

LYNX



FY2017 Preliminary Budget Presentation



Orange County Board of County Commissioners

Edward L. Johnson

LYNX

Chief Executive Officer

July 18, 2016

FY2017 Operating Budget Guidelines



- FY2017 Funding based on the adopted LYNX Funding Model
- Maximize current service levels through efficiencies
- Apply additional Flex (NeighborLink) services, where appropriate
- Maintain current Preventative Maintenance funding level, as approved by LYNX' Board
- Maximize use of anticipated Advertising Revenue
- Anticipate increase in Royalties from third party usage of Compressed Natural Gas (CNG)
- Salary increases consistent with Funding Partners
- Anticipated impact of new Union contract

FY2017 Operating Budget Guidelines



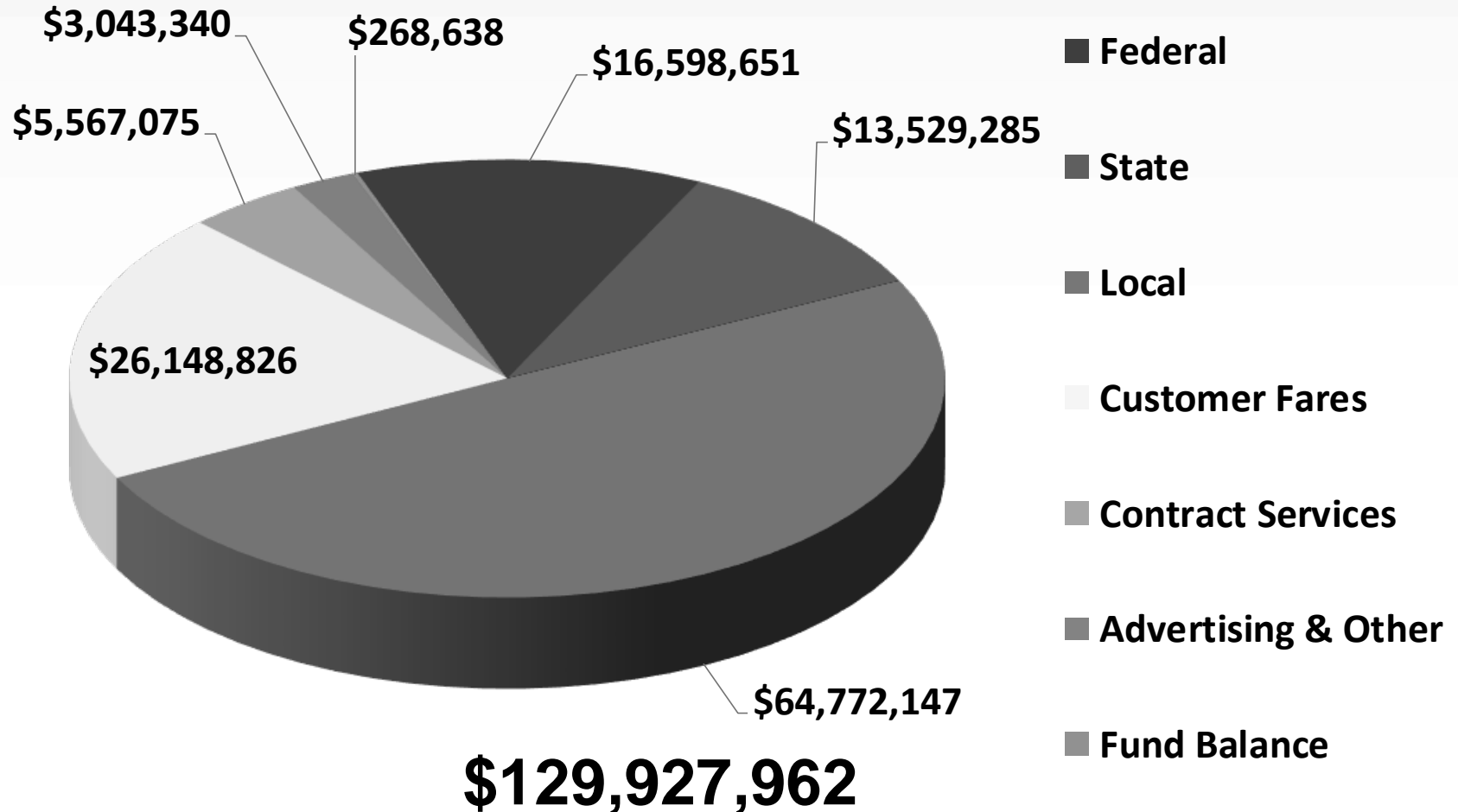
- Continuation of Fuel Hedging Program, as appropriate
- Annualized Impacts of conversion to Compressed Natural Gas (CNG)
- Impacts of converting to Self-Insured Health Insurance Program
- Continued application of reductions based on LYNX ownership of Paratransit vehicles
- Continuation of Bio-diesel Program, as appropriate

