RTA

SOUTH FLORIDA
REGIONAL
TRANSPORTATION
AUTHORITY

A Component Unit of the State of Florida
Department of Transportation

ACFR

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ending June 30, 2023 and 2022



SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
ANNUAL COMPREHENSIVE FINANCIAL REPORT

A Component Unit of the State of Florida
Department of Transportation

FISCAL YEAR ENDED JUNE 30, 2023

Prepared by

Finance Department



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RTA SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

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MESSAGE FROM THE EXECUTIVE DIRECTOR

The South Florida Regional Transportation Authority (SFRTA) presents the Annual Comprehensive Financial Report (ACFR) for fiscal year (FY) 2023, the agency's annual report card detailing the programs and services funded by its budget. The ACFR also presents the current financial position for the agency to help determine and pursue its short- and long-term goals. This financial report represents the agency's budget for the fiscal year July 1, 2022 through June 30, 2023.

Having assumed the position of Executive Director on August 15, 2022, the report closely parallels my first year leading the organization. I am proud to say that our team managing the agency's finances have done an exemplary job maintaining its financial solvency, and we continue working to ensure we preserve a solid budgetary position for the foreseeable future. This has been repeatedly confirmed with nationally recognized awards presented to the agency every year for meeting the highest principles of governmental budgeting and financial reporting.

Tri-Rail ridership continued its growth in FY 2023, totaling over 3.7 million passengers, a 23% increase from FY 2022. The system averaged over 300,000 monthly riders in FY 2023, a feat accomplished in only one month in FY 2022. Weekday ridership averaged at 12,000 riders and weekend ridership returned to form with 6,500 riders. The system's overall ridership recovered to 80%, and the growth in ridership produced an increase of $1,066,231 in train revenue in FY 2023 compared to FY 2022. Thanks in great part to our working relationship with our safety & security team that has helped improve the fare inspection process.

We have accomplished a tremendous amount of work to improve the rider experience this past year, removing tons of trash and clearing thousands of feet of vegetation on the corridor, removing graffiti from more than 20 locations and focusing on upkeep of station cleanliness, replacing over 700 passenger car windows and 16 air conditioning units on train equipment, as well as establishing a refresh program on passenger cars where floors and seats are being replaced and restrooms rehabilitated. The reliability of our train service is a major factor that ensures our passengers can continue to count on us to get them to their destinations in their desired time, and on-time performance remained over 90 percent this past year.

We received magnificent news in the spring of2023 when the U.S. Department of Transportation's Federal Transit Administration(FTA) announced the SFRTA as one of six recipients of federal grant funds to replace aging passenger railcars. SFRTA was awarded with $71.7 million, helping accumulate over $200 million investment in our rolling stock. The funds will help replace approximately 32-percent of the rail fleet, which will take a few years to procure and build. However, we have already begun the process to look for opportunities where leasing vehicles or purchasing surplus equipment from other entities may be achievable.

This year, as we programmed to re-wrap the exterior of 12 locomotives and 49 passenger cars that were due for replacement, the SFRTA Governing Board chose to explore the creation of a new look for Tri-Rail trains. With the impending expansion of service into MiamiCentral Station, it was a great opportunity to give Tri-Rail trains a fresh design, utilizing current the incorporation of new equipment. A fresh new train set is on schedule to be completed by the end of this year.

We continue to sustain a valuable organization, not only running a commuter rail system with 18 train stations and dozens of aging rail vehicles, but also in charge of dispatching and maintaining the South Florida Rail Corridor. This work provides the public withan essential service in a r,egion with ever-growing traffic and mobility challenges, while enabling rail freight services that support Florida's economic supply chain.

I thank SFRTA's Governing Board for their continued support of the work we have set out to complete. Equally, I thank SFRTA management and staff for their professionalism and continued dedication toward achieving the agency's goals and objectives. While we are greatfull for the positive results of this past year, we continue to aspire towards providing a safe, clean and consistent service that plays an important role in the betterment of South Florida.

Your sincerely,



David W. Dech

Executive Director

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SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

January 10, 2024

Raquel A. Regalado, Chair 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) Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. This report signifies the SFRTA's 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: Plante Moran, PLLC, an independent Certified Public Accounting Firm, has audited the financial statements of the SFRTA. Plante Moran, PLLC rendered an unmodified opinion on the financial statements in their report located in the Financial Section on page 11.

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 14-29 in the ACFR.

SFRTA PROFILE

General Information: The SFRTA provides regional commuter rail service to the Miami Metropolitan Statistical Area (Miami MSA) which is comprised of Miami-Dade, Broward, and Palm Beach County. Miami MSA continues to be one of the fastest growing regions in the nation and ranks as the ninth largest MSA in the United States. Miami-Dade, Broward, and Palm Beach County are also the three most populous counties in Florida. The Miami MSA's 2020 U.S. Census permanent population was 6,138,333, a 10% increase from 2010. Each of the three counties grew by more than 150,000 residents during the decade. The percent of population increase was 13% for Miami-Dade, 11.2% for Broward, and 8.2% for Palm Beach. Miami-Dade County, the most populous county in Florida, had a 2020 population of 2.75 million; Broward County, a population of 1.93 million, and Palm Beach County, a population of 1.5 million.

SFRTA operates Tri-Rail, which is one of only two regional commuter rail systems in Florida. SFRTA operates 50 weekday trains, 30 Saturday trains, and 30 Sunday trains along the 73.5-mile north-south stretch of the South Florida Rail Corridor (SFRC). The Region's other primary transit providers are Broward County Transit (BCT), Palm Tran (Palm Beach), and Miami-Dade County Department of Transportation and Public Works (DTPW). SFRTA also provides some first and last mile mobility options for passengers. Local transit services such as community circulators, trolleys, ride-hailing, and bike and scooter sharing are also operated by various local governments and private agencies.

The Governing Board of SFRTA consists of ten members: one County Commissioner, one citizen appointee, and one Governor appointee for each of the three Counties (nine appointees) and a Florida Department of Transportation (FDOT) District Secretary (one appointment).

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 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: Train Operations, Train & Station Maintenance, Personnel Expenses, Professional Services, Legal, General & Administrative 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 fares collected at train stations and through SFRTA's mobile app, subsidies provided by FDOT, the Federal Transit Administration (FTA), and the three counties serviced by the SFRTA.

ECONOMIC CONDITION AND OUTLOOK

State and Local Economy: Florida is the third largest state and has the fourth largest economy in the U.S. The state's overall employment has been among the highest in its history, and from 2019 to 2020, real personal income in the state increased by 4.2%. Florida's private sector employment grew by 3.3% (adding 277,000 jobs) from July 2022 to July 2023, faster than the national rate of 2.2% for the same period. The state outperformed the nation in private sector job growth for 28 consecutive months ending July 2023. Total nonfarm employment for the Miami-Fort Lauderdale-West Palm Beach, FL, metropolitan area increased by 77,100 over the year in July 2023, as reported by the U.S. Bureau of Labor Statistics. The local rate of job gain, 2.8 percent, compares to the 2.1 percent national increase.

The Miami MSA's unemployment rate was 2.6% as of August 2023, and compares to the state and U.S. unemployment rates of 2.7% and 3.8%, respectively. Since 2021, it has remained below the national average. From August 2022 to August 2023, the MSA experienced an overall job growth rate of 2.4%. In 2022, the top three industries in Miami and Broward Counties were healthcare, tourism, and financial services; for Palm Beach County, they were tourism, construction, and agriculture.

The financial, tech, biotech, health, and educational sectors also contribute to the region's growing economy. The Miami MSA is well-served by numerous colleges, universities, medical, trade, technical and vocational schools to support the educational and skill needs of employers.

The Miami MSA is served by three international airports and two major seaports, critical components of the regional economy that support domestic and international trade. Port Miami and Port Everglades passenger cruise ports are currently the 1st and 4th busiest in the world. The region is served by three international airports - Fort Lauderdale-Hollywood Airport (FLL), Miami

International Airport (MIA), and Palm Beach International Airport (PBIA). FLL is one of the 40 busiest airports in the world, and employs more than 29,000 people in the Fort Lauderdale area. FLL broke ground on its fifth passenger terminal in October 2023; with a three-year construction timeline, it is expected to generate about 3,400 construction-related jobs and between 1,000 and 1,250 permanent jobs. MIA is one of the most important airports in the country for air cargo and is the nation's busiest for international passengers and international freight. It offers more flights to Latin America and the Caribbean than any other U.S. airport, and is a leading economic engine for the county and state. MIA and the General Aviation Airports' annual economic impact is $31.9 billion. MIA and related aviation industries contribute 275,708 jobs directly and indirectly to the local economy. That equates to one out of 4.6 jobs. PBIA serves destinations in the US, Canada, and the Caribbean on 13 airlines. It has a total employment of 48,602 and generates more than $5.6 billion to the South Florida economy, both directly and indirectly. PBIA consistently wins travel awards for convenience and passenger experience.

Long Term Financial Planning: With Southeast Florida's rapid population increases, the need for efficient, reliable regional transit also becomes increasingly critical to maintaining the region's economic vitality. SFRTA is committed to meet the transit needs of this growth by creating a first-class commuter rail service that is an essential component of the regional transportation network, providing essential transit 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.

During a special session of the Florida Legislature in December 2009, Florida Statutes §343.51, provided the SFRTA a dedicated funding source. The law amended Florida Statutes §343.58 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.

On March 29, 2015, the annual funding provided from the STTF was increased to reflect SFRTA's responsibilities for maintaining and dispatch on the SFRC. 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 annual increase in dedicated funding for assuming dispatch and maintenance of the 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

Ridership & On-Time Performance

Ridership continued its upward trend in 2023, with a total fiscal year increase of 22 percent. End-to-End and Station-to-Station On-Time Performance (OTP) consistently met or exceeded the 90% target. The agency's OTP goal is to achieve a minimum 90% on a monthly basis.

Major Initiatives

SFRTA Received A $71.7 Million Federal Grant to Replace Rail Vehicles: The grant represents first-time funding under the new Rail Vehicle Replacement Program. SFRTA will receive $71.7 million to assist in the $151.8 million cost to replace 24 older rail vehicles at or near the end of their useful life. These vehicles represent nearly 1/3 of the Tri-Rail feet. Procurement activities are currently underway with new vehicles expected over the next five to seven years.

Tri-Rail Downtown Miami Link: In coordination with multiple partners, SFRTA is extending Tri-Rail commuter rail service to provide new service to downtown Miami. The new SFRTA station at the MiamiCentral Station is a regional transit hub. The approximately 8.5-mile extension will provide a passenger service link from the Tri-Rail Metrorail Transfer Station to downtown Miami. The new Tri-Rail station is projected to open in early 2024.

System and Facility Improvements

Improvements to Tri-Rail Stations, facilities and fleet were implemented, with attention to State of Good Repair (SGR) projects that improve safety, capacity, access and resiliency:

Commuter Authority Rail Safety Improvements (CARSI) for Onsite Signal Safety Improvement Project: Full signal system replacement and technology modernization of signal cabinets and supporting infrastructure at 25 of the highest volume crossings along the SFRC are funded, through the federal CARSI Grant, submitted jointly by SFRTA and FDOT. Project completion is anticipated for November 2024.

Maintenance of Way (MOW), Engineering and Operations Improvements: Extensive MOW project work was completed to improve corridor and operations conditions and safety, including track rehabilitation and reconstruction, signal safety, grade crossing and drainage improvements along the SFRC. Engineering upgrades were made to platforms at the MiamiCentral Station and repairs to pedestrian bridges throughout the system. Operations and fleet improvements were completed to ready service to operate in the new MiamiCentral Station.

Rail Safety Campaign: SFRTA continued its ongoing safety campaign "Respect the Rails" in FY 2023, to address the need for caution at railroad crossings and on or near the tracks.

