

Comprehensive Annual Financial Report

For Years Ended
September 30, 2020 and 2019



COMPREHENSIVE ANNUAL FINANCIAL REPORT

of the

CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY d/b/a

LYNX

FOR YEARS ENDED
SEPTEMBER 30, 2020 AND 2019

PREPARED BY THE FINANCE DEPARTMENT

Albert J. Francis II, CPA, Chief Financial Officer
Leonard Antmann, 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



Albert J. Francis II, CPA
CHIEF FINANCIAL
OFFICER



Tiffany Homler Hawkins
CHIEF ADMINISTRATIVE
OFFICER



William John Slot
CHIEF INNOVATION &
SUSTAINABILITY
OFFICER



Dana Baker
INTERIM CHIEF OPERATING
OFFICER



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

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

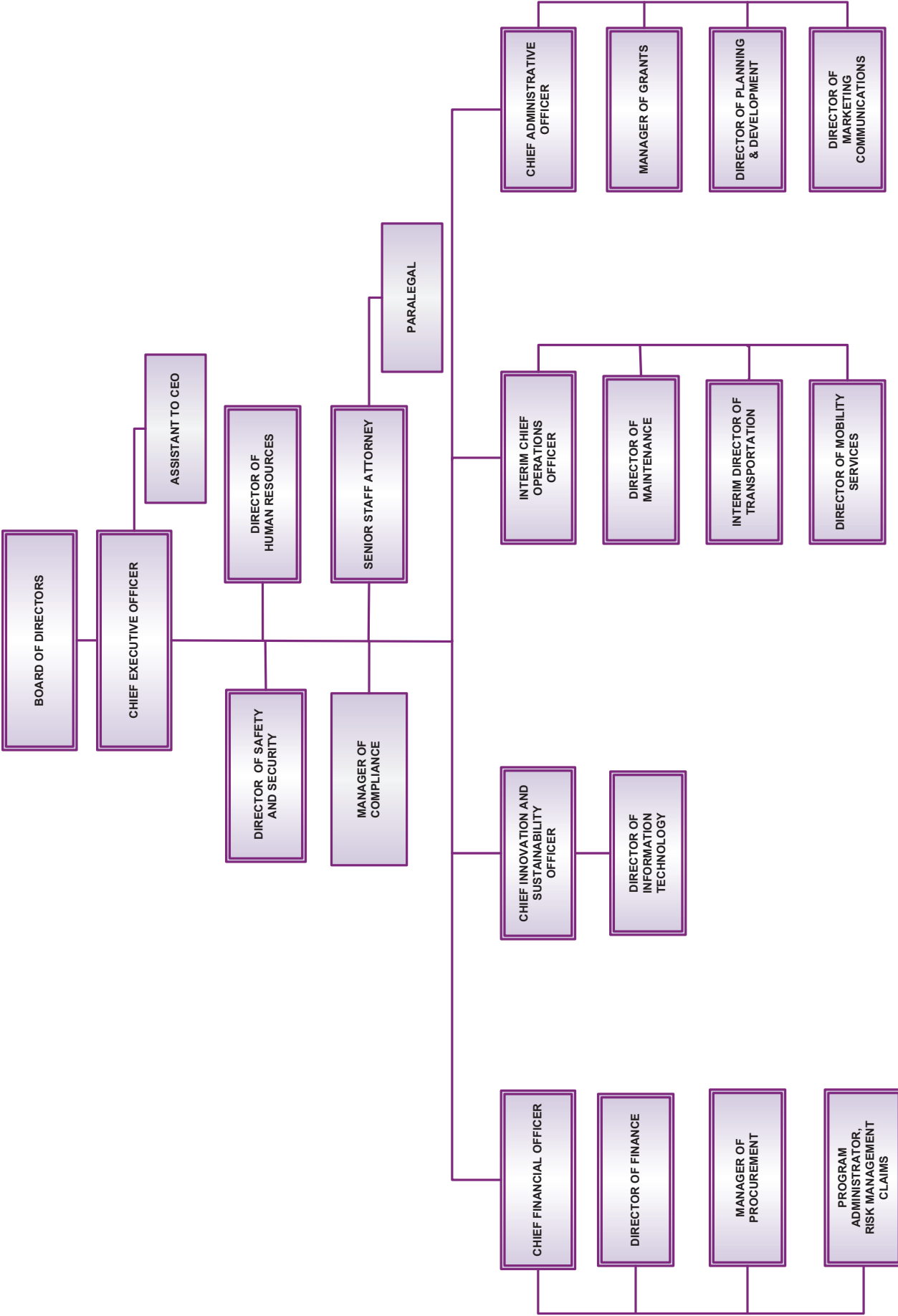
James E. Harrison	Chief Executive Officer
Albert J. Francis II, CPA	Chief Financial Officer
Tiffany Homler Hawkins	Chief Administrative Officer
William John Slot	Chief Innovation & Sustainability Officer
Dana Baker	Interim Chief Operating Officer

DEPARTMENT HEADS

Leonard Antmann	Director of Finance
Tomika Monterville	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
Rey Quinones	Interim Director of Transportation

FINANCE DIVISION

Warren Hersh, CPA	Comptroller
Christopher Plummer, CPA	Senior Manager of Financial Reporting & Business Analysis
Nancy Navarro	Manager of Financial Reporting
Michelle Daley	Manager of Financial Planning & Budgets
Tonya McKoy	Supervisor of Payroll & Accounts Payable
Patty Dolan	Supervisor of Revenue Control
Aida Diaz	Senior Accountant
Luis Buitrago	Accountant
Samorea Nelson	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



LYNX ORGANIZATIONAL CHART

September 30, 2020



March 11, 2021

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

The Comprehensive Annual Financial Report (CAFR) of the Central Florida Regional Transportation Authority d/b/a LYNX for the fiscal year ended September 30, 2020 is hereby submitted for your review.

This CAFR, as prepared by the Finance Division, contains financial statements and statistical data that provide full disclosure of all the material financial operations and activities of LYNX. The Management Discussion and Analysis (MD&A), financial statements, supplemental schedules and statistical information are the representations of LYNX management, which bears the responsibility for their accuracy, completeness, and fairness. 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. This CAFR is an indication of LYNX' commitment to provide accurate, concise, and quality financial information to its Governing Board, the citizens of this community, and all other interested parties.

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

This CAFR 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 organizational chart, and a Certificate of Achievement for Excellence in Financial Reporting. This section is intended to acquaint the reader with the Authority's organizational structure, the nature and scope of the services it provides and a summary of the financial activities and factors that influence these 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 same 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, thereby creating a one-stop public transportation entity. The CFRTA 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 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 in the Orlando, Florida metropolitan area; a region which includes Orange, Seminole, and Osceola counties. LYNX also offers some 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 every month 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). To assist in this effort, a Chief Financial Officer, a Chief Administrative Officer, Chief Operating Officer, Chief Innovation Officer, and Senior Staff Attorney support the executive office, as well as nine directors. These nine directors are responsible for providing direction 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 2020, 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, and the Orlando Solar Bears (ECHL Hockey). 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 Orlando City Soccer Stadium. 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, 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 within Central Florida.

While Central Florida is known for its wonderful climate, tourist attractions, and a tranquil lifestyle; the region is also one of the top ten locations in the United States to do business. Behind the scenes of the area's tourism and entertainment industry is a dynamic and diversified economy. The influx of startup tech companies has made Orlando one of the fastest growing new economy centers worldwide.

MAJOR INITIATIVES

LYNX senior management with direction from the Governing Board, emphasized the safety, health, and well-being of staff and the traveling public by dispersing free personal protective equipment (PPE) for those riding the system during 2020. The Authority installed permanent plexiglass driver protection safeguards to maintain social distancing and protect staff from both COVID-19 transmission and in rare instances, physical harm. Other significant measures taken by LYNX staff included: disinfecting buses with CDC-recommended chemicals on a daily basis, enacting revenue vehicle capacity limitations to minimize rider social contact, creating educational awareness material emphasizing COVID-19 safety precautions, and ensuring all staffed facilities undergo enhanced sanitizing frequently.

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

Current Year Projects

LYNX continued investment in compressed natural gas (CNG) and alternative fueled fixed route vehicles to move our community toward a more environmentally sustainable future. The Authority anticipates putting into revenue service twenty-five (25) more 40-foot CNG and eight (8) entirely electric buses as part of our green initiative program during FY2021.

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

Ridership

Total ridership for FY2020 was 16,776,531, 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 544,353 trips – a 19.8% decrease year-over-year due to the impact of Covid-19;
- Completing the annual Transportation Disadvantaged Service Plan minor update;
- Upgrading the fleet by procuring and deploying into revenue service 15 new NeighborLink micro-transit vehicles;
- Receiving new paratransit Turtletop vehicles, all vans received were placed into revenue service.
- Transitioning LYNX’s inbound call center operation to a 100% remote model allowing the Authority not only to maximize employee productivity, but also promote a safe and healthy work environment for staff during uncertain times; and
- Implementing a new call center phone platform; increasing overall customer satisfaction and decreasing call waiting hold times.

Service Planning

In FY2020, the Service Planning Division accomplished the following:

- Coordinated with LYNX Intelligent Transportation Systems (ITS) and Maintenance teams to equip all LYNX fixed-route and LYMMO buses with Automatic Passenger Counter (APC) units;
- Executed a temporary service reduction plan in response to the COVID-19 pandemic;
- Implemented daily monitoring of COVID-related ridership trends on fixed-route services;
- Employed efficiency measures in the run cut process, including consolidating two divisions and decreasing scheduled overtime;
- Initiated 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 for both riders and operators; and
- Continued participation in the refinement of sustainable, long-term jurisdictional transportation plans.

Strategic Planning

In FY2020, the Strategic Planning Division accomplished the following:

- Completed the FY2021 Annual Update to the Transit Development Plan (TDP);
- Updated the FY2021 Transportation Disadvantaged Service Plan (TDSP); and
- Amended future transit service plans, originating from the 2017 Route Optimization Study, in support of Orange County’s transportation referendum effort.

Engineering and Construction

In FY2020, the Engineering and Construction Department accomplished the following:

- Completed final design of three (3) transfer centers: Pine Hills, Florida Mall and Rosemont;
- Started construction of LYNX Operations Center (LOC) Paratransit Expansion. Construction is scheduled to be complete during FY2021;
- Completed installation or upgraded 24 shelters throughout the LYNX service area;

- Completed design for state of good repair (SOGR) improvements on the LYMMO Orange Line; and
- Assisted LYNX Sustainability/Innovation with the development of a RFP for the LYMMO Electric Bus Charging Stations.

Intelligent Transportation Systems (ITS)

In FY2020, the Innovation Division accomplished the following:

- Detailed design work for an agency Concept of Operations focused on deploying automated vehicles into passenger service;
- Installed state of the art fareboxes on the fixed route fleet with the goal of creating a platform to allow passengers a touchless electronic payment option;
- Received LYNX's first battery-electric bus scheduled to enter revenue service on the LYMMO BRT system in downtown Orlando during FY2021;
- Received notification of a successful grant application to procure an additional six (6) battery-electric buses to assist with LYMMO operations; and
- Installed new Automatic Passenger Counters (APC) on all fixed route buses.

Procurement

In FY2020, 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 35 Gillig Compressed Natural Gas (CNG) and 8 Proterra Electric 40-foot buses;
- Completed a joint procurement with the Orlando Utilities Commission (OUC) to obtain electric bus charging stations for LYMMO;
- Procured Multi-Purpose Plexi-Glass Driver Barriers, allowing Operators to conduct their on-highway job responsibilities in a safer and well protected work environment;
- Solicited merchants to respond to the Authority's need for Fuel Transport & Delivery services;
- Encouraged vendors to submit competitive proposals for the install of an On-Demand Bus Disinfectant solution, and
- Conducted multiple vendor outreach conferences outlining the process to do business with LYNX.

Vanpool Program

LYNX coordinates with our contractor, Enterprise, to operate the Vanpool program through maximizing participation and growth. 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 FY2021.

As of September 30, 2020, LYNX Vanpool accounts for 3,546 work trips per week and 160 vehicles in service. LYNX's system was responsible for 1,687,815 revenue miles in FY2020.

Mobility Services

During FY2020, Mobility Services attended 2 external community events. The number of attended community events were decreased due to state wide mandates to contain the spread of Covid-19 and flatten the curve.

Additional activities associated with the Mobility Services Division:

- The call center received 595,862 calls;
- The customer service window served 43,284 customers, generating \$1.7M in revenue;
- Lost and found returned 28% of items found on LYNX property to their owners; and
- LYNX photo-ID program produced 6,516 IDs and replacements.

Employee Relations

Sound employee relations are critical to morale within LYNX. Human Resources continues to work with all LYNX staff to ensure the Authority's workplace is fair, comfortable, and enjoyable setting for all employees. Improvement continues to be made in on-the job training and career development. Periodic labor and management meetings are being 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 2020 annual Florida Transportation Commission Report; and
- Received the Government Finance Officers Association (GFOA) Award for Excellence in Financial Reporting for the 28th consecutive year.

The aforementioned capital projects will complement the following emphasis areas identified in fiscal year 2020:

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.

