



SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2019**

A Component Unit of the State of Florida Department Of Transportation





SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY COMPREHENSIVE ANNUAL FINANCIAL REPORT

A Component Unit of the State of Florida Department of Transportation
FISCAL YEAR ENDED JUNE 30, 2019

Prepared by
Finance Department
Accounting Division



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Executive Director



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MESSAGE FROM THE EXECUTIVE DIRECTOR

The South Florida Regional Transportation Authority (SFRTA) presents the Comprehensive Annual Financial Report (CAFR) for fiscal year 2019, our annual report card detailing the programs and services funded by our budget, as well showcasing our current financial position as we continue to pursue the agency's short and long term goals.

This is the first CAFR since I assumed the position of Executive Director in December 2018. Having previously served for 8 years on the SFRTA Governing Board, it has been rewarding to steer the agency with a different vantage point to identify the best course of action for SFRTA's future.

Challenges are expected as we pursue identifying a dedicated funding source for the agency, but we have already made strategic reforms that have laid a foundation to lead us in the right direction.

We have had much to celebrate. The fiscal year started off with the highest on-time performance (OTP) month in the history of the system on July 2018 with 96.59%, the 2nd annual Tri-Rail Winter Wonderland brought nearly 2,000 people to the Miami Airport Station in December 2018, and Tri- Rail's 30th anniversary was celebrated in January 2019 with a total of over 96 million riders reported in its existence. Our objective is to continue breaking our own OTP and ridership records for the next fiscal year, and we are off to a great start as July 2019 we reported 96.64% OTP.

After the agency secured the Federal Railroad Administration's approval to test revenue trains in the summer of 2019 with Positive Train Control (PTC) technology, we began the process immediately and continue to successfully advance in this area by running revenue trains with the PTC system, while avoiding interruption to regular service. Next steps will include testing trains for CSXT and Amtrak to ensure that all tenants of the South Florida Rail Corridor are fully operational with the safety technology by September 2020.

This past fiscal year we were able to upgrade system amenities for passengers, replacing the cloth seats in passenger cars with a new material that is easier to clean, as well as revamping both our website and phone app to include new features that keep up with current technology. SFRTA also replaced over 3 miles of track and 40,000 railroad ties, including 172 ties on the 94-year old Miami Canal Bridge in December 2019, not only helping remove several slow orders but also improving the safety for all services that operate on the corridor.

Looking back, 2019 was a banner year with improved OTP, steady ridership and future planning for growth, but now we are ready for an even better year ahead. As of January 1, 2020, we will implement the first fare increase that the system has had in 10 ½ years. As operational costs continue to escalate, this increase is essential for Tri-Rail's financial future. It also takes into account ten years of improvements with added amenities and expanded train service.

I would like to thank the SFRTA's Governing Board for its direction and support, and also express my sincere gratitude to SFRTA's management and staff for their continued dedication toward achieving the Agency's goals and objectives.

Sincerely yours,



Steven L. Abrams
Executive Director

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Introductory Section



Letter of Transmittal

Governing Board and Management

Mission Statement

Organizational Structure

Certificate of Achievement

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January 31, 2020

Commissioner Tim Ryan and
The Governing Board
South Florida Regional Transportation Authority
Pompano Beach, Florida

State law requires that each local government complete its financial statements for the most recent fiscal year in compliance with generally accepted accounting principles and the uniform chart of accounts prescribed by the Department of Financial Services. In accordance with state law, staff is proud to present the South Florida Regional Transportation Authority (SFRTA) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This report signifies the SFRTA commitment to provide financial information that is accurate, concise, reliable, and of the utmost quality to its Governing Board, the citizens of the tri-county area, and all other interested parties.

The SFRTA developed this report with an emphasis on clarity, presentation, and completeness, in all material respects, and to present fairly the financial position and results of the SFRTA operations. All disclosures necessary to gain a full understanding of the SFRTA financial activities have been included.

Assumption of Responsibility: The SFRTA management produced this report in accordance with guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). The responsibilities for the accuracy, fairness, and completeness of the financial statements, note disclosures, supplementary schedules, and statistical data presented rest with the management of the SFRTA. It is the representation of management that the enclosed data presents fairly, in all material respects, the financial operations of the SFRTA.

Internal Control: The present accounting system includes the necessary internal controls to ensure reasonable, but not absolute assurance, regarding the safekeeping of assets against loss from unauthorized use or disposition. It also ensures that adequate accounting data are combined to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The concept of reasonable assurance recognizes that the cost of controls should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management. Evaluations of internal control occur on a periodic basis. We believe that the SFRTA current internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state, and county financial assistance, the SFRTA is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The SFRTA is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, subpart F, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and the requirements of Florida's Single Audit Act as outlined in Chapter 10.550 Rules of Auditor General. Information relating to findings, recommendations, and all other aspects concerning this single audit are included in a separate document.

Independent Audit: Mauldin & Jenkins, LLC an independent Certified Public Accounting Firm, has audited the financial statements of the SFRTA. Mauldin & Jenkins, LLC rendered an unmodified opinion on the financial statements in their report located in the Financial Section on page 10.

Management's Discussion & Analysis (MD&A): The MD&A provides the reader of our financial statements with an overview of our current financial condition. The information contained in the MD&A is presented in greater detail than the information in this Letter of Transmittal. The MD&A can be found on pages 12-28 in the CAFR.

SFRTA PROFILE

General Information:

The South Florida metropolitan area encompasses the southeastern part of the State of Florida and covers the counties of Miami-Dade, Broward, and Palm Beach, which are the three most populous counties in Florida. In 2018, the population of South Florida was estimated at 6.2 million by the US Census Bureau making it the seventh largest metropolitan area in the United States behind New York, Los Angeles, Chicago, Dallas, Houston and Washington DC. Broward County had a 2018 population of just under 2 million. Miami-Dade County, the most populous county in Florida, and Palm Beach County grew to 2.76 and 1.48 million, respectively.

The South Florida area is locally served by the SFRTA, Broward County Transit (BCT), Palm Tran (Palm Beach), and Miami-Dade Transit (MDT). The SFRTA, which operates Tri-Rail, provides commuter rail service within the tri-county area, operating 50 weekday trains, 30 Saturday trains, and 30 Sunday trains along a 72-mile stretch of commuter rail.

The Governing Board consists of ten members: one County Commissioner from each county (three appointments); one citizen appointee from each county commission (three appointments); a Florida Department of Transportation (FDOT) – District Secretary (one appointment); and one governor's appointee from each of the three counties (three appointments).

Component Unit of FDOT: The SFRTA is included as a component unit of FDOT. FDOT includes the SFRTA as a component unit based on the special financing relationship that exists between the SFRTA and FDOT. The SFRTA is designated as an enterprise fund of the FDOT.

Annual Budget: The SFRTA Governing Board approves the SFRTA annual operating budget. The Governing Board must also approve any required revisions that result in an increase to total expenditures. The budget is maintained at a department level and is categorized by function: Operations, Train & Station Maintenance, Personnel Expenses, General & Administrative Expenses, Corporate and Community Outreach, Professional Fees, Legal, Contingency and Expenses transferred from/to Capital. Expenditures Line item budgetary controls are maintained by the utilization of purchase orders limited to the boundaries of the budget and by establishing contractual obligations within the confines of the budget. In addition, financial statements, which detail month-to-date and the year-to-date actual versus budgeted expenditure comparisons, are presented to the Governing Board on a monthly basis for review.

Funding for the SFRTA budget is provided through fees collected at train stations, subsidies provided by FDOT, the Federal Transit Administration (FTA), and the three counties serviced by the SFRTA.

ECONOMIC CONDITION AND OUTLOOK

Local Economy:

According to VISIT FLORIDA, tourism is Florida's top economic driver. The state welcomed 127 million visitors in 2018, an increase of 4.2 million or 7.2% over 2017, and welcomed another 101 million in the first nine months of 2019, a 5.2 million increase over the same period in 2017. Palm Beach, Broward and Miami Dade Counties all recorded increased tourism numbers in 2018, and the cruise ports of Port Miami and Broward's Port Everglades ranked as the 1st and 3rd busiest in the world. Based on the latest economic impact study, Florida visitors supported 1.4 million Florida jobs tied to the tourism industry, which equates to about 1 in every 6 jobs in the state. Domestic tourism to Florida is still setting records, but international tourism is down, especially to Miami.

The South Florida area is also a major player in the international trade arena. With three international airports and three deep-water seaports, the tri-county area provides easy access to Latin and South America. South Florida's strength as an international trade player is evident by the fact that it ranks among the top 10 largest metropolitan areas in exports, its leading export being professional services to Latin America.

According to the Florida Department of Economic Opportunity, Florida continues to be a leading state in job creation, and added 231,000 jobs in 2018, a growth rate of 2.7%, outpacing the federal job growth of 1.8%. Florida businesses created nearly 36,000 private-sector jobs as of June 2017 bringing the total number added since December 2010 to 1.4 million, and Florida's overall employment is among the highest in the state's history. Florida's unemployment rate has also steadily declined over the past year, dropping from 3.9 percent in December, 2017 to 3.3 percent in December, 2018. For the tri-county area, the most current data shows rates dropped even further: from 3.36% in 2018 to 2.9% in 2019. The Sunshine State continued to rank among "States with the Fastest Job Growth."

Florida GDP is expected to grow about 3.8% in 2018 and 2019, well above the national average. Construction is booming: a new high-rise is going up in Miami, and many retail strips are being converted to upscale. Housing starts will rise 10% this year and 6% next year, with home prices continuing to rise 6% to 10% on high demand. Florida still faces an oversupply of luxury condos, but cheaper housing is tight in most areas of the state. The manufacturing sector is surging, along with much of the service sector. Workers are becoming scarcer, as unemployment rates are dropping fast in many metro areas.

Long Term Financial Planning:

The South Florida population continues to grow and the role of the SFRTA becomes even more crucial. With no place to build new highways, the need for mass transit becomes critical. The SFRTA is committed to creating a first-class transportation network by continuing to be instrumental in the planning and building of a transportation network that will provide for efficient and reliable movement of commuters throughout the tri-county region.

In June 2003, Governor Jeb Bush signed legislation requiring the three counties in the SFRTA service area to contribute \$2.67 million each in funding to the SFRTA. To date the three counties have contributed approximately \$104.1 million, and the SFRTA has used approximately \$63.5 million in various capital projects.

In December 2009, in a special session, FDOT, per FL Statutes-Title XXVI Public Transportation Section 343.51, awarded the SFRTA a dedicated funding source. The law amended Section 343.58, Florida Statutes, to provide SFRTA with additional dedicated funding for Tri-Rail from the State Transportation Trust Fund (STTF). Effective July 1, 2010 (FY 2011), FDOT was required to annually transfer \$13.3 million, and an additional amount of no less than \$17.3 million, from the STTF to SFRTA for operating assistance (\$30.6 million total annual STTF funding). While the legislation did not establish any new net funding, it filled the gap between what was statutorily required of the counties, and what was necessary to operate the SFRTA service in FY 2011.

Subsequent to SFRTA assuming responsibility for maintaining and dispatching the South Florida Regional Corridor on March 29, 2015 (FY 2015), Section 343.58(4)(a)2., Florida Statutes, changed the STTF annual funding requirement for SFRTA. FDOT must now annually transfer \$15 million from the STTF to SFRTA for operations, maintenance, and dispatch and an additional amount of no less than \$27.1 million for operating assistance (\$42.1 million total annual STTF funding). In addition to the \$12.0 million annual increase in dedicated funding for assuming dispatch and maintenance of the South Florida Rail Corridor (SFRC), FDOT has agreed to cover 100 percent of annual maintenance costs up to \$14.4 million. Costs in excess of the \$14.4 million will be shared with FDOT, based on agreed percentages outlined in the Operating Agreement between FDOT and SFRTA. The Amended Operating Agreement, through fiscal years 15-21, commits FDOT funds of \$25.7 million and SFRTA funds of \$1.9 million, and for years 22-24, commits FDOT funds of \$27.4 million and SFRTA funds of \$2.1 million.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

Major Initiatives:

Tri-Rail MiamiCentral Station and Tri-Rail Downtown Miami Link (TRDML): Tri-Rail service into downtown Miami on the Florida East Coast Rail (FEC) is positioned to begin revenue service in fiscal year 2021, pending Federal Railroad Administration (FRA) approval of the Positive Train Control safety plan for service on the Florida East Coast Rail (FEC). A regionally transformational project, the MiamiCentral Station will serve as downtown Miami's local and regional multimodal hub with connections to Brightline's private passenger rail service, Tri-Rail commuter rail service, and Miami-Dade County's Metrobus, Metrorail and Metromover transit service.

Positive Train Control (PTC): SFRTA continues to make progress and meet deadlines to complete the installation of PTC equipment along the South Florida Rail Corridor (SFRC). The agency intends to meet all statutory requirements required for an alternative schedule and sequence as defined in 49 U.S.C. 20157. Full PTC implementation will follow SFRTA's FRA-approved PTC Implementation Plan but will not exceed December 31, 2020 as required by U.S.C. 20157. PTC is a federally required rail safety technology that automatically stops a train before certain types of accidents can occur. It is required for all passenger rail transportation systems.

When SFRTA opens its MiamiCentral Station on the Florida East Coast Rail (FEC) rail corridor, Tri-Rail trains will be required to have a PTC system compatible with the host corridor's system. This necessitates SFRTA to dual-equip the Tri-Rail fleet. One PTC system will be used on the SFRC as well as one that is compatible with FEC corridor.

On-Time-Performance (OTP) Significantly Improved. SFRTA achieved the highest OTP in its 29-year history in July 2018, and in fiscal year 2019, achieved its goal of a minimum 90% monthly OTP. The agency's OTP has improved steadily over the 2017-2019 period. Factors contributing to the improvement include:

- Track improvements and regulatory updates allowed speed restrictions on certain corridor sections to be lifted allowing trains to travel at maximum authorized speeds for conditions.
- Operational efficiencies and improved general fleet conditions implemented via a new services contract contributed to improving response times to corridor issues and mechanical repair turn-around time.

New Maintenance of Way (MOW) Department: SFRTA created a new MOW Department responsible for rail corridor maintenance, which includes signals and crossings, environmental maintenance, and flagging. This new department is expected to help improve service, including OTP, storm recovery, and by extension, customer satisfaction.

Railroad-Highway Crossing Construction and Traffic Control Device Installation: Needed grade-crossing and signal improvements on the South Florida Rail Corridor (SFRC) were identified, and scheduled and funded for comprehensive improvements.

SFRTA is responsible for the maintenance of approximately 170 railroad-highway/at-grade crossings along the SFRC. Continuous vehicular traffic through the at-grade crossings causes surface conditions to deteriorate, increasing the risk of damage to vehicles and the SFRC infrastructure. This five-year contract encompasses track, roadway and signals work, and traffic control device installation for railroad-highway crossing construction.

Safety and Security: SFRTA developed a comprehensive safety initiative with strategies intended to improve track safety and to enhance emergency preparedness and response. It encompasses a Trespasser and Suicide Mitigation Program that has the potential to reduce train accidents caused by human factors.

CERTIFICATE OF ACHIEVEMENT

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the SFRTA for its CAFR report for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR 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.

ACKNOWLEDGEMENTS

Once again, the SFRTA has successfully prepared an outstanding CAFR. An achievement made possible by the dedicated service of the entire staff. Special thanks go to the staff of the Finance Department for their support and devotion to this project. We can praise them all for their continued efforts to improve performance and reporting excellence.

Additionally, we extend our appreciation to Mauldin & Jenkins, LLC. for their guidance and professional assistance in the preparation of this report.

Respectfully submitted,



Steven L. Abrams
Executive Director













Diane Hernandez Del Calvo
Deputy Director of Administration/EEO Officer

GOVERNING BOARD AND MANAGEMENT

As of June 30, 2019

GOVERNING BOARD

	Tim Ryan <i>Chair</i>		Hal R. Valeche <i>Vice Chair</i>		Esteban Bovo, Jr. <i>Miami-Dade County Commissioner</i>		Andrew Frey <i>Governor's Appointee</i>
	Frank Frione <i>Governor's Appointee</i>		Nick A. Inamdar <i>Citizen Representative Miami – Dade County</i>		Gerry O'Reilly <i>FDOT District IV Secretary</i>		F. Martin Perry <i>Citizen Representative Palm Beach County</i>
	James A. Scott <i>Governor's Appointee</i>		Robert C.L. Vaughan <i>Broward County Representative</i>				







EXECUTIVE MANAGEMENT

	Steven L. Abrams <i>Executive Director</i>		Chris Bross <i>Deputy Executive Director of Operations, Chief Contracting Officer</i>		Diane Hernandez Del Calvo <i>Deputy Executive Director of Administration/ EEO Officer</i>
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LEGAL DEPARTMENT

	Teresa Moore <i>General Counsel</i>		Noel Pfeffer <i>Deputy General Counsel</i>
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SENIOR MANAGEMENT

	Loraine Cargill <i>Director of Planning & Capital Development</i>		Brandy Creed <i>Director of Engineering & Construction</i>		Renee Matthews <i>Director of Information Technology & Comptroller</i>
	Ralph Rapa <i>Director of Operations</i>		David Trabal <i>Director of Human Resources</i>		Allen Yoder <i>Director of Safety & Security</i>

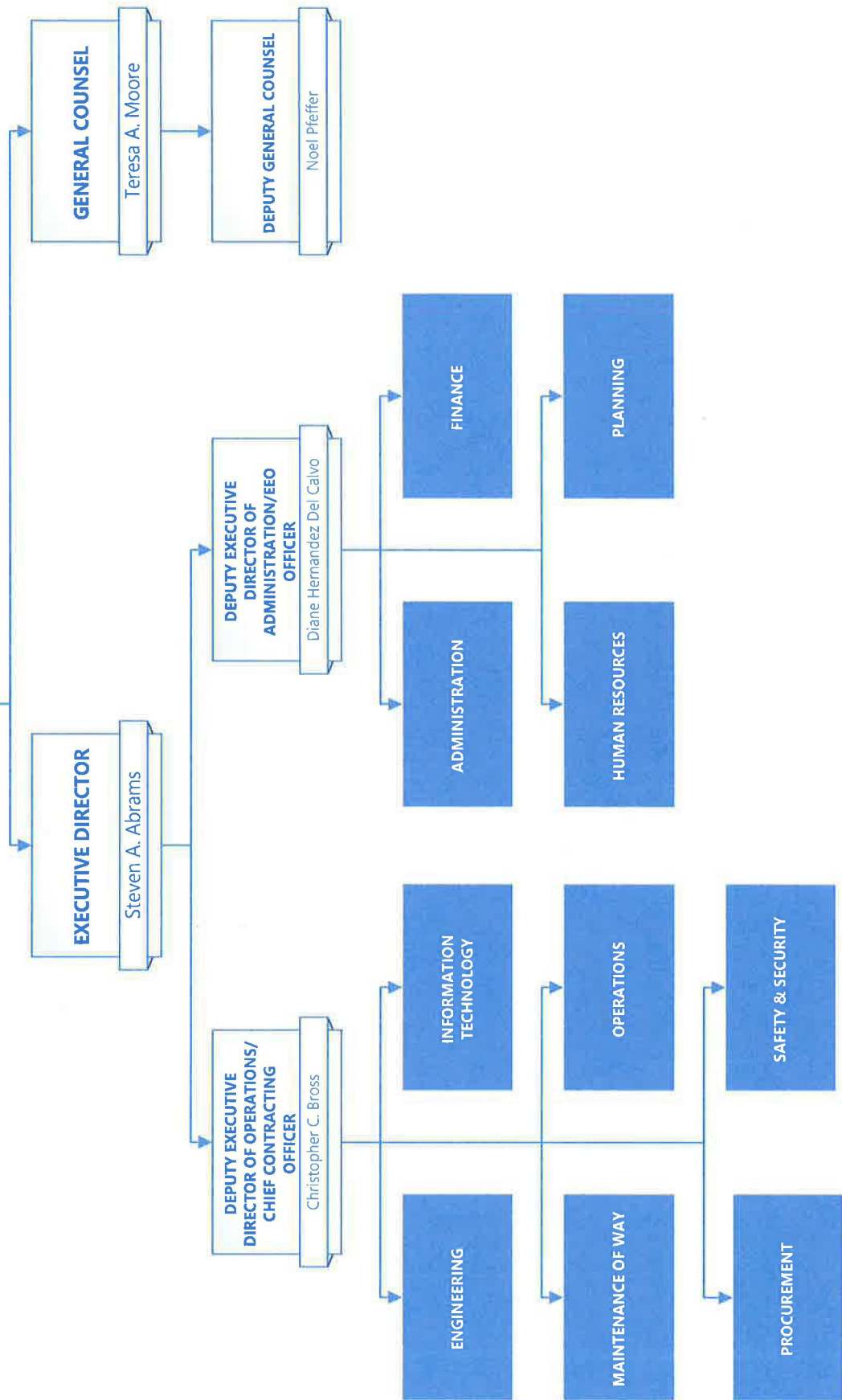
MISSION STATEMENT

“To coordinate, develop and implement, in cooperation with all appropriate levels of government, private enterprise and citizens-at-large in the community, a viable regional transportation system in South Florida that endeavors to meet the desires and needs for the movement of people, goods and services.”



