3.8%	6.6%	3.2%	5.9%	9.6%	11.6%	59.3%	100.0%
2017	3.8%	5.8%	3.1%	6.3%	9.9%	12.2%	58.9%	100.0%
2016	3.5%	5.9%	2.9%	5.9%	10.1%	12.3%	59.4%	100.0%
2015	3.5%	5.2%	3.0%	6.3%	10.4%	12.7%	58.9%	100.0%
2014	3.5%	5.1%	2.9%	6.2%	10.7%	12.7%	58.9%	100.0%
2013	3.5%	4.5%	2.9%	6.4%	11.0%	12.2%	59.5%	100.0%
2012	3.6%	4.2%	3.0%	6.2%	11.3%	12.3%	59.4%	100.0%

Source: Metro Orlando Economic Development Commission

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Population by Service County
Last Ten Years
(Unaudited)**

Year	Orange County	Seminole County	Osceola County	Region Total
2021	1,418,813	477,736	390,500	2,287,049
2020	1,415,672	480,752	374,510	2,270,034
2019	1,378,538	476,413	355,959	2,210,910
2018	1,347,885	465,036	342,454	2,155,375
2017	1,332,714	457,650	333,980	2,124,344
2016	1,280,387	449,124	322,862	2,052,373
2015	1,252,396	442,903	308,327	2,003,626
2014	1,227,995	437,086	295,553	1,960,634
2013	1,199,801	427,977	286,001	1,913,779
2012	1,166,730	430,738	281,294	1,878,762

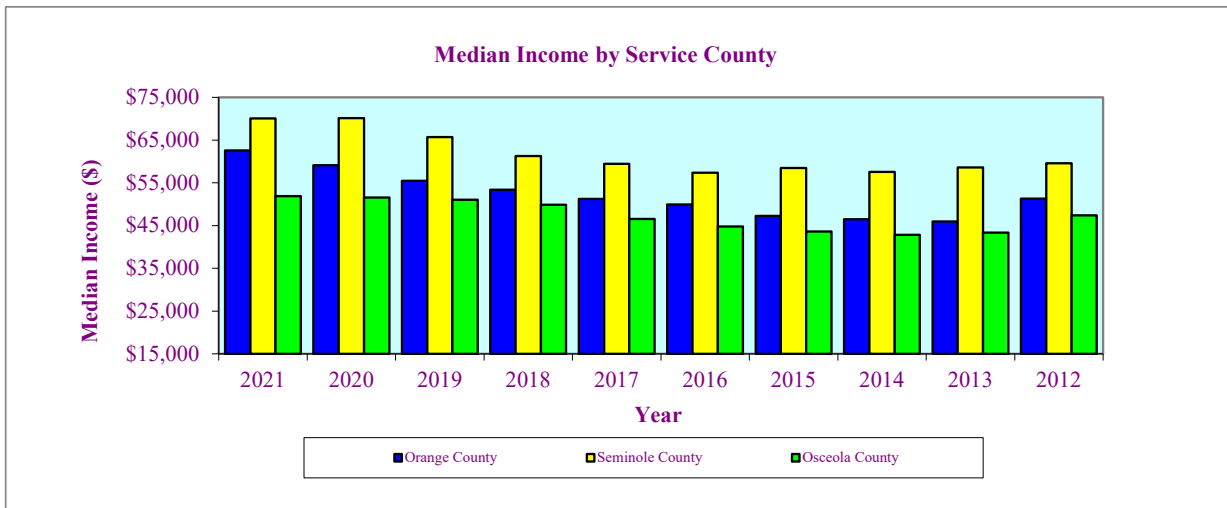


The population of the tri-county area, as a whole, increased approximately 0.74% from 2020. The greatest growth rate was in Osceola County, where the population grew approximately 4.26% compared to the previous year.

Source: Metro Orlando Economic Development Commission

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX
Median Household Income by Service County
Last Ten Years
(Unaudited)**

Year	Orange County	Seminole County	Osceola County
2021	\$62,593	\$70,058	\$51,869
2020	\$59,150	\$70,152	\$51,579
2019	\$55,509	\$65,691	\$51,040
2018	\$53,407	\$61,291	\$49,870
2017	\$51,232	\$59,441	\$46,528
2016	\$49,910	\$57,369	\$44,785
2015	\$47,295	\$58,481	\$43,620
2014	\$46,507	\$57,538	\$42,838
2013	\$45,968	\$58,573	\$43,332
2012	\$51,338	\$59,609	\$47,386



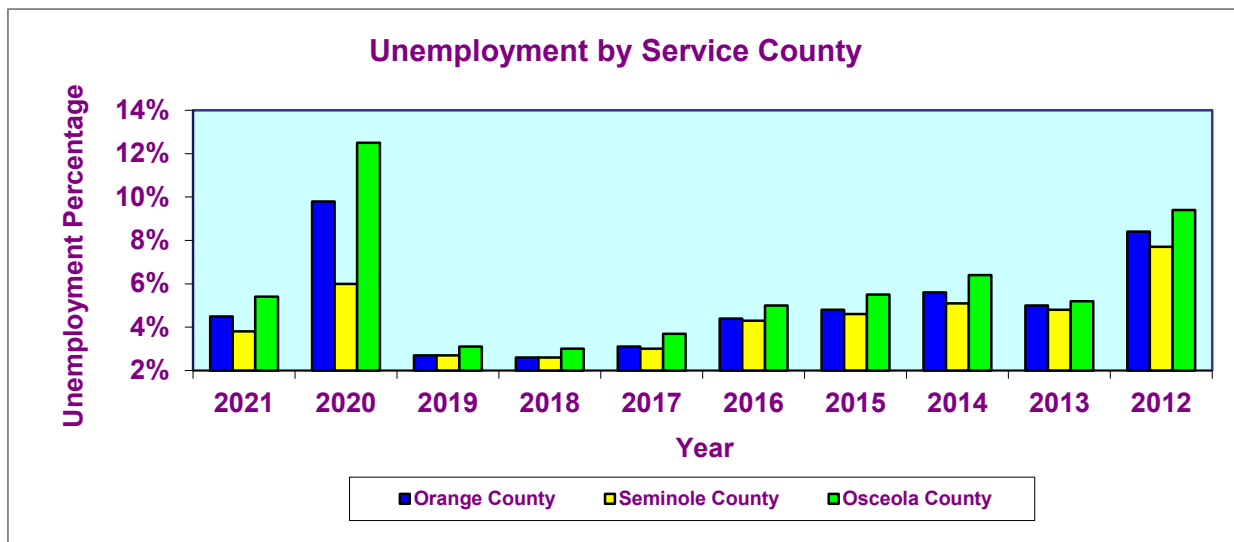
Median household income is useful in public transportation planning because it is one determinant of the need for, and probability of use, of public transportation. The lower the median income the greater, in most cases, will be the need for, and use of, public transportation.