Station Ambassadors: SFRTA hired Station Ambassadors to assist passengers to navigate connections on the current Tri-Rail system and will assist passengers at the new MiamiCentral Station. Ambassadors provide up-to-the-minute service update information to passengers and also report on operational matters to ensure stations and trains are orderly, all in an effort to continue improving Tri-Rail's customer experience.

First-Last Mile Connections with Tri-Rail Stations: SFRTA now provides a $5 subsidy to passengers for first-last mile connections for all Palm Beach and Broward stations. Yellow Cab and Uber operate at the Broward stations, and MetroTaxi and Uber operate in Palm Beach County. On-demand service is provided by Freebee at the Cypress Creek Station.

Northern Layover Facility (NLF): This project is a layover and light maintenance facility that accommodates and stores up to 10 five-car train sets (one locomotive and five passenger cars each). The facility also includes an approximately 7,680 square foot building for maintenance and operating staff, which includes office, training, communications, and break space. The NLF will improve operations efficiency and meet expanding needs for storage capacity, planned expansion onto the FEC corridor, and longer-term needs, as the passenger rail network develops. A notice-to-proceed (NTP) has been issued for design, which is expected to be completed May 2024. A three-year construction timeframe is expected following the NTP to a contractor.

CERTIFICATE OF ACHIEVEMENT

SFRTA's Finance Department received the GFOA Distinguished Budget Award for FY 2022 from the Government Finance Officers Association, which represents public finance officials throughout the United States and Canada. A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR 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 ACFR. 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 Plante Moran, PLLC for their guidance and professional assistance in the preparation of this report.

Respectfully Submitted,

David W. Dech
Executive Director

Diane Hernandez Del Calvo
Deputy Executive Director/EEO Officer

Jeremy Baker
Director of Finance

GOVERNING BOARD AND MANAGEMENT

GOVERNING BOARD



J. C. DE ONA
Miami-Dade County
Representative



STACY MILLER
FDOT District IV
Secretary



CARLOS A PENIN
Governor's Appointee



RAQUEL A. REGALADO
Miami-Dade County
Commissioner



TIM RYAN
Broward County
Commissioner



JAMES A. SCOTT
Governor's Appointee



ROBERT B. SENDLER
Governor's Appointee



HAL R. VALECHE
Palm Beach County
Representative



ROBERT C. L. VAUGHN
Broward County
Representative



MARCI WOODWARD
Palm Beach County
Commissioner

EXECUTIVE MANAGEMENT



DAVID W. DECH
Executive Director



DIANE HERNANDEZ DEL CALVO
Deputy Executive Director/EEO Officer

LEGAL DEPARTMENT



TERESA M. MOORE
General Counsel



NOEL PFEFFER
Deputy General Counsel

SENIOR MANAGEMENT



JEREMY BAKER
Director of
Finance



LORAINE CARGILL
Director of Strategic
Planning/EEO Officer



ANTHONY CARIVEAU
Chief Contracting
Officer



VICTOR GARCIA
Director of
Public Affairs



SCOTT KENNER
Director of
Operations



BRIAN REEVES
Chief Engineer



MARCUS THOMAS
Director of
Safety & Security



M. DAVID TRABAL
Director of
Human Resources

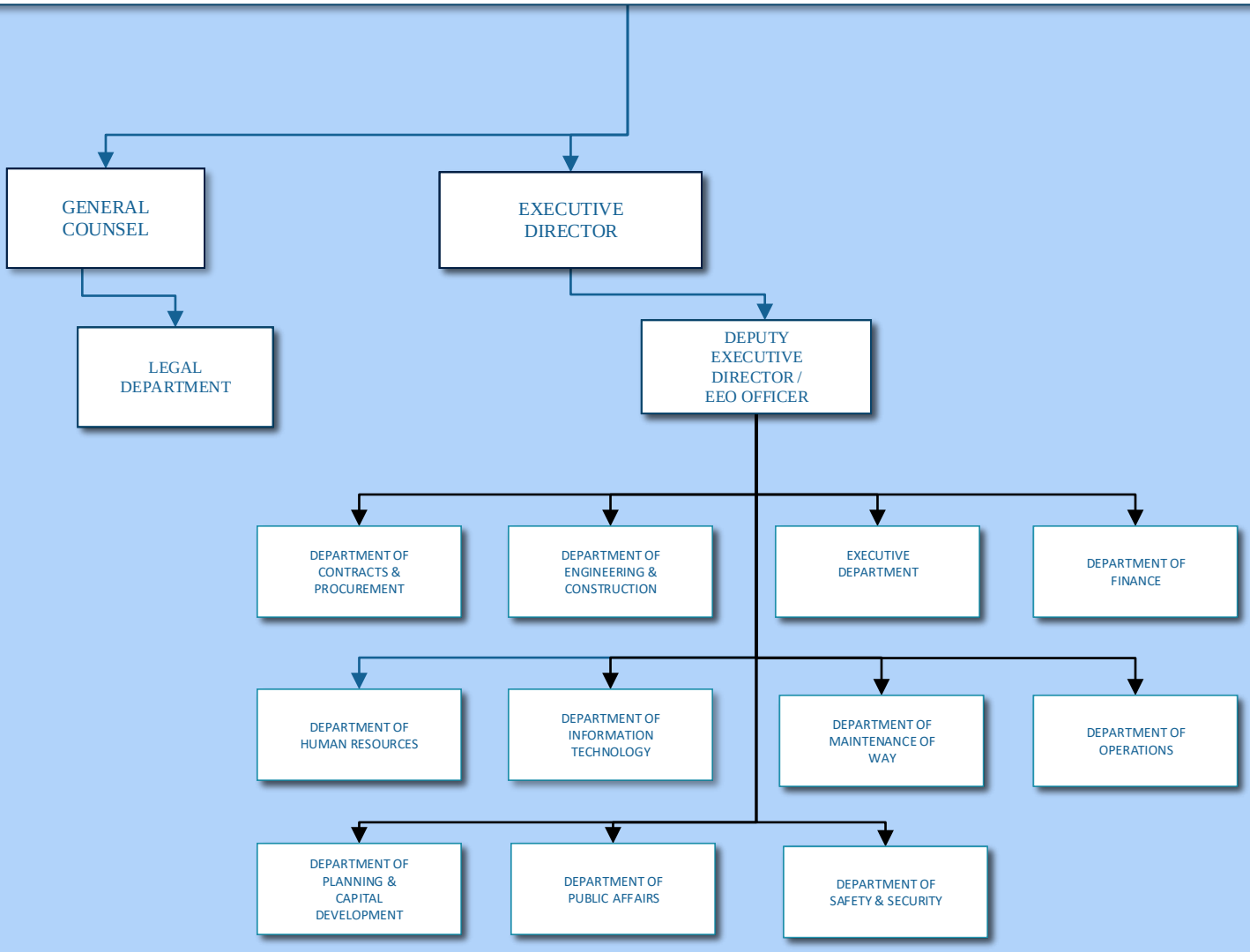
Mission Statement

"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."



SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
Governing Board

J. C. de Ona | Stacy L. Miller, P.E. | Carlos A. Penin | Commissioner Raquel A. Regalado | Commissioner Tim Ryan | James A. Scott | Robert B. Sendler | Hal R. Valache | Robert C. L. Vaughan | Commissioner Marci Woodward



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

South Florida Regional Transportation Authority

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

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
South Florida Regional Transportation Authority

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of the South Florida Regional Transportation Authority (SFRTA), a component unit of the Florida Department of Transportation, as of and for the years ended June 30, 2023 and 2022 and the related notes to the financial statements, which collectively comprise the SFRTA's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the South Florida Regional Transportation Authority as of June 30, 2023 and 2022 and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of the SFRTA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the SFRTA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

PRAXITY™
Empowering Business Globally

In performing audits in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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 SFRTA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the SFRTA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 audits 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 Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the South Florida Regional Transportation Authority's basic financial statements. The other supplementary information, consisting of the schedules of operating expenses by department for the years ended June 30, 2023 and 2022 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits 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 other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical and general information sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

To the Governing Board
South Florida Regional Transportation Authority

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2024 on our consideration of the South Florida Regional Transportation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the South Florida Regional Transportation Authority'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 South Florida Regional Transportation Authority's internal control over financial reporting and compliance.



January 10, 2024

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

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 Annual Comprehensive Financial Report (ACFR) 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 Annual Comprehensive Financial Report, 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 ACFR 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 further 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 2023.

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, 2023, 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 2022.

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.

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 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.

Financial Highlights

- Fiscal year 2023, marks the twentieth year that Broward, Miami-Dade and Palm Beach Counties contributed $2.67 million ($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 $160.2 million. In fiscal years 2022 and 2021, the SFRTA used approximately $831 thousand and $600 thousand, respectively to fund various capital projects. While in fiscal year 2023, the SFRTA used approximately $2.8 million to fund various capital projects. As of June 30, 2023, the remaining funds of approximately $17.1 million will be used to leverage funds for future capital projects.

- In fiscal year 2023, the SFRTA's total net position was approximately $626.1 million reflecting an increase from fiscal year 2022 of approximately $14 million or 2.3% of the net position. Approximately $25.8 million or 4.1% of the net position is unrestricted. In fiscal year 2022, the SFRTA's total net position was approximately $611.9 million reflecting a increase of approximately $9.4 million or 2.0% from fiscal year 2021.

- In fiscal year 2023, operating expenses, before depreciation, increased by approximately $12.8 million or 11.3%. In fiscal year 2022, operating expenses, before depreciation, decreased by approximately $6.9 million or 1.2% In fiscal year 2021, operating expenses, before depreciation, decreased by approximately $1.3 million or 1.2%.

- Operating revenue in fiscal year 2023 increased by approximately, $3.5 million or 37% . In fiscal year 2022, operating revenue increased by approximately $4 million or 64%.

II. FINANCIAL ANALYSIS OF THE SFRTA

Summary of Net Position

Current assets:
Total current assets in fiscal year 2023 increased by approximately $6.5 million or 5.1%, compared to fiscal year 2022. This increase in current assets was mainly due to the increase in accounts receivable of $10 million and an increase in prepaid expenses of $434 thousand.

Current assets in fiscal year 2022 increased by approximately $12.2 million or 11.0% compared to fiscal year 2021. This increase in current assets was mainly due to the increase in cash and cash equivalents of $8.1 as well as an increase in accounts receivable of federal grants of $2.8 million and an increase in prepaid expenses of $102 thousand.

Noncurrent assets:
In fiscal year 2023, noncurrent assets net of accumulated depreciation decreased by approximately $34 thousand or 1%. The $34 thousand decrease in net capital assets in 2023

results primarily from asset acquisitions of $ 26.2 million, less depreciation of $23.6 million and net deletions and reclassifications of $2.7 million.. In fiscal year 2022, noncurrent assets net of accumulated depreciation decreased by approximately $5 million or 1.0%. The $5 million decrease in net capital assets in 2022 results primarily from asset acquisitions of $18 million, less depreciation of $23.6 million.

Deferred outflows of resources
Deferred outflows of resources in fiscal year 2023 increased by approximately $373 thousand or 15.4% when compared to fiscal year 2022. Deferred outflows of resources for the Florida Retirement System and Retirement Health Insurance Subsidy Program are approximately $2.3 million and $298,000 thousand, respectively. Deferred outflows of resources in fiscal year 2022 decreased by approximately $1.3 million or 35.6% when compared to fiscal year 2021. Deferred outfows of resources for the Florida retirement System and Retirement Health Insurance Subsidy Program are approximately $2 million and $414,000, respectively.

Current liabilities:
Current liabilities in fiscal year 2023 decreased by approximately $19 million or 43% compared to fiscal year 2022. This decrease was primarily due to a reduction in notes payable of $18.2 million and accruals of $1.8 million.