Paratransit Services

ACCESS LYNX provides paratransit services via a Mobility Management Service model within Orange, Osceola, and Seminole counties. During FY2020, an innovative operational milestone occurred: Mobility Services Implemented ACCESS Plus+, which provides unlimited free fixed route trips to customers who are eligible for ADA paratransit service plus one (1) free companion. ADA Paratransit customers who enrolled were issued an identification card to be utilized on LYNX's fixed route service. The program enrolled 143 customers, completing 6,505 trips, and thus decreased more expensive requests for on-demand paratransit service.

Communications

FY2020 was another creative and award-winning year for communications. The team created more than 300 pieces of various media to reassure riders and employees of the Authority's commitment to the safety and cleanliness of public transit. Communications continued LYNX's streak of award-winning years with three (3) first-place FPTA awards including one which highlighted LYNX's continuing efforts to fight the spread of COVID-19.

Capital Improvement Projects

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

Vehicle purchases, facility improvements, information tools, and passenger amenities included in the FY2020 capital program are:

- **Rolling Stock - \$42.0 million**
Revenue vehicles include expansion and replacement vehicles for fixed route, vanpool, and paratransit service;
- **Bus Rapid Transit (BRT) - \$.6 million**
BRT includes the LYMMO - Orange Line Rehabilitation;
- **Facilities - \$5.9 million**
Facilities include the Phase I Construction, CEI, and Design Services of an additional administrative LYNX Operations Center building as well as determining the location and related planning for LYNX's Southern Operations Base;
- **Passenger Amenities/Related Enhancements - \$8.4 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 - \$1.5 million**
Security includes equipment to enhance organizational safeguards and surveillance;
- **Support Equipment - \$8.8 million**
Support equipment includes resources to modernize fare collection, mobile ticketing, and in-ground revenue vehicle maintenance lifts.

Capital Planning and Studies

The Transportation Development Plan (TDP) annual updates and progress report contain planned capital and service improvements necessary to meet the growing demand for public transportation throughout Central Florida during the next ten years. The major TDP update was completed in the fall 2017 and the required Annual Update was completed during 2019.

Highlights of the plan include:

- Evaluated service delivery to match transit need with future fleet requirements;

- Monitored transit demand, adjusting frequency of service where needed in alignment with other service providers; and
- Working with MetroPlan Orlando and other stakeholders to ensure the State Route (SR) 436 and SR 50 study conclusions were integrated into the jurisdictional high-capacity limited stop and Bus Rapid Transit (BRT) project plans.

Future Projects

LYNX will continue to implement plans from the 2018 update of the Transportation Development Plan (TDP) and the Vision 2030, to include:

- Receiving seven (7) additional battery electric buses. These buses are scheduled to be placed into revenue service on the LYMMO BRT during FY2021;
- Installing charging infrastructure to power the battery electric buses at the LYNX Operations Center through coordination with the Orlando Utilities Commission; and
- Initiate a Bus Stop Improvement Program (BSIP) to consolidate, eliminate and relocate transit stops in order to better serve commuters and support partner jurisdiction land use priorities.

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 are completed on a monthly basis;
- Approved operating and un-obligated capital balances lapse at year-end; and
- Only project committed capital balances are carried forward 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' Board approved the authorization to award a contract to Bank of America for the lease of the (10) Compressed Natural Gas (CNG) buses for a period of five (5) years. The total cost of the ten (10) CNG buses is \$5,430,870. For additional information on 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, 2020, the maturity dates of the open contracts are September 2021. 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 FY2020 were as follows:

- Completed the annual physical inventory of 3,878 line items valued at \$2.2 million, with a net variance of – 0.05 percent;
- Maintained an inventory turn rate of greater than 2.1 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 New Flyer buses based on past systems and current or updated system specifications and analyzing “on demand” needs to minimize investment and bus down time;
- Continued to operate the region's only bio-diesel blending facility, supplying approximately 313,000 gallons of blended product for fleet use;
- 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 Office of Management and Budget (OMB) Circular A-133. 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, has conducted the audit for fiscal year ended September 30, 2020.

Acknowledgements

The GFOA of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Central Florida Regional Transportation Authority for its comprehensive financial report for the fiscal year ended September 30, 2020. This was the 28th consecutive year that the Authority 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.

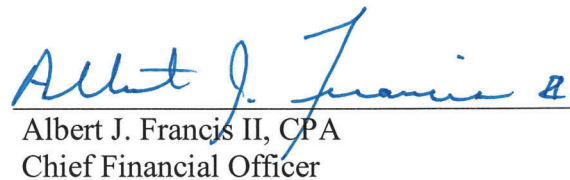
A Certificate of Achievement is valid for a period of one year. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual 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 effort crafting the report. We also give thanks to the Marketing Division for their effort in designing the cover and to the LYNX Board of Directors for their continued outstanding support.

Respectfully Submitted,



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



Albert J. Francis II, CPA
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 Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

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Financial Section



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 year ended September 30, 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, 2020, and the respective changes in its financial position and its cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Prior Period Financial Statements

The financial statements of the Authority as of September 30, 2019 were audited by other auditors whose report dated March 5, 2020 expressed an unmodified opinion on those statements.

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 audit was 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 11, 2021, 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 11, 2021

MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the comprehensive annual 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, 2020 and 2019, respectively. Please read it in conjunction with the financial statements, which follow this section.

Financial Highlights

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 \$41.3 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.

Fiscal 2019

- Customer Fares decreased by 1.1%, or \$0.3 million, from FY2018. The reduction in fares collected was due to a decrease in ridership by 0.8% year-over-year. The passenger fares decrease was due to further decreases in fuel prices for consumers, increased last mile shared ride options, and increased competition from low-cost point to point transportation network providers.
- Local Financial Assistance in the form of non-operating revenue increased 5.5% year-over-year allowing the Authority to fund expense increases, maintain current service levels, and ensure the existing transit system operates efficiently.
- Operating expenses before depreciation increased 4.7%, or \$6.3 million, and capital contributions increased 125.6%, or \$12.1 million, from FY2018. Ratification of the increase to the Authority’s top wage rates for both ATU 1596 and Local 1749 as well as increased paratransit completed trip volume were the principal drivers of larger than expected operating expenditures. Paratransit trip volume increased 11.0% year over year from 611,661 to 679,101.
- Overall net position decreased by 5.1%, or \$8.8 million, from FY2018, as the Authority’s loss before capital contributions exceeded new capital contributions. \$2.6 million of the decrease to overall net position was caused by an increase in General Liability and Worker’s Compensation actuarial reserves.

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,		
	FY2020	FY2019	FY2018
Assets:			
Current and other assets	\$ 101.7	\$ 65.6	\$ 64.5
Capital assets	142.9	139.2	142.9
Total assets	\$ 244.6	\$ 204.8	\$ 207.4
Deferred outflows of resources	\$ 9.4	\$ 5.5	\$ 6.5
Liabilities:			
Current liabilities	\$ 27.9	\$ 26.0	\$ 22.3
Long-term liabilities	18.4	14.1	16.4
Total liabilities	\$ 46.3	\$ 40.1	\$ 38.7
Deferred inflows of resources	\$ 2.4	\$ 6.1	\$ 2.3
Net position			
Net investment in capital assets	\$ 141.8	\$ 137.1	\$ 139.3
Restricted	1.7	9.6	1.7
Unrestricted	61.8	17.4	31.9
Total net position	\$ 205.3	\$ 164.1	\$ 172.9

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 \$41.3 million to \$205.3 million in FY2020 from \$164.1 million in FY2019. This \$41.3 million increase was due to direct intervention by the United States Congress and

the Treasury via the CARES Act to offset losses from COVID-19. Without the federal grants Congress made available to offset the 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,		
	FY2020	FY2019	FY2018
Operating revenues:			
Customer fares	\$ 12.3	\$ 23.9	\$ 24.1
Contract services	20.4	18.7	19.0
Advertising revenue	3.5	4.3	2.9
Other income	0.5	0.7	0.7
Total operating revenue	36.7	47.6	46.7
Non-operating revenues, net:			
Federal	67.3	15.6	15.9
State	15.0	14.3	12.7
Local	64.3	54.3	51.5
Interest and other income	0.4	0.9	0.7
Total non-operating revenue	147.0	85.1	80.8
Total revenues	183.8	132.7	127.5
Operating expenses:			
Salaries and wages	51.5	50.2	48.9
Fringe benefits	31.8	26.9	27.5
Purchased transportation services	26.1	28.2	25.9
Fuel	9.9	11.3	10.8
Materials & supplies	7.9	7.3	7.2
Professional services	7.8	9.1	9.5
Lease and miscellaneous	1.1	1.1	1.2
Casualty and liability	6.0	5.5	2.1
Utilities, taxes and licenses	2.1	2.1	2.2
Depreciation	20.5	21.6	23.2
Total operating expenses	164.7	163.3	158.5
Gain / (Loss) before capital contributions	19.1	(30.6)	(31.0)
Capital contributions	22.2	21.8	9.7
Change in net position	41.3	(8.8)	(21.3)
Beginning net position	164.1	172.9	196.5
Cumulative effect of change in accounting principle	-	-	(2.3)
Ending net position	\$ 205.4	\$ 164.1	\$ 172.9

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 \$41.3 million increase in net position for FY2020 is due the Authority's receipt of \$60.7 million in CARES funding; revenue which helped LYNX stabilize operations and minimize uncertainty from reduced fare collection. Two current versus prior period categorical expenses decreases are material: a \$2.2 million reduction in purchase transportation due to a significant decrease in trip volume, and a \$1.4 million decrease from more favorable fuel prices than the prior year.

Two material categorical expense increases came from an additional \$1.3 million paid in salaries and wages as well as \$4.9 million additional paid in fringe benefits over the prior year. A considerable amount of these two increases derived from

emergency vacation negotiated with both labor unions and hiring extra part-time cleaning personnel to regularly sanitize LYNX's common areas.

Capital Assets

At the end of FY2020, 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,		
	FY2020	FY2019	FY2018
Depreciable assets and land:			
Land	\$ 10.0	\$ 10.0	\$ 10.0
Buildings and shelters	97.3	97.4	96.9
Revenue vehicles	184.2	175.4	166.1
BRT roadway	22.7	22.7	22.7
Pedestrian walkways	1.4	1.4	1.4
Equipment	48.3	48.7	45.7
Subtotal	363.9	355.6	342.8
Less accumulated depreciation	(231.8)	(219.6)	(204.1)
Subtotal	132.1	136.0	138.7
Construction in progress:			
Bus shelters	3.2	2.1	1.8
Facility capital improvements	0.1	0.1	0.6
Other miscellaneous projects	7.4	1.0	1.8
Subtotal	10.7	3.2	4.2
Net capital assets	\$ 142.9	\$ 139.2	\$ 142.9

Long-Term Obligations

The Authority entered into a capital lease agreement for 10 buses in September 2015. The lease arrangement calls for quarterly lease payments expiring October 2020, with principal and interest totaling \$5,430,870. Subsequently, LYNX's final installment including a lease termination balloon payment were made to satisfy this long-term obligation. For additional information on the Authority's long-term obligations, please see financial statement note 3, capital leases.

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 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. Prior to September 30, 2020, six fuel hedges were purchased and will be active to offset any material fluctuation in per gallon price of Ultra Low Sulfur Diesel and 87 Octane Unleaded during FY2021. 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 FY2021 operating budget to the Board of Directors. These factors include, but were not limited to: the ongoing impact on ridership from COVID-19 compounded with the 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 Paratransit services, and maintaining a clean operating environment to protect staff and the traveling public from COVID-19 exposure.

FINANCIAL STATEMENTS

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2020 AND 2019

ASSETS	2020	2019
CURRENT ASSETS:		
Cash and cash equivalents	\$ 59,979,681	\$ 19,531,850
Receivables:		
Local, trade and operating assistance	1,573,264	2,360,749
Federal grants	14,598,201	14,210,209
State grants	16,450,510	13,709,972
Inventory	2,387,997	2,292,264
State fuel tax refundable	1,944,487	983,495
Prepaid expenses and other assets	324,147	342,148
Total current assets	97,258,287	53,430,687
NONCURRENT ASSETS:		
Restricted cash and cash equivalents	4,425,903	7,249,467
Total restricted cash and cash equivalents	4,425,903	7,249,467
Property and equipment:		
Land	10,018,522	10,018,522
Buildings and shelters	96,718,650	96,820,701
Bus Rapid Transit Roadway Infrastructure	22,673,715	22,673,715
Pedestrian walkways	1,404,894	1,404,894
Revenue vehicles	184,218,669	175,389,075
Equipment	48,339,986	48,674,115
Leasehold improvements	592,357	592,357
Total property and equipment	363,966,793	355,573,379
Less accumulated depreciation	(231,806,487)	(219,638,067)
Construction in progress	10,740,637	3,233,709
Net property and equipment	142,900,943	139,169,021
Net pension asset	-	4,921,623
Total noncurrent assets	147,326,846	151,340,111
Total assets	244,585,133	204,770,798
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	7,892,348	5,449,763
Deferred outflows related to OPEB	379,590	66,034
Accumulated decrease in fair value of fuel hedge instrument	1,203,263	-
Total deferred outflows of resources	\$ 9,475,201	\$ 5,515,797

See notes to financial statements.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF NET POSITION
SEPTEMBER 30, 2020 AND 2019