Source: Metro Orlando Economic Development Commission

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Unemployment by Service County
Last Ten Years
(Unaudited)**

Year	Orange County	Seminole County	Osceola County	Region Average
2021	4.5%	3.8%	5.4%	4.4%
2020	9.8%	6.0%	12.5%	9.2%
2019	2.7%	2.7%	3.1%	2.8%
2018	2.6%	2.6%	3.0%	2.7%
2017	3.1%	3.0%	3.7%	3.2%
2016	4.4%	4.3%	5.0%	4.5%
2015	4.8%	4.6%	5.5%	5.0%
2014	5.6%	5.1%	6.4%	5.7%
2013	5.0%	4.8%	5.2%	4.9%
2012	8.4%	7.7%	9.4%	8.4%



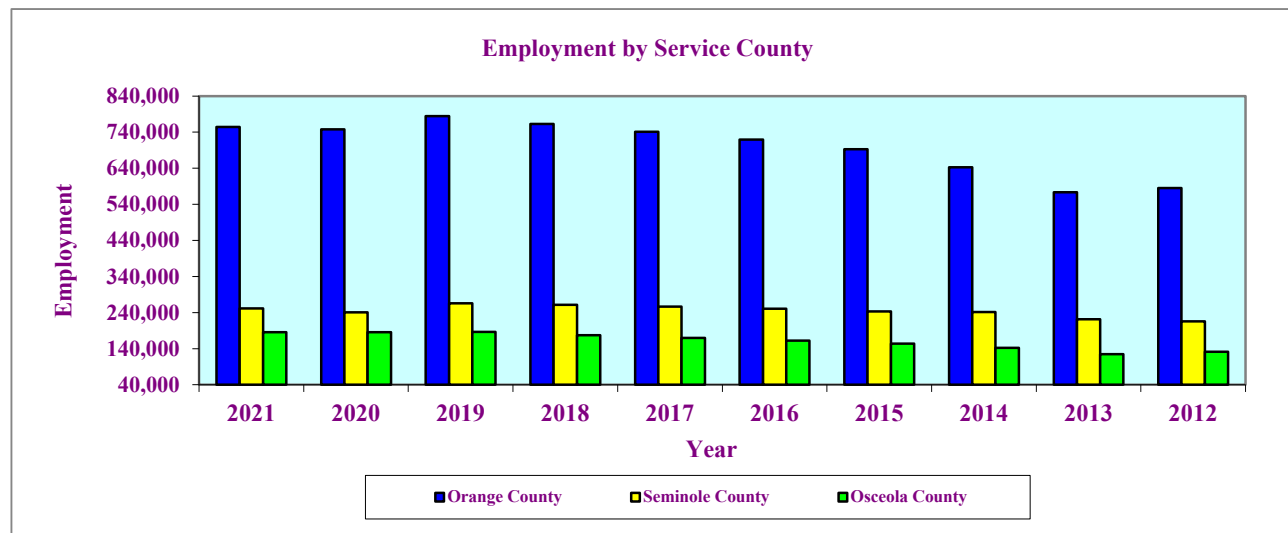
Employment and Unemployment trends are useful in the analysis of the economic vitality of a local economy. The availability of public transportation removes transportation barriers to employment, a factor which contributes to the continued need for public transportation. The yearly percentages by county are annual averages, non-seasonal based. The tri-county average for fiscal year 2021 was 4.4%, with Osceola County at 5.4% having the highest unemployment.

Source: Metro Orlando Economic Development Commission

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

**Employment by Service County
Last Ten Years
(Unaudited)**

Year	Orange County	Seminole County	Osceola County	Region Total
2021	754,627	251,449	185,895	1,191,971
2020	748,262	240,574	185,686	1,174,522
2019	784,788	265,748	186,128	1,236,664
2018	762,710	261,502	176,891	1,201,103
2017	741,512	256,066	169,568	1,167,146
2016	719,253	250,888	162,005	1,132,146
2015	692,813	243,253	154,029	1,090,095
2014	643,006	241,166	142,438	1,026,609
2013	573,570	221,385	124,539	919,494
2012	585,472	215,521	131,146	932,139



The entire tri-county area has experienced a slight increase in growth after the Covid-19 pandemic. The region total is 1.48% percent greater than 2020.

Source: Metro Orlando Economic Development Commission

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX
General Statistical Trends
Last Ten Years
(Unaudited)**

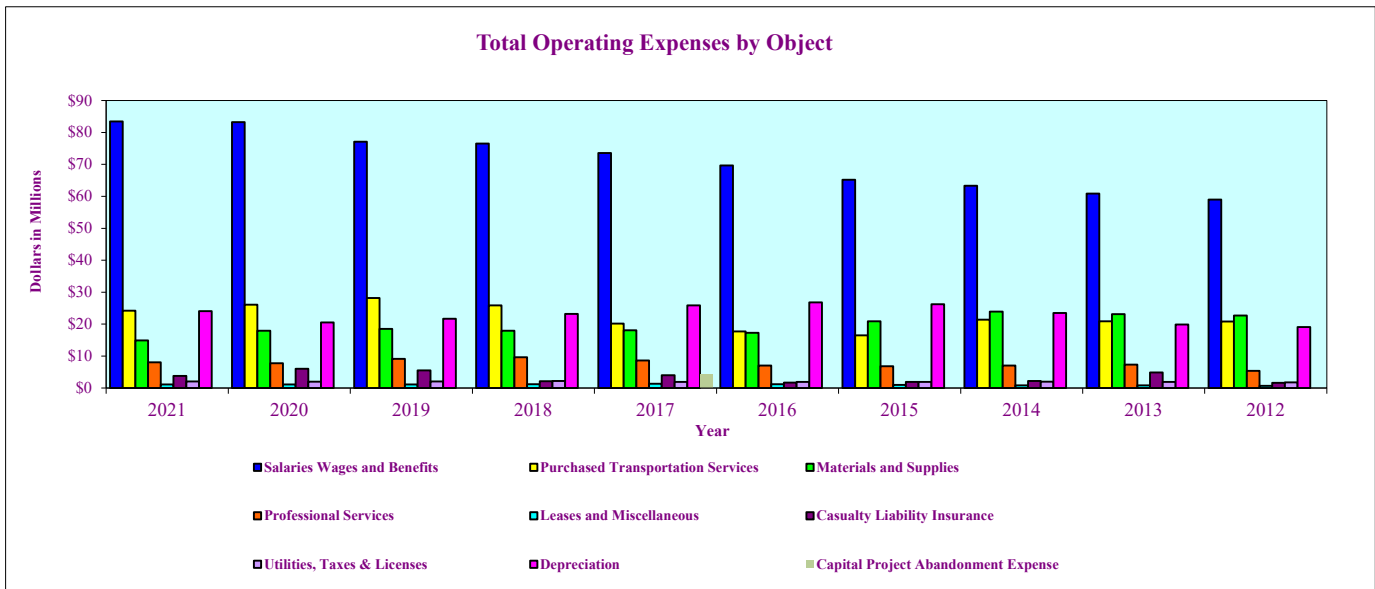
FISCAL YEAR	RIDERSHIP	NUMBER OF PEAK VEHICLES	ACTUAL VEHICLE MILES	ACTUAL VEHICLE HOURS
2021	13,261,530	257	16,329,764	1,192,983
2020	16,775,803	268	16,062,984	1,151,635
2019	23,862,104	268	17,006,457	1,208,306
2018	24,126,897	260	16,920,930	1,202,976
2017	24,845,029	259	17,065,204	1,198,148
2016	26,259,736	265	16,869,241	1,179,430
2015	28,327,951	255	16,470,661	1,163,956
2014	28,868,418	248	16,040,104	1,132,713
2013	28,801,896	232	16,058,513	1,126,466
2012	28,184,740	225	17,258,824	1,125,323