Current liabilities in fiscal year 2022 decreased approximately $2.0 million or 5.0% compared to fiscal year 2021. This was offset by an approximately $12 thousand decrease in due to other governmental units and approximatelty $4.2 million increase in accounts payable.

Noncurrent liabilities:
In fiscal year 2023 non-current liabilities increased by approximately $16.1 million or 64%. This increase was primarily due to noncurrent portion of the notes payable of $17.2 million.

In fiscal year 2022 non-current liabilities decreased by approximately $10.7 million or 30.0%. This decrease was primarily due to the current year pay down of notes payable of $4 million offset by a $7.2 million decrease in net pension liability.

In fiscal years 2023 and 2022, 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 2023 decreased by approximately $4.9 million or 75%. The significant decrease in fiscal year 2023 was primarily due to a decrease of deferred inflows of resources for the Florida Retirement System of approximately $1.5 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 a decline 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 2022 increased by approximately $4.9 million or 319%. The significant increase in fiscal year 2022 was primarily due to a decrease of deferred inflows of resources for the Florida Retirement System of approximately $1.5 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 a decline in the economy over the prior plan year, and changes in the Authority's proportionate share of the net pension liability.

Net position:
The SFRTA's total net position in fiscal year 2023 are comprised of net investments in capital assets totaling approximately $544.4 million, restricted net position for capital projects of approximately $55.0 million which included approximately $4.8 million in restricted funds from the counties and approximately $50.2 million from other funding sources; and unrestricted net position of approximately $25.8 million.

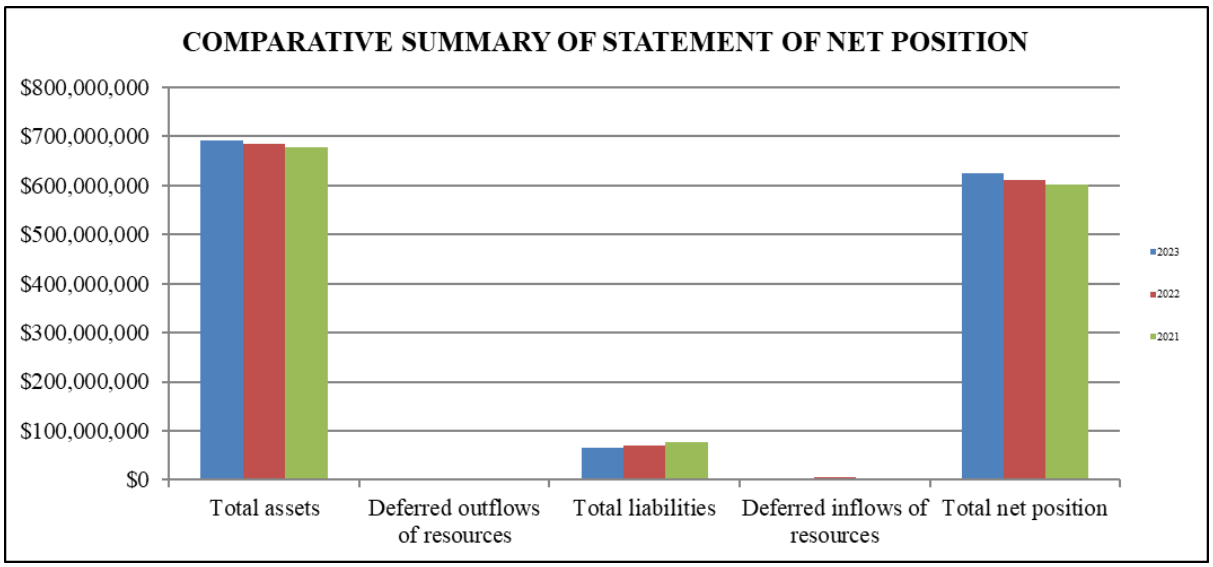
The SFRTA's total net position in fiscal year 2022 are comprised of net investments in capital assets totaling approximately $541.2 million, restricted net position for capital projects of approximately $45.0 million which included approximately $4.8 million in restricted funds from the counties and approximately $40.2 million from other funding sources; and unrestricted net position of approximately $25.7 million.

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 2023 resulted in a increase in net position of approximately $14.2 million or 2.3%. In fiscal year 2022, the increase in net position was approximately $9.4 million or 1.6%.

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.

SUMMARY OF STATEMENT OF NET POSITION

	2023	2022	2021
ASSETS			
Total current and other assets	$ 135,836,526	$ 129,365,295	$ 117,151,034
Total capital assets (net of depreciation)	555,455,004	555,489,363	560,530,078
Total assets	$ 691,291,530	$ 684,854,658	$ 677,681,112
DEFERRED OUTFLOWS OF RESOURCES	$ 2,804,265	$ 2,431,064	$ 3,776,592
LIABILITIES			
Total current liabilities	$ 25,019,947	$ 43,631,909	$ 41,413,728
Total noncurrent liabilities	41,380,748	25,249,297	35,970,173
Total liabilities	$ 66,400,695	$ 68,881,206	$ 77,383,901
DEFERRED INFLOWS OF RESOURCES	$ 1,590,566	$ 6,472,460	$ 1,546,060
NET POSITION			
Net Investments in capital assets	$ 544,439,222	$ 541,172,169	$ 540,237,680
Restricted for:			
Capital Projects	55,007,535	45,015,937	34,478,762
Restricted Cash - Debt Fund	852,782	727,000	
Unrestricted	25,804,995	25,016,950	27,811,301
Total net position	$ 626,104,534	$ 611,932,056	$ 602,527,743



SUMMARY OF REVENUE

Operating revenue:
In fiscal year 2023, train revenue was approximately $13.1 million, an increase of 37.1% from fiscal year 2022. In fiscal year 2022, train revenue was approximately $9.5 million, an increase of 63.9% over fiscal year 2021.

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 2023, SFRTA's earnings on investments were approximately $3.2 million primarily due to the interest earned on the Counties' contributions and other restricted funds of $55.0 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 2023 increased by approximately $2.9 million due to higher available market rates.

In fiscal year 2022, SFRTA's earnings on investments were approximately $249 thousand, primarily due to the interest earned on the Counties'contributions and other restricted funds of $45.0 million. This was an increase comapred to fiscal year 2021 of $155 thousand.

Interest expense:
In fiscal year 2023, SFRTA incurred approximately $926 thousand in interest expense related to note payable to Florida Department of Transportation (State Infrastructure Bank Loan) and TD Bank. In fiscal year 2022 SFRTA incurred approximately $272 thousand 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 2023, Federal grants increased approximately $7.3 million or 16.0%. The increase in Federal grants in fiscal year 2023 was primarily due to receipts of CARES and Preventive Maintenance
For fiscal year 2022, Federal grants increased approximately $2.5 million or 5%. primarily due to increases of Cares and CRRSA Funding.

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 2023, the SFRTA applied approximately $23.7 million as Preventive Maintenance, an increase of approximately $18.0 million from fiscal year 2022.

For fiscal year 2022 the SFRTA applied approximately $5.2 million as Preventive Maintenance, a decrease of of approximately $11.1 million from fiscal year 2021.

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 2023, the SFRTA used approximately $2.0 million of FTA capital contributions to fund operating projects. In fiscal year 2022, the SFRTA used approximately $1.0 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 2023 and 2010, the SFRTA received $4.0 million FHWA assistance.

Florida Department of Transportation (FDOT):
SFRTA assumed responsibility for dispatch maintenance of the South Florida Rail 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.

For fiscal year 2023 State grants (non-capital) decreased by $314 thousand for a total of $55.9 million.

Other Local Funding:
Other funding consists of approximately $100,000 received from private firms

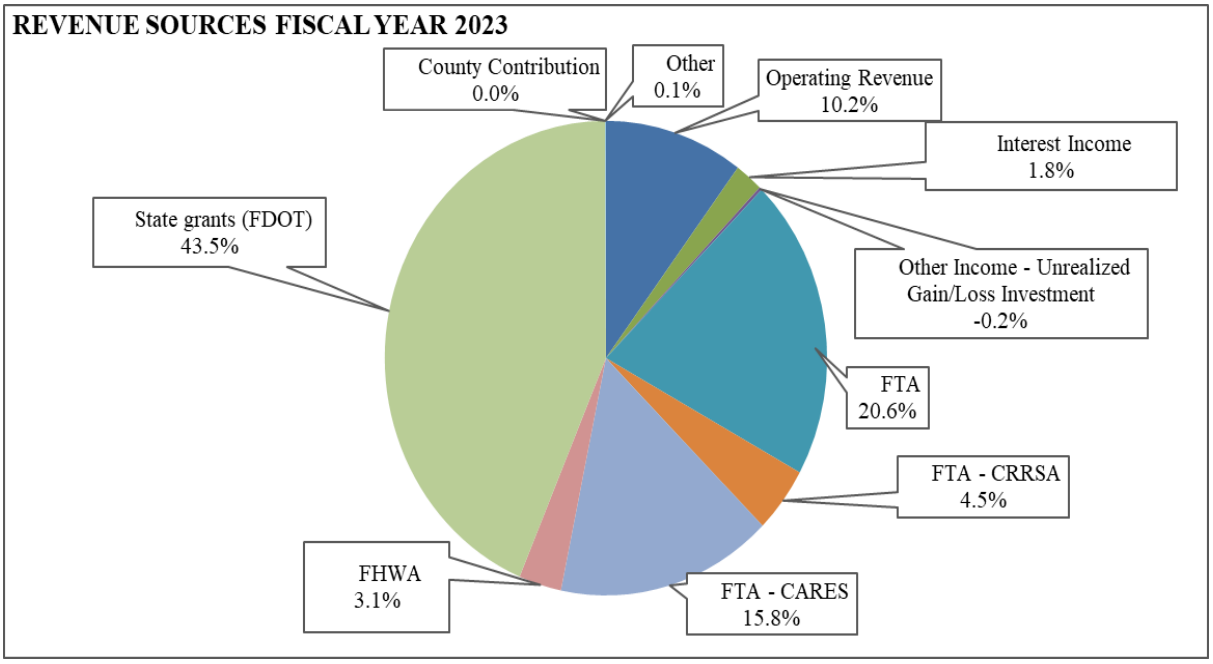
County Contributions:

Broward, Palm Beach and Miami-Dade counties contributed approximately 1.6 million each towards the SFRTA's operating budget. SFRTA reclassified funds towards capital reserve in fiscal year 2023.

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

REVENUE SUMMARY

	2023 Total	Percent of Total	2022 Total	Percent of Total	2021 Total	Percent of Total
Revenue						
Operating Revenue	$ 13,074,618	10.2%	$ 9,535,627	8.3%	$ 5,816,475	5.4%
Interest Income	3,153,925	2.5%	249,177	0.2%	155,067	0.1%
Other Income-Unrealized Gain/Loss Investment	(258,701)	-0.2%	-	0.0%	-	0.0%
FTA	26,449,487	20.6%	6,329,030	5.5%	18,695,230	17.3%
FTA - CRRSA	5,749,286	4.5%	22,000,000	0.0%	-	0.0%
FTA - CARES	20,310,116	15.8%	16,846,045	14.6%	23,935,851	22.2%
FHWA	4,000,000	3.1%	4,000,000	3.5%	4,000,000	3.7%
State grants (FDOT)	55,975,558	43.5%	56,290,082	48.8%	55,057,455	51.1%
County Contribution	-	0.0%	-	0.0%	-	0.0%
Other	100,000	0.1%	100,000	0.1%	100,000	0.1%
Total Revenues	$ 128,554,289	100.0%	$ 115,349,961	100.0%	$ 107,760,078	100.0%



SUMMARY OF EXPENSES

Operating expenses:
Total operating expenses for fiscal year 2023, including depreciation expense, were approximately $150.7 million. This was an increase of approximately $12.7 million or 9.2% when compared to fiscal year 2022. Total operating expenses for fiscal year 2023, including depreciation expense, were approximately $138.0 million. This was a decrease of approximately $4 million or 3% when compared to fiscal year 2021.