GOVERNING BOARD

Commissioner Esteban Bovo, Jr. | Andrew Frey | Frank Frione | Nick A. Inamdar | Gerry O'Reilly | F. Martin Perry | Commissioner Tim Ryan | James A. Scott | Commissioner Hal R. Valeche | Robert C. Vaughan





Government Finance Officers Association

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Reporting**

Presented to

**South Florida Regional
Transportation Authority**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

Financial Section



Independent Auditor's Report
Management's Discussion and Analysis
Basic Financial Statements
Notes to the Financial Statements
Required Supplementary Information
Other Required Supplementary Information

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INDEPENDENT AUDITOR'S REPORT

**To the Governing Board of the
South Florida Regional Transportation Authority
Pompano Beach, Florida**

Report on the Financial Statements

We have audited the accompanying financial statements of the **South Florida Regional Transportation Authority** (the "SFRTA"), a component unit of the Florida Department of Transportation, as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the SFRTA'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 an opinion 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 from 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 entity'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 entity'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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the SFRTA as of June 30, 2019 and 2018, and the changes in financial position, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 13 through 28) and the Schedule of Proportionate Share of the Net Pension Liability and Schedule of Employer Contributions (on pages 58 through 61) 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

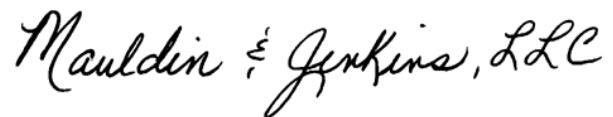
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the SFRTA's basic financial statements. The introductory section, supplemental schedules of operating expenses, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental schedules of operating expenses are the responsibility of management and were derived from and relates 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 supplemental schedules of operating expenses are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2020, on our consideration of the SFRTA'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 solely 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 the effectiveness of SFRTA's 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 SFRTA's internal control over financial reporting and compliance.



Bradenton, Florida
January 31, 2020

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

As management of the South Florida Regional Transportation Authority (SFRTA), we wrote this Management's Discussion and Analysis (MD&A) to provide the reader of our Comprehensive Annual Financial Report (CAFR) with an overview of our current financial condition. This Analysis should be read in conjunction with our Letter of Transmittal, found on pages 1 - 6 of this CAFR, and the financial statements immediately following the MD&A. Our intent was to make this analysis objective, based on currently known facts.

The SFRTA's CAFR consists of four parts: Management's Discussion and Analysis, the Basic Financial Statements, Notes to the Financial Statements and Required Supplementary Information.

The MD&A is also divided into four sections:

Section I-Overview of the Financial Statements: Section I gives the reader an overview of the SFRTA's basis of accounting, measurement focus, the types of financial statements the SFRTA issues and financial highlights for fiscal year 2019.

Section II-Financial Analysis of the SFRTA: This section provides the reader with an analysis of changes in the SFRTA's net position, an analysis of the SFRTA's operations and financial condition for the fiscal year ended June 30, 2019, condensed financial information derived from the Statement of Net Position, the Statement of Revenue, Expenses and Changes in Net Position. In many cases, we have provided a comparison to fiscal year 2018.

Section III-Changes in Capital Assets and Long-Term Debt: This section discusses the SFRTA's purchase of capital assets, depreciation expense and the value of any asset disposed of during the year. This section also describes the SFRTA's policy on long-term debt.

Section IV-Currently Known Facts, Decisions and Conditions: In Section IV, the SFRTA staff discusses known facts, decisions or conditions that could, or will have an impact on the SFRTA's operations.

There is no discussion on budgets since an analysis on budgets for Enterprise Funds is not one of the items specifically described by Paragraph 11 of Governmental Accounting Standards Board (GASB) Statement No. 34. There is, however, information concerning the SFRTA's budget in Note 1.F in the Notes to the Financial Statements.

There is also no discussion on infrastructure assets, as the SFRTA does not report these assets on a modified accrual basis because the SFRTA operates as an enterprise fund and records its assets on the full accrual basis.

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

I. OVERVIEW OF THE FINANCIAL STATEMENTS

The SFRTA's fiscal year starts July 1, and ends June 30. The SFRTA operates as an enterprise fund and adheres to the accounting standards as set forth by the GASB, including GASB Statements Nos. 33 and 34.

For reporting purposes, the SFRTA considers itself a special-purpose government engaged only in business-type activities. The required financial statements for this type of entity are:

1. **Statement of Net Position:** This statement is quite similar to the balance sheet used in commercial businesses.
2. **Statement of Revenue, Expenses and Changes in Net Position:** This statement puts an emphasis on total net position and is quite similar to a profit and loss statement used in commercial businesses.
3. **Statement of Cash Flows (Direct Method):** This statement shows cash flows, both inward and outward in terms of operating activities, financing activities and investing activities.

The enterprise fund Statements of Net Position, Revenue, Expenses and Changes in Net Position are presented using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus is essentially full commercial accounting with depreciation of capital assets. The accrual basis of accounting recognizes revenue in the period in which they are earned and become measurable and recognizes expenses in the period in which they are incurred. The determination of net loss is measured by the matching of revenue earned with expenses incurred.

The SFRTA records all assets and all liabilities on the Statement of Net Position. The SFRTA records capital assets in the Statement of Net Position at historical cost net of accumulated depreciation. In accordance with the SFRTA's policies and procedures, the SFRTA capitalizes all assets costing \$1,000 or more with a useful life greater than one year, except for land and construction in progress, and depreciates assets over their useful life (Note 1. I of the Notes to the Financial Statements provides additional detail on depreciation).

The SFRTA defines operating revenue and operating expenses as those revenue and expenses that can be attributable to the operations of its trains. Operating revenue consists of fares and other services. Fares are revenue collected from passengers. Other services consist of revenue generated at train stations, such as vending machine revenue. Operating expenses are those expenses, which are necessary for the daily operations of the trains and include train-operating costs, marketing costs, engineering costs, planning costs, legal costs, general and administrative costs and depreciation. Depreciation is a non-funded expense. The SFRTA classifies interest income, subsidies and grants as Non-Operating Revenue.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

Financial Highlights

- Fiscal year 2019, marks the sixteenth year that Broward, Miami-Dade and Palm Beach Counties contributed \$2.67 million contribution (\$8.01 million in total) to the SFRTA. Since fiscal year 2004, the total received by SFRTA from Broward, Miami-Dade and Palm Beach Counties is approximately \$128.2 million. In fiscal years 2018 and 2017, the SFRTA used approximately \$12.9 million and \$7.69 million respectively to fund various capital projects, while in fiscal year 2019, the SFRTA used approximately \$10.5 million to fund various capital projects. As of June 30, 2019, the remaining funds of approximately \$5.7 million will be used to leverage funds for future capital projects.
- In fiscal year 2019, the SFRTA's total net position was approximately \$638.5 million reflecting a decrease from fiscal year 2018 of approximately \$457,000 or 0.1%. The decrease in total net position is primarily due to the \$4 million increase in net investment in capital assets offset by the \$2.5 million decrease in net position restricted for Capital Projects. Approximately \$26.7 million or 4.2% of the net position is unrestricted. In fiscal year 2018, the SFRTA's total net position was approximately \$639.0 million reflecting an increase of approximately \$12.9 million or 2.1% from fiscal year 2017. The increase in total net position is primarily due to the \$25.5 million increase in net investment in capital assets offset by the \$4.9 million decrease in net position restricted for capital projects. Approximately \$28.6 million or 4.5% of the net position is unrestricted. .
- In fiscal year 2019, operating expenses, before depreciation, increased by approximately \$620,000 or 0.5%. In fiscal year 2018, operating expenses, before depreciation, increased by approximately \$4.1 million or 3.7%. In fiscal year 2017, operating expenses, before depreciation, increased by approximately \$9.0 million or 8.9%.
- Operating revenue in fiscal year 2019 increased by approximately, \$1.06 million or 7.7%. In fiscal year 2018, operating revenue decreased by approximately \$301,000 or 2.1% while in fiscal 2017 operating revenue increased by approximately \$529,000 or 3.9%.

II. FINANCIAL ANALYSIS OF THE SFRTA

Summary of Net Position

Current assets:

Total current assets in fiscal year 2019 decreased by approximately \$11.4 million or 10.3%, compared to fiscal year 2018. This decrease in current assets was mainly due to the \$17.8 million decrease in accounts receivable in federal grants and offset by the \$12.6 million increase in cash and cash equivalents.

Current assets in fiscal year 2018 increased by approximately \$8.8 million or 8.7%, compared to fiscal year 2017. This increase in current assets was mainly due to the \$8.1 million increase in

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

accounts receivable in federal grants offset by the \$1.7 million decrease in cash and cash equivalents.. The noticeable decline in cash was directly related to the additional costs incurred as a result of the construction of the new Operations Center.

Noncurrent assets:

In fiscal year 2019, noncurrent assets net of accumulated depreciation increased by approximately \$2.5 million or 0.4%. The \$2.5 million increase in net capital assets in 2019 results primarily from asset acquisitions of \$36.2 million less depreciation of \$33.2 million. In fiscal year 2018, noncurrent assets net of accumulated depreciation increased by approximately \$25.5 million or 4.3%. The \$25.5 million increase in net capital assets in 2018 results from asset acquisitions of \$59.3 million less depreciation of \$33.3 million.

Deferred outflows of resources

Deferred outflows of resources in fiscal year 2019 decreased by approximately \$504,000 or 9.7% when compared to fiscal year 2018. Deferred outflows of resources for the Florida Retirement System and Retirement Health Insurance Subsidy Program are approximately \$3.2 million and \$600,000, respectively. Deferred outflows of resources in fiscal year 2018 increased by approximately \$48,000 or 0.9%. Deferred outflows of resources for the Florida Retirement System and Retirement Health Insurance Subsidy Program were approximately \$3.7 million and \$700,000, respectively.

Current liabilities:

Current liabilities in fiscal year 2019 decreased approximately \$19.4 million or 43.4% compared to fiscal year 2018. This was offset by approximately \$2.6 million decrease in accruals. and approximately \$16.6 million decrease in accounts payable. Unearned revenue increased by approximately \$367,765 primarily due to the increases in Stored Value of approximately \$155,000 and other deferred revenue of \$18,090, offset by the \$11,600 decrease in ticket sales.

Current liabilities in fiscal year 2018 decreased approximately \$3.8 million or 9.3% compared to fiscal year 2017. The increase in fiscal year 2018 was primarily due to the \$3.3 million note payable due in one year to Florida Department of Transportation (State Infrastructure Bank Loan) related to the building of the operations center and \$1.8 million note payable to Bank United payable in one year for mandatory positive train control compliance and MiamiCentral. This was offset by approximately \$322,000 decrease in accruals related to the Downtown Miami Station, and approximately \$1,197,000 decrease in accounts payable. Unearned revenue increased by approximately \$367,765 primarily due to the increases in Stored Value of approximately \$176,102 and other deferred revenue of \$192,413, offset by the \$750 decrease in ticket sales.

Noncurrent liabilities:

In fiscal year 2019 non-current liabilities increased by approximately \$9.9 million or 20.4%. This increase was primarily due to the \$18.0 million note payable to FECI, LLC related to the Downtown Miami Station; note payable to Florida Department of Transportation (State

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Infrastructure Bank Loan) related to building of the operations center of \$12.4 million and note payable to Bank United for \$11.9 related to mandatory positive train control compliance and MiamiCentral, coupled with approximately \$345 000 decrease in net pension liability. There was also an increase of approximately \$7.5 million in deposits, which represent the SFRTA's liability of funds from the City of Fort Lauderdale for the WAVE project.

In fiscal year 2018 non-current liabilities increased by approximately \$17.1 million or 54.3%. This increase was primarily due to the \$14.6 million note payable to FECI, LLC related to the Downtown Miami Station; note payable to Florida Department of Transportation (State Infrastructure Bank Loan) related to building of the operations center of \$12.3 million and note payable to Bank United for \$8.3 related to mandatory positive train control compliance and MiamiCentral, coupled with approximately \$440,000 increase in net pension liability. This increase was offset by the \$9.6 million decrease in deposits, which represent the SFRTA's liability of funds from the City of Fort Lauderdale for the WAVE project.

In fiscal years 2019 and 2018, the SFRTA's liability for Advances from FDOT represents approximately \$2 million received when the SFRTA commenced operations and is to be repaid to the FDOT when and if the SFRTA ceases operations.

Deferred inflows of resources

Deferred inflows of resources in fiscal year 2019 increased by approximately \$586 000 or 90.9%. The significant increase in fiscal year 2019 was primarily due to an increase of deferred inflows of resources for the Florida Retirement System of approximately \$1.9 million, which comes from assumption changes for the Health Insurance Subsidy plan, increases in the investment earnings difference for Florida Retirement System as a result of improvements in the economy over the prior plan year, and changes in the Authority's proportionate share of the net pension liability. Deferred inflows of resources in fiscal year 2018 increased by approximately \$580,000 or 893.4%. The increase in fiscal year 2018 was primarily due to a increase of deferred inflows of resources for the Florida Retirement System of approximately \$1.9 million.

Net position:

The SFRTA's total net position in fiscal year 2019 are comprised of net investments in capital assets totaling approximately \$595.6.million, restricted net position for capital projects of approximately \$16.2 million which included approximately \$5.7 million in restricted funds from the counties and approximately \$10.5 million from other funding sources; and unrestricted net position of approximately \$26.7 million. In fiscal year 2019, the SFRTA used approximately \$8.01 million from the counties' contributions to fund various capital projects mostly related to the construction of the operations center.

The SFRTA's total net position in fiscal year 2018 are comprised of net investments in capital assets totaling approximately \$592.0 million, restricted net position for capital projects of approximately \$18.7 million which included approximately \$8.2 million in restricted funds from the counties and approximately \$10.5 million from other funding sources; and unrestricted net

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
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position of approximately \$28.6 million. In fiscal year 2018, the SFRTA used approximately \$8.01 million from the counties' contributions to fund various capital projects mostly related to the purchase of railcars.

In fiscal year 2019, the SFRTA acquired approximately \$36.2 million of capital assets, a decrease of approximately \$26.4 million or 42.2% over last year's net addition of \$62.6 million. The decrease in capital assets additions was primarily the result of the decrease in construction in progress related to Downtown Miami Station projects and the completion of SFRTA's new operations center being built during fiscal year 2018 and the WAVE project.

In fiscal year 2018, the SFRTA acquired approximately \$62.6 million of capital assets, a decrease of approximately \$36 million or 36.4% over last year's net addition of \$98.4 million. The decrease in capital assets additions was primarily the result of the decrease in construction in progress related to the SFRTA's new operations center being built during fiscal year 2017 and the WAVE projects.

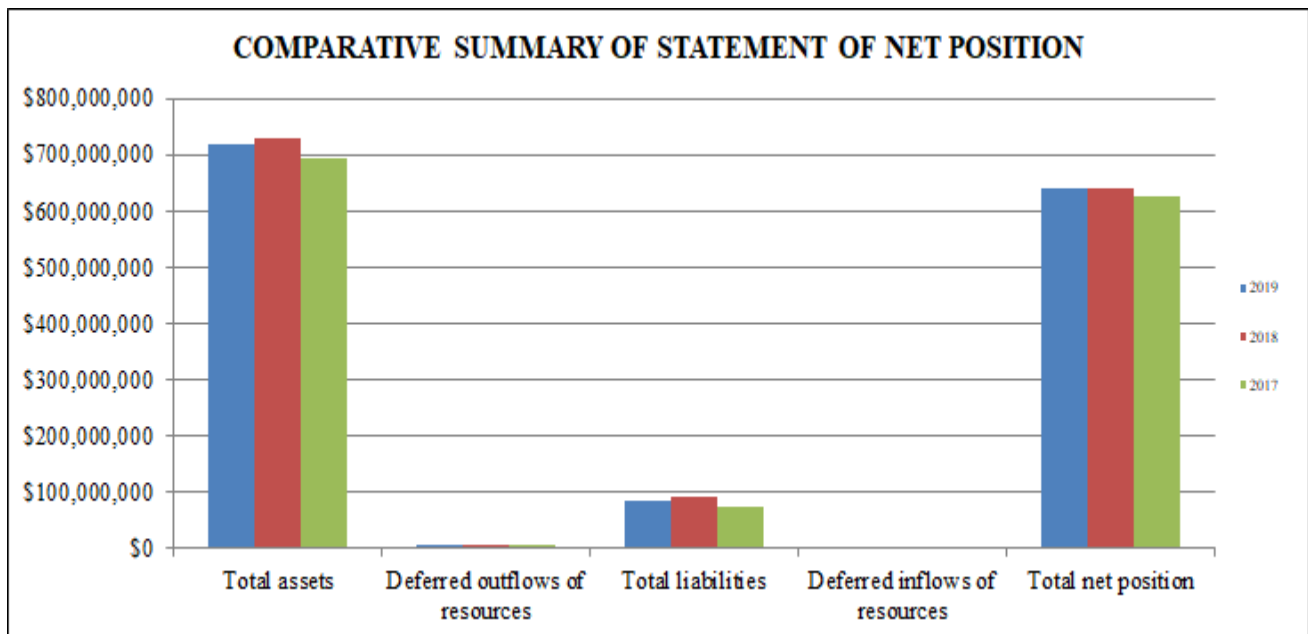
To determine the overall performance of the SFRTA, the relative changes in net position must be considered. By comparing assets and liabilities, the overall position of the SFRTA in fiscal year 2019 resulted in a decrease in net position of approximately \$457,000 or 0.1%. In fiscal year 2018, the increase in net position was approximately \$12.9 million or 2.1%.