LIABILITIES AND NET POSITION	2020	2019
CURRENT LIABILITIES:		
Accounts payable	\$ 12,750,254	\$ 13,796,409
Accrued salaries and related taxes	2,316,564	2,519,167
Accrued compensated absences, current	5,016,365	4,560,640
Accrued self-insurance liability, current	5,028,415	3,751,150
Leases payable, current	1,051,268	962,014
Unearned operating revenue	484,556	448,198
Derivative instrument - fuel hedge	1,203,263	-
Total current liabilities	27,850,685	26,037,578
NONCURRENT LIABILITIES:		
Leases payable, long-term	-	1,051,268
OPEB liability	5,355,542	4,615,938
Net pension liability	2,725,872	-
Accrued compensated absences, long-term	336,364	371,058
Accrued self-insurance liability, long-term	7,313,068	5,438,079
Unearned capital	2,725,903	2,572,265
Total noncurrent liabilities	18,456,749	14,048,608
Total liabilities	46,307,434	40,086,186
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	1,804,684	5,379,323
Deferred inflows related to OPEB	589,169	705,299
Total deferred inflows of resources	2,393,853	6,084,622
NET POSITION:		
Net investment in capital assets	141,849,676	137,155,739
Restricted	1,700,000	9,598,826
Unrestricted	61,809,371	17,361,222
Total net position	\$ 205,359,047	\$ 164,115,787

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, 2020 AND 2019**

	2020	2019
OPERATING REVENUES		
Customer fares	\$ 12,298,257	\$ 23,863,440
Contract services		
Local financial assistance	14,973,731	13,529,395
Other contractual services	5,473,531	5,197,890
Advertising	3,491,062	4,313,161
Other income	474,329	708,048
Total operating revenues	<u>36,710,910</u>	<u>47,611,934</u>
OPERATING EXPENSES		
Salaries and wages	51,519,762	50,167,528
Fringe benefits	31,742,030	26,856,957
Purchased transportation services	26,099,806	28,178,435
Fuel	9,951,775	11,249,086
Materials and supplies	7,962,048	7,276,027
Professional services	7,763,054	9,136,488
Lease and miscellaneous	1,131,299	1,147,506
Casualty and liability	6,026,201	5,535,051
Utilities	1,313,551	1,451,594
Taxes and licenses	677,557	611,464
Total operating expenses before depreciation	<u>144,187,082</u>	<u>141,610,136</u>
OPERATING EXPENSES IN EXCESS OF OPERATING REVENUES BEFORE DEPRECIATION	(107,476,171)	(93,998,202)
DEPRECIATION	(20,532,396)	(21,654,316)
OPERATING LOSS	(128,008,567)	(115,652,518)
NONOPERATING REVENUES AND EXPENSES:		
Operating assistance grants		
Federal	58,796,000	432,000
State of Florida	11,620,340	11,041,145
Local	64,268,309	54,315,713
Planning and other assistance grants		
Federal	8,581,385	15,201,866
State of Florida	3,391,141	3,295,393
Interest expense	(32,463)	(54,365)
Interest income	368,662	810,645
Other income	42,039	76,683
Total nonoperating revenues and expenses, net	<u>147,035,412</u>	<u>85,119,080</u>
GAIN / (LOSS) BEFORE CAPITAL CONTRIBUTIONS	19,026,844	(30,533,438)
Capital contributions	22,216,416	21,804,496
Change in net position	41,243,260	(8,728,942)
NET POSITION AT BEGINNING OF YEAR	164,115,787	172,844,729
NET POSITION AT END OF YEAR	\$ 205,359,047	\$ 164,115,787

See notes to financial statements

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 12,298,257	\$ 23,863,440
Cash received for contract services	21,234,747	17,745,528
Cash paid to employees	(56,664,225)	(56,981,295)
Cash paid to suppliers	(86,516,803)	(79,535,807)
Cash received from advertising and miscellaneous	3,861,391	4,880,568
Net cash used in operating activities	<u>(105,786,633)</u>	<u>(90,027,566)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Proceeds from assistance grants	<u>133,053,176</u>	<u>81,758,812</u>
Net cash provided by noncapital financing activities	<u>133,053,176</u>	<u>81,758,812</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Construction and acquisition of property and equipment	(25,226,331)	(18,861,755)
Interest paid on leases	(44,021)	(59,763)
Proceeds from sale of property and equipment	67,060	76,683
Capital assistance grants	<u>35,192,355</u>	<u>18,912,635</u>
Net cash provided by capital and related financing activities	<u>9,989,063</u>	<u>67,800</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest income	<u>368,662</u>	<u>810,645</u>
Net cash provided by investing activities	<u>368,662</u>	<u>810,645</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	37,624,268	(7,390,309)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	26,781,317	34,171,626
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 64,405,584</u>	<u>\$ 26,781,317</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating loss	\$ (128,008,567)	\$ (115,652,518)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	20,532,396	21,654,316
Changes in operating assets and liabilities and deferred amounts:		
Receivables	787,485	(614,773)
Inventory	(95,731)	(45,941)
State fuel tax refundable	(960,992)	(708,480)
Prepaid expenses; deferred outflows of resources; and net pension asset/liabil	2,146,934	(3,303,304)
Accounts payable; and hedging liability	(2,166,833)	1,786,670
Accrued salaries and related taxes; and OPEB liability	3,262,873	66,335
Accrued compensated absences	421,031	117,892
Accrued self-insurance liability	3,152,254	2,913,994
Deferred inflows of resources	(4,857,483)	3,758,243
Net cash used in operating activities	<u>\$ (105,786,633)</u>	<u>\$ (90,027,566)</u>

See notes to financial statements

**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

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’ 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 2020 and 2019 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, 2020 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,	
	2020	2019
Pool Investments - Florida PRIME	\$ 53,446,149	\$ 23,581,032
Bank Deposits	10,959,435	3,200,285
Total Cash and Cash Equivalents	<u>\$ 64,405,584</u>	<u>\$ 26,781,317</u>

As of both September 30, 2020 and 2019, the Authority classified as restricted \$1,700,000 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, 2020 and 2019, the Authority had receivables, net of allowances, as follow:

	September 30,	
	2020	2019
Customers	\$ 1,278,418	\$ 1,757,292
Local Funding Partners	294,846	603,457
Total	<u>\$ 1,573,264</u>	<u>\$ 2,360,749</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 \$4,425,903 and \$7,249,467 of cash and cash equivalents for the Pine Hill Super Stop project, health self-insurance reserve, shelters, bus procurement and other enhancements, and various capital projects as of September 30, 2020 and 2019, respectively. Restricted assets are offset by liabilities, except for the \$1,700,000 of medical health self-insurance plan as of September 30, 2020 and subsequently as of September 30, 2019 the restricted net position value included restricted cash \$5,549,467, net pension asset \$4,921,623, medical health self-insurance plan for \$1,700,000 less \$2,572,265 unearned capital to sum the value presented.

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, 2020 and 2019, the Authority had accounts payable as follows:

	September 30,	
	2020	2019
Bus purchases and contractors	\$ 2,479,321	\$ 6,767,119
Trade	5,338,760	4,005,390
Due to FTA	2,437,999	1,305,764
Retainage	40,167	5,793
Other	2,454,007	1,712,343
Total	<u>\$ 12,750,254</u>	<u>\$ 13,796,409</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,	
	2020	2019
Accrued compensated absences liability, Beginning of year	\$ 4,931,698	\$ 4,813,806
Obligations	4,909,671	5,163,746
Payments	(4,488,640)	(5,045,854)
Accrued compensated absences liability, End of year	<u>\$ 5,352,729</u>	<u>\$ 4,931,698</u>
Amount due within one year	<u>\$ 5,016,365</u>	<u>\$ 4,560,640</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, 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)	\$ 374,707,429
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	(231,806,487)
Capital Assets, net	\$ 139,169,021	\$ 5,237,682	\$ (1,505,634)	\$ 142,900,943

Capital asset activity for the year ended September 30, 2019 was as follows:

Property and Equipment:	Beginning Balance	Additions	Reclass/ Disposals	Ending Balance
Depreciable Assets				
Buildings and Shelters	\$ 96,727,844	\$ 1,026,932	\$ (934,075)	\$ 96,820,701
Revenue Vehicles:				
Buses	157,643,128	13,409,310	(4,548,269)	166,504,169
Other Support Vehicles	8,435,209	735,669	(285,972)	8,884,906
Furniture, Fixtures & Equipment	45,656,561	3,405,693	(388,139)	48,674,115
Leasehold Improvements	219,390	372,967	-	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	4,262,763	2,712,538	(3,741,592)	3,233,709
Totals at Acquisition Cost	\$ 347,042,026	\$ 21,663,109	\$ (9,898,047)	\$ 358,807,088
Less Accumulated Depreciation for:				
Buildings and Shelters	\$ (53,667,063)	\$ (3,765,639)	\$ 928,818	\$ (56,503,884)
Revenue Vehicles:				
Buses	(103,280,440)	(12,760,161)	4,533,864	(111,506,737)
Other Support Vehicles	(7,060,981)	(699,859)	265,775	(7,495,065)
Furniture, Fixtures & Equipment	(36,680,341)	(3,201,599)	388,139	(39,493,801)
Leasehold Improvements	(141,006)	(59,625)	-	(200,631)
BRT Roadway Improvements	(3,267,589)	(1,132,311)	-	(4,399,900)
Pedestrian Walkways	(2,927)	(35,122)	-	(38,049)
Total Accumulated Depreciation	(204,100,347)	(21,654,316)	6,116,596	(219,638,067)
Capital Assets, net	\$ 142,941,679	\$ 8,793	\$ (3,781,451)	\$ 139,169,021

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 covers a term of 5 years, with a final payment to be made in October 2020. These buses were included in property and equipment at carrying value of \$2,287,803 and \$2,855,647 at September 30, 2020 and 2019, respectively.

Leases payable activity for the years ended September 30, 2020 and 2019 was as follows:

Leases Payable	Lease Payable September 30, 2020			Ending Balance	Amounts Due Within One Year
	Beginning Balance	Additions	Payments		
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

Leases Payable	Lease Payable September 30, 2019			Ending Balance	Amounts Due Within One Year
	Beginning Balance	Additions	Payments		
Lease # 5	\$ 2,953,519	\$ -	\$ 940,237	\$ 2,013,282	\$ 962,014
Total	\$ 2,953,519	\$ -	\$ 940,237	\$ 2,013,282	\$ 962,014

Future minimum payments and the present value of the minimum payments applicable to capital leases are as follows for the years ending after September 30, 2020:

Year	Present Value of	Amount	Total
	Minimum Lease Payments	Representing Interest	Minimum Lease Payments
2021	\$ 1,051,268	\$ 6,035	\$ 1,057,303
Total	\$ 1,051,268	\$ 6,035	\$ 1,057,303

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, 2020 and 2019, 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 2020 and 2019. 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	
	2020	2019
Accrued self-insurance liability, beginning of year	\$ 9,189,229	\$ 6,275,235
Insured claims (including IBNR's)	19,090,685	17,127,960
Claim payments	(15,938,431)	(14,213,966)
Accrued self-insurance liability, end of year	<u>\$ 12,341,483</u>	<u>\$ 9,189,229</u>

The estimated amounts due in one year are \$5,028,415 and \$3,751,150 at September 30, 2020 and 2019, 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 \$613,078 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, 2018 and 2017 utilized for the September 30, 2020 and 2019 fiscal years are as follows:

<u>Membership at Actuarial Valuation Date</u>	<u>2020</u>	<u>2019</u>
Retirees and beneficiaries currently receiving benefits and DROP	440	422
Terminated employees entitled to, but not yet receiving benefits	91	79
Active plan participants	493	539
Total	<u>1,024</u>	<u>1,040</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, 2020 and 2019 is based on the October 1, 2018 and 2017 actuarial valuation rolled forward to the measurement date of September 30, 2019 and 2018, respectively. Changes in the Authority's Union Defined Benefit Plan net pension liability (asset) during the years ended at September 30, 2020 and 2019 are as follows:

<u>Total pension liability</u>	<u>2020</u>	<u>2019</u>
Service cost	\$ 3,599,629	\$ 3,504,724
Interest	11,137,845	10,763,561
Changes of benefit terms	87,818	981,945
Difference between actual & expected experience	2,809,999	(2,944,884)
Changes of assumptions	325,780	-
Benefit payments	(7,675,871)	(6,757,303)
Refunds	(103,652)	(282,766)
Net change in total pension liability	10,181,548	5,265,277
Total pension liability - beginning	148,794,728	143,529,451
Total pension liability (asset) - ending	\$ 158,976,276	\$ 148,794,728
<u>Plan fiduciary net position</u>		
Contributions - Employer	\$ 2,715,480	\$ 2,983,198
Contributions - Member	2,036,196	2,118,761
Net investment income	5,852,314	11,698,371
Benefit payments	(7,675,871)	(6,757,303)
Refunds	(103,652)	(282,766)
Administrative expense	(290,414)	(234,611)
Other	-	-
Net changes in Plan fiduciary net position	2,534,053	9,525,650
Total Plan fiduciary net position - beginning	153,716,351	144,190,701
Total Plan fiduciary net position - ending	156,250,404	153,716,351
Net pension liability (asset) - ending	\$ 2,725,872	\$ (4,921,623)

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

For the years ended September 30, 2020 and 2019, the Authority recognized pension expense of \$4,307,470 and \$2,782,715, respectively. At September 30, 2020 and 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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>
Fiscal Year 2019	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 1,630,387	\$ 2,545,513
Changes in assumptions	1,103,896	-
Net difference between projected and actual earnings on pension plan investment	-	2,833,810
Authority contributions made subsequent to the measurement date	2,715,480	-
	<u>\$ 5,449,763</u>	<u>\$ 5,379,323</u>

Deferred outflows of resources related to Authority contributions subsequent to the measurement date of \$2,715,480 will be recognized as an increase of the net pension asset in the year ended September 30, 2020. 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:

Year Ended September 30

2020	\$	431,596
2021		919,146
2022		979,742
2023		1,079,984
Total	\$	<u>3,410,468</u>

Pension plan contributions for fiscal years 2020 and 2019 were determined as part of the October 1, 2018 and 2017 actuarial valuations, respectively, using the entry age actuarial cost method. The actuarial assumptions included (a) 7.4% 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 2.25%. 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 2.25%. The assumption for salary increases was 4.00% to 13.13%, depending on service.