Operations:
In fiscal year 2023, total operations, which include, train-operating costs, feeder service, train security, insurance costs, train fuel costs and train and station maintenance, increased by approximately $9.6 million or 13.1%. The increase in total operations was due to the following; an increase of $1.1 million or 19.0% in security expense, an $4.6 million or 20.0% increase on train operations; an increase of $803 thousand or 9.0% in train fuel, a $248 thousand or 5.0% increase in insurance and a $2.4 million or 9.0% increase in train and station maintenance, and an increase of $147 thousand or 6.0% in feeder service. In fiscal year 2022, total operations which include train-operating costs, feeder service, train security, insurance costs, train fuel costs and train and station maintenance increased by approximately $8.2 million or 12.6%

Planning:
Planning expenses include all planning related activities, including salaries and office expenses, planning consultants and planning studies. For fiscal year 2023, planning expenses increased by approximately $936 thousand or 64.2%. The increase in planning expenses is primarily due to the $1.1 million increase in professional fees. For fiscal year 2022, planning expenses decreased by approximately $880 thousand or 37.4%. The decrease was primarily due to the $755 thousand decrease in professional fees.

Engineering:
Engineering expenses in fiscal year 2023 decreased by approximately $313 thousand primarily due to an increase in labor and fringe benefits of approximately $350 thousand Engineering expenses in fiscal year 2022 increased by approximately $559 thousand, primarily due to an increase in Maintenance of way (MOW) of approximately $1.2 million

Legal:
In fiscal year 2023, the legal department expenses were approximately $1.1 million an increase of approximately $109 thousand or 11.5%, related to an increase of $209 thousand in labor and fringe benefits. In fiscal year 2022, the legal department expenses were approximately $949 thousand an increase of approximately $153 housand or 19.2%, related to an increase of $304 thousand in professional fees.

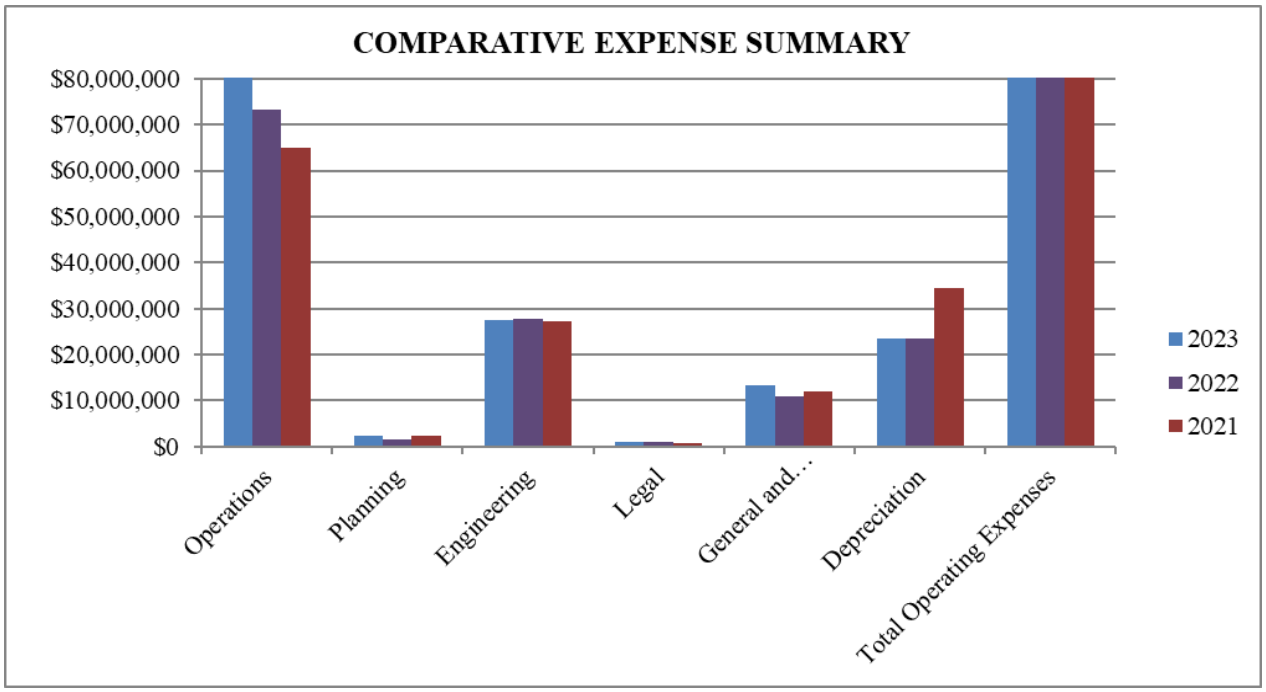
General and Administrative:

General and Administrative (G&A) expenses in fiscal year 2023 increased approximately $2.4 million or 23.1%. General and Administrative (G&A) expenses in fiscal year 2022 decreased approximately $1.2 million or 10.0%.

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

EXPENSE SUMMARY

	2023	Percent of Total	2022	Percent of Total	2021	Percent of Total
Operations	$ 82,867,550	55.0%	$ 73,270,344	53.1%	$ 65,063,482	45.8%
Planning	2,411,507	1.6%	1,475,317	1.1%	2,355,489	1.7%
Engineering	27,551,434	18.3%	27,864,644	20.2%	27,305,805	19.2%
Legal	1,058,970	0.7%	949,499	0.7%	796,311	0.6%
General and Administrative	13,255,863	8.8%	10,819,760	7.8%	11,994,042	8.4%
Depreciation	23,562,477	15.6%	23,589,073	17.1%	34,470,135	24.3%
Total Operating Expenses	$ 150,707,801	100.0%	$ 137,968,637	100.0%	$ 141,985,264	100.0%



Summary of Operations

The SFRTA's fiscal year 2023 operating loss, including depreciation, was $137.6 million. This is a $9.2 million increase over fiscal year 2022's loss of $128.4 million. The overall increase in operating loss was mainly due to the $9.6 million increase in operating expenses.

The SFRTA's net position increased by approximately $14.2 million in fiscal year 2023, a 2.3% increase over fiscal year 2022.

The SFRTA's fiscal year 2022 operating loss, including depreciation was $128.4 million. This is a $7.7 million decrease over fiscal year 2021's loss of $136.2 million. The overall decrease in operating loss was mainly due to the $4 million decrease in operating expenses.

The SFRTA's net position decreased by approximately $9.4 million in fiscal year 2022, a 1.6% increase over fiscal year 2021.

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

	2023	2022	2021
OPERATING REVENUE:			
Total Operating Revenue	$ 13,074,618	$ 9,535,627	$ 5,816,475
OPERATING EXPENSES:			
Operations	82,867,550	73,270,344	65,063,482
Planning	2,411,507	1,475,317	2,355,489
Engineering	27,551,434	27,864,644	27,305,805
Legal	1,058,970	949,499	796,311
General and Administration	13,255,863	10,819,760	11,994,042
Depreciation	23,562,477	23,589,073	34,470,135
Total Operating Expenses	150,707,801	137,968,637	141,985,264
Operating Loss	(137,633,183)	(128,433,010)	(136,168,789)
NON-OPERATING REVENUES (EXPENSES):			
Interest Income	3,153,925	249,177	155,067
Other Income-Unrealized Gain/loss Investment	(258,701)	-	-
Federal Transit Administration	26,449,487	6,329,030	18,695,230
Federal Transit Administration - CARES	20,310,116	16,846,045	23,935,851
Federal Transit Administration - CRRSA	5,749,286	-	-
Federal Highway Administration	4,000,000	4,000,000	4,000,000
Florida Department of Transportation	55,975,558	56,290,082	55,057,455
Other Local Funding	100,000	100,000	100,000
Broward County	-	-	-
Miami-Dade County	-	-	-
Palm Beach County	-	-	-
Loss on Disposal	(2,748,092)	-	-
Total Non-Operating Revenues (Expenses)	112,731,579	83,814,334	101,943,603
Loss before capital contributions	(24,901,604)	(44,618,676)	(34,225,186)
CAPITAL CONTRIBUTIONS:			
Total capital contributions	39,074,082	32,022,989	32,418,733
Change in net position	14,172,478	9,404,313	(1,806,453)
Total net position - beginning	611,932,056	602,527,743	604,334,196
Total net position - ending	$ 626,104,534	$ 611,932,056	$ 602,527,743

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 decreased $160 thousand or 0.03% in fiscal year 2023. The SFRTA added approximately $26 million in Construction in Progress and transferred approximately $83.3 million out of Construction in Progress into the following assets: $68.8 million in buildings related to the new operations center, $6.7 million related to parts and equipment, $369 thousand related to furniture's, fixtures and office equipment, and transferred $791 thousand from bridges. to buildings. Depreciation for fiscal year 2023 was approximately $23.6 million. Accumulated depreciation as of June 30, 2023, was approximately $557 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, 2023:

	Balance 7/1/2022	Additions	Deletions/ Reclassifications	Balance 6/30/2023
Capital assets not being depreciated:				
Land	$ 20,299,703	$ -	$ -	$ 20,299,703
Construction in progress	204,314,336	26,150,429	(83,314,915)	147,149,850
Total capital assets not depreciated	224,614,036	26,150,429	(83,314,915)	167,449,557
Capital assets, being depreciated:				
Parts and equipment	181,092,282	6,681,154	(7,672,317)	180,101,119
Furniture, fixtures and office equipment	5,478,012	369,251	-	5,847,263
Double tracking	237,821,832	-	-	237,821,832
Buildings	195,238,126	68,755,339	-	263,993,465
Bridges	117,779,964	(790,808)	-	116,989,156
Automobiles	429,245	60,411	(78,397)	411,259
Other equipment	130,337,187	8,239,568	-	138,576,755
Total capital assets, being depreciated	868,176,660	83,314,915	(7,750,714)	943,740,849
Less accumulated depreciation for:				
Parts and equipment	92,170,051	7,364,438	(4,924,225)	94,610,264
Furniture and fixtures	4,006,369	443,365	-	4,449,734
Double tracking	139,936,430	7,950,689	-	147,887,119
Buildings	134,196,449	4,336,724	-	138,533,173
Bridge	40,145,847	2,582,909	-	42,728,756
Automobiles	429,237	4,027	(78,397)	354,867
Other equipment	127,143,935	880,324	-	128,024,259
Total accumulated depreciation	538,028,326	23,562,477	(5,002,621)	556,588,172
Capital assets being depreciated, net	330,148,327	59,752,438	(2,748,093)	387,152,665
Capital assets, net	$ 554,762,363	$ 85,902,867	$ (86,063,008)	$ 554,602,222

Long-Term Liabilities:

Long-term liabilities increased from $25.2 million in fiscal year 2022 to $41.4 million in fiscal year 2023. Long-term liabilities consist of approximately $2.4 million in deposits, $8.7 million in net pension liability, $27.4 million in notes payable, $2.0 million in advances from FDOT and approximately $1.0 million 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 June 23, 2023, the Governing Board of the South Florida Regional Transportation Authority (SFRTA) approved an operating budget of $141,811.863 and a capital budget of $177,212,656 for fiscal year 2024. 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 $30,989,957 in FTA ARP and $35,113,861 in FTA CARES ACT funds. In addition, the operating budget includes $56.9 million in annual funding from FDOT for operating assistance, maintenance and dispatch along the South Florida Regional Corridor.