SOURCES: NTD report (MotorBus)

Number of vehicles exclude vehicles not in service at the end of the fiscal year.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**
Operating Expenses by Object
Last Ten Years
Dollars in Millions
(Unaudited)

Fiscal Year	Salaries Wages and Benefits	Purchased Transportation Services	Materials and Supplies	Professional Services	Leases and Miscellaneous	Casualty Liability Insurance	Utilities, Taxes & Licenses	Depreciation	Capital Project Abandonment Expense	Total Operating Expenses
2021	\$83.4	\$24.2	\$14.9	\$8.1	\$1.1	\$3.8	\$2.0	\$24.1	\$0.0	\$161.6
2020	\$83.3	\$26.1	\$17.9	\$7.8	\$1.1	\$6.0	\$2.0	\$20.5	\$0.0	\$164.7
2019	\$77.1	\$28.2	\$18.5	\$9.1	\$1.1	\$5.5	\$2.1	\$21.7	\$0.0	\$163.3
2018	\$76.5	\$25.9	\$17.9	\$9.6	\$1.2	\$2.1	\$2.2	\$23.2	\$0.0	\$158.5
2017	\$73.6	\$20.2	\$18.1	\$8.6	\$1.3	\$4.0	\$1.9	\$25.9	\$4.2	\$157.8
2016	\$69.7	\$17.7	\$17.3	\$7.0	\$1.2	\$1.7	\$1.9	\$26.8	\$0.0	\$143.4
2015	\$65.2	\$16.5	\$20.9	\$6.8	\$1.0	\$1.9	\$1.9	\$26.2	\$0.0	\$140.4
2014	\$63.3	\$21.4	\$23.9	\$7.0	\$0.8	\$2.2	\$2.0	\$23.5	\$0.0	\$144.0
2013	\$60.9	\$20.9	\$23.1	\$7.3	\$0.8	\$4.9	\$1.9	\$19.9	\$0.0	\$139.7
2012	\$59.0	\$20.8	\$22.7	\$5.4	\$0.7	\$1.6	\$1.8	\$19.1	\$0.0	\$131.1



The table and graph show the annual amount for each of the 8 primary object classifications of operating expenses during the last ten years. Total operating expenses for fiscal year 2021 reflects a 23.26% increase from fiscal year 2012. At 51.60% of total operating expenses in fiscal year 2021, the Salaries, Wages and Benefits object is the largest object and has increased by 0.12% as compared to fiscal year 2020.

Source: Financial Statements

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

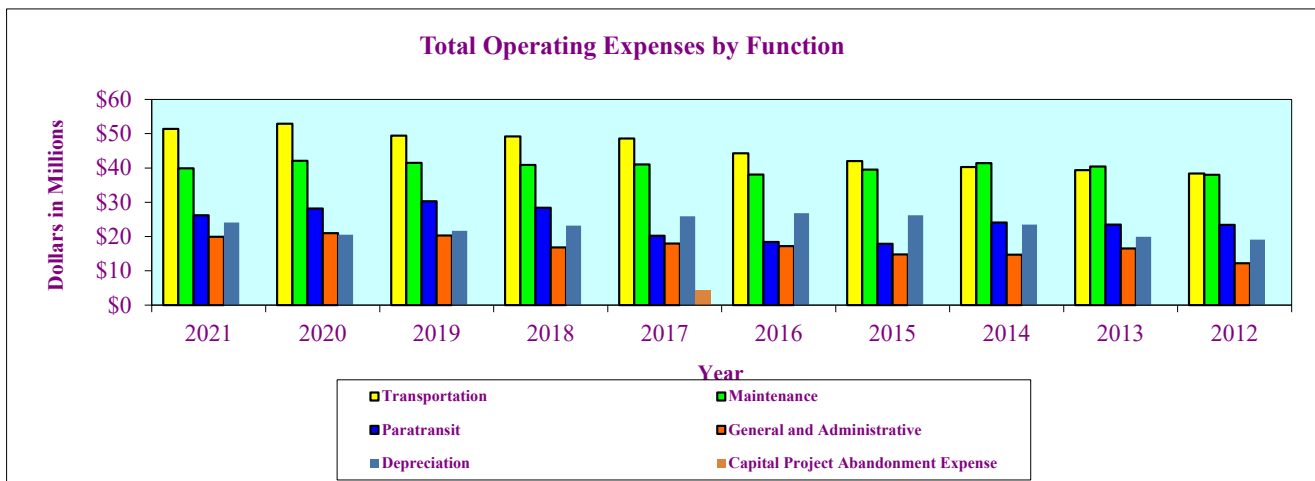
Operating Expenses by Function

Last Ten Years

Dollars in Millions

(Unaudited)