Presented on the next page is a summary of assets, liabilities and net position and the comparative summary graph for the past three fiscal years. The more detailed Statement of Net Position can be found in the basic financial statements.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

SUMMARY OF STATEMENT OF NET POSITION

	<u>2019</u>	<u>2018</u>	<u>2017</u>
ASSETS			
Total current and other assets	\$ 98,951,581	\$ 110,310,370	\$ 101,485,267
Total capital assets (net of depreciation)	619,959,818	617,477,050	591,977,036
Total assets	<u>\$ 718,911,399</u>	<u>\$ 727,787,420</u>	<u>\$ 693,462,303</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 4,663,427</u>	<u>\$ 5,166,945</u>	<u>\$ 5,118,921</u>
LIABILITIES			
Total current liabilities	\$ 25,320,137	\$ 44,747,007	\$ 40,932,818
Total noncurrent liabilities	58,512,135	48,593,819	31,500,563
Total liabilities	<u>\$ 83,832,272</u>	<u>\$ 93,340,826</u>	<u>\$ 72,433,381</u>
DEFERRED INFLOWS OF RESOURCES	<u>\$ 1,230,671</u>	<u>\$ 644,611</u>	<u>\$ 64,892</u>
NET POSITION			
Net Investments in capital assets	\$ 595,631,553	\$ 591,656,741	\$ 591,977,036
Restricted for:			
Capital Projects	16,177,751	18,706,314	23,535,651
Unrestricted	26,702,579	28,605,873	10,570,264
Total net position	<u>\$ 638,511,883</u>	<u>\$ 638,968,928</u>	<u>\$ 626,082,951</u>



**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

SUMMARY OF REVENUE

Operating revenue:

In fiscal year 2019, train revenue was approximately \$14.9 million, an increase of 7.7% over fiscal year 2018 train revenue. In fiscal year 2018, train revenue was approximately \$13.8 million, a decrease of 2.1% over fiscal year 2017 train revenue. This increase in train revenue is the result of higher consumer fuel cost as well as insurance proceeds during the fiscal year.

Non-Operating revenue:

Interest income, subsidies provided by the three counties within the SFRTA's operating area (Broward, Miami-Dade and Palm Beach Counties) and non-capital grants provided by the State, Federal Government and Other Funding are revenue sources used by the SFRTA to fund its operating budget. Even though the SFRTA uses these revenue sources to fund operations, for reporting purposes, the SFRTA considers these sources as non-operating revenue. Federal and State grants that are restricted for capital purposes are not included in non-operating revenue, but rather are classified as contributions.

Interest income:

In fiscal year 2019, SFRTA's earnings on investments were approximately \$1.2 million primarily due to the interest earned on the Counties' contributions and other restricted funds of \$16.2 million. In addition, temporarily idle cash balances are transferred to the Local Government Surplus Funds Trust Fund (Florida Prime) where interest is earned. Interest income for 2019 increased by approximately \$451,000

In fiscal 2018, SFRTA's earnings on investments were approximately \$719,000 primarily due to the interest earned on the Counties' contributions and other restricted funds of \$18.7 million. In addition, temporarily idle cash balances are transferred to the Local Government Surplus Funds Trust Fund (Florida Prime) where interest is earned. Interest income for 2018 increased by approximately \$285,000.

Interest expense:

In fiscal year 2019, SFRTA incurred approximately \$421,916 in interest expense related to note payable to Florida Department of Transportation (State Infrastructure Bank Loan) and Bank United. In fiscal year 2018 SFRTA incurred approximately \$345,000 in interest expense related to note payable to Florida Department of Transportation (State Infrastructure Bank Loan) and Bank United

Federal grants:

Federal grants (non-capital) consist of Preventive Maintenance grants and Planning grants received from the FTA and Federal Highway Administration (FHWA) grants. For fiscal year 2019, Federal grants increased approximately \$1.1 million or 3.5%. The increase in Federal grants in fiscal year 2019 was primarily due to increases in Preventive Maintenance. For fiscal

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MANAGEMENT'S DISCUSSION AND ANALYSIS
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year 2018, Federal grants increased approximately \$2.6 million or 9.1%. The increase in Federal grants in fiscal year 2018 was primarily due to increases in Planning grants.

Preventive Maintenance grant (FTA). Although usually an operating expense, Preventive Maintenance which is defined as all maintenance costs, is an allowable capital expenditure under FTA guidelines. Transit agencies that use Preventive Maintenance funds must follow General Accepted Accounting Principles (GAAP) and expense those maintenance costs associated with the current fiscal year. Maintenance expenditures that meet the SFRTA's criteria for capital expenditures are capitalized. The FTA has no cap on the amount of formula funds a transit agency can use for preventive maintenance. However, Preventive Maintenance funds can only be used to cover the cost of actual preventive maintenance expenditures.

For fiscal year 2019, the SFRTA applied approximately \$22.7 million as Preventive Maintenance, an increase of approximately \$3.7 million from fiscal year 2018's Preventive Maintenance of approximately \$19.0 million.

For fiscal year 2018, the SFRTA applied approximately \$19.1 million as Preventive Maintenance, an increase of approximately \$2.0 million from fiscal year 2017's Preventive Maintenance of approximately \$17.1 million.

Planning grants (FTA). Planning grants are grants received from the FTA. These planning grants cover Planning Department-related activities, planning consultants, transit studies, Regional Transportation Organization activities and in-house administrative costs associated with planning and capital projects; however not all planning expenses are covered by Planning grants. During fiscal year 2019, the SFRTA used approximately \$5.6 million of FTA capital contributions to fund operating projects. In fiscal year 2018, the SFRTA used approximately \$8.1 million of FTA capital contributions to fund operating projects.

Federal Highway Administration (FHWA):

The SFRTA receives FHWA funds as a pass-through from FDOT. The SFRTA has received these funds since its inception in 1989 as part of a traffic mitigation project. For fiscal years 2019 and 2018, the SFRTA received \$4.0 million FHWA assistance.

Florida Department of Transportation (FDOT):

SFRTA assumed responsibility for dispatch maintenance of the South Florida Regional Corridor on March 29, 2015 (FY 2015), subsequently FDOT must now annually transfer \$15 million from the State Transportation Trust Fund (STTF) to SFRTA for operations, maintenance, and dispatch and an additional amount of no less than \$27.1 million for operating assistance (\$42.1 million total annual funding). In addition, FDOT per amended agreement with SFRTA has committed to cover 100 percent of annual maintenance cost up to \$14.4 million.

During fiscal year 2019, State grants (non-capital) remained constant at \$55.2 million while in fiscal year 2018, State grants (non-capital) remained constant at \$55.2 million.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Other Local Funding:

Other funding consists of approximately \$100,000 received from private firms

County Contributions:

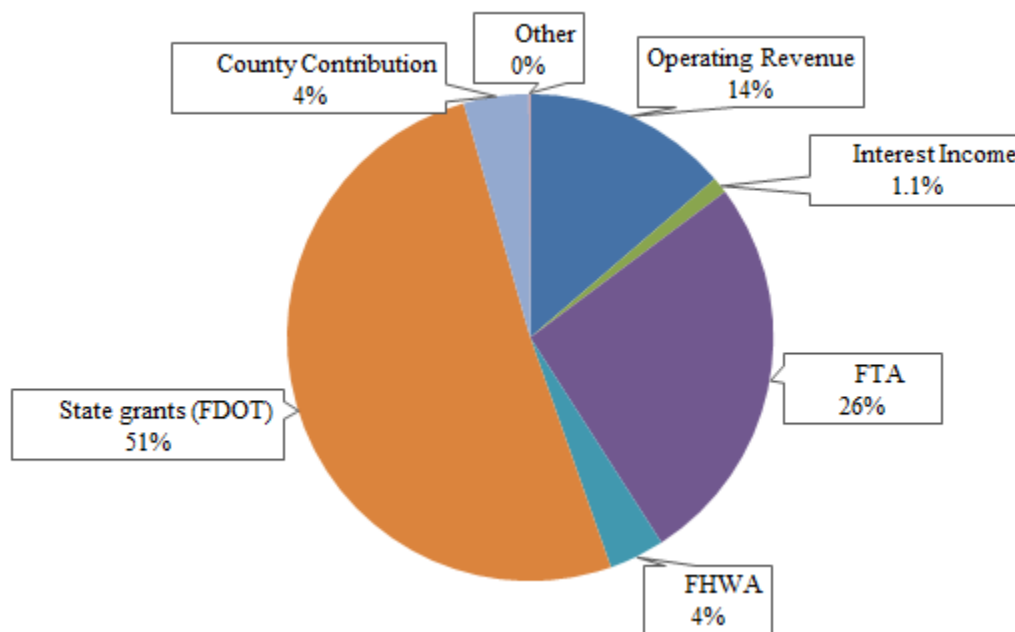
Broward, Palm Beach and Miami-Dade counties contributed approximately \$1.6 million each towards the SFRTA's operating budget in fiscal years 2019 and 2018.

The following is a summary of revenue for the past three fiscal years:

REVENUE SUMMARY

	2019 Total	Percent of Total	2018 Total	Percent of Total	2017 Total	Percent of Total
Revenue						
Operating Revenue	\$ 14,855,253	13.7%	\$ 13,790,701	13.0%	\$ 14,091,406	13.6%
Interest Income	1,169,826	1.1%	718,579	0.7%	433,412	0.4%
FTA	28,324,667	26.1%	27,228,037	25.7%	24,629,099	23.9%
FHWA	4,000,000	3.7%	4,000,000	3.8%	4,000,000	3.9%
State grants (FDOT)	55,224,942	51.0%	55,224,942	52.2%	55,224,939	53.5%
County Contribution	4,695,000	4.3%	4,695,000	4.4%	4,695,000	4.5%
Other	100,000	0.1%	121,199	0.1%	184,795	0.2%
Total Revenues	\$ 108,369,688	100.0%	\$ 105,778,458	100.0%	\$ 103,258,651	100.0%

REVENUE SOURCES FISCAL YEAR 2019



**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

SUMMARY OF EXPENSES

Operating expenses:

Total operating expenses for fiscal year 2019, including depreciation expense, were approximately \$149.3 million. This was an increase of approximately \$519,000 or 0.3% when compared to fiscal year 2018. Total operating expenses for fiscal year 2018, including depreciation expense, were approximately \$148.8 million. This was an increase of approximately \$4.6 million or 3.2% when compared to fiscal year 2017.

Operations:

In fiscal year 2019, total operations, which include train-operating costs, feeder service, train security, insurance costs, train fuel costs and train and station maintenance, increased by approximately \$3.8 million or 5.7%. The increase in total operations was due to the following increases: \$843,000 or 12.0% in train fuel, \$191,836 or 3.0% in feeder service; \$151,660 or 2.0% in security expense and an increase of approximately \$186,242 or 8.0% in insurance. This was offset with a decrease of \$682,571 or 3.4% in train operations. In fiscal year 2019, train and station maintenance increased by approximately \$3.0 million or 14.1% due to higher maintenance expenses related to the trains and stations. In fiscal year 2018, total operations which include train-operating costs, feeder service, train security, insurance costs, train fuel costs and train and station maintenance increased by approximately \$3.5 million or 5.4%

Planning:

Planning expenses include all planning related activities, including salaries and office expenses, planning consultants and planning studies. For fiscal year 2019, planning expenses decreased by approximately \$3.1 million or 38.8%. The decrease in planning expenses is primarily due to the \$2.8 million decrease in professional fees. For fiscal year 2018, planning expenses increased by approximately \$1.3 million or 16.6%. The increase was primarily due to the \$1.6 million increase in professional fees.

Engineering:

Engineering expenses in fiscal year 2019 decreased by approximately \$714,000, primarily due to a decrease in Maintenance of way (MOW) of approximately \$653,000 and a decrease to personnel costs of approximately \$66,000. Engineering expenses in fiscal year 2018 increased by approximately \$687,000, primarily due to an increase in Maintenance of way (MOW) of approximately \$625,000 and an increase to personnel costs of approximately \$63,000. .

Legal:

In fiscal year 2019, the legal department expenses were approximately \$838,000 a decrease of approximately \$100,000 or 0.1%, related to decreases in labor and fringe benefits, and professional fees. In fiscal year 2018, the legal department expenses were approximately

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
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\$938,000, an increase of approximately \$55,000 or 6.2%, related to increases in labor and fringe benefits, and professional fees.

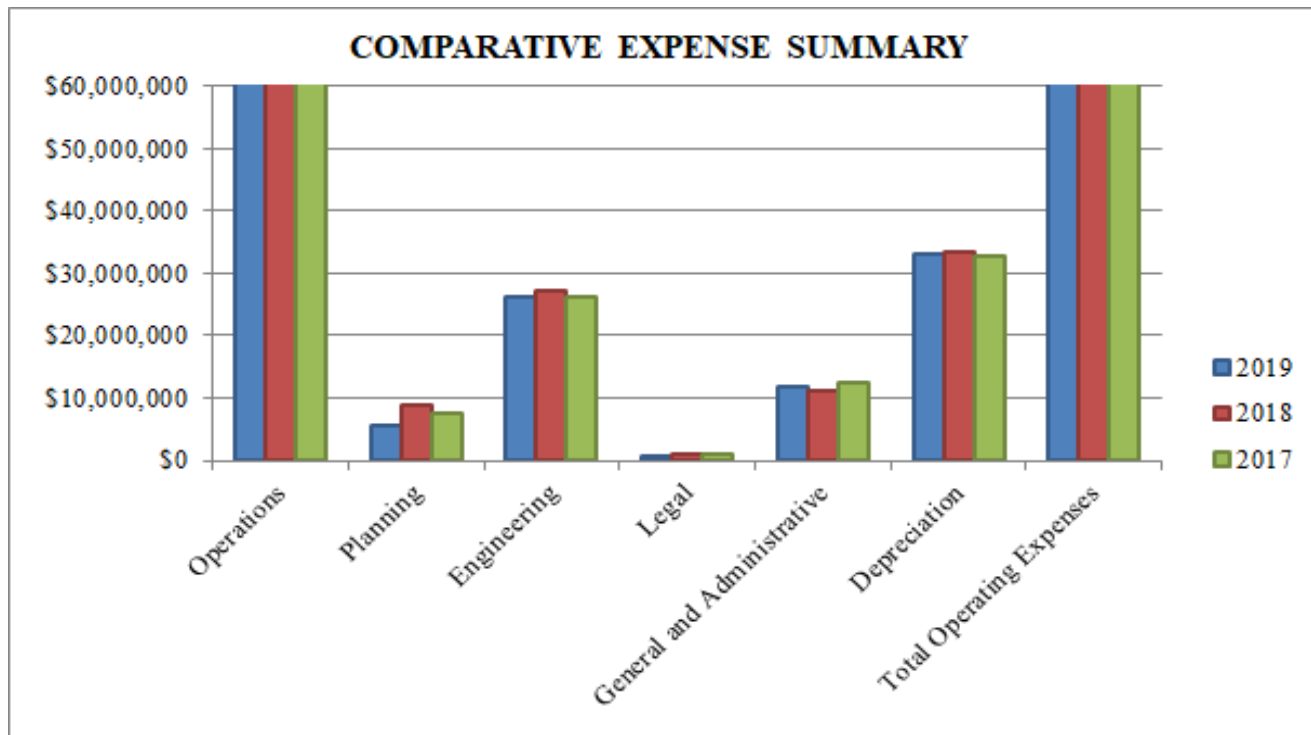
General and Administrative:

General and Administrative (G&A) expenses in fiscal year 2019 increased approximately \$895,000 or 8.1%. General and Administrative (G&A) expenses in fiscal year 2018 decreased approximately \$1.4 million or 11.3%

Below is a summary of operating expenses for the past three fiscal years:

EXPENSE SUMMARY

	2019	Percent of Total	2018	Percent of Total	2017	Percent of Total
Operations	\$ 70,932,973	47.5%	\$ 67,101,917	45.1%	\$ 63,642,613	44.2%
Planning	6,043,352	4.0%	9,335,384	6.3%	7,709,465	5.4%
Engineering	26,319,696	17.6%	27,034,009	18.2%	26,346,771	18.3%
Legal	837,643	0.6%	937,920	0.6%	883,411	0.6%
General and Administrative	11,934,025	8.0%	11,038,821	7.4%	12,451,712	8.7%
Depreciation	33,201,515	22.2%	33,302,330	22.4%	32,814,490	22.8%
Total Operating Expenses	<u>\$ 149,269,204</u>	100.0%	<u>\$ 148,750,381</u>	100.0%	<u>\$ 143,848,462</u>	100.0%



SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Summary of Operations

The SFRTA's fiscal year 2019 operating loss, including depreciation, was \$134.4 million. This is a \$546,000 decrease over fiscal year 2018's loss of \$135.0 million. The overall decrease in operating loss was mainly due to the \$3.8 million increase in operations, coupled with the decrease of approximately \$3.3 million in planning expenses.

The SFRTA's net position decreased by approximately \$457,000 in fiscal year 2019, a 0.1% decrease over \$639.0 million in fiscal year 2018. The decrease was due to the shortage of total capital contributions over the loss before capital contributions.

The SFRTA's fiscal year 2018 operating loss, including depreciation, was \$134.6 million. This is a \$4.9 million increase over fiscal year 2017's loss of \$129.8 million. The overall increase in operating loss was mainly due to the \$3.5 million increase in operations, coupled with the increase of approximately \$1.6 million in planning expenses.

The SFRTA's net position increased by approximately \$12.9 million in fiscal year 2018, a 2.1% increase over \$626.1 million in fiscal year 2017. The increase was due to the excess of total capital contributions over the loss before capital contributions.

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
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Presented below is a summary of changes in net position for the past three fiscal years:

**SUMMARY OF STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
OPERATING REVENUE:			
Total Operating Revenue	\$ 14,855,253	\$ 13,790,701	\$ 14,091,406
OPERATING EXPENSES:			
Operations	70,932,973	67,101,917	63,642,613
Planning	6,043,352	9,335,384	7,709,465
Engineering	26,319,696	27,034,009	26,346,771
Legal	837,643	937,920	883,411
General and Administration	11,934,025	11,038,821	12,451,712
Depreciation	33,201,515	33,302,330	32,814,490
Total Operating Expenses	149,269,204	148,750,381	143,848,462
Operating Loss	(134,413,951)	(134,959,680)	(129,757,056)
NON-OPERATING REVENUES (EXPENSES):			
Interest Income	1,169,826	718,579	433,412
Interest Expense	-	-	-
Federal Transit Administration	28,324,667	27,228,037	24,629,099
Federal Highway Administration	4,000,000	4,000,000	4,000,000
Florida Department of Transportation	55,224,942	55,224,942	55,224,939
Other Local Funding	100,000	121,199	184,795
Broward County	1,565,000	1,565,000	1,565,000
Miami-Dade County	1,565,000	1,565,000	1,565,000
Palm Beach County	1,565,000	1,565,000	1,565,000
Loss on Disposal	-	-	-
Total Non-Operating Revenues (Expenses)	93,514,435	91,987,757	89,167,245
Loss before capital contributions	(40,899,516)	(42,971,923)	(40,589,811)
CAPITAL CONTRIBUTIONS:			
Total capital contributions	40,442,472	56,306,649	46,585,587
Change in net position	(457,044)	12,885,977	5,995,776
Total net position - beginning	638,968,928	626,082,951	620,087,175
Total net position - ending	<u>\$ 638,511,884</u>	<u>\$ 638,968,928</u>	<u>\$ 626,082,951</u>

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MANAGEMENT'S DISCUSSION AND ANALYSIS
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III. CHANGES IN CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets:

Capital assets include land, parts and rail equipment, furniture, fixtures and office equipment furniture, double tracking, buildings, bridges, automobiles, other equipment, and construction in progress, and are recorded at historical cost.

Total net capital assets increased \$2.5 million or 0.4% in fiscal year 2019. The SFRTA added approximately \$35.7 million in Construction in Progress and transferred approximately \$506,000 out of Construction in Progress into the following assets: \$200,000 in Buildings related to the new operations center, \$100,000 related to Parts and equipment, \$206,000 related to Furniture's, Fixtures and Office Equipment. The SFRTA retired Furniture, fixtures and office equipment totaling approximately \$368,000 and \$1,596,000 in Other equipment. The Depreciation for fiscal year 2019 was approximately \$ 33.2 million. Accumulated depreciation as of June 30, 2019, was approximately \$444.2 million. For a detailed discussion of capital assets, see Note 3 in the Notes to the Financial Statements.