Ridership for SFRTA for fiscal year 2023 showed an increase in overall ridership of 23.0%. The weekly ridership increased 24.0% from $2,512,820 in 2022 to 3,096,416 in 2023, and weekend ridership increased by 25.0% We are currently operating 50 trains a day on weekdays and 30 on weekends.

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 Jeremy Baker Director of Finance, South Florida Regional Transportation Authority, 801 NW 33rd Street, Pompano Beach, Florida 33064.

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
STATEMENTS OF NET POSITION
JUNE 30, 2023 AND 2022

	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 30,745,822	$ 86,400,327
Investments	$ 50,409,574	$ -
Total Cash and Investements	$ 81,155,396	$ 86,400,327
Accounts receivable:		
State grants	13,418,327	9,558,649
Federal grants	18,353,823	12,089,163
Miami Dade County	1,037,523	428,314
Downtown Miami Station	18,775,974	19,002,221
Other	848,934	74,506
Prepaid expenses	2,246,549	1,812,115
Total current assets	135,836,526	129,365,295
Noncurrent assets:		
Restricted Cash - Debt Fund	852,782	727,000
Capital assets (non depreciated)	167,449,557	224,614,036
Capital assets (net of accumulated depreciation)	387,152,665	330,148,327
Total noncurrent assets	555,455,004	555,489,363
Total assets	$ 691,291,530	$ 684,854,658
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	$ 2,804,265	$ 2,431,064
LIABILITIES		
Current liabilities:		
Accounts payable	$ 18,460,998	$ 16,637,322
Accrued Liabilities	1,752,491	3,618,910
Compensated absences	655,857	675,392
Unearned revenue	2,112,074	2,470,513
Due to other governmental units	121,287	88,460
Note payable	1,917,240	20,141,312
Total current liabilities	25,019,947	43,631,909
Noncurrent liabilities:		
Compensated absences	983,785	1,013,088
Deposits	2,375,540	8,362,995
Advances from FDOT	2,000,000	2,000,000
Net pension liability	8,660,116	3,710,214
Note payable	27,361,307	10,163,000
Total noncurrent liabilities	41,380,748	25,249,297
Total liabilities	$ 66,400,695	$ 68,881,206
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	$ 1,590,566	$ 6,472,460
NET POSITION		
Net Investment in Capital Assets	$ 544,439,222	$ 541,172,169
Restricted for:		
Capital projects	55,007,535	45,015,937
Restricted Cash - Debt Fund	852,782	727,000
Unrestricted	25,804,995	25,016,950
Total net position	$ 626,104,534	$ 611,932,056

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

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
OPERATING REVENUE		
Passenger fares	$ 12,384,094	$ 8,862,905
Other service	690,524	672,722
Total operating revenue	13,074,618	9,535,627
OPERATING EXPENSES		
Operations	82,867,550	73,270,344
Planning	2,411,507	1,475,317
Engineering	27,551,434	27,864,644
Legal	1,058,970	949,499
General and administration	13,255,863	10,819,760
Depreciation	23,562,477	23,589,073
Total operating expenses	150,707,801	137,968,637
Operating loss	(137,633,183)	(128,433,010)
NON-OPERATING REVENUE (EXPENSES)		
Interest income	3,153,925	249,177
Other Income - Unrealized Gain/Loss Investment	(258,701)	-
Federal Transit Administration	26,449,487	6,329,030
Federal Transit Administration - CARES	20,310,116	16,846,045
Federal Transit Administration - CRRSA	5,749,286	22,000,000
Federal Highway Administration	4,000,000	4,000,000
Florida Department of Transportation	55,975,558	56,290,082
Other local funding	100,000	100,000
Loss on disposal	(2,748,092)	-
Total non-operating revenue	112,731,579	105,814,334
Loss before capital contributions	(24,901,604)	(22,618,676)
CAPITAL CONTRIBUTIONS		
Capital contributions - Federal Transit Administration	15,456,192	13,238,932
Capital contributions - Florida Department of Transportation	10,695,729	7,223,285
Capital contributions - Other	12,922,161	11,560,772
Total capital contributions	39,074,082	32,022,989
Change in net position	14,172,478	9,404,313
Total net position - beginning	611,932,056	602,527,743
Total net position - ending	$ 626,104,534	$ 611,932,056

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

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	$ 6,180,543	$ 9,712,987
Payments to suppliers	(116,176,250)	(102,350,288)
Payments to employees	(10,841,518)	(10,706,229)
Net cash used in operating activities	(120,837,225)	(103,343,530)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Florida Department of Transportation Subsidy	56,109,343	55,723,901
Federal Transit Administration Subsidy	48,519,366	42,457,464
Federal Highway Administration Subsidy	4,000,000	4,000,000
Debt proceeds	-	16,585,557
Payments on notes payable	-	(16,585,557)
Counties Subsidy	100,000	100,000
Net cash provided by noncapital financing activities	108,728,709	102,281,365
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Contributions from FDOT	6,702,266	6,008,763
Contributions from FTA	12,571,845	13,663,160
Debt proceeds	2,401,429	23,975
Payments on notes payable	(3,427,194)	(3,461,625)
Interest paid	(925,935)	(271,511)
Contributions - Other	12,922,161	11,560,772
Acquisition of Capital Assets	(26,150,429)	(17,821,359)
Net cash provided by capital and related financing activities	4,094,143	9,702,175
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash outflow of Investments	(50,409,574)	-
Other Income-Unrealized Gain/Loss Investment	(258,701)	-
Interest Income	3,153,925	249,177
Net cash provided by investing activities	(47,514,350)	249,177
Net (decrease)/increase in cash and cash equivalents	(55,528,723)	8,889,187
Balances - beginning of the year	87,127,327	78,238,140
Balances - end of the year	$ 31,598,604	$ 87,127,327
Cash and cash equivalents	30,745,822	86,400,327
Restricted Cash - Debt Fund	852,782	727,000
Total Cash and Cash Equivalents	$ 31,598,604	$ 87,127,327
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	(137,633,183)	(128,433,010)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	23,562,477	23,589,073
Changes in Assets and Liabilities		
Other receivables	(548,181)	124,052
Prepaid	(434,434)	(102,038)
Deposits	(5,987,455)	(11,267)
Accounts payable	883,194	2,114,243
Unearned revenue	(358,439)	64,575
Accrued expenses (salaries)	(48,838)	269,320
Net pension liability	4,949,902	(7,242,325)
Deferred outflows - pension	(373,201)	1,345,528
Deferred inflows - pension	(4,881,894)	4,926,400
Due to other governmental units	32,827	11,919
Net cash used in operating activities	$ (120,837,225)	$ (103,343,530)

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

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, 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 which expanded our corridor to service 73.5 miles.

In 2003, the South Florida Regional Transportation Authority (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 hires an Executive Director to oversee the daily operations of the SFRTA. SFRTA is 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 Rail Corridor (SFRC) on March 29, 2015, Section 343.58(4)(a)1, Florida Statues, 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).

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 2020, 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 Department of Transportation and Public Works.

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 73.5-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 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 statement of net postion. 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.

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.

	FY 2022-23 ORIGINAL BUDGET	FY 2022-23 BUDGET AMENDMENTS	FY 2022-23 AMENDED BUDGET	FY 2022-23 ACTUAL REVENUE	FY 2022-23 VARIANCE OVER (UNDER)	FY 2022-23 PERCENT VARIANCE
REVENUE						
Operating Revenue ****	$ 10,679,136	$ -	10,679,136	$ 15,969,842	$ 5,290,706	50%
Federal Transit Administration	67,353,959	-	67,353,959	50,482,568	(16,871,391)	-25%
Federal Highway Administration	4,000,000	-	4,000,000	4,000,000	-	0%
Fl. Dept. of Transportation	56,948,865	-	56,948,865	55,975,558	(973,307)	-2%
Other Revenue	339,868	-	339,868	100,000	(239,868)	-71%
Revenue	139,321,828	-	139,321,828	126,527,968	(12,793,860)	(0.09)
Federal Transit Administration Capital Contributions transferred to Operating *	-	-	-	2,026,321	2,026,321	0%
Total Revenue	$ 139,321,828	$ -	$ 139,321,828	$ 128,554,289	$ (10,767,539)	-8%

	FY 2022-23 ORIGINAL BUDGET	FY 2022-23 BUDGET AMENDMENTS	FY 2022-23 AMENDED BUDGET	FY 2022-23 ACTUAL EXPENSES	FY 2022-23 VARIANCE OVER (UNDER)	FY 2022-23 PERCENT VARIANCE
EXPENSES						
Operations	$ 91,700,651	$ -	91,700,651	83,004,222	(8,696,429)	-9%
Train & Station Maintenance	32,660,806	-	32,660,806	30,219,799	(2,441,007)	-7%
Personnel Expenses	12,104,296	(200,000)	11,904,296	9,659,829	(2,244,467)	-19%
General & Administrative	1,392,153		1,392,153	1,045,993	(346,160)	-25%
Professional Fees	1,072,500	-	1,072,500	1,056,447	(16,053)	-1%
Legal	1,241,422	200,000	1,441,422	1,067,259	(374,163)	-26%
Expenses Transferred to Capital **	(850,000)	-	(850,000)	(934,546)	(84,546)	10%
Expense	139,321,828	-	139,321,828	125,119,003	(14,202,825)	-10%
Expenses Transferred from Capital ***	-	-	-	2,026,321	2,026,321	0%
Total Expenses	$ 139,321,828	$ -	$ 139,321,828	$ 127,145,324	$ (12,176,504)	-9%

* 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.

**** Interest income in the amount of $ 3,153,925 included in Operating Revenue

Capital contribution revenue, depreciation expense and loss on disposal are not budgeted for and therefore not presented here.

G. Cash, Cash Equivalents and Investments:

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. Investments are reported at fair value or estimated fair value.

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, 2023. Pursuant to the accrual basis of accounting, any unbilled receivables are accrued at year-end. All receivables are expected to be collected. As such, no allowance for doubtful accounts has been reflected.

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 estimated 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 is determined based on the estimated useful lives of the assets using the straight-line method. All depreciation is 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

J. Construction in Progress:

Construction in progress represents the continued investment in capital improvement projects, which are in various stages of completion. As of June 30, 2023 major improvements or projects currently in progress, of approximately $147.1 million, include Rolling Stock of approximately $9.5 million, Station Improvements projects of approximately $11.8 million; $7.2 million for the Downtown Miami Central Station and other projects at approximately $118.5 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 2023, SFRTA's accrued liability in vacation time based on salary rates was approximately $984 thousand and $1.0 million as of June 30, 2023 and 2022, respectively.

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's accrued laibilty for sick leave (which includes FICA and Medicare) was $656 thousand and $675 thousand as of June 30, 2023 and 2022, respectively.

The statement of net position for June 30, 2023 includes a liability for accumulated vacation and sick pay of $1.6 million. Of this amount, an estimated $656 thousand is payable within a year and the remaining balance of $984 thousand is long-term. This is compared to fiscal year ended June 30, 2022, which includes a liability for accumulated vacation and sick pay of $1.7 million. Of this amount, an estimated $675 thousand is payable within a year and the remaining balance of $1.0 million is long-term

L. Unearned Revenue:

The SFRTA reports unearned revenue on its statment of net position . Unearned revenue arises 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 statement of net position and revenue is recognized.

M. Pension:

Employers participating in the FRS Pension Plan and HIS Program are required to report pension information in their financial statements in accordance with GASB Statement No. 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 annual comprehesive financial report (ACFR), 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. Upcoming Accounting Pronouncements:

- Statement No. 99 "Omnibus 2022". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

- Statement No. 100 "Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62". The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

- Statement No. 101 " Compensated Absences" The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then.

The Authority reports deferred outflows related to pensions.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The Authority reports deferred inflows related to pensions.

Note 2 – Cash, Cash Equivalents, and Investments

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.