For the fiscal years ended September 30, 2020 and September 30, 2019, the annual money-weighted rate of return of Plan investments was 3.80% and 4.05% 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, 2020 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, 2020	\$ 19,916,232	\$ 2,725,872	\$ (11,864,377)

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, 2020 and 2019 amounted to \$ 770,639 and \$839,965, 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, 2020 and 2019 was \$13,175,307 and \$12,210,109, respectively. The Authority's contribution to the plan for the years ended September 30, 2020 and 2019 amounted to \$1,245,764 and \$1,231,432, respectively, representing 12% or 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, 2020 and 2019, the following employees were covered by the benefit terms:

	2020	2019
Inactive employees or beneficiaries currently receiving benefit payments	14	14
Inactive employees entitled to but not receiving benefit payments	-	-
Active employees	1,033	1,033
Total Population	<u>1,047</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, 2019 and 2018 is based on an actuarial valuation dated October 1, 2019, with roll-backward procedures to the measurement date of October 1, 2018 and an actuarial valuation dated October 1, 2016, with roll-forward procedures to the measurement date of September 30, 2017, 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	3.83% in 2019, 3.50% in 2018 (1)
Inflation	2.4%
Salary increases	4.0% to 13.13% depending on service
Mortality rates	Fully Generational RP2000 Combined Mortality (sex distinct) projected from 2000 with Scale AA
Healthcare cost trend rates	4.02%
Administrative expenses	Included in claim cost
Actuarial cost method	Entry Age Normal
Measurement date	September 30, 2019
Valuation date	October 1, 2019

- (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, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Total OPEB liability - beginning	\$ 4,615,938	\$ 4,888,700
Changes for the year:		
Service cost	427,649	423,239
Interest	172,394	167,170
Experience loss/(gains)	-	(713,822)
Changes in assumptions	369,132	75,468
Benefit payments	(229,571)	(224,817)
Net changes	<u>739,604</u>	<u>(272,762)</u>
Total OPEB liability - Ending	<u>\$ 5,355,542</u>	<u>\$ 4,615,938</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 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

Fiscal Year 2019	1% Decrease	Current Rate	1% Increase
Discount Rate	2.83%	3.83%	4.83%
Total OPEB Liability	\$ 4,932,912	\$ 4,615,938	\$ 4,318,289

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 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

Fiscal Year 2019	1% Decrease	Current Rate	1% Increase
Healthcare cost trend	3.02%	4.02%	5.02%
Total OPEB Liability	\$ 4,245,297	\$ 4,615,938	\$ 5,034,165

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended September 30, 2020 and 2019, the Authority recognized negative OPEB expense of \$539,489 and \$258,896, respectively. At September 30, 2020 and 2019, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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

Fiscal Year 2019	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 624,594
Change of assumptions	66,034	80,705
Total	\$ 66,034	\$ 705,299

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>	
2021	\$ (60,554)
2022	(60,553)
2023	(33,652)
2024	(33,652)
2025	(33,652)
Thereafter	12,484
Total	\$ (209,579)

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 \$494,094 and \$454,000 during the years ended September 30, 2020 and 2019, 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 2020 and 2019 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

^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 2020 and 2019, 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, 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 \$1,203,263 as a deferred outflow of resources on September 30, 2020, and is a derivative financial instrument on balance sheet as of September 30, 2020. The estimated fair value of swaps is determined based on the contracted strike prices and applicable future prices at September 30, 2020, and these values represent the change in fair value of the swaps during the fiscal year. As no commitment for fiscal year 2020 were completed before September 30, 2019 there is not a derivative financial instrument on the statement of net position at September 30, 2019.

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

<u>Total pension liability</u>	2020	2019	2018	2017	2016
Service cost	\$ 3,599,629	\$ 3,504,724	\$ 4,177,847	\$ 4,174,172	\$ 4,324,270
Interest	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	2,809,999	(2,944,884)	1,015,883	2,082,258	(638,418)
Assumption changes	-	-	1,793,830	-	-
Benefit payments	(7,675,871)	(6,757,303)	(5,494,839)	(5,590,105)	(4,808,642)
Refunds	(103,652)	(282,766)	(929,948)	(401,384)	(311,317)
Net change in total pension liability	9,855,768	5,265,277	10,604,550	9,602,503	7,392,925
Total pension liability - beginning	148,794,728	143,529,451	132,924,901	123,322,398	115,929,473
Total pension liability	\$ 158,650,496	\$ 148,794,728	\$ 143,529,451	\$ 132,924,901	\$ 123,322,398
<u>Plan fiduciary net position</u>					
Contributions - Employer	\$ 2,715,480	\$ 2,983,198	\$ 3,000,228	\$ 2,233,626	\$ 3,315,335
Contributions - Member	2,036,196	2,118,761	2,044,172	2,192,180	2,264,655
Net investment income (loss)	5,852,314	11,698,371	14,943,745	11,523,579	(1,070,462)
Benefit payments	(7,675,871)	(6,757,303)	(5,494,839)	(5,590,105)	(4,808,642)
Refunds	(103,652)	(282,766)	(929,948)	(401,384)	(311,317)
Administrative expense	(290,414)	(234,611)	(300,019)	(397,607)	(237,972)
Other	-	-	2,518	-	-
Net changes in Plan fiduciary net position	2,534,053	9,525,650	13,265,857	9,560,289	(848,403)
Total Plan fiduciary net position - beginning	153,716,351	144,190,701	130,924,844	121,364,555	122,212,958
Total Plan fiduciary net position - ending	156,250,404	153,716,351	144,190,701	130,924,844	121,364,555
Net pension liability (asset) - ending	\$ 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)	100.46%	103.31%	100.46%	98.50%	98.41%
Covered payroll	\$ 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	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.

**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
2020	\$2,329,350	\$2,417,000	(\$87,650)	\$21,071,557	11.47%
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%
2011	\$3,416,323	\$3,660,066	(\$243,743)	\$35,059,922	10.44%
2010	\$3,893,395	\$3,867,861	\$25,534	\$35,815,773	10.80%

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
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>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	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.

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

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

Change of Assumptions: Change of assumptions reflects the effects of changes in the discount rate from 3.83% to 2.75% for the reporting period ended September 30, 2020.

**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
2020	\$2,329,350	\$2,417,000	(\$87,650)	\$21,071,557	11.47%
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%
2011	\$3,416,323	\$3,660,066	(\$243,743)	\$35,059,922	10.44%

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
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%

NPL SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN *

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

* 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.

REQUIRED SUPPLEMENTARY INFORMATION
UNION PENSION PLAN NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Valuation Date: 10/1/2018 (for FYE 9/30/20)
 Measurement Date: September 30, 2019

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	2.25%
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 2020</u>	<u>Fiscal Year 2019</u>
Report period ending	09/30/2020	09/30/2019
Measurement date	10/01/2019	10/01/2018
<u>Total OPEB liability</u>		
Service cost	\$ 427,649	\$ 423,239
Interest	172,394	167,170
Experience loss/(gains)	-	(713,822)
Trust contribution/benefit payments	(229,571)	(224,817)
Changes in assumptions	369,132	75,468
Net change in total OPEB liability	739,604	(272,762)
Total OPEB liability – beginning	4,615,938	4,888,700
Total OPEB liability – ending	\$ 5,355,542	\$ 4,615,938
Covered employee payroll	\$ 51,519,761	\$ 50,167,528
Total OPEB liability as a percentage of covered payroll	10.40 %	9.20%

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.

Change of Assumptions: Change of assumptions reflects the effects of changes in the discount rate from 3.83% to 2.75% for the reporting period ended September 30, 2020.

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SUPPLEMENTARY SCHEDULE OF REVENUES AND EXPENSES
BUDGET VS ACTUAL (BUDGET BASIS)
YEAR ENDED SEPTEMBER 30, 2020

	Budget	Actual	Variance Favorable/ (Unfavorable)
OPERATING REVENUES			
Customer fares	\$ 23,936,614	\$ 12,298,257	\$ (11,638,357)
Contract services:			
Local financial assistance	15,185,686	14,973,731	(211,955)
Other contractual services	5,859,071	5,473,531	(385,540)
Advertising	4,600,000	3,491,062	(1,108,938)
Other income	<u>685,000</u>	<u>474,329</u>	<u>(210,671)</u>
Total operating revenues	<u>50,266,371</u>	<u>36,710,910</u>	<u>(13,555,461)</u>
OPERATING EXPENSES:			
Transportation	49,926,234	52,940,835	(3,014,601)
Maintenance and operations	79,157,182	70,279,240	8,877,942
General and administrative	<u>20,273,677</u>	<u>20,967,005</u>	<u>(693,328)</u>
Total operating expenses before depreciation	<u>149,357,093</u>	<u>144,187,080</u>	<u>5,170,013</u>
OPERATING LOSS	(99,090,722)	(107,476,170)	(8,385,448)
NONOPERATING REVENUES/(EXPENSES):			
Federal	18,972,406	67,377,385	48,404,979
State of Florida	15,118,013	15,011,481	(106,532)
Local	64,333,063	64,268,308	(64,755)
Interest income	610,000	368,662	(241,338)
Interest expense	<u>(34,760)</u>	<u>(32,463)</u>	<u>2,297</u>
Total nonoperating revenues/(expenses), net	<u>98,998,722</u>	<u>146,993,373</u>	<u>47,994,651</u>
Increase (decrease) in net position	<u><u>\$ (92,000)</u></u>	<u><u>39,517,203</u></u>	<u><u>\$ 39,609,203</u></u>
BASIS DIFFERENCES:			
Depreciation		(20,532,396)	
Other income		42,039	
Capital contribution		<u>22,216,414</u>	
Increase in net position - GAAP basis		<u><u>\$ 41,243,260</u></u>	



Statistical Section

 **LYNX**
CENTRAL FLORIDA REGIONAL
TRANSPORTATION AUTHORITY

 **LYNX**
407-841-LYNX

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, 2020
(Unaudited)

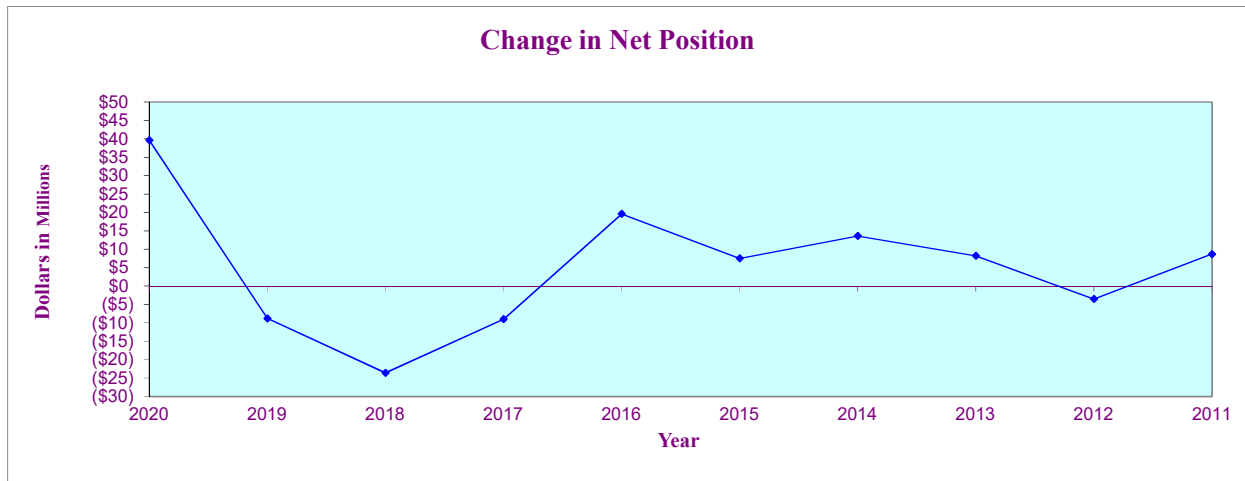
Form of Government	Local Government (Independent Special District)
Number of Directors	Five (5) Voting
Area Population	2,270,934
Counties Served	Orange, Seminole and Osceola
Number of Service Routes	72
Peak Vehicle Requirement	255
Hours of Operation	4:00 a.m. to 3:10 a.m.
Average Weekday Passengers	52,255
Vehicle Miles Operated	16,062,984
Vehicle Hours Operated	1,151,635