Presented below is a summary of the Capital Assets for the year ended June 30, 2019:

	Balance 7/1/18	Additions	Deletions/ Reclassifications	Balance 6/30/2019
Capital assets not being depreciated:				
Land	\$ 20,299,703	\$ -	\$ -	\$ 20,299,703
Construction in progress	187,257,646	35,684,286	(506,007)	222,435,925
Total capital assets not depreciated	207,557,349	35,684,286	(506,007)	242,735,628
Capital assets, being depreciated:				
Parts and equipment	168,618,565	99,764	-	168,718,329
Furniture, fixtures and office equipment	3,834,370	206,344	(368,076)	3,672,638
Double tracking	237,821,832	-	-	237,821,832
Buildings	169,958,491	199,899	(1,596,345)	168,562,045
Bridges	115,841,300	-	-	115,841,300
Automobiles	429,245	-	-	429,245
Other equipment	124,810,339	-	1,596,345	126,406,684
Total capital assets, being depreciated	821,314,142	506,007	(368,076)	821,452,073
Less accumulated depreciation for:				
Parts and equipment	61,281,783	7,333,170	-	68,614,953
Furniture and fixtures	3,507,704	207,077	(368,076)	3,346,705
Double tracking	108,133,674	7,950,689	-	116,084,363
Buildings	107,492,242	6,992,692	-	114,484,934
Bridge	29,852,899	2,557,115	-	32,410,014
Automobiles	333,393	43,538	-	376,931
Other equipment	100,792,746	8,117,234	-	108,909,980
Total accumulated depreciation	411,394,441	33,201,515	(368,076)	444,227,880
Capital assets being depreciated, net	409,919,701	(32,695,508)	-	377,224,193
Capital assets, net	\$ 617,477,050	\$ 2,988,778	\$ (506,007)	\$ 619,959,818

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

Long-Term Debt:

Long-term debt increased from \$48.6 million in fiscal year 2018 to \$58.5 million in fiscal year 2019. Long-term debt consists of approximately \$8.3 million in deposits, \$9.4 million in net pension liability, \$38.0 million in note payable, \$2.0 million in advances from FDOT and approximately \$806,000 in compensated absences.

For additional detailed information on long-term liabilities, see Note 7 in the Notes to the Financial Statements.

IV. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

On May 24, 2019, the Governing Board of the South Florida Regional Transportation Authority (SFRTA) approved an operating budget of \$122,958,758 and a capital budget of \$77,877,147 for fiscal year 2020. This is a balanced budget with revenues fully covering operating and capital expenses for the year.

The budget serves as a source of information for the SFRTA Governing Board, management and staff, passengers and other stakeholders. The programs and services funded by this budget help to attain the vision and accomplish the Authority's mission:

To coordinate, develop and implement, in cooperation with all appropriate levels of government, private enterprise and citizens-at-large in the community, a viable regional transportation system in South Florida that endeavors to meet the desires and needs for the movement of people, goods and services."

The operating budget includes \$27,021,475 in Federal Transit Administration (FTA) funds for the maintenance of SFRTA's rail fleet and train stations. In addition, the operating budget includes \$55.2 million in annual funding from FDOT for operating assistance, maintenance and dispatch along the South Florida Regional Corridor.

In fiscal year 2019 job growth in South Florida was driven by gains in construction, education, healthcare and professional services. Hospitality grew a 6.5 percent while retail and trade grew at nominal rate of 2.9 percent increase, all categories powering South Florida's service economy.

Fiscal year 2019 showed an increase in overall ridership of 3.25%. The Weekend ridership has also increased from 683,403 in 2018 to 695,588 in 2019. We continue to operate 50 trains a day on weekdays. SFRTA fares and rates will remain constant for FY 2019.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

Requests for Information

This financial report is designed to provide a general overview of the SFRTA's finances for all those with an interest in the authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Diane Hernandez Del Calvo Deputy Executive Director of Administration/EEO Officer, South Florida Regional Transportation Authority, 801 NW 33rd Street, Pompano Beach, Florida 33064.

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
STATEMENTS OF NET POSITION
JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 59,360,788	\$ 46,766,023
Accounts receivable:		
State grants	7,261,038	14,344,208
Federal grants	8,031,863	25,877,693
Miami Dade County	1,057,791	1,410,774
Other	22,197,823	20,820,230
Prepaid Expenses	1,042,278	1,091,442
Total current assets	<u>98,951,581</u>	<u>110,310,370</u>
Noncurrent assets:		
Capital assets (net of accumulated depreciation)	<u>619,959,818</u>	<u>617,477,050</u>
Total noncurrent assets	<u>619,959,818</u>	<u>617,477,050</u>
Total assets	<u><u>\$ 718,911,399</u></u>	<u><u>\$ 727,787,420</u></u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	<u><u>\$ 4,663,427</u></u>	<u><u>\$ 5,166,945</u></u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 11,478,438	\$ 28,065,976
Accruals	6,231,193	8,819,548
Compensated absences	537,296	461,278
Unearned revenue	2,449,736	2,081,971
Due to other governmental units	160,379	128,123
Notes Payable	4,463,095	5,190,111
Total current liabilities	<u>25,320,137</u>	<u>44,747,007</u>
Noncurrent liabilities:		
Compensated absences	805,943	691,916
Deposits	8,322,045	808,765
Advances from FDOT	2,000,000	2,000,000
Net pension liability	9,429,098	9,774,459
Notes payable	37,955,049	35,318,679
Total noncurrent liabilities	<u>58,512,135</u>	<u>48,593,819</u>
Total liabilities	<u><u>\$ 83,832,272</u></u>	<u><u>\$ 93,340,826</u></u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	<u><u>\$ 1,230,671</u></u>	<u><u>\$ 644,611</u></u>
NET POSITION		
Net Investment in Capital Assets	\$ 595,631,553	\$ 591,656,741
Restricted for:		
Capital projects	16,177,751	18,706,314
Unrestricted	26,702,579	28,605,873
Total net position	<u><u>\$ 638,511,883</u></u>	<u><u>\$ 638,968,928</u></u>

The accompanying notes are an integral part of the financial statements.

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
JUNE 30, 2019 AND 2018

	2019	2018
OPERATING REVENUE		
Passenger fares	\$ 13,213,219	\$ 13,144,962
Other service	1,642,034	645,739
Total operating revenue	<u>14,855,253</u>	<u>13,790,701</u>
OPERATING EXPENSES		
Operations	70,932,973	67,101,917
Planning	6,043,352	9,335,384
Engineering	26,319,696	27,034,009
Legal	837,643	937,920
General and administration	11,934,025	11,038,821
Depreciation	33,201,515	33,302,330
Total operating expenses	<u>149,269,204</u>	<u>148,750,381</u>
Operating loss	<u>(134,413,951)</u>	<u>(134,959,680)</u>
NON-OPERATING REVENUE (EXPENSES)		
Interest income	1,169,826	718,579
Federal Transit Administration	28,324,667	27,228,037
Federal Highway Administration	4,000,000	4,000,000
Florida Department of Transportation	55,224,942	55,224,942
Other local funding	100,000	121,199
Broward County	1,565,000	1,565,000
Miami-Dade County	1,565,000	1,565,000
Palm Beach County	1,565,000	1,565,000
Loss on disposal	-	(448,749)
Total non-operating revenue (expenses)	<u>93,514,435</u>	<u>91,539,008</u>
Loss before contributed capital	<u>(40,899,516)</u>	<u>(43,420,672)</u>
CAPITAL CONTRIBUTIONS		
Capital contributions - Federal Transit Administration	21,380,861	20,378,976
Capital contributions - Florida DOT	5,124,850	14,116,177
Capital contributions - City of Fort Lauderdale	-	457,437
Capital contributions - Other	13,936,760	21,354,059
Total capital contributions	<u>40,442,471</u>	<u>56,306,649</u>
Change in net position	(457,045)	12,885,977
Total net position - beginning	638,968,928	626,082,951
Total net position - ending	<u><u>\$ 638,511,883</u></u>	<u><u>\$ 638,968,928</u></u>

The accompanying notes are an integral part of the financial statements.

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
STATEMENTS OF CASH FLOWS
JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 12,557,590	\$ 11,202,022
Payments to suppliers	(108,681,555)	(119,558,476)
Payments to employees	(11,542,223)	(12,346,729)
Other receipts	1,642,034	645,739
Net cash used in operating activities	<u>(106,024,154)</u>	<u>(120,057,444)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Florida Department of Transportation Subsidy	59,750,350	51,824,773
Federal Transit Administration Subsidy	37,680,677	34,601,971
Counties Subsidy	4,795,000	4,816,199
Net cash provided by noncapital financing activities	<u>102,226,027</u>	<u>91,242,943</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Contributions from FDOT	7,682,611	10,710,484
Contributions from FTA	33,870,679	31,804,952
Contributions from City of Fort Lauderdale	21,448,826	4,222,771
Debt proceeds	6,738,892	36,288,588
Loan payable	(4,829,537)	(4,848,730)
Interest paid	(421,916)	(345,421)
Contributions - Other	-	8,010,000
Acquisition of Capital Assets	(49,266,489)	(59,425,260)
Net cash provided by capital and related financing activities	<u>15,223,066</u>	<u>26,417,384</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Income	1,169,826	718,579
Net cash provided by investing activities	<u>1,169,826</u>	<u>718,579</u>
Net increase in cash and cash equivalents	12,594,765	(1,678,538)
Balances - beginning of the year	46,766,023	48,444,561
Balances - end of the year	<u>\$ 59,360,788</u>	<u>\$ 46,766,023</u>
 Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	(134,413,951)	(134,959,680)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	33,201,515	33,302,330
Changes in Assets and Liabilities		
Other receivables	(1,024,609)	(2,104,158)
Prepaid	49,165	(1,111,306)
Deposits	1,215	(1,365)
Accounts payable	(5,117,086)	(15,299,695)
Unearned revenue	367,765	161,218
Accrued expenses (salaries)	879,577	(41,525)
Due to other governmental units	32,255	(3,263)
Net cash used in operating activities	<u>\$ (106,024,154)</u>	<u>\$ (120,057,444)</u>

The accompanying notes are an integral part of these financial statements.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

Note 1 – Summary of Significant Accounting Policies

In January 1989, Tri-Rail was established to provide interim commuter rail service along a 67-mile corridor between the West Palm Beach Station in Palm Beach County and the Hialeah Market Station in Miami Dade County. In 1988, the Florida Department of Transportation (FDOT) purchased the South Florida Rail Corridor (SFRC) from CSX Transportation (CSXT), Inc. and between 1997 and 1998, Tri-Rail service was extended to the Mangonia Park Station in Palm Beach County and to the Miami Airport Station in Miami-Dade County.

In 2003, the SFRTA, a tri-county public transit authority, was created by the Florida Legislature transforming Tri-Rail into the SFRTA. The purpose for creating the SFRTA was to expand cooperation between Tri-Rail commuter rail services and county transit operators and planning agencies within Miami-Dade, Broward, and Palm Beach counties. This vision was to coordinate, develop and implement a viable transportation system in South Florida that improves the quality of life and promotes sustainable growth for future generations.

The SFRTA service area is defined by statute as Miami-Dade, Broward, and Palm Beach counties. However, this area may be expanded to include Monroe County by mutual consent of the SFRTA and the Board of County Commissioners representing the proposed expansion area. Expanding the SFRTA service area outside of these four counties requires Florida Department of Transportation (FDOT) approval.

The Governing Board consists of ten members: One County Commissioner from each county (three appointments); one citizen appointee from each county commission (three appointments); a FDOT - District Secretary (one appointment); and one citizen appointee from each county appointed by the Governor (three appointments). The Governing Board elects an Executive Director to oversee the daily operations of the SFRTA. The SFRTA is included as a component unit of FDOT, and designated as an enterprise fund of FDOT. FDOT includes the SFRTA as a component unit based on the special financing relationship that exists between the SFRTA and FDOT.

In June 2004, the Governor signed legislation guaranteeing that, on an annual basis, the three counties would each provide, at a minimum, approximately \$1.6 million in operating funds and approximately \$2.67 million for future capital projects to the SFRTA.

Subsequent to SFRTA assuming responsibility for maintaining and dispatching the South Florida Regional Corridor (SFRC) on March 29, 2015, Section 343.58(4)(a)2, Florida Statutes, changes the State Transportation Trust Fund (STTF) annual funding requirement for Tri-Rail. FDOT must now annually transfer \$15 million from the STTF to SFRTA for operations, maintenance, and dispatch and an additional amount of no less than \$27.1 million for operating assistance (\$42.1 million total annual funding).

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

Note 1 – Summary of Significant Accounting Policies (Continued)

Funding is also provided for the annual maintenance of the SFRC based on agreed amounts outlined in an Amended Operating Agreement between FDOT and SFRTA. Per the agreement, FDOT has committed funds of \$25.7 million through fiscal years 2015-2021 (years 1-7) and SFRTA has committed to providing funds of \$1.9 million. For fiscal years 2022-2024 (years 8-10), FDOT has committed funds of \$24.7 million and SFRTA has committed funds of \$2.1 million.

The South Florida urbanized area encompasses the southeastern part of the State of Florida and covers the counties of Miami-Dade, Broward and Palm Beach, which are the three most populous counties in Florida. The term "South Florida" is roughly synonymous with the Gold Coast. In 2010, the population of South Florida was estimated at 5,564,635 by the US Census Bureau making it the eighth largest urbanized area in the United States behind New York, Los Angeles, Chicago, Dallas, Philadelphia, Houston and Washington, D.C. The South Florida area is locally served by the SFRTA, Broward County Transit (BCT), Palm Tran (Palm Beach County) and Miami-Dade Transit (MDT).

The SFRTA, which operates Tri-Rail, provides commuter rail service within the tri-county area, operating 50 weekday trains, 30 Saturday trains and 30 Sunday trains along a 72-mile stretch of commuter rail. The SFRTA operates Tri-Rail commuter rail service in Miami-Dade, Broward and Palm Beach counties. The rail line goes as far south as Miami International Airport and as far north as Mangonia Park in Palm Beach County. There are currently 18 Tri-Rail stations open for service; 6 in Palm Beach County (Mangonia Park, West Palm Beach, Lake Worth, Boynton Beach, Delray Beach and Boca Raton), 7 in Broward County (Deerfield Beach, Pompano Beach, Cypress Creek, Fort Lauderdale, FLL Airport at Dania Beach, Sheridan Street and Hollywood) and 5 in Miami-Dade County (Golden Glades, Opa-locka, Metrorail Transfer, Hialeah Market and Miami Intermodal Center). SFRTA also operates a free shuttle bus program to and from select Tri-Rail stations, providing connecting service for Tri-Rail riders to numerous destinations in South Florida.

A. Operating revenue, operating subsidies, and expenses defined:

The SFRTA defines operating revenue and operating expenses as those revenue and expenses that can be directly attributable to the daily operations of its trains. Operating revenue consists of fares and other services. Fares are revenue collected from passengers, resulting from ticket sales. Other services consist of revenue generated at train stations, such as vending machine revenue.

Operating expenses are those expenses, which are necessary for the daily operations of the trains and include train-operating costs, engineering costs, planning costs, legal costs, general and

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

Note 1 – Summary of Significant Accounting Policies (Continued)

administrative costs and depreciation. Depreciation is a non-funded expense. Per GASB 34, the SFRTA classifies operating subsidies as non-operating revenue.

B. Reporting Entity:

The SFRTA is a legally separate component unit of FDOT based upon criteria set forth by Governmental Accounting Standards Board (GASB) Statement 14, “The Financial Reporting Entity” and Statement 61 “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and 34”. For organizations that were previously required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would have to be present between the primary government and that organization for it to be included in the reporting entity as a component unit.

FDOT includes the SFRTA as a component unit based on the special financing relationship and financial burden relationship that exist between the SFRTA and FDOT.

C. Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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, and the differences could be material.

D. Measurement Focus:

All enterprise fund statements of Net Position, and Revenue, Expenses and Changes in Net Position are presented using the economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities are recorded on the balance sheet. The determination of net loss is measured by the matching of revenue earned with expenses incurred.

E. Basis of Accounting:

The SFRTA operates as an enterprise fund and adheres to the accounting standards as set forth by the Governmental Accounting Standards Board (GASB), including GASB Statements Nos. 33 and 34. The accompanying financial statements have been prepared using the accrual basis of accounting. Accordingly, revenue is recognized in the period in which it is earned and becomes measurable, and expenses are recognized in the period in which they are incurred.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

Note 1 – Summary of Significant Accounting Policies (Continued)

The United States Government and the State of Florida make capital grant funds available to the SFRTA to fund the purchase of certain assets or the construction of various projects. Pursuant to GASB Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions, capital contributions, including governmental grants, are required to be reported in the Statement of Revenue, Expenses and Changes in Net Position as a separate line item after non-operating revenue and expenses, rather than as direct additions to contributed capital, as under previous standards.

F. Budgets:

The SFRTA's Governing Board adopts the SFRTA's budget on an annual basis. The Governing Board must approve any required revisions that result in an increase to total expenses.

Budget amendments are recommended by the Executive Director and are presented to the Governing Board for approval. During the year, budget amendments have resulted in the utilization of contingency appropriations and transfers between budget line items.

Budgetary control is established by function: Operations, Train & Station Maintenance, Personnel Expenses, General & Administrative Expenses, Corporate and Community Outreach, Professional Fees, Legal, Contingency and Expenses transferred from/to Capital. Expenses cannot legally exceed the appropriated amount.

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

	FY 2018-19 ORIGINAL BUDGET	FY 2019-18 BUDGET AMENDMENTS	FY 2018-19 AMENDED BUDGET	FY 2018-19 ACTUAL REVENUE	FY 2018-19 VARIANCE OVER (UNDER)	FY 2018-19 PERCENT VARIANCE
REVENUE						
Operating Revenue	\$ 14,376,830	\$ -	\$ 14,376,830	\$ 16,025,079	\$ 1,648,249	11%
Federal Transit Administration	22,784,726	-	22,784,726	28,324,667	5,539,941	24%
Federal Highway Administration	4,000,000	-	4,000,000	4,000,000	-	0%
Fl. Dept. of Transportation	55,224,940	-	55,224,940	55,224,942	2	0%
Counties' Contribution	4,695,000	-	4,695,000	4,695,000	-	0%
Other Revenue	18,591,272	149,034	18,740,306	100,000	(18,640,306)	-99%
Revenue	119,672,768	149,034	119,821,802	108,369,688	(11,452,114)	-10%
Federal Transit Administration Capital Contributions transferred to Operating *	5,413,789	-	5,413,789	5,413,789	-	0%
Total Revenue	\$ 125,086,557	\$ 149,034	\$ 125,235,591	\$ 113,783,477	\$ (11,452,114)	-9%

	FY 2018-19 ORIGINAL BUDGET	FY 2018-19 BUDGET AMENDMENTS	FY 2018-19 AMENDED BUDGET	FY 2018-19 ACTUAL EXPENSES	FY 2018-19 VARIANCE OVER (UNDER)	FY 2018-19 PERCENT VARIANCE
EXPENSES						
Operations	\$ 81,966,527	\$ -	81,966,527	68,523,016	\$ (13,443,511)	-16%
Train & Station Maintenance	22,784,726	149,034	22,933,760	24,978,960	2,045,200	9%
Personnel Expenses	12,422,142	-	12,422,142	12,167,771	(254,371)	-2%
General & Administrative	1,732,875	-	1,732,875	4,044,559	2,311,684	133%
Corporate & Community Outreach	602,900	-	602,900	471,294	(131,606)	-22%
Professional Fees	709,900	-	709,900	494,109	(215,791)	-30%
Legal	903,698	-	903,698	837,643	(66,055)	-7%
Contingency	-	-	-	-	-	0%
Expenses Transferred to Capital **	(1,450,000)	-	(1,450,000)	(863,452)	586,548	-40%
Expense	119,672,768	149,034	119,821,802	110,653,900	(9,167,902)	-8%
Expenses Transferred from Capital ***	5,413,789	-	5,413,789	5,413,789	-	0%
Total Expenses	\$ 125,086,557	\$ 149,034	\$ 125,235,591	\$ 116,067,689	\$ (9,167,902)	-7%

* Federal Transit Administration capital contributions transferred to operating represent budgeted capital contributions used to fund planning operating expenses.