Fiscal Year	Transportation	Maintenance	Paratransit	General and Administrative	Depreciation	Capital Project Abandonment Expense	Total Operating Expenses
2021	\$51.4	\$39.9	\$26.2	\$19.9	\$24.1	\$0.0	\$161.6
2020	\$52.9	\$42.1	\$28.2	\$21.0	\$20.5	\$0.0	\$164.7
2019	\$49.5	\$41.5	\$30.3	\$20.3	\$21.7	\$0.0	\$163.3
2018	\$49.2	\$40.9	\$28.4	\$16.8	\$23.2	\$0.0	\$158.5
2017	\$48.6	\$41.0	\$20.2	\$18.0	\$25.9	\$4.2	\$157.8
2016	\$44.3	\$38.1	\$18.4	\$17.2	\$26.8	\$0.0	\$143.4
2015	\$42.0	\$39.5	\$17.9	\$14.8	\$26.2	\$0.0	\$140.4
2014	\$40.3	\$41.4	\$24.1	\$14.7	\$23.5	\$0.0	\$144.0
2013	\$39.4	\$40.4	\$23.5	\$16.5	\$19.9	\$0.0	\$139.7
2012	\$38.4	\$38.0	\$23.4	\$12.2	\$19.1	\$0.0	\$131.1



This table and graph show operating expenses by function for the last ten years. Total operating expenses for 2021 are 23.26% greater than 2012.

Source: Financial Statements

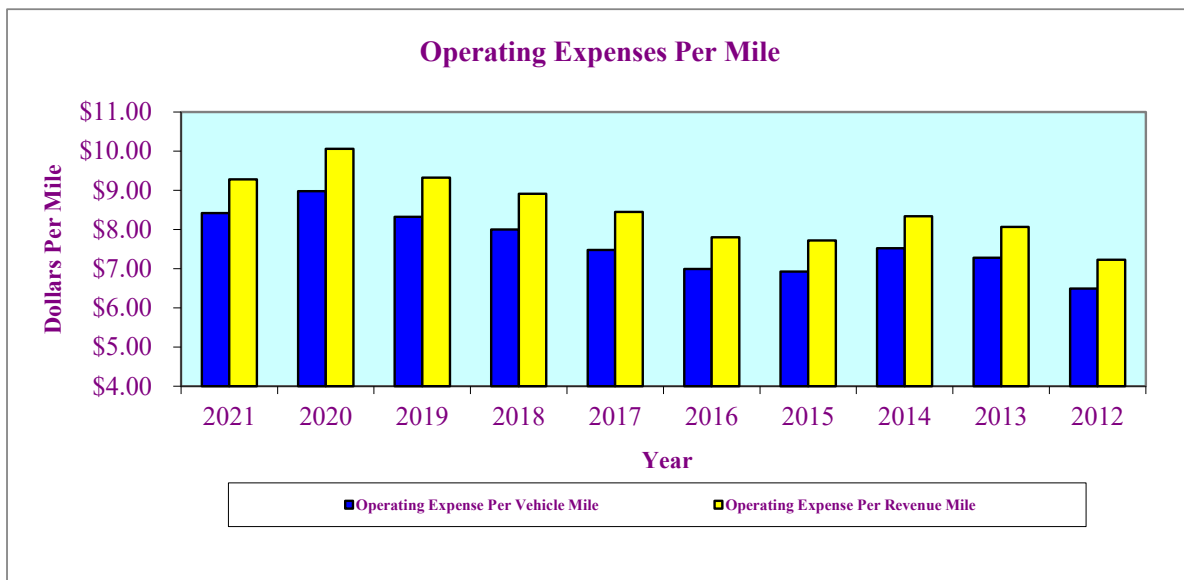
**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

Operating Expenses Per Mile

Last Ten Years

(Unaudited)

Fiscal Year	Vehicle Miles	Revenue Miles	Operating Expense Per Vehicle Mile	Operating Expense Per Revenue Mile
2021	16,329,764	14,812,834	\$8.42	\$9.28
2020	16,062,984	14,326,496	\$8.98	\$10.06
2019	17,006,547	15,181,398	\$8.33	\$9.33
2018	16,920,930	15,185,974	\$8.00	\$8.91
2017	17,065,204	15,111,138	\$7.48	\$8.45
2016	16,869,241	15,110,465	\$6.99	\$7.80
2015	16,470,661	14,791,484	\$6.93	\$7.72
2014	16,040,104	14,464,800	\$7.52	\$8.34
2013	16,058,513	14,468,719	\$7.28	\$8.07
2012	17,258,824	15,487,372	\$6.49	\$7.23



The table and graph show total miles and operating expenses per mile by year for the past ten years. These provide, directly and indirectly, some key operational indicators such as efficiency in use of operating assistance funding and the quality of the maintenance program. The ratio of Revenue Miles versus Vehicle Miles represents the level of service miles delivered to patrons versus the total level of miles required to service all routes.

Source: Financial Statements
National Transit Database report

**CENTRAL FLORIDA REGIONAL TRANSPORTATION d/b/a
LYNX
Risk Management
Insurance Policies - Fiscal Year 2021
(Unaudited)**

Insurance Company	Policy	Premium	Limits	Deductible/SIR	Commission/Fee
American Home Assurance Company	Property	\$148,750	\$63,012,043	\$25,000 per occurrence, except as noted	0% Commission to AJG \$3,000 Engineering Fee to American Home (AIG)
	Named Windstorm	Included	\$25,000,000	5% of TIV at time of loss at each covered location subject to minimum \$250,000	
	Flood - Non Special Flood Hazard Area	Included	\$10,000,000	\$100,000	
	Flood - Special Flood Hazard Area	Included	\$2,500,000	5% of TIV at time of loss at each covered location subject to minimum \$1,000,000	
	Earth Movement	Included	\$50,000,000	\$100,000	
	Ordinance & Law A	Included		Undamaged portion of building sublimit is \$63,012,043	
	Ordinance & Law B	Included		Undamaged portion of building sublimit is \$2,500,000	
	Ordinance & Law C	Included		Increased cost of repair or replacement sublimit is \$2,500,000	
	Debris Removal	Included		\$2,500,000	
	Equipment Breakdown	Included		\$63,012,043	\$25,000
	Sub-total	\$148,750			
PGIT (Preferred Governmental Insurance Trust)	Crime	\$1,293			0%
	Forgery & Alteration	Included	\$250,000	\$1,000	
	TDD	Included	\$250,000	\$1,000	
	Employee Dishonesty	Included	\$250,000	\$1,000	
	Computer Fraud	Included	\$250,000	\$1,000	
	Sub-total	\$1,293			
	General Liability				
General Liability	\$71,883	\$1,000,000	\$200,000		
EBL	Included	\$1,000,000	\$200,000		
	Sub-total	\$71,883			
ACE American Insurance Company	Public Officials/EPLI				0%
	Public Officials	\$58,369	\$2,000,000	\$100,000	
	EPLI	Included	\$2,000,000	\$100,000	
	Crisis Management Fund	Included	\$25,000	\$0	
	Sub-total	\$84,965			
Lloyd's of London	Cyber Liability	\$38,095			
	3rd Party Coverage				
	- Policy Aggregate		\$2,000,000	\$50,000	
	- Privacy Liability Per Claim		\$2,000,000	\$50,000	
	- Regulatory Claims		\$2,000,000	\$50,000	
	- Multimedia Liability		\$2,000,000	\$50,000	
	1st Party Coverage				
	- Policy Aggregate		\$2,000,000	\$50,000	
	- Security Breach Response		\$2,000,000	\$50,000	
	- Cyber Extortion		\$2,000,000	\$50,000	
	- Business Income & Digital Restoration		\$2,000,000	BI : 10 Hours Waiting DR : \$50,000	
- PCI DSS Assessment		\$2,000,000	\$50,000		
	Sub-total	\$38,095			
PGIT (Preferred Governmental Insurance Trust)	Automobile				0%
	Auto Liability/UM/MedPay	Rejected	N/A	N/A	
	Auto Physical Damage	\$351,837	Actual Cash Value (ACV)	Private Passenger & Light Trucks : \$1,000 Buses : \$10,000	- Covered Auto Symbol 8 : Hired - Covered Auto Symbol 10 : Per Symbol 2 fleet coverage applies only to: (a) all buses 2009 and newer and will have \$10,000 deductible. - All PPV & light trucks 2009 & newer will have \$1,000 deductible - All paratransit and van pool vehicles are excluded.
	Sub-total	\$351,837			
	Total Premium This Page	\$696,823			