SFRTA's deposits with financial institutions were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. SFRTA's cash and cash equivalents were held as follows at June 30, 2023:

Cash and cash equivalents:	
Petty cash	$ 500
TD Bank	1,986,224
FL Palm	295,190
FL Prime	29,611,880
Total cash and cash equivalents	**$ 31,893,794**

B. Investments

In accordance with Section 218.415, Florida Statutes, the SFRTA Board of Directors established an Investment Policy ("Policy") on October 22, 2021. The Policy applies to all cash and investments held or controlled by the Authority with the exception of pension funds, if applicable, and funds related to the issuance of debt where there are other existing policies, contractual obligations or indentures in effect for such funds. Funds held by state agencies (e.g., Department of Revenue) are not subject to the provisions of this Policy. The general operating funds, which are characterized as: funds in excess of those needed for the purpose of meeting operational and reserve expenses, are governed by this Policy.

Note 2 – Cash, Cash Equivalents, and Investments (Continued)

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

SFRTA's investments were held as follows at June 30, 2023:

		Fair Value Measurements Using			
Investments by Level	Balance (in thousands)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Effective Duration	RATING S&P / MOODY'S
Core Fund Investments					
US Treasury - Bonds/Notes	$ 13,718,441	$ 13,718,441	$ -	1.56	AA+/Aaa
Federal Agency - Commercial	$ 1,288,003	-	1,288,003	2.16	AA+/Aaa
Corporate Notes	$ 3,714,767	-	3,714,767	1.95	(1)
Asset Back Securities	$ 1,362,850	-	1,362,850	2.25	AAA/Aaa
Total Investments by Fair Value Level	**$ 20,084,061**	**$ 13,718,441**	**$ 6,365,620**		
Investments Reported at Amortized Cost					
FL Palm	295,190				AAAm
FL Palm Term	30,030,323				AAAm
Florida Prime	29,611,880				AAAm
Total Investments Reported at Amortized Cost	**59,937,393**				
Total Investments	**80,021,454**				
Cash Deposits	**1,986,724**	(2)			
Total Cash and Investments*	**$ 82,008,178**				

(1) As of June 30, 2023 SFRTA held $3.7 Million in Corporate Notes with S&P ratings between AA- and BBB+ and Moody's ratings between AA3 and A3.
(2) Cash Deposits includes $852,782 held for future loan payments as required by loan agreements.

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments. SFRTA's investment policy limits investments in U.S. Treasury & Government Guaranteed obligations, Federal Agency/Government Sponsored Entities, Corporate notes, bonds or other debt obligations, Municipal obligations, Agency Mortgage-Backed Securities, Non-Negotiable Certificate of Deposit and Savings Accounts, Commercial Paper, Asset-Backed Securities, Repurchase Agreements and Money Market funds.

Note 2 – Cash, Cash Equivalents, and Investments (Continued)

Concentration risk – Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. SFRTA's investment policy places limits on the amount SFRTA may invest in any one issuer.

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. SFRTA's investment policy limits investment maturities by investment type as a means of managing exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk - Custodial credit risk is defined as the risk that SFRTA may not recover the securities held by another party in the event of a financial failure. SFRTA requires all investment securities to be held in SFRTA's name by a third-party safekeeping institution.

Fair Value Measurement – When applicable, SFRTA measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques. These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1*: Investments whose values are based on unadjusted quoted prices for identical investments in active markets that SFRTA has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3*: Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs. For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, SFRTA's investments in Florida PRIME and FL Palm have been reported at amortized cost above.

External Investment Pool – With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant

Note 2 – Cash, Cash Equivalents, and Investments (Continued)

Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity or the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days." With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of June 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

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.

Note 3 – Capital Assets

Depreciation expense for fiscal year 2023 was approximately $23.6 million compared to fiscal year 2022 that was approximately $23.6 million. Accumulated depreciation as of June 30, 2023 was approximately $556.6 million compared to fiscal year 2022 of $538.0 million.

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance 7/1/22	Additions	Deletions/ Reclassifications	Balance 6/30/2023
Capital assets not being depreciated:				
Land	$ 20,299,703	$ -	$ -	$ 20,299,703
Construction in progress	204,314,336	26,150,429	(83,314,915)	147,149,850
Total capital assets not being depreciated	224,614,039	26,150,429	(83,314,915)	167,449,557
Capital assets, being depreciated:				
Parts and equipment	181,092,282	6,681,154	(7,672,317)	180,101,119
Furniture, fixtures and office equipment	5,478,012	369,251	-	5,847,263
Double tracking	237,821,832	-	-	237,821,832
Buildings	195,238,126	68,755,339	-	263,993,465
Bridges	117,779,964	(790,808)	-	116,989,156
Automobiles	429,245	60,411	(78,397)	411,259
Other equipment	130,337,187	8,239,568	-	138,576,755
Total capital assets, being depreciated	868,176,648	83,314,915	(7,750,714)	943,740,849
Less accumulated depreciation for:				
Parts and equipment	92,170,051	7,364,438	(4,924,225)	94,610,264
Furniture and fixtures	4,006,369	443,365	-	4,449,734
Double tracking	139,936,430	7,950,689	-	147,887,119
Buildings	134,196,449	4,336,724	-	138,533,173
Bridge	40,145,847	2,582,909	-	42,728,756
Automobiles	429,237	4,027	(78,397)	354,867
Other equipment	127,143,935	880,324	-	128,024,259
Total accumulated depreciation	538,028,318	23,562,476	(5,002,622)	556,588,172
Capital assets being depreciated, net	330,148,330	59,752,439	(2,748,092)	387,152,665
Capital assets, net	$ 554,762,369	$ 85,902,868	$ (86,063,007)	$ 554,602,222

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance 7/1/21	Additions	Deletions/ Reclassifications	Balance 6/30/2022
Capital assets not being depreciated:				
Land	$ 20,299,703	$ -	$ -	$ 20,299,703
Construction in progress	190,446,972	17,821,359	(3,953,995)	204,314,336
Total capital assets not being depreciated	210,746,675	17,821,359	(3,953,995)	224,614,039
Capital assets, being depreciated:				
Parts and equipment	180,286,453	805,829	-	181,092,282
Furniture, fixtures and office equipment	4,524,291	953,721	-	5,478,012
Double tracking	237,821,832	-	-	237,821,832
Buildings	193,320,901	1,917,225	-	195,238,126
Bridges	117,502,744	277,220	-	117,779,964
Automobiles	429,245	-	-	429,245
Other equipment	130,337,187	-	-	130,337,187
Total capital assets, being depreciated	864,222,653	3,953,995	-	868,176,648
Less accumulated depreciation for:				
Parts and equipment	84,789,695	7,380,356	-	92,170,051
Furniture and fixtures	3,672,489	333,880	-	4,006,369
Double tracking	131,985,741	7,950,689	-	139,936,430
Buildings	130,043,621	4,152,828	-	134,196,449
Bridge	37,562,938	2,582,909	-	40,145,847
Automobiles	424,057	5,180	-	429,237
Other equipment	125,960,704	1,183,231	-	127,143,935
Total accumulated depreciation	514,439,245	23,589,073	-	538,028,318
Capital assets being depreciated, net	349,783,408	(19,635,078)	-	330,148,330
Capital assets, net	$ 560,530,083	$ (1,813,719)	$ (3,953,995)	$ 554,762,369

Note 4 –Unearned Revenue

Unearned revenue for fiscal year 2023 consists of approximately $2.1 million, which is related to stored value, and will be recognized as revenue when used, compared to approximately $2.5 million for fiscal year 2022.

Note 5 – Deposits

The SFRTA's liability for deposits consists of approximately $2.4 million of which $1.5 million is for the "The 13th Floor Fund IV LP", $704,000 in various deposits, $157,000 in on account deposits and $14,000 in bike locker deposits. The laibility for deposits as of 2022 was $8.3 million, of which, SFRTA repaid $7.2 million to FTA in September 2023 and $227,000 to the City of Ft. Lauderdale in October 2023 to close out "The Wave" Project.

Note 6 – Advances from FDOT

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

Note 7 –Long Term Debt

Changes in Long-Term Liabilities:

Long-term liabilities balances and activity for the year ended June 30, 2023 were as follows:

	Beginning Balance 07/1/2022	Additions	Reductions	Ending Balance 06/30/2023	Amounts Due within One Year
Notes Payable from Direct Borrowings:					
State Infrastructure Bank Loan	$ 2,823,194	$ -	$ (2,823,194)	$ -	$ -
TD bank - Fixed 9001	10,767,000	-	(604,000)	10,163,000	737,000
TD bank - Tem Loan - 0001	16,714,118	2,401,429	-	19,115,547	1,180,240
Total bonds and notes payable	$ 30,304,312	$ 2,401,429	$ (3,427,194)	$ 29,278,547	$ 1,917,240
Other Liabilities:					
Compensated absences	$ 1,688,480	-	$ (48,838)	1,639,642	655,857
Net Pension liability	3,710,214	4,949,902	-	8,660,116	-
Deposits	8,362,995	-	(5,987,455)	2,375,540	-
Advances from FDOT	2,000,000	-	-	2,000,000	-
Total other liabilities	$ 15,761,689	$ 4,949,902	$ (6,036,293)	$ 14,675,298	$ 655,857
Business-type activities long-term liabilities	$ 46,066,001	$ 7,351,331	$ (9,463,487)	$ 43,953,845	$ 2,573,097

Long-term liabilities balances and activity for the year ended June 30, 2022 were as follows:

	Beginning Balance 07/1/2021	Additions	Reductions	Ending Balance 06/30/2022	Amounts Due within One Year
Notes Payable from Direct Borrowing:					
FECI EC Holding Company, LLC	$ 16,585,557	$ -	$ (16,585,557)	$ -	$ -
State Infrastructure Bank Loan	6,140,844	23,975	(3,341,625)	2,823,194	2,823,194
TD bank - Fixed 9001	10,887,000	-	(120,000)	10,767,000	604,000
TD bank - Line of Credit - 0001	128,561	16,585,557	-	16,714,118	16,714,118
Total bonds and notes payable	$ 33,741,962	$ 16,609,532	$ (20,047,182)	$ 30,304,312	$ 20,141,312
Other Liabilities:					
Compensated absences	$ 1,419,160	$ 269,320	$ -	$ 1,688,480	$ 675,392
Net Pension liability	10,952,539	-	(7,242,325)	3,710,214	-
Deposits	8,374,262	-	(11,267)	8,362,995	-
Advances from FDOT	2,000,000	-	-	2,000,000	-
Total other liabilities	$ 22,745,961	$ 269,320	$ (7,253,592)	$ 15,761,689	$ 675,392
Business-type activities long-term liabilities	$ 56,487,923	$ 16,878,852	$ (27,300,774)	$ 46,066,001	$ 20,816,704

Note 7 –Long Term Debt (Continued)

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.
As of June 30, 2023, the State-Infrastructure Bank Loan has been paid in full.

TD Bank - Fixed 9001

On August 29, 2019, a Promissory Note in the amount of $11,004,000 was entered into between TD Bank, N.A., and SFRTA in order to pay off the Bank United Note, Series 2016. The applicable rate for the note on original issuance bears a fixed rate of interest equal to 2.28% per annum. Payments are due October 1 of each year through October 1, 2034.

The TD Bank Fixed 9001 loan requires each fiscal year, Gross Revenues shall equal at least 120% of the maximum amount of principal and interest scheduled to be payable on the Loan in current and future fiscal year. Gross Revenues are defined in the debt agreement as dedicated funds made available to SFRTA annually pursuant to Section 343.58(1), Florida Statutes. Gross Revenues pledged for the period ending June 30, 2023 and 2022 were $8,010,000. The maximum amount of principal and interest scheduled to be payable on the loan in Fiscal Year 2023 and 2022 were $849,488 and $368,224 respectively. This provided a coverage factor of 2,183% and 943%.