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)**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating Revenue:										
Customer Fares	\$ 12.3	\$ 23.9	\$ 24.1	\$ 25.2	\$ 26.6	\$ 28.2	\$ 29.1	\$ 29.4	\$ 28.6	\$ 26.1
Other	24.4	23.7	22.6	21.9	20.2	20.6	22.5	20.0	18.0	20.6
Total Operating Revenue	36.7	47.6	46.7	47.1	46.8	48.8	51.6	49.4	46.6	46.7
Operating Expenses:										
Administration, Transportation, and Maintenance	144.2	141.7	135.3	127.8	116.6	114.2	120.5	119.8	112.0	110.6
Depreciation	20.5	21.6	23.2	25.9	26.8	26.2	23.5	19.9	19.1	18.2
Capital Project Abandonment Expense	-	-	-	4.2	-	-	-	-	-	-
Total Operating Expenses	164.7	163.3	158.5	157.8	143.4	140.4	144.0	139.7	131.1	128.8
Operating Loss	(128.0)	(115.9)	(111.8)	(110.7)	(96.6)	(91.6)	(92.4)	(90.3)	(84.5)	(82.1)
Non-Operating Revenue (Expenses):										
Operating Assistance	134.6	65.8	61.9	59.1	56.8	56.1	53.4	49.0	47.8	46.4
Planning and Other Income (Expenses)	12.4	19.3	18.9	17.4	17.0	16.3	17.3	19.3	20.3	20.2
Capital Contributions	22.2	21.8	9.7	25.2	42.4	19.7	35.3	30.2	12.9	24.2
Total Non-Operating Revenue (Expenses)	169.2	106.9	88.1	101.7	116.2	92.1	106.0	98.5	81.0	90.8
Change in Net Position Before Accounting Change	41.3	(8.8)	(21.3)	(9.0)	19.6	0.5	13.6	8.2	(3.5)	8.7
Change in Accounting Principle	-	-	(2.3)	-	-	7.0	-	-	-	-
Change in Net Position After Accounting Change	\$ 41.3	\$ (8.8)	\$ (23.6)	\$ (9.0)	\$ 19.6	\$ 7.5	\$ 13.6	\$ 8.2	\$ (3.5)	\$ 8.7



For the past 10 years the chart shows the change in net position each year versus the immediately preceding year. Net Position increased in 2020 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**

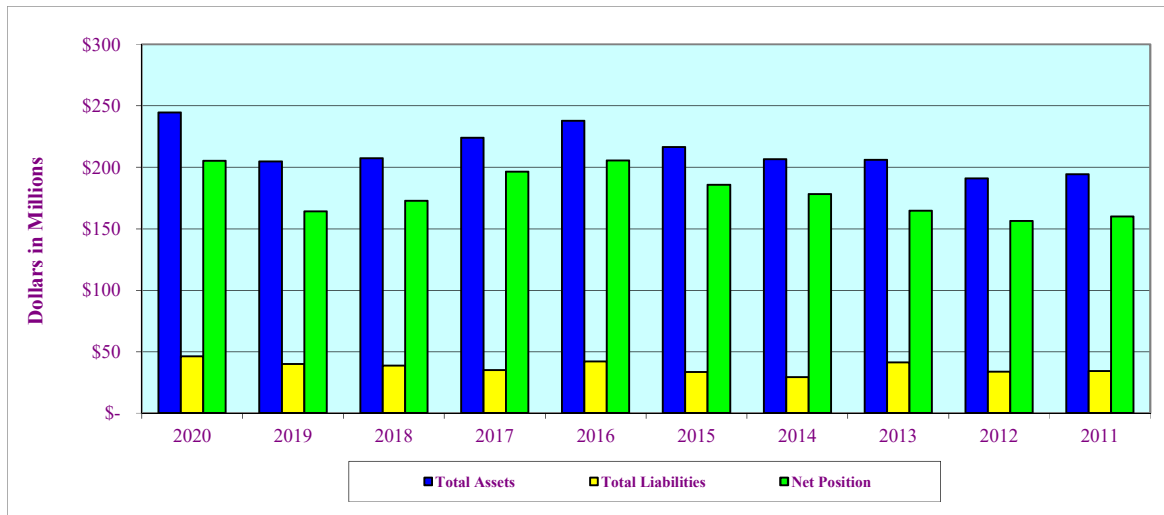
Condensed Summary of Net Position

Last Ten Years

Dollars in Millions

(Unaudited)

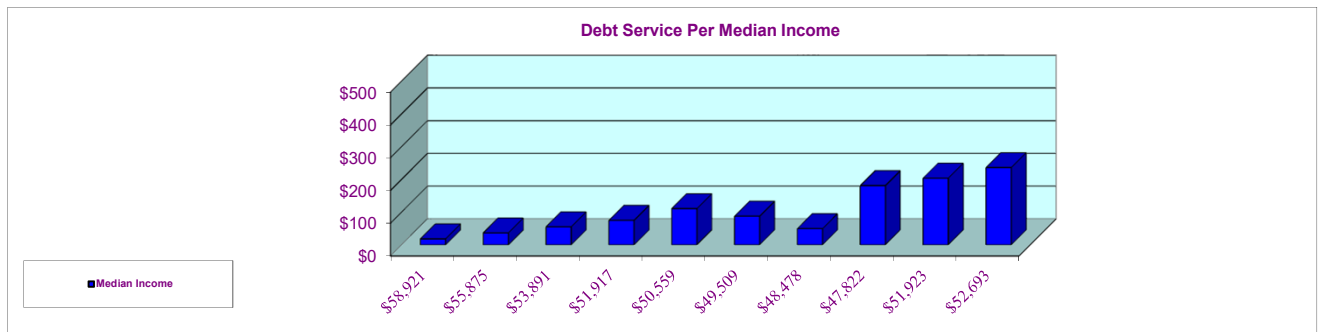
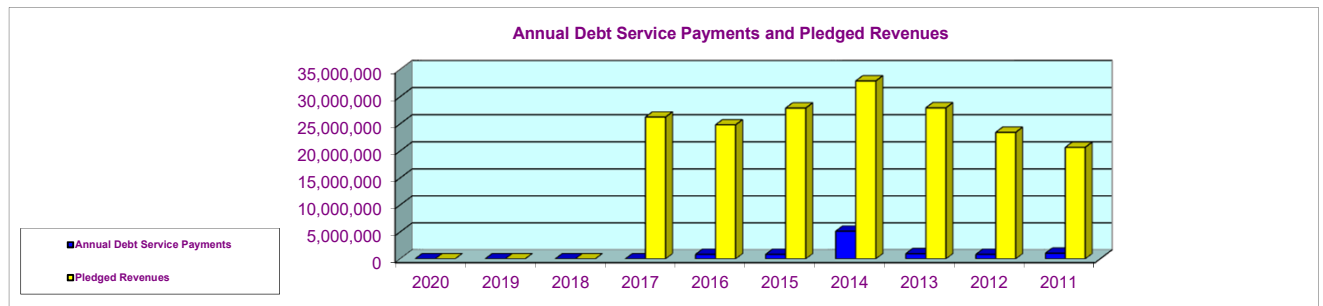
Year	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Assets	\$244.6	\$204.8	\$207.4	\$224.1	\$238.0	\$216.6	\$206.7	\$206.0	\$191.0	\$194.3
Deferred Outflow of Resources	\$9.5	\$5.5	\$6.5	\$8.1	\$10.3	\$4.1	\$0.8	\$0.1	\$0.0	\$0.6
Deferred Inflow of Resources	\$2.4	\$6.1	\$2.3	\$0.7	\$0.5	\$1.3	\$0.0	\$0.0	\$0.7	\$0.0
Total Liabilities	\$46.3	\$40.1	\$38.7	\$35.0	\$42.2	\$33.5	\$29.2	\$41.4	\$33.8	\$34.4
Ending Net Position	\$205.4	\$164.1	\$172.9	\$196.5	\$205.5	\$185.9	\$178.3	\$164.7	\$156.5	\$159.9
Net investment in capital assets	\$146.1	\$137.1	\$139.3	\$153.0	\$149.9	\$142.7	\$147.6	\$135.6	\$124.9	\$131.1
Restricted	\$1.7	\$9.6	\$1.7	\$1.7	\$1.6	\$0.0	\$0.0	\$0.1	\$0.5	\$0.5
Unrestricted	\$57.6	\$17.4	\$31.9	\$41.8	\$54.0	\$43.2	\$30.7	\$29.0	\$31.1	\$28.3
Ending Net Position	\$205.4	\$164.1	\$172.9	\$196.5	\$205.5	\$185.9	\$178.3	\$164.7	\$156.5	\$159.9



This chart compares Total Assets, Total Liabilities, and Net Position values over the last 10 years. Total Assets increased 29.053% 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 2020 are 63.27% greater than at the end of fiscal year 2011. Net Position increased in 2020 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
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
2011	\$12,430,432	\$8,901,362	\$3,529,070	\$1,046,219	\$20,649,873	19.74	\$52,693	\$235.90



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**

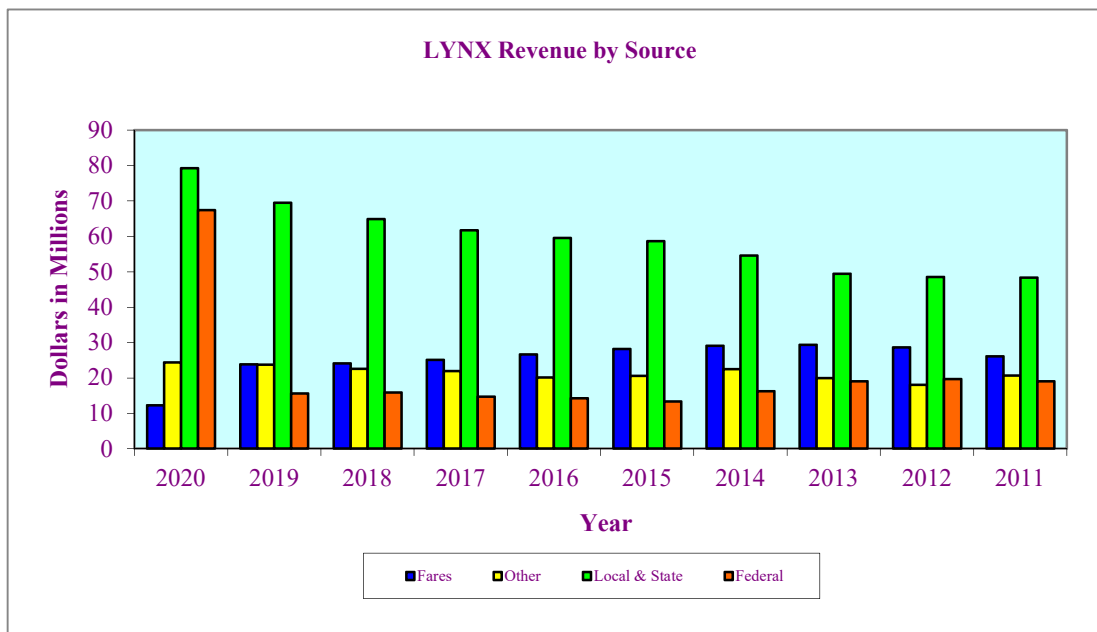
Revenue by Source

Last Ten Years

Dollars in Millions

(Unaudited)

Fiscal Year	MISCELLANEOUS REVENUE		OPERATING AND OTHER			Total Revenue
	Fares	Other	Total	Local & State	Federal	
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
2011	\$26.098	\$20.661	\$46.759	\$48.370	\$19.031	\$114.160



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 decreased in 2020 and were down 48.46% compared to 2019. Total revenue was higher due to the increase in federal assistance. In 2020, federal revenue increased to 36.74% of LYNX's total revenue, versus 11.77% in 2019.

Source: Financial statements and schedules included in the Comprehensive Annual Financial Report.