FY2017 Preliminary Operating Budget Overview

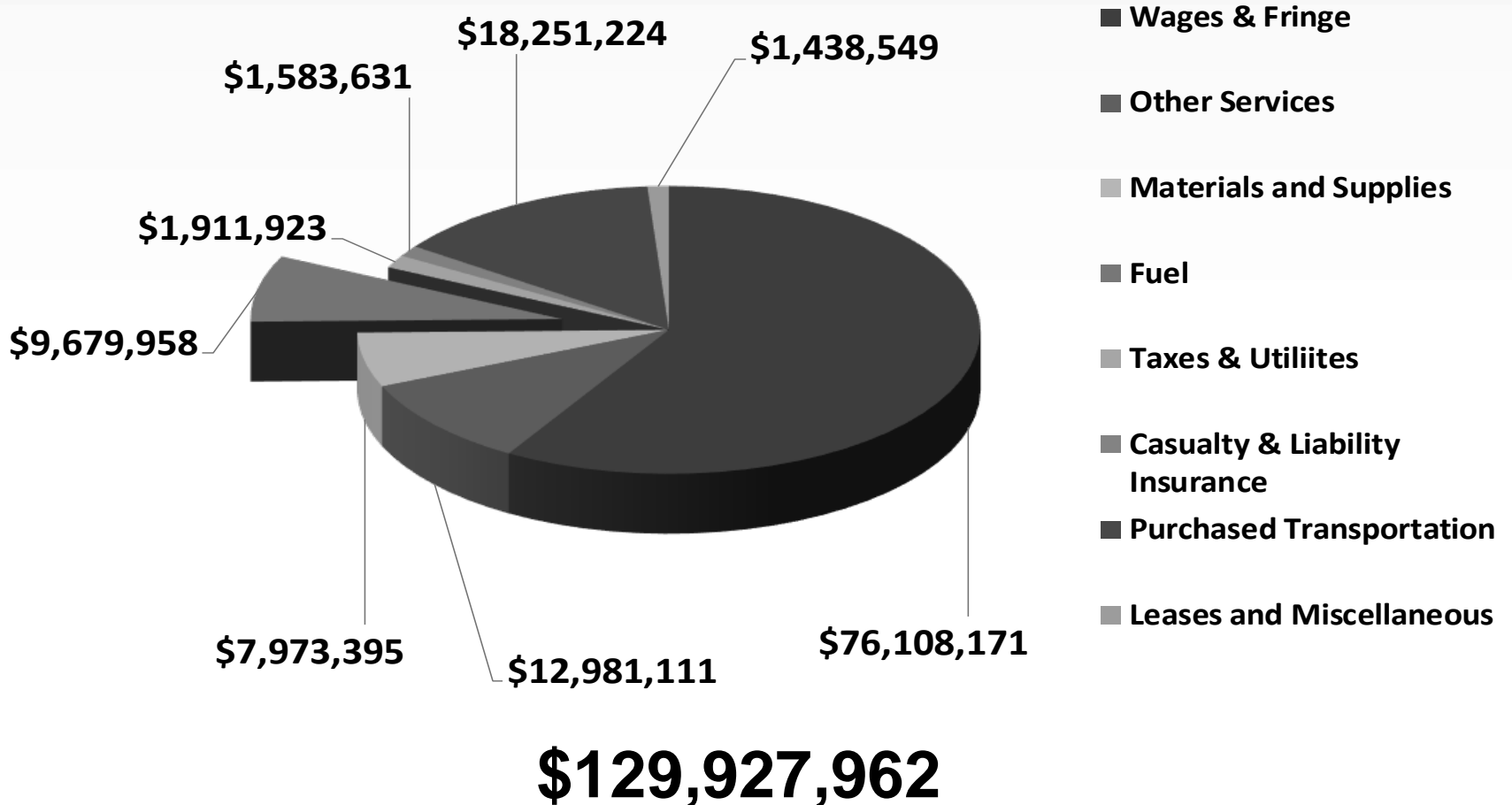


	FY2016 Amended	FY2017 Preliminary	% Change
Operating Revenue	\$ 127,306,973	\$ 129,927,962	2.1%
Operating Expenses	127,306,973	129,927,962	2.1%
Operating Income/(Deficit)	-	-	N/A