Note 7 –Long Term Debt (Continued)

TD Bank requires a debt service account is to be maintained and funded to make payments on the Line of Credit including principal, interest and other amounts due pursuant to the loan agreement when they become due. This account is reported as Restricted Cash.

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

Fiscal year ending June 30,	Principal	Interest	Total
2024	737,000	231,716	968,716
2025	753,000	214,913	967,913
2026	776,000	197,744	973,744
2027	792,000	180,052	972,052
2028	812,000	161,994	973,994
2029-2033	4,382,000	522,530	4,904,530
2034-2035	1,911,000	65,596	1,976,596
	$ 10,163,000	$ 1,574,545	$ 11,737,545

TD Bank - Tem Loan - 0001

On August 29, 2019, a Line of Credit in the amount $45,000,000 was entered between TD Bank, N.A., and the South Florida Regional Transportation Authority ("Borrower").This was the "Tax-Exempt Loan portion" of the aggregate principal amount of the loan not to exceed $57,000,000. The Line of Credit has a variable interest rate which is adjusted on the first of each month. The rate is 81.5% of the London Interbank Offered Rate (LIBOR) plus 44 basis points. The interest rate at July 1, 2022 was 1.092% and was a fixed rate of 5.30% at June 30, 2023.

The loan has a current balance of $19,115,547. The following table details the future debt service schedule for the line of credit:

Fiscal year ending June 30,	Principal	Interest	Total
2024	1,180,240	1,013,124	2,193,364
2025	1,242,792	950,571	2,193,364
2026	1,308,660	884,703	2,193,364
2027	1,378,019	815,344	2,193,364
2028	1,451,054	742,309	2,193,364
2029	1,527,960	665,403	2,193,364
2030	1,608,942	584,422	2,193,364
2031	1,694,216	499,148	2,193,364
2032	1,784,009	409,354	2,193,364
2033	1,878,562	314,802	2,193,364
2034	1,978,126	215,238	2,193,364
2035	2,082,966	110,397	2,193,364
TOTAL	$ 19,115,547	$ 7,204,816	$ 26,320,363

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 annual comprehensive financial report (ACFR) 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 ACFR, which is available online as well as the FRS website.

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

Note 8 – Retirement Plan (Continued)

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 enrolled 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.

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 2023, 11.30% of the salary of Regular Class employees, and 12.67% of the salary of Senior Management Class employees. The actual contributions made by the SFRTA for fiscal year ended 2023 totaled $878,940 which equals the annual required contribution for the current period.

The SFRTA Senior Management Class employees' contribution rates for fiscal years 2022 Regular Class employees' contribution rates for 2022 was 11.91%. Actual contributions for fiscal year 2022 was $769,766.

Retirement Health Insurance Subsidy Program

Under the HIS, the SFRTA's required HIS contributions, for fiscal year 2023 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 2023 totaled $118,872, 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 year 2022 was 1.66%. Actual contributions for fiscal year 2022 was $111,292.

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, 2022, was 5.5 years for FRS and 6.4 years for HIS compared to 5.7 years and 6.4 years respectively at June 30, 2021. The components of collective pension expense reported in the pension allocation schedules for the fiscal year ended June 30, 2023 and 2022, are presented below for each plan.

Florida Retirement System Plan

At June 30, 2023, the SFRTA reported a liability of $6,712,031 as its proportionate share of the net pension liability compared to $1,380,461 as of June 30, 2022. The net pension liability was measured as of June 30, 2022 and 2021 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, 2023, the SFRTA's proportion stayed the same at 0.02 percent when compared to June 30, 2022.

Note 8 – Retirement Plan (Continued)

At June 30, 2023, the SFRTA reported deferred outflows of resources in the amount of $2,506,330 and deferred inflows of resources related to pensions in the amount of $778,093, compared to $2,016,597 and $5,811,572 respectively at June 30, 2022 from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 318,783	$ -
Net difference between projected and actual investment earnings on pension plan investments	443,195	-
Changes in assumptions	826,615	-
Changes in proportion and differences between SFRTA contributions and proportionate share of contributions	38,797	(778,093)
SFRTA's contributions subsequent to the measurement date	878,940	-
Totals	$ 2,506,330	$ (778,093)

The deferred outflows of resources related to the Pension Plan totaling $878,940 resulting from SFRTA contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the Net Pension liability in the measurement year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year Ended June 30:	
2024	205,389
2025	77,503
2026	(69,361)
2027	603,494
2028	32,272
Total	$849,297

Retirement Health Insurance Subsidy Program

At June 30, 2023, the SFRTA reported a liability of $1,948,085 for its proportionate share of the net pension liability compared to $2,329,753 at June 30, 2022. The net pension liability was measured as of June 30, 2022 and 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 date.

Note 8 – Retirement Plan (Continued)

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, 2023, the SFRTA's proportion stayed the same at 0.02 percent when compared to June 30, 2022.

At June 30, 2023, the SFRTA reported deferred outflows of resources in the amount of $297,935 and deferred inflows of resources related to pensions in the amount of $812,473, compared to $414,467 and $660,889 respectively at June 30, 2022.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 59,129	$ (8,572)
Net difference between projected and actual investment earnings on pension plan investments	2,820	-
Changes in assumptions	111,666	(301,367)
Changes in proportion and differences between SFRTA contributions and proportionate share of contributions	5,448	(502,534)
SFRTA's contributions subsequent to the measurement date	118,872	-
Totals	$ 297,935	$ (812,473)

The deferred outflows of resources related to HIS totaling $118,872 resulting from SFRTA contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the Net Pension liability in the measurement year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to HIS will be recognized in pension expense as follows

Year Ended June 30:	
2024	(151,691)
2025	(81,799)
2026	(37,401)
2027	(82,787)
2028	(192,159)
Thereafter	(87,573)
Total	$ (633,410)

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 June 30 2022 using the following actuarial assumptions, applied to all periods included in the measurement which remained the same from the June 30, 2021 valuation date.

Inflation	2.40%
Salary Increases including inflation	3.25%
Investment rate of return	6.70%

Mortality rates were based on the Generational Pub-2010 tables for mortality.

The actuarial assumptions used in the June 30, 2022 valuation were based on the result of an actuarial experience study for the period July 1, 2013 –June 30, 2018.

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.

Note 8 – Retirement Plan (Continued)

The target allocation and best estimates of arithmetic real rates of return as of June 30, 2022, the measurement date, for each major asset class are summarized in the following table:

Asset Class	Target Allocation*	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.6%	2.6%	1.1%
Fixed Income	19.8%	4.4%	4.4%	3.2%
Global Equity	54.0%	8.8%	7.3%	17.8%
Real Estate (property)	10.3%	7.4%	6.3%	15.7%
Private Equity	11.1%	12.0%	8.9%	26.3%
Strategic Investments	3.8%	6.2%	5.9%	7.8%
Assumed Inflation - Mean			2.4%	1.3%

*As outlined in the Plan's investment policy

Compared to June 30, 2021:

Asset Class	Target Allocation*	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed Income	20.0%	3.8%	3.7%	3.3%
Global Equity	54.2%	8.2%	6.7%	17.8%
Real Estate (property)	10.3%	7.1%	6.2%	13.8%
Private Equity	10.8%	11.7%	8.5%	26.4%
Strategic Investments	3.7%	5.7%	5.4%	8.4%
Assumed Inflation - Mean			2.4%	1.2%

*As outlined in the Plan's investment policy

Discount Rate

The discount rate used to measure the total pension liability as of the June 30, 2022 measurement date decreased to 6.7%, when compared to the rate of 6.8% at the June 30, 2021 measurement date. The pension plan’s fiduciary net position was projected to be available to make all

Note 8 – Retirement Plan (Continued)

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 (asset) for fiscal year ended 2023 calculated using the discount rate of 6.7%, 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, 5.7% or 1-percentage-point higher, 7.7% than the current rate:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
SFRTA's proportionate share of the net pension liability	$ 11,608,001	$ 6,712,031	$ 2,618,423

Compared to fiscal year 2022:

	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
SFRTA's proportionate share of the net pension liability (asset)	$ 6,173,514	$ 1,380,461	$ (2,625,994)

Retirement Health Insurance Subsidy Program

Actuarial Assumptions

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.54% was used to determine the total pension liability for the program, using the following assumptions which remained the same from the June 30, 2022 valuation period. This infomation was obtained from the "Bond Buyer General Obligation 20-Bond Municipal Bond Index".

Inflation	2.40%
Salary increases including inflation	3.25%
Investment rate of return	N/A

Mortality rates were based on Pub-2010.

The actuarial assumptions used in the June 30, 2022 valuation were based on the result of an actuarial experience study for the period July 1, 2013 –June 30, 2018.

Note 8 – Retirement Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability as of the June 30, 2022 measurement date increased to 3.54%, when compared to the rate of 2.16% at the June 30, 2021 measurement date. 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 HIS net pension liability as of June 30, 2023 calculated using the discount rate of 3.54%, 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, 2.54% or 1-percentage-point higher, 4.54% than the current rate.

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
SFRTA's proportionate share of the net pension liability	$ 2,228,769	$ 1,948,085	$ 1,715,824

Compared to June 30, 2022:

	1% Decrease 1.16%	Current Discount Rate 2.16%	1% Increase 3.16%
SFRTA's proportionate share of the net pension liability	$ 2,693,420	$ 2,329,753	$ 2,031,809

Pension Expense Florida Retirement System and Florida Health Insurance Subsidy

The total combined pension expense for FRS and HIS for fiscal year 2023 was $ 692,619. For fiscal year 2023, FRS and HIS pension expense was $687,301 and $5,319, respectively. The total combined pension expense for FRS and HIS fiscal year 2022 was $(89,340). For fiscal year 2022 FRS and HIS pension expense was $(199,117) and $109,777, respectively.

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 ACFR for the fiscal year ended June 30, 2023 and in the Florida Retirement System Pension Plan and Other-State-Administered Systems ACFR for the fiscal year ended June 30, 2023.

The Florida Retirement System ACFR 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

Note 9 – Leases

The SFRTA had no leases as of June 30, 2023 and 2022.

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 $75.2 million as of June 30, 2023 compared to $64.8 million as of June 30, 2022.

Contractor Name	Contract Amount 2023	Contract Amount 2022	FY 2023 Amount	FY 2022 Amount
Herzog Transit Services Inc.	$ 565,414,496	$ 393,519,614	$ 57,228,022	$ 48,559,516
Indigo Energy Partners	50,938,125	50,938,125	9,523,290	9,000,000
Academy Bus, LLC	3,177,423	2,723,642	1,125,790	1,073,231
G4S Secure Solutions USA Inc	46,856,272	-	2,196,718	-
Allied Universal	43,179,101	46,856,272	5,166,040	6,201,345
Total	$ 709,565,417	$ 494,037,653	$ 75,239,860	$ 64,834,092

Construction Projects:

As of June 30, 2023, the SFRTA has the following construction commitments:

Contractor Name	Project	Contract Amount	Completed to Date	Balance
Xorail	Positive Train Control (PTC)	$ 40,350,869	$ 39,349,273	$ 1,001,596
All Aboard Florida	Trackage Improvements at Miami Central Station	16,190,000	16,190,000	-
Alstom	Positive Train Control (PTC)	7,611,277	6,126,048	-
All Aboard Florida	Downtown Miami Central Station	48,902,749	48,902,749	-
Total		$ 113,054,895	$ 110,568,070	$ 1,001,596

Note 10 – Contingencies and Commitments Continued

Construction Projects:
As of June 30, 2022, the SFRTA has the following construction commitments:

Contractor Name	Project	Contract Amount	Completed to Date	Balance
Xorail	Positive Train Control (PTC)	$ 40,134,261	$ 38,755,816	$ 1,378,445
All Aboard Florida	Trackage Improvements at Miami Central Station	16,190,000	16,190,000	-
Alstom	Positive Train Control (PTC)	7,611,277	6,126,048	1,485,229
All Aboard Florida	Downtown Miami Central Station	48,902,749	46,495,468	2,407,281
Total		$ 112,838,287	$ 107,567,332	$ 5,270,955

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 there were no subsequent events.