**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							
2020	*	*	0.0%	*	*	0.0%	0.0%
2019	*	*	0.0%	*	*	0.0%	0.0%
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%
2011	32.8%	4.9%	37.7%	52.5%	9.8%	62.3%	100.0%
LYNX							
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%
2011	22.9%	18.1%	41.0%	42.4%	16.6%	59.0%	100.0%

Source: Financial Statements

APTA 2020 Transportation Fact Book

* Not available

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

Fare Structure

Year Ended September 30, 2020

(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)

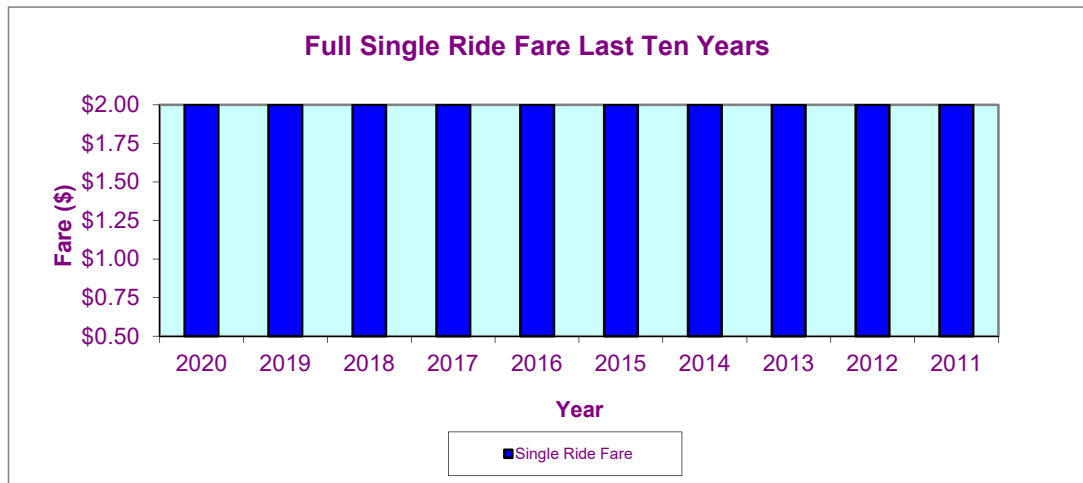
Fiscal Year	CASH FARES				PASSES			
	Single Fare	Discount Single	1 Day Fare	Discount 1 Day	7 Day Pass	Discount 7 Day	30 Day Pass	Discount 30 Day
2020	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2019	\$2.00	\$1.00	\$4.50	\$2.25	\$16.00	\$8.00	\$50.00	\$25.00
2018	\$2.00	\$1.00	\$4.50	\$2.25	\$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
2011	\$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

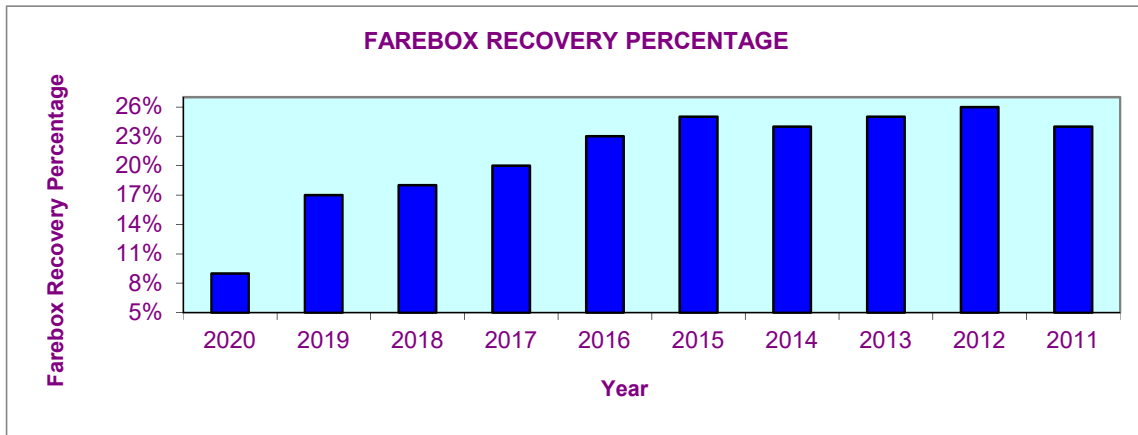


The table and graph show the amount of each standard fixed-route fare type by year. In keeping with the Authority's commitment to keep fares as low as fiscally feasible and to make relatively small rate increases periodically, no fare rate increases were made in 2020. The last increase was implemented in January 2009.

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

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

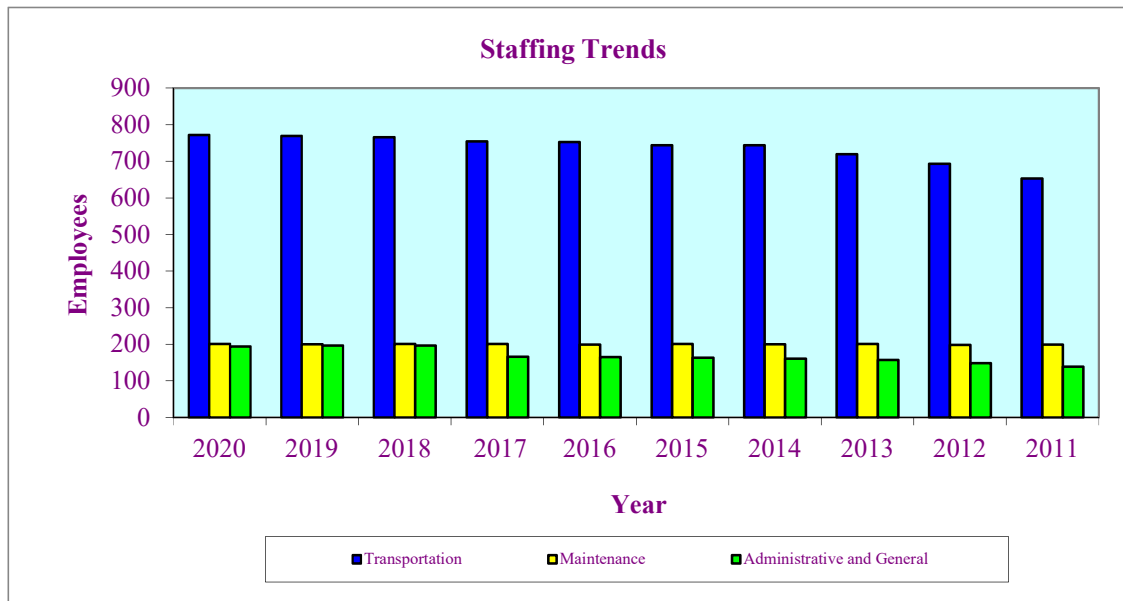
Fiscal Year	Percentage
2020	9%
2019	17%
2018	18%
2017	20%
2016	23%
2015	25%
2014	24%
2013	25%
2012	26%
2011	24%



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. 2020 Farebox recovery was down 8% from 2019 due to a decrease in ridership related to the COVID-19 pandemic.

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

Year	Transportation	Maintenance	Administrative and General	Total
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
2011	653	199	139	991



The greatest fluctuation during the 10-year period was in the Administrative and General area, with 2020 staffing approximately 39.56% above the low level of the 10-year period shown above. Staffing level increased as a result of increase in service demand. Despite the Administrative and General staff increase, the organization-wide total from year to year varied less than 17.75%, with an overall increasing trend.

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	2020			2011		
	Number of Full Time Employees	Rank	Percentage of Total Employment	Number of Full Time Employees	Rank	Percentage of Total Employment
Walt Disney World Company	75,000	1	6.23%	58,000	1	5.75%
Universal Studios Florida	26,000	2	2.16%	13,000	7	1.29%
Orange County Public Schools	25,756	3	2.14%	21,772	2	2.16%
Advent Health	21,815	4	1.81%	16,700	5	1.66%
Orlando Regional Healthcare	20,500	5	1.70%	14,310	6	1.42%
Publix Super Markets, Inc.	19,783	6	1.64%	17,521	4	1.74%
Orlando International Airport	18,000	7	1.49%	N/A	N/A	N/A
University of Central Florida	13,483	8	1.12%	10,346	8	1.03%
Seminole County Public Schools	10,000	9	0.83%	7,909	9	0.78%
Resource Employment Solutions	8,400	10	0.70%	N/A	N/A	N/A
Lockheed Martin	8,000	N/A	N/A	N/A	N/A	N/A
Orange County Government	8,000	N/A	N/A	7,338	10	0.73%
Walmart	N/A	N/A	N/A	18,199	3	1.80%
Other Employers	965,571		80.18%	823,233		81.64%
Region Total	1,204,308		100.00%	1,008,328		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
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%
2011	3.6%	4.6%	3.1%	6.1%	11.5%	11.8%	59.3%	100.0%

Source: Metro Orlando Economic Development Commission

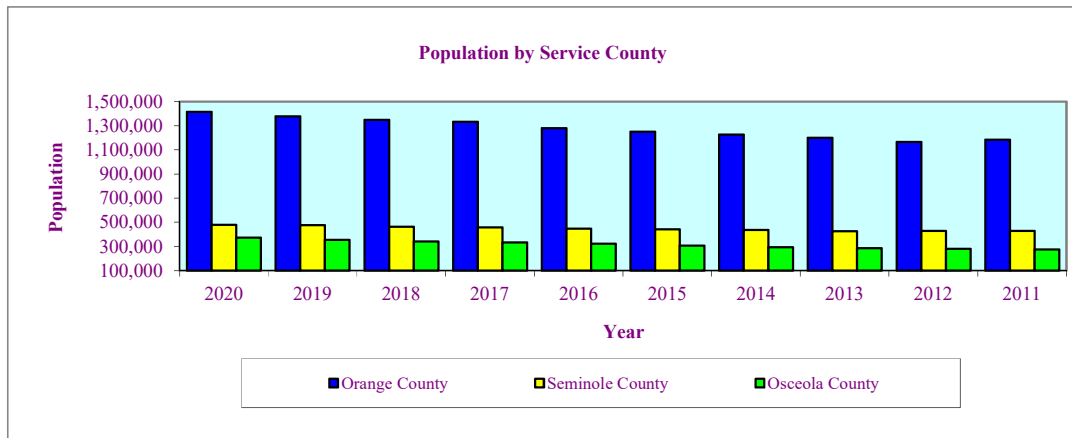
**CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a
LYNX**

Population by Service County

Last Ten Years

(Unaudited)

Year	Orange County	Seminole County	Osceola County	Region Total
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
2011	1,183,903	429,169	275,010	1,888,082

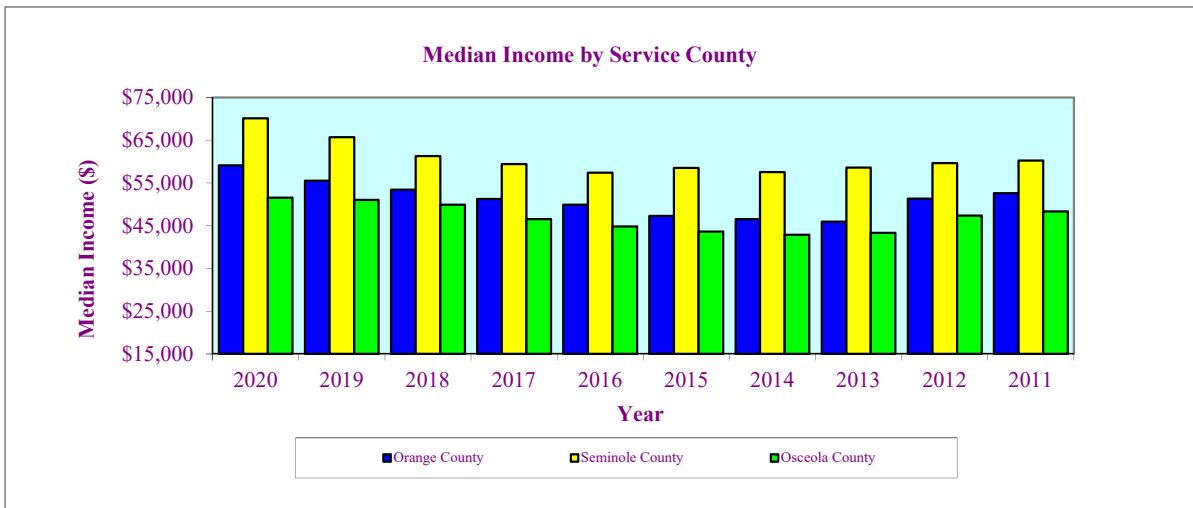


The population of the tri-county area, as a whole, increased approximately 2.67% from 2019. The greatest growth rate was in Osceola County, where the population grew approximately 5.21% compared to the previous year.

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
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
2011	\$52,624	\$60,210	\$48,367



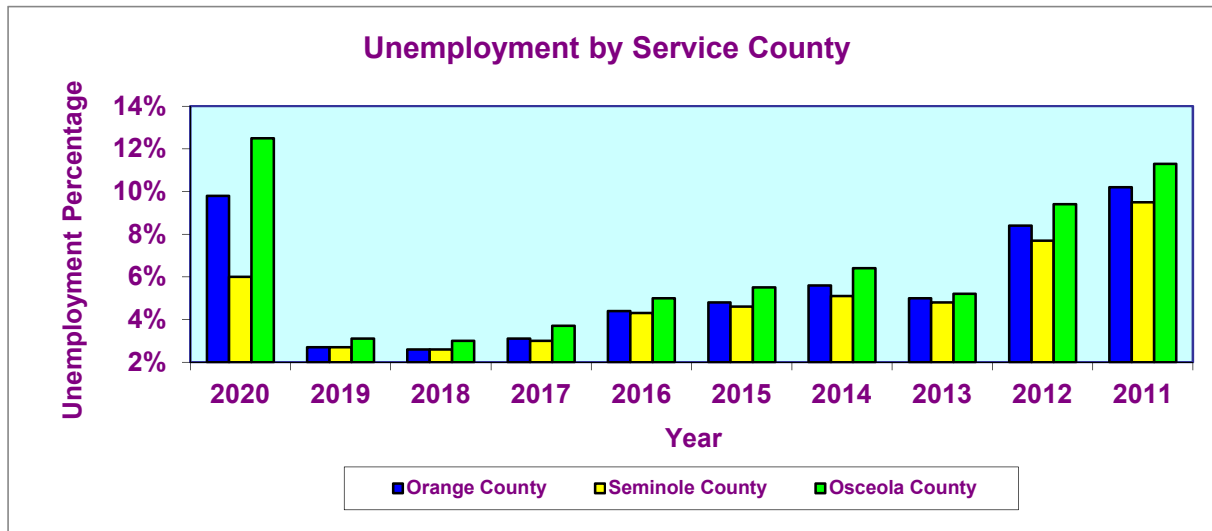
Median household income is useful in public transportation planning because it is one determinant of the need for, and probability of use, of public transportation. The lower the median income the greater, in most cases, will be the need for, and use of, public transportation.