** Expenses transferred to capital represent the direct allocation of personnel expenses to capital projects

*** Expenses transferred from capital represent budgeted planning capital expenses transferred to operating expenses.

G. Cash and Cash Equivalents:

Cash and cash equivalents consist of demand deposits with banks and investments with the State Board of Administration with original maturities at the time of purchase of three months or less.

H. Receivables:

Accounts receivable includes all receivables due to the SFRTA from individuals, organizations, or intergovernmental grants. Intergovernmental grant receivables are adjusted to reflect actual operating assistance receivable at June 30, 2019. Pursuant to the accrual basis of accounting, any unbilled receivables are accrued at year-end.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

Note 1 – Summary of Significant Accounting Policies (Continued)

I. Capitalizing Assets:

Capital assets, recorded at historical cost, include land, rail track, equipment, buildings, furniture, fixtures and equipment, repairable parts, automobiles and construction in progress. Donated capital assets are recorded at acquisition value at the date of donation. The criteria for capitalizing an asset are that the asset has a useful life greater than one year and an acquisition cost equal to, or greater than, \$1,000.

Expenses for maintenance and repairs, which add to the value or life of an asset, are capitalized. Other maintenance and repair expenses that do not extend the life of the asset are expensed as incurred.

Depreciation and amortization are determined based on the estimated useful lives of the assets using the straight-line method. All depreciation and amortization calculated on assets purchased with grant funds are transferred to reduce contributions.

Presented below are the estimated useful lives of recorded capital assets:

	ESTIMATED USEFUL LIFE
Equipment:	
Rail Track	30 years
Rolling Stock	25 years
Ticket Vending Machines	15 years
Buildings:	
Stations	15 years
Hialeah Yard	5 years
Leasehold Improvements	15 years
Furniture, Fixtures and Office Equipment	5 years
Bridges	45 years
Repairable Parts	5 years
Automobiles	5 years
Other Capital Assets	5 years
Computer /Equipment/Software	3 years

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

J. Construction in Progress:

Construction in progress represents the continued investment in capital improvement projects, which are in various stages of completion. Major improvements or projects currently in progress, of approximately \$222.3 million, include Rolling Stock of approximately \$16.9 million, Station Improvements projects of approximately \$33.6 million; \$65.5 million for the All Aboard Downtown Miami Station and other projects at approximately \$106.3 million.

K. Compensated Absences:

The SFRTA grants vacation time to employees based on length of service. Accrued vacation time is a vested right of employees and is paid when used or upon termination of employment. In fiscal year 2019, SFRTA accrued liability was \$782,331 in vacation time based on salary rates. In fiscal year 2018, SFRTA accrued liability was \$644,726

Employees are compensated for sick leave at the rate of 12 days per year. Compensation for sick leave is expensed as incurred. In fiscal year 2009, the SFRTA revised its sick leave policy, which is, under certain circumstances, a vested right upon termination. After 5 years of service, an employee who has accumulated 80 hours or 10 days of sick time will be eligible, upon leaving employment, to receive 50% of their accumulated sick hours over and above the first 80 hours. This percent will increase each year by 2% until it reaches 100%. The maximum amount of payout will be 960 hours or 120 days; however, employees can accumulate up to 2080 hours or 260 days of sick time. SFRTA accrued liability in fiscal year 2019 was \$560,908. SFRTA accrued liability for 2018 was \$508,468 which includes FICA and Medicare.

The statement of net position for June 30, 2019 includes a liability for accumulated vacation and sick pay of \$1.3 million. Of this amount, an estimated \$537,296 is payable within a year and the remaining balance of \$805,943 is long term.

L. Unearned Revenue:

The SFRTA reports unearned revenue on its balance sheet. Unearned revenue arise when resources are received by the SFRTA before it has a legal claim to them, or when revenue is received prior to meeting the revenue recognition criteria, as when monthly train tickets are sold in the month prior to them being used. In subsequent periods, when both revenue recognition criteria are met, or when the SFRTA has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

Note 1 – Summary of Significant Accounting Policies (Continued)

M. Pension:

Employers participating in the FRS Pension Plan and HIS Program are required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with GASB 68. The Schedules of Employer Allocations and Schedules of Pension Amounts by Employer (pension allocation schedules) and notes to the schedules, along with the system's CAFR, provide employers with the required information for reporting. The underlying financial information used to prepare the pension allocation schedules is based on the system's records. The financial statements for the defined benefit plans are prepared using the flow of economic resources measurement focus and the accrual basis of accounting and are prepared in accordance with accounting principles generally accepted in the United States.

N. New Accounting Pronouncements:

During fiscal year 2018, the SFRTA implemented GASB Statement No. 82, "Pension Issues - An Amendment of GASB Statements No. 67, No. 68 and No.73". This Statement addresses issues regarding the presentation of payroll-related measures in required supplementary information, the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes and the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements for the selection of assumptions will take effect in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

During fiscal year 2018, the SFRTA implemented GASB Statement No. 83, "Certain Asset Retirement Obligations". This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for Asset Retirement Obligations (ARO). This statement also requires disclosure information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets. This statement did not have an impact on the SFRTA's financial statements, including required disclosures.

During fiscal year 2018, the SFRTA implemented GASB Statement No. 85, "Omnibus 2017". This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). This statement will enhance consistency in the application of accounting and financial reporting requirements. This statement did not have an impact on the SFRTA's financial statements, including required disclosures.

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During fiscal year 2018, the SFRTA implemented GASB Statement No. 86, "Certain Debt Extinguishment Issues". The primary objective of this Statement is to improve accounting and financial reporting for debt extinguishments by establishing uniform guidance for derecognizing debt that is defeased in substance, regardless of how cash and other monetary assets placed in an irrevocable trust for the purpose of extinguishing that debt were acquired. Additionally, this statement will enhance the decision-usefulness of information in notes to financial statement regarding debt that has been defeased in substance.

O. Reclassifications:

Certain reclassifications have been made to the 2018 financial statements to conform to the 2019 presentation. These reclassifications had no effect on previously reported net position or changes in net position.

Note 2 – Cash and Cash Equivalents

A. Deposits

All cash deposits are held in qualified public depositories pursuant to State of Florida Statutes Chapter 280, "Florida Security for Public Deposits Act." Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to, or greater than, the average daily or monthly balance of all public deposits times the depositories' collateral pledge level. The pledging level may range from 50% to 125% depending upon the depositories' financial condition and establishment period. All collateral must be deposited with an approved financial institution.

Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. For this reason, all deposits are considered insured.

B. Investments:

Chapter 218.415 of the Florida Statutes governs the SFRTA's investment practices, "Special Districts Investments." The SFRTA is authorized to invest in:

- (1) The Local Government Surplus Funds Trust Fund
- (2) Negotiable direct obligations of, or obligations by which the principal and interest are unconditionally guaranteed by the United States government at the prevailing market price for such securities
- (3) Interest-bearing time deposits
- (4) Saving accounts in banks organized under the laws of this state and/or federal law

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
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Note 2 – Cash and Cash Equivalents (Continued)

During fiscal year ended June 30, 2019, the SFRTA held all investments in the Local Government Surplus Funds Trust Fund. The Local Government Surplus Funds Trust Fund is composed of local government surplus funds deposited by local governments and administered by the State Board of Administration (SBA). The SFRTA invested the Counties' Contributions as well as most of its excess operating monies in the Florida SBA Investment Pool. On December 6, 2007, the SBA restructured its Pool into Pool A and B, which have different asset types and different withdrawal restrictions applicable to them. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Florida Prime and Fund B Surplus Funds Trust Fund. As of June 30, 2019, the SFRTA had approximately \$58.3 million in Florida Prime. There were no monies in the Fund B Surplus Funds Trust Fund as of June 30, 2019. Additional information can be obtained from the State Board of Administration. Under Florida Statutes 215.47, investment in the pool is not evidenced by securities; therefore, the investment is not categorized by level of credit risk and the fair value of our external investment is the same as the value of the pool shares. In addition, the Florida Prime is rated by Standard and Poor's. The current rating is AAAm. The Florida Prime weighted average days to maturity (WAM) at June 30, 2019, were 30 days.

GASB Statement No. 40, Deposit and Investment Risk Disclosures requires that state and local governments communicate key information about common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk and foreign currency risk. It requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates. The SFRTA does not believe GASB No. 40 has a material impact on its financial statement because all its investments are held by the Local Government Surplus Funds Trust Fund.

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NOTES TO FINANCIAL STATEMENTS
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Note 3 – Capital Assets

Depreciation for fiscal year 2019 was approximately \$33.2 million. Depreciation for fiscal year 2018 was approximately \$33.3 million. Accumulated depreciation as of June 30, 2019 was approximately \$444.2 million.

	Balance 7/1/18	Additions	Deletions/ Reclassifications	Balance 6/30/2019
Capital assets not being depreciated:				
Land	\$ 20,299,703	\$ -	\$ -	\$ 20,299,703
Construction in progress	187,257,646	35,684,286	(506,007)	222,435,925
Total capital assets not depreciated	207,557,349	35,684,286	(506,007)	242,735,628
Capital assets, being depreciated:				
Parts and equipment	168,618,565	99,764	-	168,718,329
Furniture, fixtures and office equipment	3,834,370	206,344	(368,076)	3,672,638
Double tracking	237,821,832	-	-	237,821,832
Buildings	169,958,491	199,899	(1,596,345)	168,562,045
Bridges	115,841,300	-	-	115,841,300
Automobiles	429,245	-	-	429,245
Other equipment	124,810,339	-	1,596,345	126,406,684
Total capital assets, being depreciated	821,314,142	506,007	(368,076)	821,452,073
Less accumulated depreciation for:				
Parts and equipment	61,281,783	7,333,170	-	68,614,953
Furniture and fixtures	3,507,704	207,077	(368,076)	3,346,705
Double tracking	108,133,674	7,950,689	-	116,084,363
Buildings	107,492,242	6,992,692	-	114,484,934
Bridge	29,852,899	2,557,115	-	32,410,014
Automobiles	333,393	43,538	-	376,931
Other equipment	100,792,746	8,117,234	-	108,909,980
Total accumulated depreciation	411,394,441	33,201,515	(368,076)	444,227,880
Capital assets being depreciated, net	409,919,701	(32,695,508)	-	377,224,193
Capital assets, net	\$ 617,477,050	\$ 2,988,778	\$ (506,007)	\$ 619,959,818

Note 4 – Unearned Revenue

Unearned revenue for fiscal year 2019 consists of a \$37,525 in ticket sales collected in June 2019 for train service to be provided in July 2019; and approximately \$2.4 million related to stored value, which will be recognized as revenue when used.

Note 5 – Deposits

The SFRTA's liability for deposits consists of \$8.2 million from the City of Fort Lauderdale for "The Wave" Project. The current balance increased by approximately \$7.5 million from the prior year. The project was transferred to Florida Department of Transportation (FDOT) in FY 2018.

Note 6 – Advances from FDOT

Advances from FDOT represent \$2 million received when the SFRTA commenced operations and is to be repaid to FDOT when and if the SFRTA ceases operations.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
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Note 7 –Long Term Debt

Changes in Long-Term Liabilities:

Long-term liabilities balances and activity for the year ended June 30, 2019 were as follows:

	Beginning Balance 07/1/2018	Additions	Reductions	Ending Balance 06/30/2019	Amounts Due within One Year
Bonds and notes payable:					
FECI EC Holding Company, LLC	\$ 14,688,481	\$ 3,401,398	\$ -	\$ 18,089,879	\$ -
State Infrastructure Bank Loan	15,698,115	61,341	(3,341,625)	12,417,831	2,924,024
Bank United Note, Series 2016	10,122,194	3,276,153	(1,487,912)	11,910,435	1,539,071
Total bonds and notes payable	<u>\$ 40,508,790</u>	<u>\$ 6,738,892</u>	<u>\$ (4,829,537)</u>	<u>\$ 42,418,145</u>	<u>\$ 4,463,095</u>
Other Liabilities:					
Compensated absences	\$ 1,153,194	\$ 972,977	\$ (782,932)	\$ 1,343,239	\$ 537,296
Net Pension liability	9,774,459	4,207,044	(4,552,405)	9,429,098	-
Deposits	808,765	7,513,280	-	8,322,045	-
Advances from FDOT	2,000,000	-	-	2,000,000	-
Total other liabilities	<u>\$ 13,736,418</u>	<u>\$ 12,693,301</u>	<u>\$ (5,335,337)</u>	<u>\$ 21,094,382</u>	<u>\$ 537,296</u>
Business-type activities long-term liabilities	<u>\$ 54,245,208</u>	<u>\$ 19,432,193</u>	<u>\$ (10,164,874)</u>	<u>\$ 63,512,527</u>	<u>\$ 5,000,391</u>

State Infrastructure Bank Loan

On July 29, 2015, a State Infrastructure Bank Loan Agreement in the amount of \$19.3 million was entered into between the State of Florida, Department of Transportation (FDOT), and the South Florida Regional Transportation Authority (“Borrower”). The loan was obtained for the New SFRTA Operations Center. The loan is for five (5) years and bears an interest rate of 1.55% per annum, compounded annually and require payment each October 1st.

The following table details the future debt service schedule for loan:

Fiscal year ending June 30,	Principal	Interest	Total
2020	\$ 2,924,024	\$ 273,243	\$ 3,197,267
2021	3,137,959	203,666	3,341,625
2022	3,186,597	155,028	3,341,625
2023	3,169,251	49,123	3,218,374
	<u>\$ 12,417,831</u>	<u>\$ 681,060</u>	<u>\$ 13,098,891</u>

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Note 7 –Long Term Debt (Continued)

FECI EC Holding Company Loan

On August 8, 2016, a Loan and Security Agreement in the amount of \$48,630,000 was entered into between FECI EC Holding Company, LLC (“ AAF Lender”) , and the South Florida Regional Transportation Authority (“Borrower”). In order to fund the total Cost of Tri-Rail Station Improvements, on an interim basis prior to receipt by SFRTA of the necessary Funds from the Local Agencies, SFRTA has requested AAF Lender to make available to SFRTA a line of credit. Interest on the line of credit is payable one year after completion of the project at an annual rate of 9.65%. As of June 30, 2019, the \$18.0 million balance represents the total amount funded by SFRTA on behalf of the Local Agency.

The following table details the future debt service schedule for the loan:

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ -	\$ -	\$ -
2021	18,089,879	1,745,673	19,835,552
	<u>\$ 18,089,879</u>	<u>\$ 1,745,673</u>	<u>\$ 19,835,552</u>

Bank United Note, Series 2016

On December 9, 2016, a Note and Security Agreement in the amount of \$22,000,000 was entered between BankUnited, N.A., and the South Florida Regional Transportation Authority (“Borrower”). In order to fund the Tri-Rail Downtown Miami Link Service the loan was obtain to fund trackage improvements of 8.5 miles of corridor, access/easement fees and positive train control (PTC) equipment on its rolling track. The applicable rate for the note on the original issuance of the note and ending on March 31, 2018 bears a fixed rate of interest equal to 2.25% per annum. Commencing on April 1, 2019 and ending on January 1, 2023 the note will bear a fixed rate of interest equal to 3.25% per annum. Payments are due January 1, April 1, July 1 and October 1 of each year.

The following table details the future debt service schedule for the note:

<u>Fiscal year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,539,071	\$ 309,415	\$ 1,848,486
2020	1,588,766	259,720	1,848,486
2021	1,641,035	207,451	1,848,486
2022	1,695,022	153,464	1,848,486
2023	5,446,541	55,934	5,502,475
	<u>\$ 11,910,435</u>	<u>\$ 985,984</u>	<u>\$ 12,896,419</u>

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Note 8 – Retirement Plan

General Information about the Pension Plan

SFRTA employees are provided with pensions through the Florida Retirement System (FRS) Pension Plan a cost-sharing, multiple-employer qualified defined pension plan. In addition, SFRTA employees participate in the Retiree Health Insurance Subsidy (HIS) Program a cost-sharing, multiple-employer defined benefit pension plan. The Florida Department of Management Services, Division of Retirement (division), is part of the primary government of the state of Florida and is responsible for administering the Florida Retirement System Pension Plan and Other State-Administered Systems (system). For the fiscal year ended June 30, 2015, the division administered two defined benefit plans, two defined contribution plans, a supplemental funding of defined benefit plans for municipal police officers and firefighters, and various general revenue funded pension programs. Beginning with the fiscal year ended June 30, 2015, the division issued a publicly available, audited comprehensive annual financial report (CAFR) on behalf of the system that includes financial statements, notes and required supplementary information for each of the pension plans. Detailed information about the plans is provided in the CAFR, which is available online, or by contacting the division.

Plan Description

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer qualified defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state community college, or district school board, unless restricted from FRS membership under sections 121.053 and 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare. Over 1,000 participating employers are served

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Note 8 – Retirement Plan (Continued)

by the two defined benefit plans. SFRTA reports payroll and remit contributions to the division for their covered employees.

Benefits Provided

Florida Retirement System Plan

FRS provides retirement, disability and death benefits. The SFRTA contributes to the plan based on the rate and criteria established by the FRS. As of July 1, 2011, employees are required to contribute 3% to their pension or investment plan. Employees must be employed on a regular status basis to be covered by the FRS. Employees enrolled in the FRS before July 1, 2011 are vested in the Pension Plan after six years of service. Employees enrolled in the FRS on or after July 1, 2011 are vested in the Pension Plan after eight years of service. SFRTA employees are eligible for normal retirement, if they were enroll in the FRS before July 1, 2011, vested and are age 62 or have at least 30 years of creditable service.

If employees enrolled in the FRS on or after July 1, 2011, they qualify for normal retirement when vested, and are age 65 or have 33 years of creditable service.

Retired employees are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to their average final compensation multiplied by the total percentage value of their service time. Average final compensation is the average annual earnings of each employee's length of service and membership class. The System also provides for death and disability benefits. These benefit provisions and State Statutes establish all other requirements.

Retirement Health Insurance Subsidy Program

HIS is an additional benefit under the FRS that assists participants in paying for a portion of the costs of their health insurance premiums after retirement. The HIS amount is based on the participants length of service with FRS-covered employers.

HIS is available after participants attain 6 years of FRS service credit (if enrolled in the FRS prior to July 1, 2011) or 8 years (if enrolled in the FRS on or after July 1, 2011), have reached normal retirement eligibility, and have retired from the FRS. The required years can be a combination of Pension Plan and Investment Plan service. To be eligible to receive the HIS under the Investment Plan, participants must meet the normal retirement age or service requirements. If participants leave FRS-covered employment and take a benefit distribution prior to their normal retirement age or date, participants must wait until they reach normal retirement age to begin receiving their HIS benefit.

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Note 8 – Retirement Plan (Continued)

Under the Pension Plan, benefit participants will receive the HIS regardless of whether participants take a normal or an early-retirement benefit, provided participants have proper documentation certifying they have health insurance coverage. If participants elect the Hybrid Option, they will receive their HIS payment once they begin receiving their Pension Plan benefit. Unlike under the 100% Investment Plan option, the HIS payment is available immediately, even if participants have not reached normal retirement.

The HIS subsidy, which is paid monthly, is \$5 for each year of creditable service, with a minimum HIS of \$30 and a maximum HIS of \$150 per month.

Contributions

Florida Retirement System Plan

Under the FRS, the SFRTA was required to contribute, as of the start of fiscal year 2019, 6.60% of the salary of Regular Class employees, and 22.40% of the salary of Senior Management Class employees. The actual contributions made by the SFRTA for fiscal year ended 2019 totaled approximately \$709,007, which equals the annual required contribution for the current period.