**CENTRAL FLORIDA REGIONAL TRANSPORTATION d/b/a
LYNX
Risk Management
Insurance Policies - Fiscal Year 2020
(Unaudited)**

Insurance Company	Policy	Premium	Limits	Deductible/SIR	Commission/Fee	
American Home Assurance Company	Property	\$125,498	\$62,215,372	\$25,000 per occurrence, except as noted	0% Commission to AJG \$3,000 Engineering Fee to American Home (AIG)	
	Named Windstorm	Included	\$25,000,000	5% of TIV at time of loss at each covered location subject to minimum \$250,000		
	Flood	Included	\$10,000,000	\$100,000		
	Earth Movement	Included	\$50,000,000	\$100,000		
	Ordinance & Law A	Included		Undamaged portion of building sublimit is \$62,215,372		
	Ordinance & Law B	Included		Undamaged portion of building sublimit is \$2,500,000		
	Ordinance & Law C	Included		Increased cost of repair or replacement sublimit is \$2,500,000		
	Debris Removal	Included		\$2,500,000		
	Equipment Breakdown	Included		\$59,708,134		\$25,000
		Sub-total	\$125,498			
PGIT (Preferred Governmental Insurance Trust)	Crime	\$1,175			0%	
	Forgery & Alteration	Included	\$250,000	\$1,000		
	TDD	Included	\$250,000	\$1,000		
	Employee Dishonesty	Included	\$250,000	\$1,000		
	Computer Fraud	Included	\$250,000	\$1,000		
	Sub-total	\$1,175				
	General Liability				0%	
	General Liability	\$65,458	\$1,000,000	\$200,000		
	EBL	Included	\$1,000,000	\$200,000		
	Sub-total	\$65,458				
ACE American Insurance Company	Public Officials/EPLI				0%	
	Public Officials	\$58,369	\$2,000,000	\$100,000		
	EPLI	Included	\$2,000,000	\$100,000		
	Crisis Management Fund	Included	\$25,000	\$0		
	Sub-total	\$84,965				
Lloyd's of London	Cyber Liability	\$23,541			AJG absorbing premium cost to 10.1.2021	
	3rd Party Coverage					
	- Policy Aggregate		\$2,000,000	\$25,000		
	- Privacy Liability Per Claim		\$2,000,000	\$25,000		
	- Regulatory Claims		\$2,000,000	\$25,000		
	- Multimedia Liability		\$2,000,000	\$25,000		
	1st Party Coverage					
	- Policy Aggregate		\$2,000,000	\$25,000		
	- Security Breach Response		\$2,000,000	\$25,000		
	- Cyber Extortion		\$2,000,000	\$25,000		
	- Business Income & Digital Restoration		\$2,000,000	BI : 12 Hours Waiting DR : \$25,000		
	- PCI DSS Assessment		\$2,000,000	\$25,000		
		Sub-total	\$23,541			
PGIT (Preferred Governmental Insurance Trust)	Automobile				0%	
	Auto Liability/UM/MedPay	Rejected	N/A	N/A		
	Auto Physical Damage	\$299,965	Actual Cash Value (ACV)	Private Passenger & Light Trucks : \$1,000 Buses : \$10,000		
	Sub-total	\$299,965				
	Total Premium This Page	\$600,602				



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CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2021