FY2017 Preliminary Operating Revenue Budget



FY2017 Preliminary Operating Expense Budget



FY2017 Preliminary Operating Revenue

	FY2017 Preliminary Budget	FY2016 Amended Budget	Dollar Change Amount	% Change
Fund Balance	\$ 268,638	\$ 571,571	\$ (302,933)	-53.0%
Customer Fares	26,148,826	29,456,134	(3,307,308)	-11.2%
Contract Services	5,567,075	5,398,265	168,810	3.1%
Advertising on Buses	2,332,134	2,050,000	282,134	13.8%
Advertising - Trade	30,000	30,000	-	0.0%
Interest & Other Income	681,206	462,853	218,353	47.2%
Federal Revenue	16,598,651	16,226,716	371,935	2.3%
State Revenue	13,529,285	14,192,353	(663,068)	-4.7%
Local Revenue	64,772,147	58,919,081	5,853,066	9.9%
Total Revenue	\$ 129,927,962	\$ 127,306,973	\$ 2,620,989	2.1%

FY2017 Preliminary Operating Expenses



	FY2017 Preliminary Budget	FY2016 Amended Budget	Dollar Change Amount	% Change
Salaries/Wages/Fringes	\$ 76,108,171	\$ 73,270,554	\$ 2,837,617	3.9%
Other Services	12,981,111	10,962,728	2,018,383	18.4%
Fuel	9,679,958	13,569,071	(3,889,113)	-28.7%
Materials & Supplies	7,973,395	8,284,043	(310,648)	-3.7%
Utilities	1,475,080	1,454,571	20,509	1.4%
Casualty & Liability	1,583,631	1,524,850	58,781	3.9%
Taxes & Tags	436,843	434,605	2,238	0.5%
Purchased Transportation	18,251,224	16,494,772	1,756,452	10.6%
Miscellaneous	854,476	826,779	27,697	3.3%
Interest & Leases	584,073	485,000	99,073	20.4%
Total Operating Expenses	\$ 129,927,962	\$ 127,306,973	\$ 2,620,989	2.1%

Opportunities and Challenges

- Pine Hills SuperStop
- Customer Fare Revenue
- Health Care Cost Containment
- Union Contract Negotiations