The SFRTA Senior Management Class employees' contribution rates for fiscal years 2018 and 2017 were 21.05% and 20.11%, respectively. Regular Class employees' contribution rates for 2018 and 2017 were 6.26% and 5.86%, respectively. Actual contributions for fiscal years 2018 and 2017 were approximately \$863,000 and \$834,346, respectively, equaling the annual required contribution.

Retirement Health Insurance Subsidy Program

Under the FRS, the SFRTA's required HIS contributions, as of the start of fiscal year 2019 was 1.66% of the salary of Regular Class employees and of the salary of Senior Management Class employees. The actual contributions made by the SFRTA for fiscal year ended 2019 totaled approximately \$136,461, which equals the annual required contribution for the current period.

The SFRTA Regular Class employees and SFRTA Senior Management Class employee contribution rates for fiscal years 2018 and 2017 were 1.66% each year. Actual contributions for fiscal years 2018 and 2017 were approximately \$138,160 and \$14,084, respectively, equaling the annual required contribution.

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NOTES TO FINANCIAL STATEMENTS
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Note 8 – Retirement Plan (Continued)

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

In accordance with GASB 68, paragraph 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors –amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes of assumptions or other inputs – amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Differences between expected and actual earnings on pension plan investments – amortized over five years

Contributions to the pension plans from employers are not included in collective pension expense. The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2019, was 6.4 years for FRS and 7.2 years for HIS. The components of collective pension expense reported in the pension allocation schedules for the fiscal year ended June 30, 2019, are presented below for each plan.

Florida Retirement System Plan

At June 30, 2019, the SFRTA reported a liability of \$6,732,639 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The SFRTA's proportion of the net pension liability was based on a projection of the SFRTA's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the SFRTA's proportion was 0.02 percent.

For the year ended June 30, 2019, the SFRTA recognized pension expense for both FRS and HIS Plans. At June 30, 2019, the SFRTA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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Note 8 – Retirement Plan (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 570,356	\$ 20,701
Net difference between projected and actual investment earnings on pension plan investments	-	520,178
Changes in assumptions	2,199,899	-
Changes in proportion and differences between SFRTA contributions and proportionate share of contributions	466,096	289,952
SFRTA's contributions subsequent to the measurement date	709,007	-
Totals	<u>\$ 3,945,358</u>	<u>\$ 830,831</u>

Year Ended June 30:

2020	\$ 932,000
2021	\$ 636,051
2022	\$ 88,684
2023	\$ 423,527
2024	\$ 283,195
Thereafter	\$ 42,063

Retirement Health Insurance Subsidy Program

At June 30, 2019, the SFRTA reported a liability of \$2,696,459 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The SFRTA's proportion of the net pension liability was based on a projection of the SFRTA's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2019, the SFRTA's proportion was 0.02 percent.

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Note 8 – Retirement Plan (Continued)

For the year ended June 30, 2019, the SFRTA recognized pension expense of \$249,194. At June 30, 2019, the SFRTA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 41,282	\$ 4,581
Net difference between projected and actual investment earnings on pension plan investments	1,628	-
Changes in assumptions	299,880	285,092
Changes in proportion and differences between SFRTA contributions and proportionate share of contributions	238,818	110,167
SFRTA's contributions subsequent to the measurement date	136,461	-
Totals	<u>\$ 718,069</u>	<u>\$ 399,840</u>

Year Ended June 30:

2020	\$ 126,950
2021	\$ 126,481
2022	\$ 88,608
2023	\$ 19,902
2024	\$(123,536)
Thereafter	\$ (56,637)

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NOTES TO FINANCIAL STATEMENTS
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Note 8 – Retirement Plan (Continued)

Florida Retirement System Plan

Actuarial Assumptions

The total pension liability for the FRS was determined by an actuarial valuation as of July 1, 2018 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary Increases including inflation	3.25%
Investment rate of return	7.00%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2018 valuation were based on the result of an actuarial experience study for the period July 1, 2008 –June 30, 2013.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2015 the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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NOTES TO FINANCIAL STATEMENTS
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Note 8 – Retirement Plan (Continued)

Asset Class	Target Allocation*	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.8%
Fixed Income	18.0%	4.4%	4.3%	4.2%
Global Equity	54.0%	7.6%	6.3%	17.0%
Real Estate (property)	11.0%	6.6%	6.0%	11.3%
Private Equity	10.0%	10.7%	7.8%	26.5%
Strategic Investments	6.0%	6.0%	5.7%	8.6%

*As outlined in the Plan's investment policy

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the investment rate of return.

Sensitivity of the SFRTA's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the SFRTA's proportionate share of the FRS net pension liability calculated using the discount rate of 7.00%, as well as what the SFRTA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower, 6.00% or 1-percentage-point higher, 8.00% than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
SFRTA's proportionate share of the net pension liability	\$ 12,287,349	\$ 6,732,639	\$ 2,119,124

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NOTES TO FINANCIAL STATEMENTS
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Note 8 – Retirement Plan (Continued)

Retirement Health Insurance Subsidy Program

Actuarial Assumptions

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.87% was used to determine the total pension liability for the program, using the following assumptions.

Inflation	2.60%
Salary increases including inflation	3.25%
Investment rate of return	N/A

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2018 valuation were based on the result of an actuarial experience study for the period July 1, 2008 –June 30, 2013.

Discount Rate

The discount rate used to measure the total pension liability was 3.87%. The pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees.

Sensitivity of the SFRTA's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the SFRTA's proportionate share of the HIS net pension liability calculated using the discount rate of 3.87%, as well as what the SFRTA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower, 2.87% or 1-percentage-point higher, 4.87% than the current rate:

	1% Decrease 2.87%	Current Discount Rate 3.87%	1% Increase 4.87%
SFRTA's proportionate share of the net pension liability	\$ 3,071,109	\$ 2,696,459	\$ 2,384,167

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

Note 8 – Retirement Plan (Continued)

Pension Expense Florida Retirement System and Florida Health Insurance Subsidy

The total combined pension expense for FRS and HIS for fiscal year 2019 was \$1,587,290. For fiscal year 2019 FRS and HIS pension expense was \$1,338,096 and \$249,194, respectively. The total combined pension expense for FRS and HIS fiscal year 2018 was \$1,650,756. For fiscal year 2018 FRS and HIS pension expense was \$1,379,136 and \$271,680, respectively.

Payables to Pension Plan

At June 30, 2019, the SFRTA had \$84,666 and \$1,429 for FRS and HIS, respectively accrued as payables to the State of Florida FRS Pension Plan.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued FRS financial report.

Additional audited financial information is located in the State of Florida CAFR for the fiscal year ended June 30, 2018 and in the Florida Retirement System Pension Plan and Other-State-Administered Systems CAFR for the fiscal year ended June 30, 2018.

The Florida Retirement System CAFR and actuarial reports may be obtained by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Bureau of Research and Member Communications
P. O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

Note 9 – Leases

The SFRTA had no leases as of June 30, 2019. Rent expense for the fiscal year 2019 were approximately \$32,000.

Note 10 – Contingencies and Commitments

Grants:

The SFRTA receives significant financial assistance from federal, state and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreement and are subject to audit by the SFRTA's independent auditors and other governmental auditors. Any disallowed claims resulting from such audits could become a liability of the SFRTA. Based on prior experience, the SFRTA's Management believes such disallowance, if any, would be immaterial.

Commitments:

The SFRTA's commitment related to major improvements or projects currently in progress approximated \$67.4 million as of June 30, 2019.

Contractor Name	Inception	Term	Amount	Purpose	Amount
Herzog Transit Services Inc.	July 2017	7 years	\$ 343,923,215	Trains Operations	\$ 45,477,926
Indigo Energy Partners	July 2018	3 years	27,000,000	Train fuel	9,000,000
Keolis Transit Services	January 2016	7 years	29,835,888	Feeder Bus service	5,974,326
G4S Secure Solutions USA Inc	November 2015	5 years	33,596,432	Trains Security	6,959,906
Total			<u>\$ 434,355,535</u>		<u>\$ 67,412,158</u>

Construction Projects:

As of June 30, 2019, the SFRTA has the following construction commitments.

Contractor Name	Project	Contract Amount	Completed to Date	Balance
Xorail	Positive Train Control	\$ 39,715,542	\$ 34,919,027	\$ 4,796,515
All Aboard Florida	Trackage Improvements at Miami Central Station	16,190,000	13,788,571	2,401,429
Transdev (VTMI)	Northwood Crossover	6,913,367	6,414,184	499,183
All Aboard Florida	Downtown Miami Central Station	48,902,749	46,276,665	2,626,084
Total		<u>\$ 111,721,658</u>	<u>\$ 101,398,446</u>	<u>\$ 10,323,212</u>

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

Note 10 – Contingencies and Commitments Continued

Risk Management:

The SFRTA's risk of loss includes exposure from passengers and the public due to accidents or other incidents resulting in liability issues for the SFRTA. The State of Florida insures the SFRTA for liability up to \$10 million. The SFRTA purchases additional general liability coverage, amounting to \$285 million; the SFRTA has had no settlement claims that exceed the \$10 million insurance coverage since its inception.

Note 11 – Subsequent Events

The SFRTA Management evaluated subsequent events through January 31, 2020 the date the financial statements were available to be issued. Events or transactions occurring after June 30, 2019, but prior to January 31, 2020, that provided additional evidence about conditions that existed at June 30, 2019, have been recognized in the financial statements for the year ended June 30, 2019. Events or transactions that provided evidence about conditions that did not exist at June 30, 2019, but arose before the financial statements were available to be issued, have not been recognized in the financial statements for the year ended June 30, 2019.

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Required Supplementary Information



Schedule of SFRTA Proportionate Share of the Net Position Liability-FRS

Schedule of SFRTA Contributions-FRS

Schedule of SFRTA Proportionate Share of the Net Position Liability-HIS

Notes to Required Supplementary Information

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**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
FLORIDA RETIREMENT SYSTEM
SCHEDULE OF SFRTA PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
LAST TEN FISCAL YEARS***

	2019	2018	2017	2016	2015
SFRTA's proportion of the net pension liability (asset)	0.02%	0.02%	0.02%	0.02%	0.02%
SFRTA's proportionate share of the net pension liability (asset)	\$ 6,732,639	\$ 6,973,989	\$ 6,203,690	\$ 3,016,796	\$ 1,188,580
SFRTA's covered payroll	\$ 8,426,150	\$ 8,625,109	\$ 8,625,109	\$ 8,593,881	\$ 7,197,336
SFRTA's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	79.90%	80.86%	71.93%	35.10%	16.51%
Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	84.88%	92.00%	96.09%

*Note: The amounts presented for each fiscal year were determined as of June 30th. Schedule is intended to show information for the last ten (10) years.

Additional years will be displayed as they become available.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
FLORIDA RETIREMENT SYSTEM
SCHEDULE OF SFRTA CONTRIBUTIONS
LAST TEN FISCAL YEARS***

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution	\$ 709,007	\$ 637,024	\$ 834,346	\$ 805,424	\$ 727,183	\$ 574,028	\$ 316,448	\$ 334,248	\$ 791,614	\$ 693,931
Contributions in relation to the contractually required contribution	(709,007)	(637,024)	(834,346)	(805,424)	(727,183)	(574,028)	(316,448)	(334,248)	(791,614)	(693,931)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SFRTA's covered payroll	\$ 8,426,150	\$ 8,607,598	\$ 8,625,109	\$ 8,593,881	\$ 7,658,629	\$ 6,709,416	\$ 6,773,818	\$ 7,118,732	\$ 6,502,509	\$ 6,580,834
Contributions as a percentage of covered payroll	8.41%	7.40%	9.67%	9.37%	9.49%	8.56%	4.67%	4.70%	12.17%	10.54%

*The amounts presented for each fiscal year were determined as of 6/30.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
RETIREE HEALTH INSURANCE SUBSIDY
SCHEDULE OF SFRTA PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
LAST TEN FISCAL YEARS***

	2019	2018	2017	2016	2015
SFRTA's proportion of the net pension liability (asset)	0.03%	0.03%	0.03%	0.02%	0.02%
SFRTA's proportionate share of the net pension liability (asset)	\$ 2,696,459	\$ 2,800,470	\$ 3,130,849	\$ 2,526,658	\$ 2,053,964
SFRTA's covered payroll	\$ 8,426,150	\$ 8,625,109	\$ 8,625,109	\$ 8,593,881	\$ 7,197,336
SFRTA's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	32.00%	32.47%	36.30%	29.40%	28.54%
Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%	0.99%

*Note: The amounts presented for each fiscal year were determined as of June 30th. Schedule is intended to show information for the last ten (10) years.
Additional years will be displayed as they become available.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
RETIREE HEALTH INSURANCE SUBSIDY
SCHEDULE OF SFRTA CONTRIBUTIONS
LAST TEN FISCAL YEARS***

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Contractually required contribution	\$ 136,461	\$ 138,160	\$ 14,084	\$ 13,597	\$ 9,279	\$ 6,972	\$ 3,552	\$ 3,752	\$ 8,886	\$ 7,789
Contributions in relation to the contractually required contribution	(136,461)	(138,160)	(14,084)	(13,597)	(9,279)	(6,972)	(3,552)	(3,752)	(8,886)	(7,789)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SFRTA's covered payroll	\$ 8,426,150	\$ 8,607,598	\$ 8,625,109	\$ 8,593,881	\$ 7,658,629	\$ 7,197,336	\$ 6,709,416	\$ 6,773,818	\$ 7,118,732	\$ 6,502,509
Contributions as a percentage of covered payroll	1.62%	1.61%	0.16%	0.16%	0.12%	0.10%	0.05%	0.06%	0.12%	0.12%

*The amounts presented for each fiscal year were determined as of 6/30.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2019**

The following changes in actuarial assumptions occurred in plan year 2018:

- FRS: There were no changes in actuarial assumptions. The inflation rate assumption remained at 2.60%, the real payroll growth assumption remained at 0.65%, and the overall payroll growth rate assumption remained at 3.25%. The long-term expected rate of return was decreased from 7.10% to 7.00%.
- HIS: The municipal rate used to determine total pension liability increased from 3.58% to 3.87%.

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Other Supplementary Information



Supplemental Schedule of Operating Expenses 2019

Supplemental Schedule of Operating Expenses 2018

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**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
SUPPLEMENTAL SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 2019**

	Operations	Planning	Engineering	Legal	General and Administrative	Total Expense
LABOR AND FRINGE BENEFITS	\$ 2,758,998	\$ 590,205	\$ 955,949	\$ 707,691	\$ 6,999,167	\$ 12,012,010
SERVICES:						
Train Operations	19,348,267	-	25,336,009	-	2,858,429	47,542,705
Train Fuel	8,130,783	-	-	-	-	8,130,783
Feeder Service	6,647,792	-	-	-	-	6,647,792
Security Expense	6,483,191	-	-	-	-	6,483,191
Insurance	2,576,974	-	-	-	-	2,576,974
	43,187,007	-	25,336,009	-	2,858,429	71,381,445
TRAIN AND STATION MAINTENANCE	24,978,960	-	-	-	-	24,978,960
CORPORATE & COMMUNITY OUTREACH	-	-	-	-	471,294	471,294
PROFESSIONAL FEES	-	5,413,789	-	124,328	494,109	6,032,226
GENERAL & ADMINISTRATIVE EXP						
Office Business Expense	8,008	39,358	27,738	5,624	1,078,792	1,159,520
Lease and Rentals	-	-	-	-	32,234	32,234
	8,008	39,358	27,738	5,624	1,111,026	1,191,754
TOTAL	<u>\$ 70,932,973</u>	<u>\$ 6,043,352</u>	<u>\$ 26,319,696</u>	<u>\$ 837,643</u>	<u>\$ 11,934,025</u>	<u>\$ 116,067,689</u>

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
SUPPLEMENTAL SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 2018**

	Operations	Planning	Engineering	Legal	General and Administrative	Total Expense
LABOR AND FRINGE BENEFITS	\$ 2,701,241	\$ 1,140,323	\$ 1,021,660	\$ 792,025	\$ 5,881,740	\$ 11,536,989
SERVICES:						
Train Operations	20,030,838	-	25,989,072	-	2,772,206	48,792,116
Train Fuel	7,287,996	-	-	-	-	7,287,996
Feeder Service	6,455,956	-	-	-	-	6,455,956
Security Expense	6,331,531	-	-	-	-	6,331,531
Insurance	2,390,732	-	-	-	-	2,390,732
	42,497,053	-	25,989,072	-	2,772,206	71,258,331
TRAIN AND STATION MAINTENANCE	21,894,025	-	-	-	-	21,894,025
CORPORATE & COMMUNITY OUTREACH	-	-	-	-	583,962	583,962
PROFESSIONAL FEES	-	8,141,934	-	137,183	521,975	8,801,092
GENERAL & ADMINISTRATIVE EXP						
Office Business Expense	9,598	53,127	23,277	8,712	1,246,857	1,341,571
Lease and Rentals	-	-	-	-	32,081	32,081
	9,598	53,127	23,277	8,712	1,278,938	1,373,652
TOTAL	\$ 67,101,917	\$ 9,335,384	\$ 27,034,009	\$ 937,920	\$ 11,038,821	\$ 115,448,051

Statistical Section



Net Position and Changes in Net Position

Statistical and General Information

Fare Structure

Ridership and Sales Analysis

Population Trends

Passenger Ridership and Population Trends for FY 2010-2019

Principal Employers by County

Demographics and Economic Statistics

Capital Asset Statistics & Employees by Department

Train Schedule

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SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY STATISTICAL SECTION

This part of SFRTA's CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about SFRTA's overall financial health.