<u>FEDERAL GRANTOR/ PROGRAM TITLE</u>	<u>Federal Assistance Listing Number</u>	<u>Project Number</u>	<u>Program or Award Amount</u>	<u>September 30, 2020 Receivable</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>September 30, 2021 Receivable</u>	<u>Passed Through to Subrecipients</u>
Department of Transportation Federal Transit Cluster								
Federal Transit - Capital Investment Grants								
Capital assistance	20.500	FL03-0340	\$ 7,920,000	\$ 564,313	\$ (564,313)	-	\$ -	\$ -
			<u>7,920,000</u>	<u>564,313</u>	<u>(564,313)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Federal Transit - Formula Grants								
Capital assistance	20.507	FL90-X826	23,509,503	11,105	(127,212)	146,564	30,457	-
Capital assistance	20.507	FL90-X858	25,317,482	5,257	(195,775)	211,589	21,071	-
Capital assistance	20.507	FL90-X885	10,630,000	1,502	(288,509)	297,294	10,287	-
Capital assistance	20.507	FL2017-001	17,609,919	316,527	(679,934)	391,135	27,728	-
Capital assistance	20.507	FL2017-013	8,209,682	92,817	(215,116)	134,879	12,580	-
Capital assistance	20.507	FL2017-039	26,103,204	516,768	(7,297,119)	6,883,080	102,729	-
Capital assistance	20.507	FL2018-113	26,116,978	69,202	(963,162)	982,728	88,768	-
Capital assistance	20.507	FL2019-030	26,703,155	932,731	(932,837)	264,466	264,360	-
Capital assistance	20.507	FL2019-038	9,175,850	72,525	(7,057,549)	6,985,024	-	-
Capital assistance	20.507	FL2019-010	7,106,587	72,655	(32,755)	(16,833)	23,067	-
Capital assistance	20.507	FL2020-006	27,306,428	717,347	(8,002,771)	9,618,285	2,332,861	-
Capital assistance	20.507	FL2020-018	3,033,138	-	(198,728)	265,177	66,449	-
Capital assistance	20.525	FL2020-048	617,206	-	(11,459)	12,895	1,436	-
			<u>211,439,132</u>	<u>2,808,436</u>	<u>(26,002,926)</u>	<u>26,176,283</u>	<u>2,981,793</u>	<u>-</u>
Federal Transit - Assistance - COVID-19								
COVID-19-Capital assistance - CARES Act	20.507	FL2020-037	75,537,697	7,734,249	(22,496,048)	15,917,025	1,155,226	-
COVID-19-Capital assistance - CRRSAA	20.507	FL2021-021	7,848,387	-	(7,488,654)	7,769,903	281,249	-
COVID-19-Capital assistance - ARP Act	20.507	FL2021-055	76,519,665	-	(25,750,000)	31,000,000	5,250,000	-
			<u>159,905,749</u>	<u>7,734,249</u>	<u>(55,734,702)</u>	<u>54,686,928</u>	<u>6,686,475</u>	<u>-</u>
Federal Transit - Bus and Bus Facilities Formula Program								
Capital assistance	20.526	G0D46	359,784	-	(208,010)	260,013	52,003	-
Capital assistance	20.526	FL2018-037	2,680,328	-	(1,427,278)	1,427,278	-	-
Capital assistance	20.526	FL2019-100	6,976,217	-	(6,531,896)	6,531,896	-	-
Capital assistance	20.526	FL2020-057	3,771,233	96,000	(1,623,869)	1,590,670	62,801	-
			<u>13,787,562</u>	<u>96,000</u>	<u>(9,791,053)</u>	<u>9,809,857</u>	<u>114,804</u>	<u>-</u>
Total Federal Transit Cluster			<u>393,052,443</u>	<u>11,202,998</u>	<u>(92,092,994)</u>	<u>90,673,067</u>	<u>9,783,071</u>	<u>-</u>
Federal Transit: Metropolitan Transportation Planning								
Passed through the Metroplan Orlando								
	20.505	FL80-X013	618,120	194,466	(284,877)	90,412	-	-
	20.505	FL80-X014	195,000	72,129	(98,653)	26,524	-	-
	20.505	FL80-X015	891,000	-	(126,558)	203,076	76,518	-
			<u>1,704,120</u>	<u>266,595</u>	<u>(510,089)</u>	<u>320,012</u>	<u>76,518</u>	<u>-</u>

(Continued)

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED SEPTEMBER 30, 2021

<u>FEDERAL GRANTOR/ PROGRAM TITLE</u>	<u>Federal Assistance Listing Number</u>	<u>Project Number</u>	<u>Program or Award Amount</u>	<u>September 30, 2020 Receivable</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>September 30, 2021 Receivable</u>	<u>Passed Through to Subrecipients</u>
Federal Transit: Formula Grants for Rural Areas								
Passed through Florida Department of Transportation								
	20.509	G0R97	1,053,256	264,330	(264,331)	551,261	551,260	-
	20.509	G1081	2,342,149	2,210,573	(2,342,149)	131,576	-	-
	20.509	G1W86	728,624	-	-	429,636	429,636	-
			<u>4,124,029</u>	<u>2,474,903</u>	<u>(2,606,480)</u>	<u>1,112,473</u>	<u>980,896</u>	<u>-</u>
Transit Services Programs Cluster								
Federal Transit: Job Access Reverse Commute								
	20.516	AR064	1,421,955	129,686	(140,751)	11,065	-	-
			<u>1,421,955</u>	<u>129,686</u>	<u>(140,751)</u>	<u>11,065</u>	<u>-</u>	<u>-</u>
Federal Transit: Enhanced Mobility of Seniors and Individuals with Disabilities								
	20.513	FL16-X019	2,560,222	-	-	-	-	-
	20.513	FL1001-2016-16	536,738	-	(207,297)	207,297	-	-
	20.513	FL2018-111	1,429,375	20,101	(89,785)	97,139	27,455	83,892
	20.513	FL2017-027	2,737,549	69,123	(423,990)	355,430	563	13,755
	20.513	G0327	1,808,345	84,427	(84,427)	-	-	-
	20.513	G1A00	250,000	247,365	(250,000)	2,635	-	-
	20.513	G1L22	200,000	-	-	100,000	100,000	-
			<u>9,522,229</u>	<u>421,016</u>	<u>(1,055,499)</u>	<u>762,501</u>	<u>128,018</u>	<u>97,647</u>
Federal Transit: New Freedom Program								
	20.521	AQN91	859,729	103,003	(146,397)	85,170	41,777	-
			<u>859,729</u>	<u>103,003</u>	<u>(146,397)</u>	<u>85,170</u>	<u>41,777</u>	<u>-</u>
Total Transit Services Program Cluster			<u>11,803,913</u>	<u>653,705</u>	<u>(1,342,647)</u>	<u>858,736</u>	<u>169,795</u>	<u>97,647</u>
Federal Transit - Alternatives Analysis Planning Assistance								
	20.522	FL39-0013	1,200,000	-	-	-	-	-
			<u>1,200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 411,884,505</u>	<u>\$ 14,598,201</u>	<u>\$ (96,552,209)</u>	<u>92,964,289</u>	<u>\$ 11,010,280</u>	<u>\$ 97,647</u>
NONOPERATING REVENUE PORTION						61,151,490		
OTHER INCOME - GAIN ON SALE OF EQUIPMENT						106,288		
CONTRIBUTED CAPITAL						<u>\$ 31,706,511</u>		

See Notes to Schedules of Expenditures of Federal Awards and Local and State Financial Assistance

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SCHEDULE OF EXPENDITURES OF LOCAL FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2021