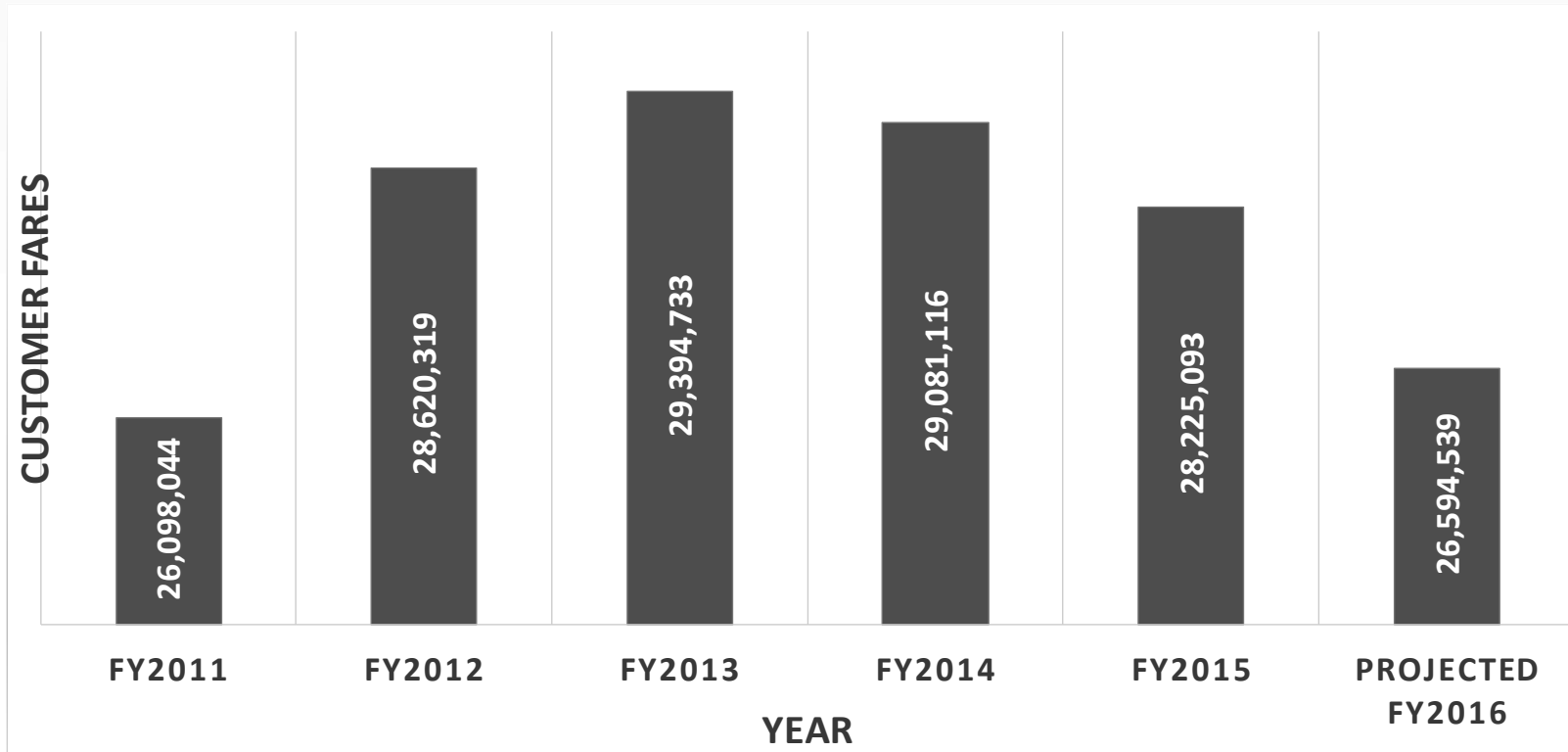
Pine Hills Superstop

In April 2016, the LYNX Board approved LYNX staff to enter negotiations to execute a land purchase agreement, contingent upon securing additional funding needed in the amount of \$3,525,050 to support the project. LYNX' has been awarded a Ladders of Opportunity grant from the Federal Transit Administration for \$1,000,000 with a \$250,000 match from Orange County for this project. The total project cost based on recent estimates are as follows:

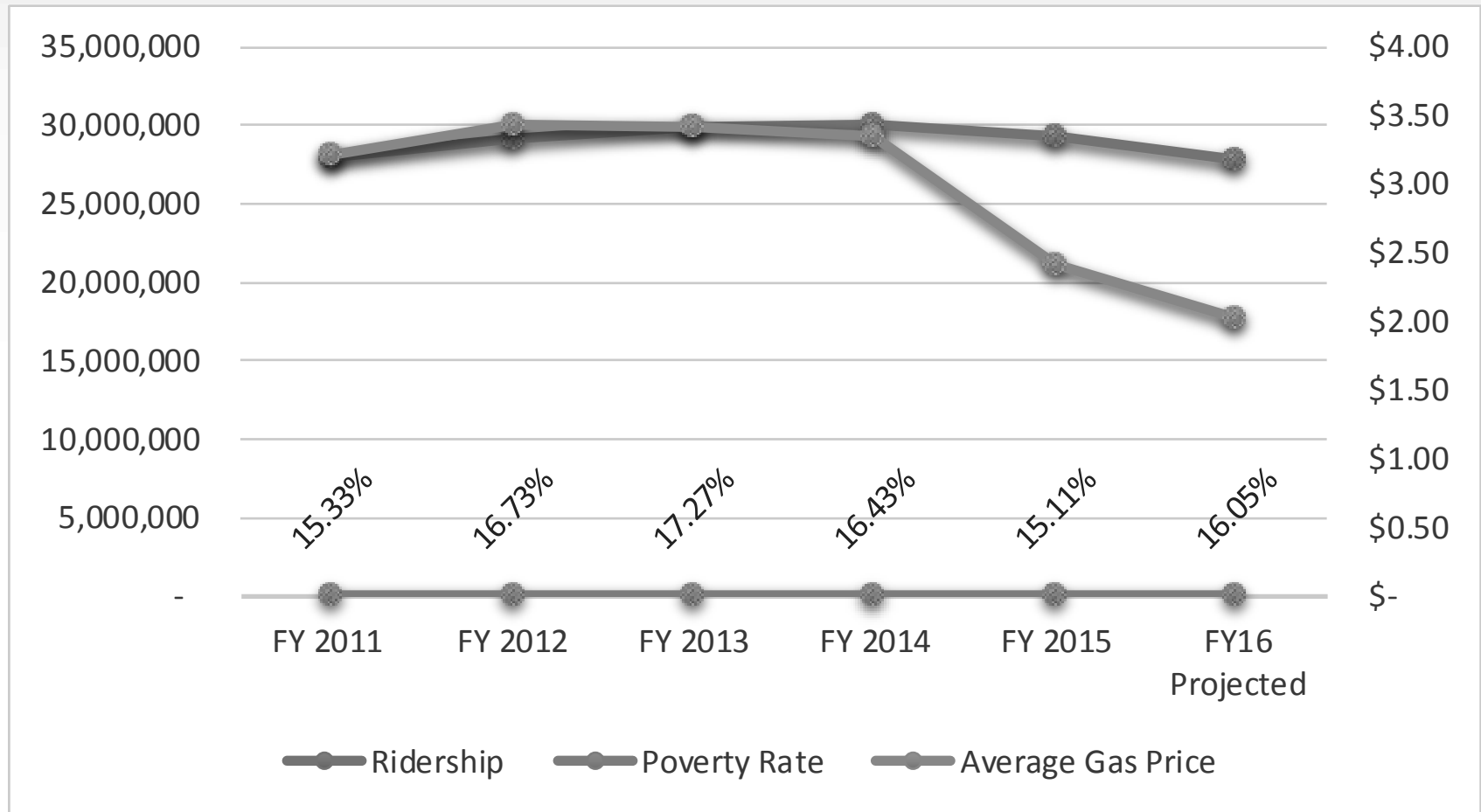
Pine Hills Bus Transfer Center	Estimated Costs
Land Cost	\$ 530,000
Closing Cost	45,050
Construction Cost	3,000,000
Engineering & Architectural Services	900,000
10% Contingency	30,000
Total Estimated Cost	\$4,505,050

In April 2016, LYNX received verbal approval from the FTA authorizing the use of South Street sale proceeds due to FTA to fund most of the shortfall.

LYNX Customer Fare Trends (All Services)