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
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%
2011	10.2%	9.5%	11.3%	10.3%



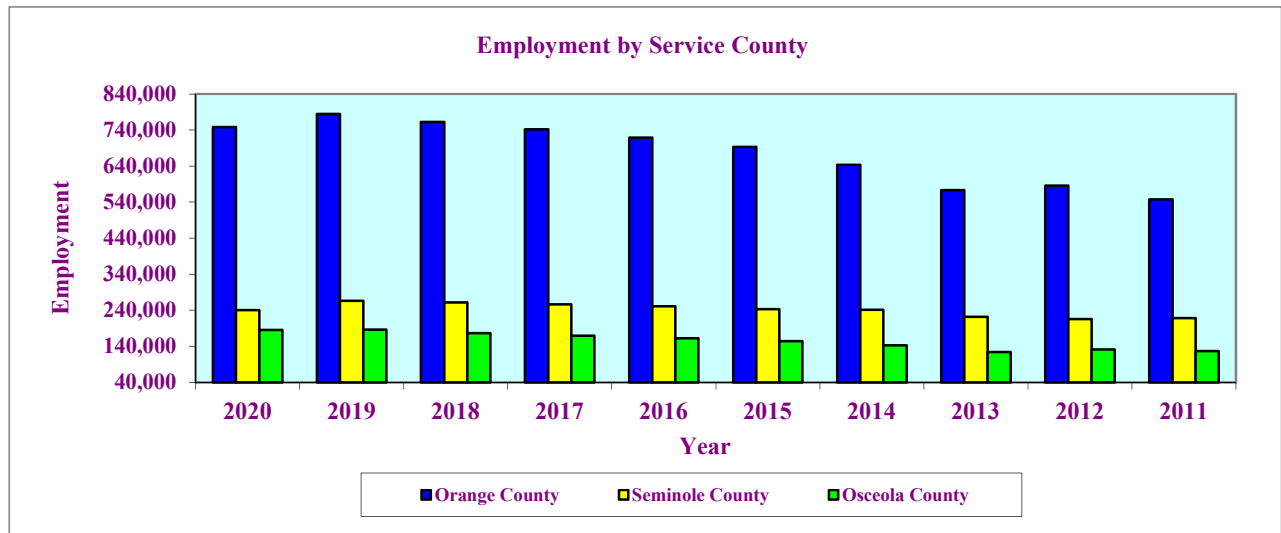
Employment and Unemployment trends are useful in the analysis of the economic vitality of a local economy. The availability of public transportation removes transportation barriers to employment, a factor which contributes to the continued need for public transportation. The yearly percentages by county are annual averages, non-seasonal based. The tri-county average for fiscal year 2020 was 9.2%, with Osceola County at 12.5% 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
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
2011	547,816	218,049	126,431	892,296



The entire tri-county area has experienced a decrease in growth in employment due to the COVID-19 pandemic. The region total is 5.02% percent less than 2019.

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
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
2011	26,996,158	225	16,503,043	1,108,489

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**

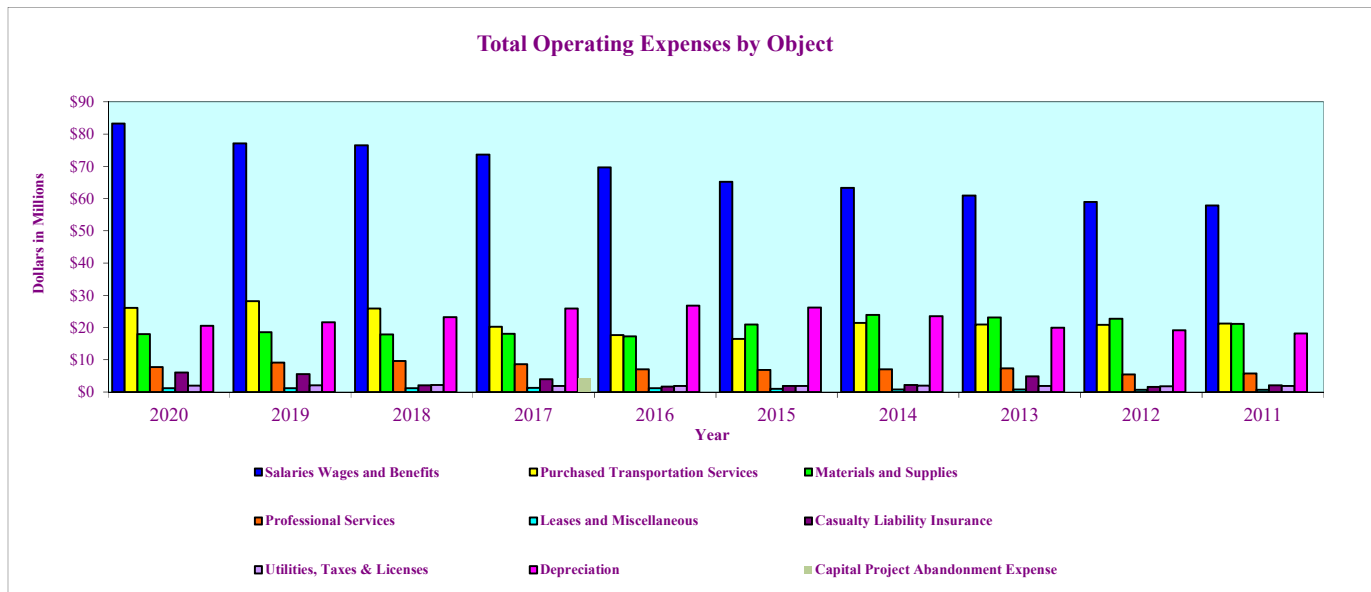
Operating Expenses by Object

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
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
2011	\$57.9	\$21.2	\$21.1	\$5.7	\$0.7	\$2.1	\$1.9	\$18.2	\$0.0	\$128.8



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 2020 reflects a 27.87% increase from fiscal year 2011. At 50.57% of total operating expenses in fiscal year 2020, the Salaries, Wages and Benefits is the largest object and has increased by 8.04% as compared to fiscal year 2019.

Source: Financial Statements

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

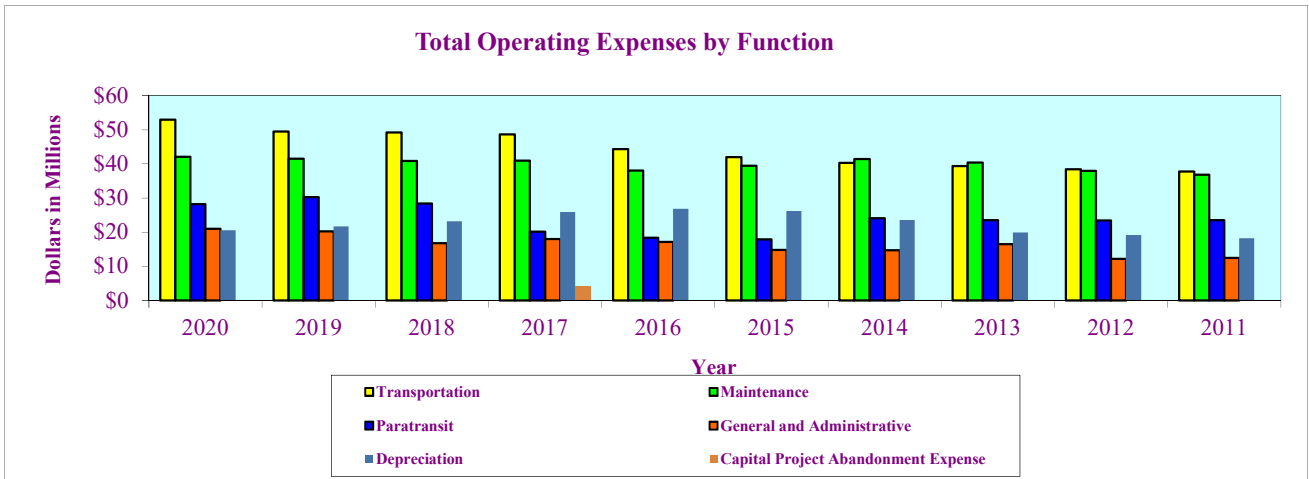
Operating Expenses by Function

Last Ten Years

Dollars in Millions

(Unaudited)

Fiscal Year	Transportation	Maintenance	Paratransit	General and Administrative	Depreciation	Capital Project Abandonment Expense	Total Operating Expenses
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
2011	\$37.8	\$36.8	\$23.5	\$12.5	\$18.2	\$0.0	\$128.8



This table and graph show operating expenses by function for the last ten years. Total operating expenses for 2020 are 27.87% greater than 2011.

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
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
2011	16,503,043	14,714,555	\$6.70	\$7.52



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 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)	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 Func	Included	\$25,000	\$0		
Sub-total	\$84,965					
Lloyd's of London	Cyber Liability	\$23,541				
	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	AJG absorbing premium cost to 10.1.2021	
	- 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	- 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	\$299,965				
Total Premium This Page		\$600,602				

**CENTRAL FLORIDA REGIONAL TRANSPORTATION d/b/a
LYNX
Risk Management
Insurance Policies - Fiscal Year 2019
(Unaudited)**

Insurance Company	Policy	Premium	Limits	Deductible/SIR	Commission/Fee	
American Home Assurance Company	Property	\$96,940	\$66,597,910	\$10,000 All Other Perils	0%	
	Named Windstorm	Included	\$25,000,000	5%/Minimum \$100,000	0%	
	Flood	Included	\$10,000,000	\$100,000	0%	
	Earth Movement	Included	\$50,000,000	\$100,000	0%	
	Equipment Breakdown	Included	\$66,597,910	\$10,000	0%	
	Sub-total		\$96,940			
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	\$34,310	\$1,000,000	\$200,000		
	EBL	Included	\$1,000,000	\$200,000		
	Sub-total		\$34,310			
Public Officials/EPLI					0%	
Public Officials	\$92,821	\$2,000,000	\$100,000			
EPLI	Included	\$2,000,000	\$100,000			
Media Content, Network Security and Privacy Liability	Included	\$2,000,000	\$100,000			
Sub-total		\$92,821				
Automobile					0%	
Auto Liability/UM/MedPay	Rejected		N/A	N/A		
Auto Physical Damage	\$254,726	Symbol 8, 10	\$1,000 / \$10,000			
Sub-total		\$254,726				
Total Premium This Page		\$479,972				

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Single Audit Section

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CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2020

FEDERAL GRANTOR/ PROGRAM TITLE	Federal CFDA Number	Project Number	Program or Award Amount	September 30, 2019 Receivable	Receipts	Expenditures	September 30, 2020 Receivable	Passed Through to Subrecipients
Department of Transportation Federal Transit Cluster								
Federal Transit - Capital Investment Grants								
Capital assistance	20.500	FL03-0340	\$ 7,920,000	\$ -	\$ -	\$ 564,313	\$ 564,313	\$ -
Capital assistance	20.500	FL04-0172	1,056,800	93,001	(93,001)	-	-	-
			<u>8,976,800</u>	<u>93,001</u>	<u>(93,001)</u>	<u>564,313</u>	<u>564,313</u>	<u>-</u>
Federal Transit - Formula Grants								
Capital assistance	20.507	FL90-X726	22,243,009	55,205	(88,619)	33,414	-	-
Capital assistance	20.507	FL90-X826	23,509,503	19,816	(1,144,840)	1,136,129	11,105	-
Capital assistance	20.507	FL90-X858	25,317,482	71,551	(617,826)	551,532	5,257	-
Capital assistance	20.507	FL90-X885	10,630,000	33,023	(89,697)	58,176	1,502	-
Capital assistance	20.507	FL95-X101	7,850,500	47,796	(295,408)	247,612	-	-
Capital assistance	20.507	FL2017-001	17,609,919	445,326	(1,639,756)	1,510,957	316,527	-
Capital assistance	20.507	FL2017-013	8,209,682	815,416	(1,900,889)	1,178,289	92,816	-
Capital assistance	20.507	FL2017-039	26,103,204	604,509	(706,920)	619,180	516,769	-
Capital assistance	20.507	FL2018-038	6,944,047	4,941,542	(5,494,377)	552,835	-	-
Capital assistance	20.507	FL2018-113	26,116,978	312,934	(928,991)	685,259	69,202	-
Capital assistance	20.507	FL2019-030	26,703,155	5,331,151	(6,691,109)	2,292,689	932,731	-
Capital assistance	20.507	FL2019-038	9,175,850	-	(854,245)	926,770	72,525	-
Capital assistance	20.507	FL2019-010	7,106,587	-	(4,975,005)	5,047,660	72,655	-
Capital assistance	20.507	FL2020-079	14,000	-	(14,000)	14,000	-	-
Capital assistance	20.507	FL2020-006	27,306,428	-	(4,098,248)	4,815,595	717,347	-
Capital assistance - CARES Act	20.507	FL2020-037	75,537,697	-	(51,275,000)	59,009,249	7,734,249	-
			<u>320,378,041</u>	<u>12,678,269</u>	<u>(80,814,930)</u>	<u>78,679,346</u>	<u>10,542,685</u>	<u>-</u>
Federal Transit - Bus and Bus Facilities Formula Program								
Capital assistance	20.526	G0D46	359,784	-	-	-	-	-
Capital assistance	20.526	FL2017-019	5,479,549	-	(2,688,404)	2,688,404	-	-
Capital assistance	20.526	FL2020-057	3,771,233	-	-	96,000	96,000	-
			<u>9,610,566</u>	<u>-</u>	<u>(2,688,404)</u>	<u>2,784,404</u>	<u>96,000</u>	<u>-</u>
Total Federal Transit Cluster			<u>338,965,407</u>	<u>12,771,270</u>	<u>(83,596,335)</u>	<u>82,028,063</u>	<u>11,202,998</u>	<u>-</u>
Federal Transit: Metropolitan Transportation Planning								
Passed through the Metroplan Orlando								
	20.505	FL80-X012	485,315	13,773	(40,506)	26,733	-	-
	20.505	FL80-X013	618,120	34,740	(194,346)	354,072	194,466	-
	20.505	FL80-X014	195,000	-	(96,347)	168,477	72,129	-
			<u>1,298,435</u>	<u>48,513</u>	<u>(331,199)</u>	<u>549,281</u>	<u>266,595</u>	<u>-</u>