Contents	Page
Financial Trend Information These schedules contain trend information to help the reader understand how SFRTA's financial performance and well-being have changed overtime.	65
Revenue Capacity Information These schedules contain information to help the reader assess SFRTA's most significant local revenue consideration, namely ridership.	68
Debt Capacity Information These schedules contain information to help assess the affordability of the SFRTA's current levels of outstanding debt and its ability to issue additional debt in the future.	70
Demographic and Economic Information These schedules offer demographic and economic data to help the reader understand how the environment within which SFRTA's financial activities take place.	71
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in SFRTA's financial report relates to the services the SFRTA provides and the activities it performs.	76

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
NET POSITION AND CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	FISCAL YEARS					(Restated)						
	2019	2018	2017	2016	2015	2014*	2013	2012	2011	2010		
OPERATING REVENUES												
Train revenue	\$ 13,213,219	\$ 13,144,962	\$ 12,785,301	\$ 13,114,959	\$ 12,783,183	\$ 12,799,800	\$ 12,043,242	\$ 11,940,427	\$ 10,902,136	\$ 10,294,670		
Other	1,642,034	645,739	1,306,105	447,519	416,353	300,315	532,410	331,970	328,942	212,409		
Total Operating Revenues	\$ 14,855,253	\$ 13,790,701	\$ 14,091,406	\$ 13,562,478	\$ 13,199,536	\$ 13,100,115	\$ 12,575,652	\$ 12,272,397	\$ 11,231,078	\$ 10,507,079		
NON-OPERATING REVENUES (EXPENSES)												
Interest income	1,169,826	718,579	433,412	280,247	95,094	81,543	139,080	194,902	176,514	167,459		
Federal Transit Administration	28,324,667	27,228,037	24,629,099	24,218,950	26,005,159	20,621,111	19,163,234	13,371,554	9,119,944	11,896,620		
Federal Highway Administration	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000		
Florida Dept. of Transportation	42,100,000	42,100,003	42,100,000	42,100,000	30,600,000	30,600,000	30,600,000	30,600,000	2,494,587	18,130,233		
Florida Dept. of Transportation (MOW)	13,124,942	13,124,942	13,124,939	13,160,036	12,466,506	-	13,700	374,156	30,600,000	-		
Other Funding	100,000	121,199	184,795	184,795	184,795	184,795	184,795	251,202	477,771	488,971		
Broward County Feeder	-	-	-	-	-	-	-	-	-	-		
Broward County	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	4,235,000		
Dade County	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	4,235,000		
Palm Beach County	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	4,235,000		
Loss on disposal	-	-	-	-	-	-	-	-	-	-		
Total non-operating Revenues (Expenses)	93,514,435	91,987,760	89,167,245	88,639,028	78,046,554	60,182,449	58,795,809	53,486,814	51,563,816	47,388,283		
TOTAL REVENUES (EXPENSES)	108,369,688	105,778,461	103,258,651	102,201,506	91,246,090	73,282,564	71,371,461	65,759,211	62,794,894	57,895,362		
OPERATING EXPENSES												
Operating	70,932,973	67,101,917	63,642,613	55,831,786	56,731,271	58,463,863	52,820,211	49,900,229	45,274,303	41,553,969		
Marketing	-	-	-	-	-	-	-	1,291,259	2,034,691	2,326,435		
Planning	6,043,352	9,335,384	7,709,465	6,476,177	6,364,424	5,738,954	7,178,082	4,913,323	3,709,187	2,676,621		
Engineering	26,319,696	27,034,009	26,346,771	26,468,303	13,824,811	894,589	859,774	809,221	1,101,199	752,663		
Legal	837,643	937,920	883,411	822,132	591,517	671,479	645,792	662,184	-	-		
General and Administrative	11,934,025	11,038,821	12,451,712	12,388,574	10,499,270	9,631,877	8,531,337	7,474,248	7,765,896	7,204,108		
Depreciation	33,201,515	33,302,330	328,144,490	32,515,966	32,686,280	31,059,490	30,214,462	30,981,100	34,035,858	32,418,169		
TOTAL EXPENSES	149,269,204	148,750,381	439,178,462	134,502,938	120,697,573	106,460,252	100,249,658	96,031,564	93,921,134	86,931,965		
Contributions	40,442,471	56,306,649	46,585,587	59,253,696	34,516,261	35,299,947	23,827,329	25,470,702	24,905,184	19,027,689		
Other Income (Expense)	-	-	-	-	-	-	-	(3,240,268)	-	-		
Special Items	-	-	-	-	-	-	(852,874)	(778,444)	-	-		
INCREASE (DECREASE) IN NET POSITION	(457,045)	13,334,729	(289,334,224)	26,952,264	5,064,778	2,122,259	(5,903,742)	(8,820,363)	(6,221,056)	(10,008,914)		
NET POSITION AT YEAR-END												
Net Investment in capital assets	595,631,553	591,656,741	591,977,036	570,651,091	532,024,259	530,601,966	529,771,415	533,622,790	539,600,511	555,770,437		
Restricted	16,177,751	18,706,314	23,535,651	31,091,583	42,980,686	42,573,001	39,163,096	42,051,728	45,603,117	38,563,865		
Unrestricted	26,702,579	28,605,873	10,570,264	18,344,501	18,129,966	14,895,165	20,989,164	20,152,899	19,444,152	16,534,534		
TOTAL NET POSITION	\$ 638,511,883	\$ 638,968,928	\$ 626,082,951	\$ 620,087,175	\$ 593,134,911	\$ 588,070,132	\$ 589,923,675	\$ 595,827,417	\$ 604,647,780	\$ 610,868,836		

*Restatement of Net Position due to the implementation of GASB Statement No. 68.

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

STATISTICAL AND GENERAL INFORMATION

Fiscal Year Ended June 30, 2019	
Date the Authority Began Operations.....	January 9, 1989
Form of Governance.....	Governing Board with an Executive Director
Number of Board Members	Ten
Current Budgeted Employees	130.0
Service Areas.....	Broward, Miami-Dade and Palm Beach Counties
Tri-County Area in Square Miles.....	5,128 Square Miles
Population of Service Area.....	Approximately 5.5 Million
Annual Operating Budget.....	\$119.8 Million
Supporting Subsidies.....	Florida Department of Transportation Federal Transit Administration Federal Highway Administration Broward, Miami Dad and Palm Beach Counties
Track Miles.....	71.7 Miles
Passengers Served.....	4,465,750 Annually
Service Levels.....	Weekday - 50 Trains Saturday - 30 Trains Sunday - 30 Trains
Holiday Service.....	Tri-Rail operates a Sunday schedule on New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day
Hours of Operating	
Weekday.....	4:00 a.m. - 11:35 p.m.
Saturday.....	5:20 a.m. - 11:45 p.m.
Sunday.....	5:20 a.m. - 11:45 p.m.
Bus and Metrorail Service	Convenient transfers to county transit buses that pass within 1/4 mile of the Tri- Rail Station and convenient transfers onto Metrorail/Metromover

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY FARE STRUCTURE

As part of the South Florida Regional Transportation Authority (SFRTA), Tri-Rail has a zone fare system, which consists of six zones. Ticket prices are determined by the number of zones through which a passenger travels, with the exception of the monthly and special event tickets, which are at a flat fare. This fare policy is valid for weekday travel Monday through Friday.

Since Tri-Rail's core ridership primarily consists of commuters to and from work and/or school, a weekend fare policy was designed to encourage increased ridership on Saturday and Sunday. Weekend tickets are sold at a flat fare of \$5 and are valid for the entire day.

The SFRTA/Tri-rail offers several ticket types to meet the needs of every passenger. Frequent riders can take advantage of multi-trip, cost saving packages by purchasing a Monthly, 12-Trip tickets or Monthly Regional Passes. Other passengers can purchase daily One-Way or Roundtrip tickets. Discount tickets are also available for children ages 5 – 12, full-time students, and senior citizens ages 65 years and over, persons with disabilities and Medicare recipients.

Tickets are sold at all Tri-Rail stations from Tri-Rail's ticket vending machines (TVMs) and supplemented by Ticket Agents at Tri-Rail's busiest stations. No ticket sales are available on the train.

<i>Zones</i>	<i>One Way</i>	<i>Discount One Way</i>	<i>Round-trip</i>	<i>Discount Roundtrip</i>	<i>12 Trips</i>	<i>Monthly</i>	<i>Discount Monthly</i>	<i>Regional Monthly</i>	<i>Discount Regional Monthly</i>
1	\$ 2.50	\$ 1.25	\$ 4.40	\$ 2.50	\$ 21.25	\$ 100.00	\$ 50.00	\$ 145.00	\$ 72.50
2	\$ 3.75	\$ 1.90	\$ 6.25	\$ 3.75	\$ 31.25	\$ 100.00	\$ 50.00	\$ 145.00	\$ 72.50
3	\$ 5.00	\$ 2.50	\$ 8.45	\$ 5.00	\$ 41.90	\$ 100.00	\$ 50.00	\$ 145.00	\$ 72.50
4	\$ 5.65	\$ 2.80	\$ 9.70	\$ 5.65	\$ 47.50	\$ 100.00	\$ 50.00	\$ 145.00	\$ 72.50
5	\$ 6.25	\$ 3.15	\$ 10.65	\$ 6.25	\$ 52.50	\$ 100.00	\$ 50.00	\$ 145.00	\$ 72.50
6	\$ 6.90	\$ 3.45	\$ 11.55	\$ 6.90	\$ 57.50	\$ 100.00	\$ 50.00	\$ 145.00	\$ 72.50

Ticket purchases can also be made through special discount programs offered by SFRTA/Tri-Rail. The Employer Discount Program (EDP) offers a 25% discount on Monthly tickets, Monthly Regional Passes or 12-Trip tickets as a benefit program for employees whose employer has registered with the Program. The SFRTA/Tri-Rail also offers a Group Discount Program, which offers a discounted rate to groups of 25 or more passengers.

Special train services to certain events are occasionally provided by the SFRTA/TriRail throughout the year. Most special event trains have a fare which is different from the regularly published fare; therefore, passengers are expected to select the appropriate special event when purchasing tickets from the TVMs.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
RIDERSHIP & SALES ANALYSIS**

Ridership during fiscal year 2019, increased by 139,894 riders or 3.23% from fiscal year 2018.
The following table illustrates passenger ridership for fiscal years 2019 and 2018.

Passenger Ridership – FY 2019 and FY 2018

	FY 2019	FY 2018	YTD %
	<u>Ridership to Date</u>	<u>Ridership to Date</u>	<u>Ridership 18% VS 17%</u>
Monday to Friday	3,736,434	3,607,551	0.80%
Saturday	371,083	370,003	4.19%
Sunday	324,505	313,400	3.02%
Holidays	33,728	34,902	53.98%
Totals	<u>4,465,750</u>	<u>4,325,856</u>	<u>3.23%</u>

Passenger Ridership – FY 2010 thru 2019

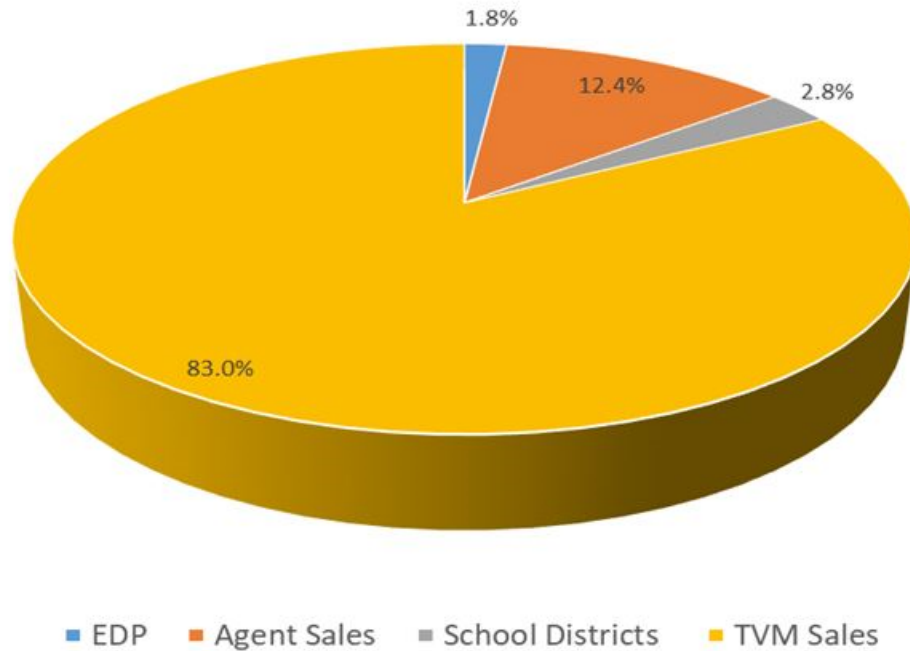
Year	Totals	Monday to Friday	Saturday	Sunday	Holidays
2010	3,606,055	3,088,102	261,168	231,816	24,969
2011	3,810,590	3,304,729	256,732	227,714	21,415
2012	3,990,857	3,456,558	276,504	228,704	29,091
2013	4,198,656	3,615,561	297,646	258,073	27,376
2014	4,401,218	3,726,040	344,290	298,011	32,877
2015	4,292,234	3,614,907	348,862	295,440	33,025
2016	4,239,671	3,569,554	346,524	296,233	27,360
2017	4,260,792	3,578,782	355,135	304,208	22,667
2018	4,325,856	3,607,551	370,003	313,400	34,902
2019	4,465,750	3,736,434	371,083	324,505	33,728

Source: SFRTA - Tri-Rail

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY RIDERSHIP & SALES ANALYSIS

Passenger fares collected for fiscal year 2019 were \$13,213,219, an increase of \$68,257 from fiscal year 2018. Tickets are sold at the train stations or from the administrative office by means of direct billing or through a specially designed ticket discount program.

Total Agency Ticket Sales-FY 2019



GRAPH KEY:

TVM – Ticket Vending Machines
EDP – Employee Discount Program
Agent Sales – Tickets sold at Kiosks
School Districts – Palm Beach School District

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
OUTSTANDING DEBT BY TYPE**

Business-Type Activities	
Fiscal Year	Notes Payable
2019	42,562,502
2018	40,508,790

Note: Details regarding the Authority's outstanding debt can be found in the notes to the financial statements. Prior to Fiscal Year 2018 there was no outstanding debt.

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
POPULATION TRENDS**

Density Per Square Mile	Total Square Miles	Population Density Per Square Mile
Florida	53,937	386
Broward County	1,209	1,570
Miami-Dade County	1,945	1,429
Palm Beach County	1,974	726

Annual Population	Annual Population 2018 (Thousands)	Annual Population 2017 (Thousands)	Annual Percent Change
Florida	20,840,568	20,484,142	1.74%
Broward County	1,897,976	1,873,970	1.28%
Miami-Dade County	2,779,322	2,743,095	1.32%
Palm Beach County	1,433,417	1,414,144	1.36%

Projected Population 2019 - 2039				
Projected Population Year	2019 (Thousands)	2029 (Thousands)	2039 (Thousands)	Percent Change 2019-2039
Florida	21,184,532	24,100,663	26,194,164	23.65%
Broward County	1,921,619	2,106,080	22,227,570	15.92%
Miami-Dade County	2,820,077	3,162,284	3,406,144	20.78%
Palm Beach County	1,453,492	1,626,268	1,752,831	20.59%

<http://edr.state.fl.us/Content/population-demographics/data/index-floridaproducts.cfm>

Population Trends FY 2010 thru 2019

Year	Florida	Broward County	Miami-Dade County	Palm Beach County	Tri-County Total	Annual % Change
2010	18,801,332	1,748,066	2,496,457	1,320,134	5,564,657	0.61%
2011	18,905,070	1,753,162	2,516,537	1,325,758	5,595,457	0.55%
2012	19,074,434	1,771,099	2,551,290	1,335,415	5,657,804	1.11%
2013	19,259,543	1,784,715	2,582,375	1,345,652	5,712,742	0.97%
2014	19,507,369	1,803,903	2,613,692	1,360,238	5,777,833	1.14%
2015	19,815,183	1,827,367	2,653,934	1,378,417	5,859,718	1.42%
2016	20,148,654	1,854,513	2,700,794	1,391,741	5,947,048	1.49%
2017	20,484,142	1,873,970	2,743,095	1,414,144	6,031,209	1.42%
2018	20,869,919	1,873,970	2,743,095	1,414,144	6,031,209	1.42%
2019	21,184,532	1,921,619	2,820,077	1,453,492	6,195,188	1.38%

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
DEMOGRAPHIC AND ECONOMIC STATISTICS
Principal Employers by County
Last Fiscal Year & Nine Years Ago

Employer	Broward County					
	2018			2009		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Broward County School Board	33,864	1	3.24%	28,134	1	2.79%
Memorial Healthcare System	13,137	2	1.26%	10,000	4	0.99%
Broward County Government	11,771	3	1.13%	12,448	2	1.24%
Broward Health	8,219	4	0.79%	8,062	5	0.80%
Nova Southeastern University	7,102	5	0.68%	3,028	8	0.30%
Auto Nation	4,100	6	0.39%	-	-	-
American Express	3,500	7	0.33%	5,800	6	0.58%
City of Fort Lauderdale	2,749	9	0.26%	2,647	10	0.26%
Spirit Airlines	1,800	10	0.17%	-	-	-
Citrix	1,700	-	0.16%	-	-	-
Tenet Healthcare Corp	-	-	-	10,156	3	1.01%
The Continental Group	-	-	-	3,900	7	0.39%
PRC	-	-	-	2,700	9	0.27%
	<u>87,942</u>		<u>8.41%</u>	<u>86,875</u>		<u>8.63%</u>

Source: Broward County, Florida, 2018 Comprehensive Annual Financial Report, Fiscal Year September 30, 2018

**SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
DEMOGRAPHIC AND ECONOMIC STATISTICS**

**Principal Employers by County
Last Fiscal Year & Nine Years Ago**

Employer	Miami-Dade County					
	2018		Percentage of Total County Employment	2009		Percentage of Total County Employment
	Employees	Rank		Employees	Rank	
Miami-Dade County Public Schools	31,000	1	2.32%	50,000	1	4.19%
Miami-Dade County	24,692	2	1.85%	32,000	2	2.68%
U.S. Federal Government	19,300	3	1.45%	19,800	3	1.66%
Florida State Government	19,200	4	1.44%	16,200	4	1.36%
University of Miami	13,864	5	1.04%	10,170	7	0.85%
Baptist Health South Florida	13,369	6	1.00%	11,257	5	0.94%
American Airlines	11,773	7	0.88%	9,000	9	0.75%
Jackson Health System	8,163	8	0.61%	10,000	8	0.84%
Florida International University	4,951	9	0.37%	-	-	-
City of Miami	3,820	10	0.29%	4,297	15	0.36%
Mount Sinai Medical Center	3,402	11	0.25%	-	-	-
Florida Power & Light Company	3,011	12	0.23%	-	-	-
Miami Children's Hospital	2,991	13	0.22%	-	-	-
Homestead AFB	2,810	14	0.21%	-	-	-
Miami-Dade College	2,572	15	0.19%	6,004	11	0.50%
Precision Response Corporation	-	-	-	6,000	12	0.50%
United Parcel Service	-	-	-	6,123	10	0.51%
Bell South Corporation - Florida	-	-	-	5,500	13	0.46%
Winn Dixie Stores	-	-	-	4,833	14	0.41%
Publix Super Markets	-	-	-	11,000	6	0.92%
	164,918		12.35%	202,184		16.93%

Source: Miami-Dade County, Florida, 2016 Comprehensive Annual Financial Report, Fiscal Year September 30, 2018

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
DEMOGRAPHIC AND ECONOMIC STATISTICS
Principal Employers by County
Last Fiscal Year & Nine Years Ago

Palm Beach County						
2018				2009		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Palm Beach County School District	21,466	1	2.92%	21,718	1	3.47%
Palm Beach County Government	11,849	2	1.62%	11,381	2	1.82%
Tenet Healthcare Group	5,939	3	0.84%	5,127	5	0.82%
NextEra Energy (Florida Power and Light)	4,404	4	0.55%	3,658	7	0.58%
Hospital Corporation of America (HCA)	3,550	5	0.49%	4,150	6	0.66%
Boca Raton Regional Hospital	2,800	6	0.39%	-	-	-
Florida Atlantic University	2,644	7	0.38%	2,776	9	0.44%
Veterans Health Administration	2,535	8	0.34%	-		
Bethesda Memorial Hospital	2,282	9	0.31%	2,300	10	0.37%
Office Depot	2,034	10	0.28%	-	-	-
Wackenhut Corporation	-	-	-	3,000	8	0.48%
State Government	-	-	-	9,300	3	1.48%
Federal Government	-	-	-	6,300	4	1.01%
	59,503		8.14%	69,710		11.13%

Source: Palm Beach County, Florida, 2018 Comprehensive Annual Financial Report, Fiscal Year September 30, 2018

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

DEMOGRAPHIC AND ECONOMIC STATISTICS

POPULATION					PERSONAL INCOME (in millions)		PER CAPITA PERSONAL INCOME		UNEMPLOYMENT RATE	
Year	Florida	% Change from Prior Year	U.S.	% Change from Prior Year	Florida	U.S.	Florida	U.S.	Florida	U.S.
2009	18,687,425	0.39%	304,093,966	0.88%	682,320	12,059,109	37,410	39,426	10.4%	9.3%
2010	18,801,332	0.61%	309,326,085	1.72%	725,801	12,551,597	38,823	40,334	11.1%	9.6%
2011	18,905,070	0.55%	311,580,009	0.73%	766,186	13,326,770	40,973	42,521	10%	8.9%
2012	19,074,434	0.90%	313,874,218	0.74%	791,919	14,010,140	41,856	44,301	8.5%	8.1%
2013	19,259,543	0.97%	316,057,727	0.70%	794,797	14,181,095	42,040	44,460	7.3%	4.3%
2014	19,507,369	1.29%	318,386,421	0.74%	858,499	14,991,831	43,582	46,077	6.3%	6.2%
2015	19,815,183	1.58%	321,418,820	0.79%	850,671	14,765,520	45,041	47,794	5.4%	5.3%
2016	20,148,654	1.68%	323,889,854	0.77%	940,615	15,970,750	46,684	49,309	4.8%	4.9%
2017	20,484,142	1.67%	328,719,178	0.72%	984,072	16,415,900	48,041	50,399	4.3%	4.4%
2018	20,840,568	1.74%	327,167,434	0.62%	1,054,461	17,584,857	50,597	53,749	3.7%	3.9%