LYNX Annual Ridership

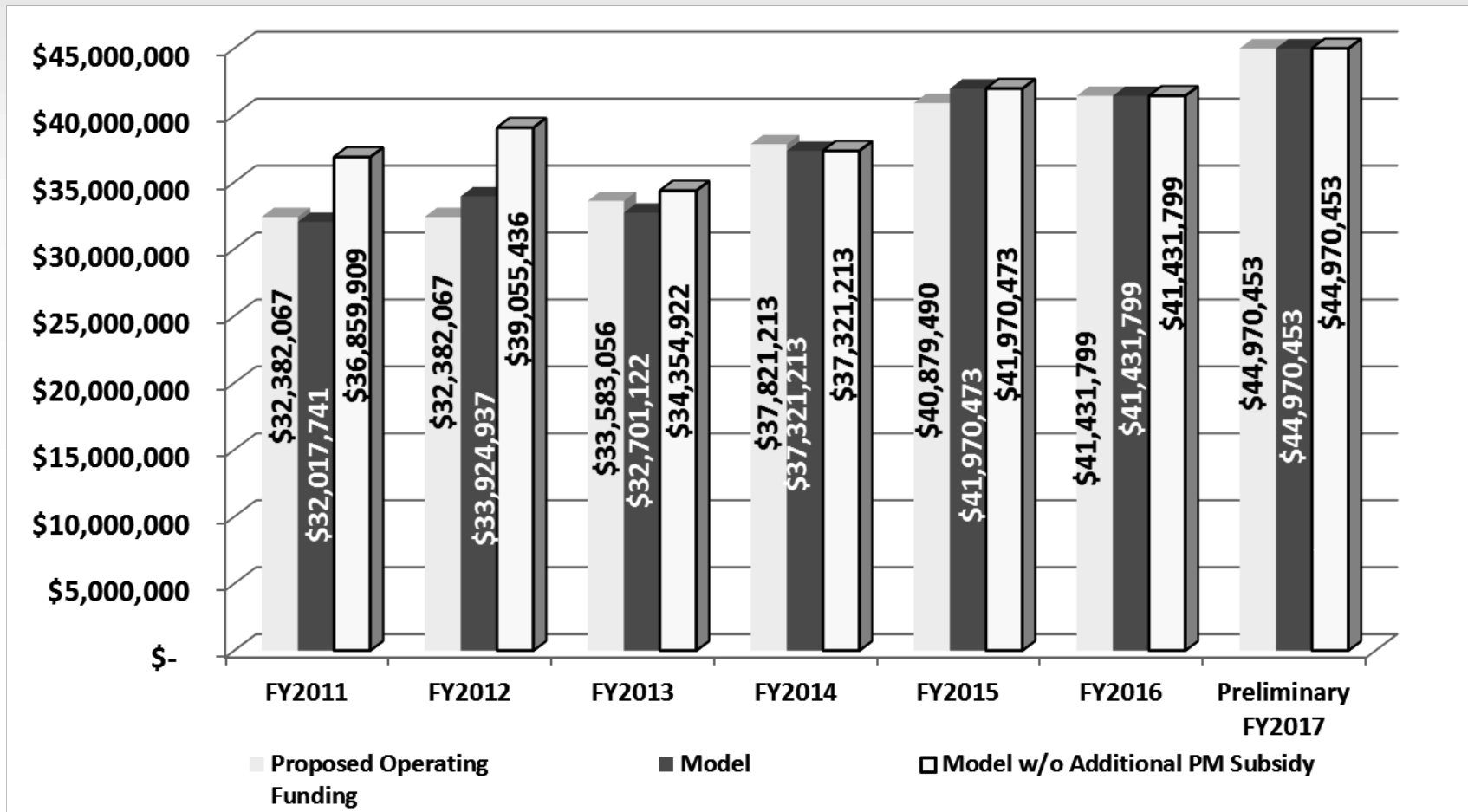


FY2017 Preliminary Local Revenue by Jurisdiction



	Amended Local Funding FY2016	Preliminary Regional Model Need for FY2017	Percentage Change
Orange County	\$ 39,730,495	\$ 43,272,293	8.91%
Osceola County	6,393,683	7,128,995	11.50%
Seminole County	6,175,067	7,149,433	15.78%
City of Orlando	4,046,660	4,542,603	12.26%
City of Orlando - LYMMO	2,305,411	2,200,910	-4.53%
Total Local Operating Funds	\$ 58,651,316	\$ 64,294,234	9.62%
Citifies, Other Agencies & Private	473,890	477,913	0.85%
Subtotal	\$ 59,125,206	\$ 64,772,147	9.55%
Capital Contributions:			
Orange County	\$ 1,701,304	\$ 1,698,160	-0.18%
Osceola County	203,270	198,914	-2.14%
Seminole County	214,016	215,822	0.84%
Subtotal	\$ 2,118,590	\$ 2,112,896	-0.27%
Total Local Funds	\$ 61,243,796	\$ 66,885,043	9.21%

Orange County Funding Trend



- In FY2014, an additional \$250,000 was funded for capital expenditures directly related to the construction of Pine Hills Superstop and an additional \$250,000 for other capital expenditures upon approval from Funding Partner was not requested
- \$958,080 of excess Pension contributions were set aside as contingency funds in FY2014 and were applied in FY2015 and in addition prepaid funding for FastLink 418 in the amount of \$132,903 was also applied in FY2015 for a total of \$1,090,983

Pending Items

- Elimination of \$.40 adder included in fuel cost resulting in an estimated \$350,000 budget reduction
- LYNX requested \$500,000 from Florida Department of Transportation (FDOT) for rural paratransit services. If funds are awarded, local funding requirements for paratransit will be reduced by this amount.
- Apply \$1,096,397 from LYNX reserves to reduce preliminary local funding from 9.21% or 6.03%.

FY2016 Orange County Preliminary Funding Request

- **FY2017 Preliminary Request** **\$44,970,453**

OR

- **After additional funding, cost reductions, and if use of reserves is applied**

\$43,503,389

Action Items

- ▶ Final approval of LYNX Budget by the LYNX Board

Thank You!