GRANT NUMBER/ SOURCE	Program or Award Amount	September 30, 2020 Unearned (Receivable)	Transfers/ Receipts	Expenditures	September 30, 2021 Unearned (Receivable)
LOCAL MATCHING GRANTS:					
N/A, AQN91	\$ 859,729	-	\$ 85,170.00	\$ 85,170.00	-
N/A, AR064	840,000	-	11,066	11,066	-
N/A, FL-2017-027 (FL16X034)	1,485,121	-	13,755	13,755	-
N/A, FL-2020-018 (FL16X069)	1,645,476	-	265,177	265,177	-
N/A, FL-2018-111 (FL16X062)	775,436	-	83,892	83,892	-
N/A, FL-2020-057 (FL340151)	1,750,000	-	31,000	31,000	-
N/A, G0R97 (G1F47)	703,566	-	551,261	551,261	-
N/A, G1V85	10,329,240	-	10,329,240	10,329,240	-
N/A, G1L22	100,000	-	100,000	100,000	-
N/A, G1021	563,242	-	422,349	422,349	-
N/A, G1041	136,536	-	4,395	4,395	-
N/A, G1Y02	473,943	-	118,549	118,549	-
N/A, G0W65	715,461	-	243,702	243,702	-
N/A, G1A00	250,000	-	2,635	2,635	-
N/A, G1W86	728,624	-	429,636	429,636	-
Private Partners (Shelters and Vans)	-	51,171	34,500	46,152	39,519
City of Orlando (LYMO - East West)	2,000,000	-	10,660	10,660	-
City of Orlando (Electrical Bus)	850,000	-	850,000	850,000	-
City of Orlando (Mills District Shelter Project)	70,000	7,968	-	-	7,968
City of Orlando (LYMMO Kiosk @ Church & Lake)	-	2,507	-	-	2,507
City of Orlando (Electrical Bus)	448,000	295	416,160	75,069	341,386
Orange County (Pine Hills SuperStop) Project)	1,250,000	250,000	344,000	85,291	508,709
Orange County Capital	1,806,724	645,730	1,806,724	2,403,143	49,311
Osceola County Capital	253,172	-	253,172	253,172	-
Seminole County Capital	218,352	-	218,352	218,352	-
Other Local Capital	-	81,990	-	-	81,990
Total matching grants	\$ 28,252,622	\$ 1,039,661	\$ 16,625,395	16,633,666	\$ 1,031,390
Customer fares and operating assistance				12,691,827	
Contributed capital portion				\$ 3,941,839	
LOCAL GRANTS AND CONTRACT SERVICES:					
Operating assistance:					
Orange County		\$ -	\$ 53,810,147	\$ 53,810,147	\$ -
City of Orlando		-	4,048,121	4,048,121	-
Seminole County		-	3,533,770	3,533,770	-
Osceola County		-	2,938,275	2,938,275	-
Total nonoperating revenue portion		\$ -	\$ 64,330,313	\$ 64,330,313	\$ -
Contract services:					
Seminole County		\$ -	\$ 4,934,240	\$ 4,934,240	\$ -
Osceola County		-	6,257,822	6,257,822	-
City of Orlando (LYMMO)		(282,475)	2,578,621	2,859,093	(562,947)
City of Altamonte Springs		-	120,900	120,900	-
City of St. Cloud		-	-	-	-
City of Sanford		-	93,000	93,000	-
City of Kissimmee Connector		(20,228)	264,894	244,666	-
Disney		-	370,325	370,325	-
Econ River High School		-	61,955	61,955	-
University of Central Florida (UCF)		(12,038)	72,231	71,981	(11,788)
Valencia College		65,323	75,000	75,000	65,323
Seminole State College		18,060	19,896	20,703	17,253
Shingle Creek		(60,092)	165,459	112,484	(7,117)
Polk County		(3,395)	3,395	-	-
Lake County		-	306,885	306,885	-
Total Local Financial Assistance		(294,845)	15,324,623	15,529,055	(499,277)
Other Contractual Services					
Local - Shuttles		-	-	3,669	(3,669)
State - Transportation Disadvantage		(882,164)	4,656,663	4,907,635	(1,133,136)
Other Contractual Services		-	-	-	-
Total Other Contractual Services		(882,164)	4,656,663	4,911,304	(1,136,805)
Total contract services		\$ (1,177,009)	\$ 19,981,286	\$ 20,440,359	\$ (1,636,081)

See notes to Schedules of Expenditures of Federal Awards and Local and State Financial Assistance.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2021

STATE GRANTOR PROGRAM TITLE, CONTRACT NO., WPI NO., JOB NO.	State Assistance Listing Number	Program or Award Amount	September 30, 2020 Receivable	Receipts/ Adjustments	Expenditures	September 30, 2021 Receivable
Florida Department of Transportation						
Public Transit Block Grant Program						
N/A, G1V85	55.010	\$ 10,329,240	\$ -	\$ (5,164,620)	10,329,240	\$ 5,164,620
N/A, G1F44	55.010	\$ 11,620,340	\$ 11,620,340	\$ (11,620,340)	-	\$ -
		<u>21,949,580</u>	<u>11,620,340</u>	<u>(16,784,960)</u>	<u>10,329,240</u>	<u>5,164,620</u>
Public Transit Service Development Program						
N/A, ARD60	55.012	9,494,629	2,216,556	(2,684,489)	1,598,984	1,131,051
N/A, G0W65	55.012	715,461	62,611	(244,665)	243,702	61,648
N/A, G1897	55.012	1,200,000	1,092,514	(1,199,711)	107,197	(0)
N/A, G1899	55.012	2,500,000	174,703	(1,006,587)	1,839,101	1,007,217
		<u>13,910,090</u>	<u>3,546,383</u>	<u>(5,135,452)</u>	<u>3,788,984</u>	<u>2,199,915</u>
Florida Commission for the Transportation Disadvantaged Trip and Equipment Grant Program						
N/A, G1Y02	55.001	4,265,483	-	(356,149)	1,066,937	710,788
N/A, G1021	55.001	5,069,182	844,698	(4,223,490)	3,801,140	422,348
		<u>9,334,665</u>	<u>844,698</u>	<u>(4,579,639)</u>	<u>4,868,077</u>	<u>1,133,136</u>
Florida Commission for the Transportation Disadvantaged Innovation and Services Grant Program						
N/A, G1041	55.045	89,521	37,466	(77,024)	39,558	-
		<u>89,521</u>	<u>37,466</u>	<u>(77,024)</u>	<u>39,558</u>	<u>-</u>
TOTAL STATE FINANCIAL ASSISTANCE		<u>45,283,856</u>	<u>16,048,887</u>	<u>(26,577,075)</u>	<u>19,025,859</u>	<u>8,497,671</u>
Other State Revenue						
Road Ranger Patrol for Highway Assistance Services						
N/A, BE350	N/A	7,849,856	401,622	(1,577,824)	1,586,162	409,960
State Match of Federal Grants						
	N/A	<u>7,849,856</u>	<u>401,622</u>	<u>(25,912)</u>	<u>25,912</u>	<u>409,960</u>
				<u>(1,603,736)</u>	<u>1,612,074</u>	
TOTAL STATE FINANCIAL ASSISTANCE AND OTHER STATE REVENUE		<u>\$ 53,133,712</u>	<u>\$ 16,450,510</u>	<u>\$ (28,180,811)</u>	<u>20,637,933</u>	<u>\$ 8,907,632</u>
CONTRACT SERVICES PORTION					4,907,635	
NONOPERATING REVENUE PORTION					<u>13,749,811</u>	
CONTRIBUTED CAPITAL PORTION					<u>\$ 1,980,487</u>	