Source: 2018 State of Florida Comprehensive Annual Financial Report

Broward County

Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2009	1,738,093	\$ 67,660,182	\$ 38,928	9.6%
2010	1,748,066	\$ 70,231,274	\$ 40,177	10.2%
2011	1,753,162	\$ 73,868,561	\$ 42,134	9%
2012	1,771,099	\$ 76,222,564	\$ 43,037	7.7%
2013	1,784,715	\$ 76,873,297	\$ 43,073	6.5%
2014	1,803,903	\$ 80,905,552	\$ 44,850	5.8%
2015	1,827,367	\$ 85,167,498	\$ 46,607	4.9%
2016	1,854,513	\$ 86,987,787	\$ 46,906	4.8%
2017	1,873,970	\$ 91,224,860	\$ 48,680	3.7%
2018	1,897,976	N/A	N/A	2.8%

Source: 2018 Broward County, Florida Comprehensive Annual Financial Report

Miami-Dade County

Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2009	2,398,245	\$ 90,915,774	\$ 37,909	8.9%
2010	2,563,885	\$ 92,227,399	\$ 35,972	12%
2011	2,516,515	\$ 97,815,794	\$ 38,870	12.7%
2012	2,551,255	\$ 100,688,604	\$ 39,466	9.7%
2013	2,565,685	\$ 104,373,301	\$ 40,680	8.9%
2014	2,586,290	\$ 111,528,866	\$ 43,123	7.2%
2015	2,653,934	\$ 116,553,169	\$ 43,917	6.2%
2016	2,696,353	\$ 123,276,064	\$ 45,440	5.8%
2017	2,743,095	\$126,715,595	\$46,048	5.0%
2018	2,779,322	N/A	N/A	3.6%

Source: 2018 Miami-Dade County, Florida Comprehensive Annual Financial Report

Palm Beach County

Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2009	1,287,344	\$ 67,866,247	\$ 51,910	11.7%
2010	1,320,134	\$ 69,488,201	\$ 52,526	12.4%
2011	1,325,758	\$ 72,053,531	\$ 53,871	10.9%
2012	1,335,415	\$ 75,461,490	\$ 55,628	9.2%
2013	1,345,652	\$ 79,564,774	\$ 57,985	7.1%
2014	1,360,248	\$ 93,526,272	\$ 66,914	6%
2015	1,378,417	\$ 97,806,900	\$ 68,743	5.3%
2016	1,391,741	\$ 103,876,015	\$ 71,946	4.8%
2017	1,414,144	\$ 109,973,732	\$ 74,754	4.2%
2018	1,433,417	N/A	N/A	3.5%

Source: 2018 Palm Beach County, Florida Comprehensive Annual Financial Report

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

CAPITAL ASSET STATISTICS

ASSET	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Stations	18	18	18	18	18	18	18	18	18	18
Administration/Buildings	1	1	1	1	1	1	1	1	2	2

COMMUTER RAIL

Year	Weekday Trips Annually	Saturday Trips Annually	Sunday Trips Annually	Holidays Trips Annually	Boarding Annually	Train Revenue Hours Annually
2010	50	16	16	96	3,606,055	34,630
2011	50	16	16	96	3,810,590	34,900
2012	50	16	16	96	3,990,857	32,960
2013	50	30	30	180	4,198,656	33,956
2015	50	30	30	180	4,401,218	33,956
2016	50	30	30	180	4,292,234	37,510
2017	50	30	30	180	4,239,371	39,431
2018	50	30	30	180	4,235,856	37,474
2019	50	30	30	180	4,465,750	38,550

*Note: Information for fiscal year 2009 was not available.

EMPLOYEES BY DEPARTMENT LAST TEN FISCAL YEARS

DEPARTMENT	NUMBER OF EMPLOYEES									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Executive	14	15	15	15	15	17	18	17	12	13
Finance	12	17	17	17	17	24	23	24	23	21
Planning	7	11	12	13	13	11	9	10	10	9
Construction & Engineering	8	9	8	7	7	5	4	4	4	4
Human Resources	2	3	3	3	3	3	2	2	3	2
Contracts & Procurement	7	10	10	9	9	9	9	8	9	8
Marketing	-	0	0	0	0	0	0	0	24	19
Operations	36	41.0	40.5	40.5	41	42	42	44	27	26
Legal	3	3	3	3	3	3	2	2	2	2
Safety & Security	3	5	5	5	5	0	0	0	0	0
Information & Technology	12	14	14	14	14	0	0	0	0	0
TOTAL	104.0	128.0	127.5	126.5	127	114	109	111	114	104

NEW TRAIN SCHEDULE - EFFECTIVE APRIL 5, 2015

SOUTHBOUND

WEEKDAYS

AM SOUTHBOUND

PM SOUTHBOUND

Train No.	P601	P603	P604	P605	P607	P609	P611	P613	P615	P617	P619	P621	P623	P625	P629	P631	P633	P635	P637	P639	P641	P643	P645	P647	P649
Mangonia Park	4:00	4:40	5:20	6:00	6:20	6:40	7:00	7:30	8:00	8:30	9:00	10:00	11:00	12:00	1:00	2:00	3:00	4:00	4:25	5:00	5:30	6:15	6:45	7:40	8:40
West Palm Beach X	4:06	4:46	5:26	6:06	6:26	6:46	7:06	7:36	8:06	8:36	9:06	10:06	11:06	12:06	1:06	2:06	3:06	4:06	4:31	5:06	5:36	6:21	6:51	7:46	8:46
Lake Worth	4:15	4:56	5:36	6:16	6:36	6:56	7:16	7:46	8:16	8:46	9:16	10:16	11:16	12:16	1:16	2:16	3:16	4:16	4:41	5:16	5:46	6:31	7:01	7:56	8:56
Boynton Beach	4:20	5:02	5:42	6:22	6:42	6:62	7:02	7:32	8:02	8:32	9:02	10:02	11:02	12:02	1:02	2:02	3:02	4:02	4:27	5:02	5:32	6:17	6:47	7:42	8:42
Delray Beach	4:29	5:11	5:51	6:31	6:51	7:11	7:31	8:01	8:31	9:01	9:31	10:31	11:31	12:31	1:31	2:31	3:31	4:01	4:31	5:06	5:31	6:01	6:46	7:16	8:11
Boca Raton	4:35	5:17	5:57	6:37	6:57	7:17	7:37	8:07	8:37	9:07	9:37	10:37	11:37	12:37	1:37	2:37	3:37	4:07	4:37	5:02	5:37	6:07	6:52	7:22	8:17
Deerfield Beach	4:42	5:24	6:04	6:44	7:04	7:24	7:44	8:14	8:44	9:14	9:44	10:44	11:44	12:44	1:44	2:44	3:44	4:14	4:44	5:09	5:44	6:14	6:59	7:29	8:24
Pompano Beach	4:48	5:30	6:10	6:50	7:10	7:30	7:50	8:20	8:50	9:20	9:50	10:50	11:50	12:50	1:50	2:50	3:50	4:20	4:50	5:15	5:50	6:20	7:05	7:35	8:30
Cypress Creek	4:54	5:37	6:17	6:57	7:17	7:37	7:57	8:27	8:57	9:27	9:57	10:57	11:57	12:57	1:57	2:57	3:57	4:27	4:57	5:22	5:57	6:27	7:12	7:42	8:37
Fort Lauderdale	5:01	5:45	6:25	7:05	7:25	7:45	8:05	8:35	9:05	9:35	10:05	11:05	12:05	1:05	2:05	3:05	4:05	5:05	5:33	6:08	6:35	7:20	7:50	8:45	9:45
Fort Lauderdale Airport X	5:08	5:53	6:33	7:13	7:33	7:53	8:13	8:43	9:13	9:43	10:13	11:13	12:13	1:13	2:13	3:13	4:13	5:13	5:41	6:16	6:43	7:28	7:58	8:53	9:53
Sheridan Street	5:12	5:57	6:37	7:17	7:37	7:57	8:17	8:47	9:17	9:47	10:17	11:17	12:17	1:17	2:17	3:17	4:17	5:17	5:45	6:21	6:47	7:32	8:02	8:57	9:57
Hollywood	5:16	6:01	6:41	7:21	7:41	8:01	8:21	8:51	9:21	9:51	10:21	11:21	12:21	1:21	2:21	3:21	4:21	5:21	5:49	6:25	6:51	7:36	8:06	9:01	10:01
Golden Glades	5:25	6:10	6:50	7:30	7:50	8:10	8:30	9:00	9:30	10:00	10:30	11:30	12:30	1:30	2:30	3:30	4:30	5:30	6:00	6:35	7:00	7:45	8:15	9:10	10:10
Opaloka	5:29	6:15	6:55	7:35	7:55	8:15	8:35	9:05	9:35	10:05	10:35	11:35	12:35	1:35	2:35	3:35	4:35	5:35	6:05	6:41	7:06	7:51	8:21	9:16	10:16
MetroRail Transfer	5:36	6:22	7:03	7:43	8:03	8:23	8:43	9:13	9:43	10:13	10:43	11:43	12:43	1:43	2:43	3:43	4:43	5:43	6:13	6:48	7:13	7:58	8:28	9:23	10:23
Hialeah Market	5:44	6:29	7:09	7:49	8:09	8:29	8:49	9:19	9:49	10:19	10:49	11:49	12:49	1:49	2:49	3:49	4:49	5:49	6:19	6:54	7:19	8:04	8:34	9:29	10:29
Miami Airport X	5:50	6:35	7:15	7:55	8:15	8:35	8:55	9:25	9:55	11:00	12:00	1:00	2:00	3:00	4:00	5:00	6:00	6:27	7:02	7:27	8:10	8:40	9:35	10:35	

NORTHBOUND

WEEKDAYS

AM NORTHBOUND

PM NORTHBOUND

Train No.	P600	P602	P604	P606	P608	P610	P612	P614	P616	P618	P620	P622	P624	P626	P628	P630	P632	P634	P636	P638	P640	P642	P644	P646	P648
Miami Airport X	4:15	4:45	5:15	5:35	6:00	6:20	7:00	7:40	8:20	9:20	10:20	11:20	12:20	1:20	2:20	3:10	3:50	4:30	4:50	5:20	5:48	6:20	6:50	7:50	8:40
Hialeah Market	4:18	4:48	5:18	5:38	6:03	6:23	7:03	7:43	8:23	9:23	10:23	11:23	12:23	1:23	2:23	3:13	3:53	4:33	4:53	5:23	5:51	6:23	6:53	7:53	8:43
MetroRail Transfer	4:23	4:54	5:25	5:55	6:15	6:35	7:15	7:55	8:36	9:36	10:36	11:36	12:36	1:36	2:36	3:26	4:06	4:26	4:56	5:25	5:57	6:29	6:59	7:59	8:49
Opaloka	4:29	5:00	5:25	5:55	6:15	6:35	7:15	7:55	8:36	9:36	10:36	11:36	12:36	1:36	2:36	3:26	4:06	4:26	4:56	5:25	5:57	6:29	6:59	7:59	8:49
Golden Glades	4:35	5:06	5:31	6:01	6:21	6:41	7:21	8:01	8:43	9:43	10:43	11:43	12:43	1:43	2:43	3:33	4:13	4:33	5:03	5:35	6:03	6:35	7:05	8:05	8:55
Hollywood	4:43	5:15	5:40	6:10	6:30	6:50	7:30	8:10	8:52	9:52	10:52	11:52	12:52	1:52	2:52	3:42	4:22	4:42	5:12	5:44	6:12	6:42	7:12	8:12	9:02
Sheridan Street	4:47	5:19	5:44	6:14	6:34	6:54	7:34	8:14	8:56	9:56	10:56	11:56	12:56	1:56	2:56	3:46	4:26	4:46	5:16	5:48	6:16	6:46	7:16	8:16	9:06
Fort Lauderdale Airport X	4:51	5:23	5:48	6:18	6:38	6:58	7:38	8:18	9:00	10:00	11:00	12:00	1:00	2:00	3:00	3:50	4:30	4:50	5:20	5:58	6:28	6:58	7:28	8:28	9:18
Fort Lauderdale	5:00	5:32	5:57	6:27	6:47	7:07	7:47	8:27	9:09	10:09	11:09	12:09	1:09	2:09	3:09	3:59	4:39	4:59	5:29	6:07	6:37	7:07	7:37	8:37	9:27
Cypress Creek	5:06	5:39	6:04	6:34	6:54	7:14	7:54	8:34	9:16	10:16	11:16	12:16	1:16	2:16	3:16	4:06	4:46	4:64	5:24	5:44	6:14	6:44	7:14	8:14	9:04
Pompano Beach	5:12	5:45	6:10	6:40	7:00	7:20	8:00	8:40	9:23	10:23	11:23	12:23	1:23	2:23	3:23	4:13	4:53	5:00	5:30	6:00	6:48	7:20	7:50	8:50	9:40
Deerfield Beach	5:18	5:51	6:16	6:46	7:06	7:26	8:06	8:46	9:29	10:29	11:29	12:29	1:29	2:29	3:29	4:19	4:99	5:06	5:36	6:06	6:54	7:26	7:56	8:56	9:46
Boca Raton	5:25	5:59	6:24	6:54	7:14	7:34	8:14	8:54	9:38	10:38	11:38	12:38	1:38	2:38	3:38	4:28	5:14	5:44	6:04	6:34	7:02	7:34	8:04	9:04	9:54
Delray Beach	5:30	6:04	6:29	6:59	7:19	7:39	8:19	8:59	9:44	10:44	11:44	12:44	1:44	2:44	3:44	4:34	5:19	5:49	6:09	6:39	7:07	7:39	8:09	9:09	10:09
Boynton Beach	5:36	6:10	6:35	7:05	7:25	7:45	8:25	9:05	9:53	10:53	11:53	12:53	1:53	2:53	3:53	4:43	5:28	5:58	6:16	6:46	7:16	7:46	8:16	9:16	10:16
Lake Worth	5:44	6:19	6:44	7:14	7:34	7:54	8:34	9:14	9:59	10:59	11:59	12:59	1:59	2:59	3:59	4:49	5:34	6:04	6:24	6:54	7:24	7:54	8:24	9:24	10:24
West Palm Beach X	5:55	6:30	6:55	7:25	7:45	8:05	8:45	9:25	10:10	11:10	12:10	1:10	2:10	3:10	4:10	5:00	5:45	6:15	6:35	7:05	7:35	8:05	8:35	9:35	10:35
Mangonia Park	6:05	6:40	7:05	7:35	7:55	8:15	8:55	9:35	10:20	11:20	12:20	1:20	2:20	3:20	4:20	5:10	5:55	6:25	6:45	7:15	7:45	8:15	8:45	9:45	10:45

SOUTHBOUND

WEEKENDS & HOLIDAYS

AM SOUTHBOUND

PM SOUTHBOUND

	Train No.														
	P660	P662	P664	P666	P668	P670	P672								
Miami Airport X	5:17	6:17	7:17	8:17	9:17	10:17	11:17								
Hialeah Market	5:20	6:20	7:20	8:20	9:20	10:20	11:20								
MetroRail Transfer	5:27	6:27	7:27	8:27	9:27	10:27	11:27								
Opaloka	5:33	6:33	7:33	8:33	9:33	10:33	11:33								
Golden Glades	5:39	6:39	7:39	8:39	9:39	10:39	11:39								
Hollywood	5:46	6:46	7:46	8:46	9:46	10:46	11:46								
Sheridan Street	5:53	6:53	7:53	8:53	9:53	10:53	11:53								
Fort Lauderdale Airport X	6:05	6:57	7:57	8:57	9:57	10:57	11:57								
Fort Lauderdale	6:06	6:58	7:58	8:58	9:58	10:58	12:05								
Cypress Creek	6:12	7:12	8:12	9:12	10:12	11:12	12:12								
Pompano Beach	6:19	7:19	8:19	9:19	10:19	11:19	12:19								
Deerfield Beach	6:25	7:25	8:25	9:25	10:25	11:25	12:25								
Boca Raton	6:33	7:33	8:33	9:33	10:33	11:33	12:33								
Delray Beach	6:39	7:39	8:39	9:39	10:39	11:39	12:39								
Boynton Beach	6:46	7:46	8:46	9:46	10:46	11:46	12:46								
Lake Worth	6:54	7:54	8:54	9:54	10:54	11:54	12:54								
West Palm Beach X	7:05	8:05	9:05	10:05	11:05	12:05	1:05								
Mangonia Park	7:30	8:30	9:30	10:30	11:30	12:30	1:30								

South Florida Regional Transportation Authority

Timeline

- 2019 SFRTA reaches milestone Positive Train Control technology milestone by testing revenue trains.
- 2018 SFRTA achieves 96.2% On-Time-Performance its highest since January 2001. SFRTA is making progress to complete the installation of the Positive Train Control equipment along the South Florida Rail Corridor.
- 2017 New RTA Operations Center opens in Pompano Beach
- 2016 MiamiCentral will serve as downtown Miami's multimodal hub, providing connections to All Aboard Florida, Tri-Rail, Miami-Dade County bus system, Metrorail and Metromover
- 2015 Opening of the new Miami Intermodal Center (MIC) at the Miami Airport. Construction on the new Operations Center and Pompano Beach Station improvements begin in May
- 2014 Tri-Rail receives its first GFOA Budget Award. SFRTA announces plans for a new Operations/Administrative Center. FDOT and CSX agreed to transfer dispatch to
- 2009 Tri-Rail celebrates 20th Anniversary, implements first fare increase in more than 14 years and carries record number of passengers in on calendar year – more than 4.3 million
- 2002 Tri-County Transportation Summit launches initiative for formation of Regional Transportation Authority
- 2000 New Fort Lauderdale/Hollywood International Airport Station at Dania Beach opens. Award winning tropical train wrap unveiled.
- 1998 Tri-Rail opens new Miami Airport Station
- 1996 Opening of Sheridan Street and Opa-Locka Stations. Installation of TVMs complete
- 1994 Tri-Rail signs Interlocal Agreement with FDOT and Miami-Dade, Broward and Palm Beach counties
- 1989 Tri-Rail begins operation
- 1988 FDOT purchases 81-mile piece of the South Florida Rail Corridor from CSXT for 264 million. TRCO becomes the Tri-County Commuter Rail Authority (Tri-Rail)



SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

AGENCY TAKES NATIONAL, REGIONAL AND STATEWIDE HONORS

The accolades continued to flow to the South Florida Regional Transportation Authority, with multiple departments scoring honors and awards this past year. The SFRTA received the following awards:

Procurement

- National Procurement Institute 2019 Annual Achievement of Excellence in Procurement Award

Marketing

- 2019 American Public Transportation Association First Place AdWheel Award, Best Social Media Campaign to Increase Ridership or Sales - "Our Price Is Right"
- 2019 Florida Public Transportation Association Second Place and Third Place Awards – "Respect the Rails"

Finance

- Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year Ended 2018
- Government Finance Officers Distinguished Budget Presentation Award for the Fiscal Year Beginning July 1, 2019





SYSTEM MAP

- TRI RAIL
- Tri-Rail Station
- Free Tri-Rail Shuttle @Station
- Direct Shuttle Route to Airport
- Miami-Dade Metrorail
- Metrorail Station
- Transfer Station
- Metrorail Orange Line
- Metrorail Green Line
- International Airport
- Access to Amtrak



Tri-Rail and
Amtrak to service
Miami Intermodal
Center (MIC)
in 2013.