(Continued)

CENTRAL FLORIDA REGIONAL TRANSPORTATION AUTHORITY d/b/a LYNX
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED SEPTEMBER 30, 2020

FEDERAL GRANTOR/ PROGRAM TITLE	Federal CFDA Number	Project Number	Program or Award Amount	September 30, 2019 Receivable	Receipts	Expenditures	September 30, 2020 Receivable	Passed Through to Subrecipients
Federal Transit: Formula Grants for Rural Areas								
Passed through Florida Department of Transportation								
	20.509	G0R97	1,053,256	354,442	(532,416)	442,304	264,330	-
	20.509	G1081	2,342,149	-	-	2,210,573	2,210,573	-
			<u>3,395,405</u>	<u>354,442</u>	<u>(532,416)</u>	<u>2,652,877</u>	<u>2,474,903</u>	<u>-</u>
Transit Services Programs Cluster								
Federal Transit: Job Access Reverse Commute								
	20.516	AR064	1,421,955	109,604	(171,641)	191,722	129,686	-
			<u>1,421,955</u>	<u>109,604</u>	<u>(171,641)</u>	<u>191,722</u>	<u>129,686</u>	<u>-</u>
Federal Transit: Enhanced Mobility of Seniors and Individuals with Disabilities								
	20.513	FL16-X019	2,560,222	-	(151,016)	151,016	-	-
	20.513	FL1001-2016-16	536,738	-	(201,161)	201,161	-	-
	20.513	FL2018-111	1,429,375	308,639	(584,117)	295,579	20,101	61,295
	20.513	FL2017-027	2,737,549	121,271	(765,687)	713,539	69,123	49,864
	20.513	G0327	1,808,345	393,365	(308,938)	-	84,427	-
	20.513	G1A00	250,000	17,638	-	229,727	247,365	-
			<u>9,322,229</u>	<u>840,913</u>	<u>(2,010,919)</u>	<u>1,591,022</u>	<u>421,016</u>	<u>111,159</u>
Federal Transit: New Freedom Program								
	20.521	AQN91	859,729	82,820	(70,211)	90,394	103,003	-
			<u>859,729</u>	<u>82,820</u>	<u>(70,211)</u>	<u>90,394</u>	<u>103,003</u>	<u>-</u>
Total Transit Services Program Cluster			<u>11,603,913</u>	<u>1,033,337</u>	<u>(2,252,770)</u>	<u>1,873,138</u>	<u>653,705</u>	<u>111,159</u>
Federal Transit - Alternatives Analysis Planning Assistance								
	20.522	FL39-0013	1,200,000	2,647	(2,647)	-	-	-
			<u>1,200,000</u>	<u>2,647</u>	<u>(2,647)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Department of Transportation								
State of Good Repair Grants Program								
Capital assistance								
	20.525	FL-54-0002	426,112	-	(110,342)	110,342	-	-
			<u>426,112</u>	<u>-</u>	<u>(110,342)</u>	<u>110,342</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 356,889,272</u>	<u>\$ 14,210,209</u>	<u>\$ (86,825,710)</u>	<u>87,213,702</u>	<u>\$ 14,598,201</u>	<u>\$ 111,159</u>
NONOPERATING REVENUE PORTION						67,377,384		
OTHER INCOME - GAIN ON SALE OF EQUIPMENT						863,104		
CONTRIBUTED CAPITAL						<u>\$ 18,973,214</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 LOCAL FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2020

GRANT NUMBER/ SOURCE	Program or Award Amount	September 30, 2019 Unearned (Receivable)	Transfers/ Receipts	Expenditures	September 30, 2020 Unearned (Receivable)
LOCAL MATCHING GRANTS:					
N/A, AQN91	\$ 859,729	\$ -	\$ 90,394	90,394	\$ -
N/A, AR064	840,000	-	191,722	191,722	-
N/A, FL-2017-027 (FL16X034)	1,485,121	-	46,864	46,864	-
N/A, FL-2018-111 (FL16X062)	775,436	-	61,295	61,295	-
N/A, FL-2020-057 (FL34-0151)	1,750,000	-	24,000	24,000	-
N/A, G0R97 (G1728)	1,053,256	-	442,304	442,304	-
N/A, GF144	11,620,340	-	11,620,340	11,620,340	-
N/A, G1G88	51,110	-	18,898	18,898	-
N/A, G1021	563,242	-	140,893	140,893	-
N/A, G1041	136,536	-	5,552	5,552	-
N/A, G0W65	715,461	-	247,555	247,555	-
N/A, G1A00	250,000	-	229,727	229,727	-
N/A, G1A54	495,903	-	439,182	439,182	-
Private Partners (Shelters and Vans)	-	51,171	-	-	51,171
City of Orlando (LYMMO East-West Project)	2,000,000	-	141,078	141,078	-
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)	32,000	-	32,000	31,705	295
Orange County (Pine Hills SuperStop) Project)	1,250,000	250,000	-	-	250,000
Orange County Capital	1,779,414	-	4,776,356	4,145,767	630,589
Osceola County Capital	246,024	-	253,172	253,172	-
Seminole County Capital	218,764	-	218,352	218,352	-
Other Local Capital	-	81,990	-	-	81,990
Total matching grants	\$ 26,192,336	\$ 393,636	\$ 18,979,684	18,348,800	\$ 1,024,520
Customer fares and operating assistance				13,558,726	
Contributed capital portion				\$ 4,790,074	
LOCAL GRANTS AND CONTRACT SERVICES:					
Operating assistance:					
Orange County		\$ -	\$ 53,758,012	\$ 53,758,012	\$ -
City of Orlando		-	4,048,787	4,048,787	-
Seminole County		-	3,523,233	3,523,233	-
Osceola County		-	2,938,275	2,938,275	-
Total nonoperating revenue portion		\$ -	\$ 64,268,307	\$ 64,268,307	\$ -
Contract services:					
Seminole County		\$ -	\$ 4,934,240	4,934,240	\$ -
Osceola County		-	6,257,822	6,257,822	-
City of Orlando (LYMMO)		(456,247)	2,367,466	2,193,694	(282,475)
City of Altamonte Springs		-	120,900	120,900	-
City of Sanford		-	93,000	93,000	-
City of Kissimmee Connector		-	227,327	247,555	(20,228)
Disney		-	342,995	342,995	-
Econ River High School		(42,552)	165,557	123,005	-
University of Central Florida (UCF)		(11,428)	69,525	70,135	(12,038)
Valencia College		65,323	75,000	75,000	65,323
Seminole State College		20,828	21,671	24,439	18,060
Shingle Creek		(17,208)	164,561	207,445	(60,092)
Polk County		(156,328)	156,329	-	-
Lake County		-	283,500	283,500	-
Total Local Financial Assistance		(597,612)	15,279,893	14,973,731	(291,451)
Other Contractual Services					
Local - Shuttles		(2,550)	35,361	32,811	(0)
State - Transportation Disadvantaged		(1,116,454)	5,675,010	5,440,720	(882,164)
Other Contractual Services		-	-	-	-
Total Other Contractual Services		(1,119,004)	5,710,371	5,473,531	(882,164)
Total contract services		\$ (1,716,616)	\$ 20,990,264	\$ 20,447,262	\$ (1,173,615)

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 STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2020

STATE GRANTOR PROGRAM TITLE, CONTRACT NO., WPI NO., JOB NO.	CSFA Number	Program or Award Amount	September 30, 2019 Receivable	Receipts/ Adjustments	Expenditures	September 30, 2020 Receivable
Florida Department of Transportation						
Public Transit Block Grant Program						
N/A, G0T11	55.010	\$ 21,233,148	\$ 11,041,145	\$ (11,041,145)	-	\$ -
N/A, G1F44	55.010	\$ 11,620,340	\$ -	\$ -	11,620,340	\$ 11,620,340
		<u>32,853,488</u>	<u>11,041,145</u>	<u>(11,041,145)</u>	<u>11,620,340</u>	<u>11,620,340</u>
Public Transit Service Development Program						
N/A, ARD60	55.012	9,494,629	898,840	(300,502)	1,618,217	2,216,556
N/A, G0G99	55.012	162,919	145,009	(132,929)	(12,080)	-
N/A, G0W65	55.012	715,461	80,913	(265,857)	247,555	62,611
N/A, G1897	55.012	1,200,000	-	-	1,092,514	1,092,514
N/A, G1899	55.012	2,500,000	-	(125,272)	299,975	174,703
		<u>14,073,009</u>	<u>1,124,762</u>	<u>(824,560)</u>	<u>3,246,181</u>	<u>3,546,383</u>
Transit Corridor Development Program						
N/A, GOL94	55.013	1,000,000	28,801	(28,841)	40	-
		<u>1,000,000</u>	<u>28,801</u>	<u>(28,841)</u>	<u>40</u>	<u>-</u>
Florida Commission for the Transportation Disadvantaged Trip and Equipment Grant Program						
N/A, G1A54	55.001	4,463,122	1,116,454	(5,069,090)	3,952,636	-
N/A, G1021	55.001	5,069,182	-	(423,345)	1,268,043	844,698
		<u>9,532,304</u>	<u>1,116,454</u>	<u>(5,492,435)</u>	<u>5,220,679</u>	<u>844,698</u>
Florida Commission for the Transportation Disadvantaged Innovation and Services Grant Program						
N/A, G1G88	55.045	459,990	-	(170,078)	170,078	-
N/A, G1041	55.045	1,228,821	-	(12,497)	49,964	37,466
		<u>1,688,811</u>	<u>-</u>	<u>(182,575)</u>	<u>220,041</u>	<u>37,466</u>
TOTAL STATE FINANCIAL ASSISTANCE		<u>59,147,612</u>	<u>13,311,162</u>	<u>(17,569,555)</u>	<u>20,307,281</u>	<u>16,048,887</u>
Other State Revenue						
Road Ranger Patrol for Highway Assistance Services						
N/A, BE350	N/A	4,658,458	398,810	(1,547,291)	1,550,104	401,622
State Match of Federal Grants						
	N/A	<u>4,658,458</u>	<u>398,810</u>	<u>(25,145)</u>	<u>25,145</u>	<u>-</u>
				<u>(1,572,436)</u>	<u>1,575,249</u>	<u>401,622</u>
TOTAL STATE FINANCIAL ASSISTANCE AND OTHER STATE REVENUE		<u>\$ 63,806,070</u>	<u>\$ 13,709,972</u>	<u>\$ (19,141,992)</u>	<u>21,882,530</u>	<u>\$ 16,450,510</u>
CONTRACT SERVICES PORTION					5,440,720	
NONOPERATING REVENUE PORTION					<u>16,441,809</u>	
CONTRIBUTED CAPITAL PORTION					<u>\$ 1,430,328</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, 2020**

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 Expenditures 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 2020</u>
FL-54-0002	\$ 426,112	\$ 27,586
FL-2017-001	17,609,919	377,739
FL-2017-013	8,209,682	294,572
FL-2017-019	5,479,549	672,101
FL-2017-039	26,103,204	154,795
FL-2018-038	6,944,047	138,208
FL-2018-113	26,116,978	171,315
FL-2019-010	7,106,587	1,261,915
FL-2019-030	26,703,155	530,791
FL-2019-038	9,175,850	231,693
FL-2020-006	27,306,428	1,246,280
FL-90-X726	22,243,009	8,354
FL-90-X858	25,317,482	137,883
FL-90-X885	10,630,000	14,544
FL-95-X101	7,850,500	61,903
Total	\$ <u>227,222,502</u>	\$ <u>5,329,679</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).



Certified Public Accountants

**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, 2020, and have issued our report thereon dated March 11, 2021.

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 11, 2021



**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, 2020. 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*.

Auditor's Responsibility (Continued)

Those standards, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and the Guide 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.

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, 2020.

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.

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

Report on Internal Control over Compliance (Continued)

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.

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 11, 2021

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2020

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:

CFDA Number

Name of Federal Program

20.500/20.507/

Federal Transit Cluster

20.525/ 20/526

20.509

Formula Grants for Rural Areas

CSFA Numbers

Name of State Projects

55.010

Public Transit Block Program

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

\$ 2,616,411

\$ 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, 2020

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 AUDIT FINDINGS

For the Year Ended September 30, 2020

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, 2020, and have issued our report thereon dated March 11, 2021.

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 on Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance For Each Major Federal Program and State Project and Report on Internal Control Over Compliance Required by 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 11, 2021, 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.

Financial Condition and Management (Continued)

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.

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 11, 2021



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, 2020. 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, 2020.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 11, 2021