See notes to Schedules of Expenditures of Federal Awards
and Local and State Financial Assistance.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY

**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND
 LOCAL AND STATE FINANCIAL ASSISTANCE
 YEAR ENDED SEPTEMBER 30, 2021**

1. The Schedules of Expenditures of Federal Awards and Local and State Financial Assistance are prepared on the accrual basis of accounting.
2. All grants subject to the Florida Single Audit Act are included in the Schedule of State Financial Assistance. All grants subject to Single Audit in conformance with Uniform Guidance are included on the Schedule of Expenditures of Federal Awards. Local financial assistance is not subject to Single Audit.
3. The Authority utilized state toll revenue credits received from the Florida Department of Transportation under the following awards to satisfy federal and state matching requirements:

<u>Grant</u>	<u>Award Amount</u>	<u>Toll Revenue Credits Applied during Fiscal 2021</u>
FL-2017-001	\$ 17,609,919.00	\$ 97,784
FL-2017-013	8,209,682.00	33,720
FL-2017-039	26,103,204.00	1,720,770
FL-2018-113	26,116,978.00	245,682
FL-2019-030	27,293,251.00	66,116
FL-2019-038	9,175,850.00	1,746,256
FL-2020-006	27,306,428.00	2,404,571
FL-2020-048	617,206.00	3,224
FL-90-X858	25,317,482.00	52,897
Total	\$ <u>167,750,000</u>	\$ <u>6,371,020</u>

4. Contract services presented on the Schedule of Local Financial Assistance include only those services provided to local governmental units.
5. The Authority did not elect to use the 10 percent de minimis indirect cost rate as permitted by 2 CFR 200.414(f).



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of the
Central Florida Regional Transportation Authority
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements, as listed in the table of contents, of the Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 10, 2022.

Internal Control over Financial Reporting

Management of the Authority is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 10, 2022



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND MAJOR STATE PROJECT AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE
UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL***

To the Board of Directors of the
Central Florida Regional Transportation Authority
Orlando, Florida

Report on Compliance for Each Major Federal Program and Major State Project

We have audited the compliance of the Central Florida Regional Transportation Authority d/b/a LYNX’s (the “Authority”) with the types of compliance requirements described in the U.S. Office of Management and Budget (“OMB”) *Compliance Supplement* and the requirements described in the Department of Financial Services’ *State Projects Compliance Supplement* that could have a direct and material effect on each of the Authority’s major federal programs and major state projects for the fiscal year ended September 30, 2021. The Authority’s major federal programs and major state projects are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority’s major federal programs and major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* (“Uniform Guidance”); and Chapter 10.550, *Rules of the Auditor General*.

Those standards, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state project occurred. An audit includes examining, on a test basis, evidence about the Authority’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Auditor's Responsibility (Continued)

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and major state project. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program and Major State Project

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the fiscal year ended September 30, 2021.

Report on Internal Control over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and major state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program, or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Report on Internal Control over Compliance (Continued)

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 10, 2022

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
d/b/a LYNX**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2021

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:

Unmodified Opinion

Internal control over financial reporting:

- | | | |
|---|---------|-------------------|
| • Material weakness(es) identified? | ___ Yes | _X_ No |
| • Significant deficiency(ies) identified? | ___ Yes | _X_ None reported |
| Noncompliance material to financial statements noted? | ___ Yes | _X_ No |

Federal Awards and State Financial Assistance

Internal control over major programs/projects:

- | | | |
|---|---------|-------------------|
| • Material weakness(es) identified? | ___ Yes | _X_ No |
| • Significant deficiency(ies) identified? | ___ Yes | _X_ None reported |

Type of report issued on compliance for major federal programs and major state projects:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance or Chapter 10.557, *Rules of the Auditor General*?

___ Yes _X_ No

Identification of Major Federal Programs and Major State Projects:

AL Number

Name of Federal Program

20.500/20.507/
20.525/20.526

Federal Transit Cluster

CSFA Numbers

Name of State Projects

55.001

Florida Commission for the Transportation Disadvantaged Trip and Equipment Grant Program

55.010

Public Transit Block Program

55.012

Public Transit Service Development Program

Dollar threshold used to distinguish between
Type A and Type B programs/projects: Federal
State

\$ 2,788,929

\$ 750,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?

X Yes ___ No

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
d/b/a LYNX**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*

For the Year Ended September 30, 2021

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

**SECTION III - FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS
AND QUESTIONED COSTS SECTION**

None reported.

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY
d/b/a LYNX**

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

For the Year Ended September 30, 2021

PRIOR YEAR AUDIT FINDINGS

No matters were reported over federal awards or state financial assistance in the prior year.



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Board of Directors of the
Central Florida Regional Transportation Authority
Orlando, Florida

Report on the Financial Statements

We have audited the basic financial statements of the Central Florida Regional Transportation Authority d/b/a LYNX (the "Authority") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 10, 2022.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance For Each Major Federal Program and Major State Project and on Internal Control Over Compliance in Accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*; Schedule of Findings and Questioned Costs – Federal Awards Programs and State Financial Assistance Projects; and Independent Accountant's Report on an examination conducted with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 10, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

To the Board of Directors of the
Central Florida Regional Transportation Authority

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Authority met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the Authority. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district components that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Authority reported:

- a) The total number of Authority employees compensated in the last pay period of the Authority's fiscal year as 1,076.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal year as 9.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$62,458,090.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$132,492.
- e) Each construction project with a total cost of at least \$65,000 approved by the Authority that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - i. Rosemount Super Stop - \$107,499
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Authority amends a final adopted budget under Section 189.016(6), Florida Statutes as \$(3,615,015).

To the Board of Directors of the
Central Florida Regional Transportation Authority

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Authority Board, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Orlando, Florida

March 10, 2022



INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors of the
Central Florida Regional Transportation Authority
Orlando, Florida

We have examined the compliance of the Central Florida Regional Transportation Authority's d/b/a LYNX (the "Authority") with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2021. Management is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on the Authority's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Authority is in accordance with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the Authority's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Authority's compliance with specified requirements.

In our opinion, the Authority complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2021.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 10, 2022