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

Schedule of SFRTA Contributions-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 PLAN YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
SFRTA's proportion of the net pension liability (asset)	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
SFRTA's proportionate share of the net pension liability (asset)	$ 6,712,031	$ 1,380,461	$ 8,438,990	$ 7,874,685	$ 6,732,639	$ 6,973,989	$ 6,203,690	$ 3,016,796	$ 2,053,964
SFRTA's covered payroll	$ 6,744,580	$ 6,766,401	$ 7,172,059	$ 8,426,150	$ 8,607,598	$ 8,625,109	$ 8,539,150	$ 7,777,627	$ 7,197,336
SFRTA's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	99.52%	20.40%	117.66%	93.46%	78.22%	80.86%	71.93%	35.10%	28.54%
Plan fiduciary net position as a percentage of total pension liability	83.00%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	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
FLORIDA RETIREMENT SYSTEM
SCHEDULE OF SFRTA CONTRIBUTIONS
LAST TEN FISCAL YEARS*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 878,940	$ 769,766	$ 696,195	$ 646,933	$ 709,007	$ 637,024	$ 834,346	$ 805,424	$ 727,183	$ 574,028
Contributions in relation to the contractually required contribution	(878,940)	(769,766)	(696,195)	(646,933)	(709,007)	(637,024)	(834,346)	(805,424)	(727,183)	(574,028)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
SFRTA's covered payroll	$ 7,285,763	$ 6,744,579	$ 6,766,401	$ 7,172,059	$ 8,426,150	$ 8,607,598	$ 8,625,109	$ 8,539,150	$ 7,777,627	$ 6,997,753
Contributions as a percentage of covered payroll	12.06%	11.41%	10.29%	9.02%	8.41%	7.40%	9.67%	9.43%	9.35%	8.20%

*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 PLAN YEARS *

	2022	2021	2020	2019	2018	2017	2016	2015	2014
SFRTA's proportion of the net pension liability	0.02%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.02%	0.02%
SFRTA's proportionate share of the net pension liability	$ 1,948,085	$ 2,329,753	$ 2,513,549	$ 2,749,671	$ 2,696,459	$ 2,800,470	$ 3,130,849	$ 2,526,658	$ 2,053,964
SFRTA's covered payroll	$ 6,744,580	$ 6,766,401	$ 7,172,059	$ 8,426,150	$ 8,607,598	$ 8,625,109	$ 8,539,150	$ 7,777,627	$ 6,997,753
SFRTA's proportionate share of the net pension liability as a percentage of its covered payroll	28.88%	34.43%	35.05%	32.63%	31.33%	32.47%	36.30%	29.40%	28.54%
Plan fiduciary net position as a percentage of the total pension liability	5.00%	3.56%	3.00%	2.63%	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*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 118,872	$ 111,292	$ 111,640	$ 118,629	$ 136,461	$ 138,160	$ 14,084	$ 13,597	$ 9,279	$ 6,972
Contributions in relation to the contractually required contribution	(118,872)	(111,292)	(111,640)	(118,629)	(136,461)	(138,160)	(14,084)	(13,597)	(9,279)	(6,972)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
SFRTA's covered payroll	$ 7,285,763	$ 6,744,579	$ 6,766,401	$ 7,172,059	$ 8,426,150	$ 8,607,598	$ 8,625,109	$ 8,539,150	$ 777,627	$ 6,997,753
Contributions as a percentage of covered payroll	1.63%	1.65%	1.65%	1.65%	1.62%	1.61%	0.16%	0.16%	1.19%	0.10%

*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, 2023

The following changes in actuarial assumptions occurred in plan year 2022:

- FRS: The inflation rate assumption remained at 2.40%, the real payroll growth assumption increased to 0.85%, and the overall payroll growth rate assumption remained at 3.25%. The long-term expected rate of return decreased to 6.70%.

- HIS: The municipal rate used to determine total pension liability increased from 2.16% to 3.54%.

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Other Supplementary Information

Supplemental Schedule of Operating Expenses 2023

Supplemental Schedule of Operating Expenses 2022



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SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
SUPPLEMENTARY SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 2023

	Operations	Planning	Engineering	Legal	General and Administrative	Total Expense
LABOR AND FRINGE BENEFITS	$ 848,836	$ 380,142	$ 706,060	$ 814,937	$ 6,797,028	$ 9,547,003
SERVICES:						
Train Operations	27,416,615	-	26,841,735	-	3,520,195	57,778,545
Train Fuel	9,483,734	-	-	-	-	9,483,734
Feeder Service	2,546,985	-	-	-	845,807	3,392,792
Security Expense	7,369,737	-	-	-	-	7,369,737
Insurance	4,979,411	-	-	-	-	4,979,411
	51,796,482	-	26,841,735	-	4,366,002	83,004,219
TRAIN AND STATION MAINTENANCE	30,219,799	-	-	-	-	30,219,799
PROFESSIONAL FEES **	-	2,026,321	-	239,672	1,056,447	3,322,440
GENERAL & ADMINISTRATIVE EXP						
Office Business Expense	2,433	5,044	3,639	4,361	1,005,144	1,020,621
Lease and Rentals	-	-	-	-	31,242	31,242
	2,433	5,044	3,639	4,361	1,036,386	1,051,863
TOTAL	$ 82,867,550	$ 2,411,507	$ 27,551,434	$ 1,058,970	$ 13,255,863	$ 127,145,324

Note: Schedule excludes depreciation expense
** Includes planning expenses transfer from capital to operating

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
SUPPLEMENTARY SCHEDULE OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 2022

	Operations	Planning	Engineering	Legal	General and Administrative	Total Expense
LABOR AND FRINGE BENEFITS	$ 706,615	$ 450,131	$ 364,580	$ 613,585	$ 5,806,658	$ 7,941,569
SERVICES:						
Train Operations	22,808,979	-	27,498,004	-	2,610,546	52,917,529
Train Fuel	8,680,020	-	-	-	-	8,680,020
Feeder Service	2,399,749	-	-	-	334,546	2,734,295
Security Expense	6,210,364	-	-	-	-	6,210,364
Insurance	4,731,292	-	-	-	-	4,731,292
	44,830,404	-	27,498,004	-	2,945,092	75,273,500
TRAIN AND STATION MAINTENANCE	27,731,817	-	-	-	-	27,731,817
PROFESSIONAL FEES **	-	1,022,616	-	328,810	1,140,910	2,492,336
GENERAL & ADMINISTRATIVE EXP						
Office Business Expense	1,508	2,570	2,060	7,104	899,532	912,774
Lease and Rentals	-	-	-	-	27,565	27,565
	1,508	2,570	2,060	7,104	927,097	940,339
TOTAL	$ 73,270,344	$ 1,475,317	$ 27,864,644	$ 949,499	$ 10,819,757	$ 114,379,561

Note: Schedule excludes depreciation expense
** Includes planning expenses transfer from capital to operating

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

STATISTICAL SECTION

This part of SFRTA's ACFR 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

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Financial Trend Information 70

These schedules contain trend information to help the reader understand how SFRTA's financial performance and well-being have changed overtime.

Revenue Capacity Information 73

These schedules contain information to help the reader assess SFRTA's most significant local revenue consideration, namely ridership.

Debt Capacity Information 75

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.

Demographic and Economic Information 76

These schedules offer demographic and economic data to help the reader understand how the environment within which SFRTA's financial activities take place.

Operating Information 81

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.

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

FISCAL YEARS	2023	2022	2021	2020	2019	2018	2017	2016	(Restated) 2015	2014*
OPERATING REVENUES										
Train revenue	$ 12,384,094	$ 8,862,905	$ 4,500,149	$ 9,544,708	$ 13,213,219	$ 13,144,962	$ 12,785,301	$ 13,114,959	$ 12,783,183	$ 12,799,800
Other	690,524	672,722	1,316,326	252,025	1,642,034	645,739	1,306,105	447,519	416,353	300,315
Total Operating Revenues	$ 13,074,618	$ 9,535,627	$ 5,816,475	$ 9,796,733	$ 14,855,253	$ 13,790,701	$ 14,091,406	$ 13,562,478	$ 13,199,536	$ 13,100,115
NON-OPERATING REVENUES (EXPENSES)										
Interest income	3,153,925	249,177	155,067	997,843	1,169,826	718,579	433,412	280,247	95,094	81,543
Other Income-Unrealized Gain/Loss Investment	(258,701)	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	(345,421)	-	-	-	-
Federal Transit Administration	26,449,487	6,329,030	18,695,230	29,397,556	28,324,667	27,228,037	24,629,099	24,218,950	26,005,159	20,621,111
Federal Transit Administration - CARES	20,310,116	16,846,045	-	-	-	-	-	-	-	-
Federal Transit Administration - CRRSA	5,749,286	22,000,000	-	-	-	-	-	-	-	-
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	41,785,476	43,165,143	41,932,516	42,100,001	42,100,003	42,100,000	42,100,000	42,100,000	30,600,000	30,600,000
Florida Dept. of Transportation (MOW)	14,190,082	14,190,082	12,957,455	13,124,940	13,124,942	13,124,942	13,124,939	13,160,036	12,466,506	-
Other Funding	100,000	100,000	100,000	100,000	100,000	121,199	184,795	184,795	184,795	184,795
Broward County	-	-	-	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000
Dade County	-	-	-	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000
Palm Beach County	-	-	-	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000	1,565,000
Loss on disposal	(2,748,092)	-	-	(25,228,328)	-	(448,749)	-	-	-	-
Total non-operating Revenues (Expenses)	112,731,579	106,879,477	77,840,268	69,187,012	93,514,438	91,193,587	89,167,245	88,639,028	78,046,554	60,182,449
TOTAL REVENUES (EXPENSES)	125,806,197	116,415,104	83,656,743	78,983,745	108,369,691	104,984,288	103,258,651	102,201,506	91,246,090	73,282,564
OPERATING EXPENSES										
Operating	82,867,550	73,270,344	65,063,482	65,554,445	70,932,973	67,101,917	63,642,613	55,831,786	56,731,271	58,463,863
Planning	2,411,507	1,475,317	2,355,489	2,573,447	6,043,352	8,989,963	7,709,465	6,476,177	6,364,424	5,738,954
Engineering	27,551,434	27,864,644	27,305,805	26,210,896	26,319,696	27,034,009	26,346,771	26,468,303	13,824,811	894,589
Legal	1,058,970	949,499	796,311	811,951	837,643	937,920	883,411	822,132	591,517	671,479
General and Administrative	13,255,863	10,819,760	11,994,042	11,097,132	11,934,025	11,038,821	12,451,712	12,388,574	10,499,270	9,631,877
Depreciation	23,562,477	23,589,073	34,470,135	35,590,774	33,201,515	33,302,330	328,144,490	32,515,966	32,686,280	31,059,490
TOTAL EXPENSES	150,707,801	137,968,637	141,985,264	141,838,645	149,269,204	148,404,960	439,178,462	134,502,938	120,697,573	106,460,252
Contributions	39,074,082	32,022,989	32,418,733	28,677,214	40,442,471	56,306,649	46,585,587	59,253,696	34,516,261	35,299,947
Other Income (Expense)	-	-	-	-	-	-	-	-	-	-
Special Items	-	-	-	-	-	-	-	-	-	-
INCREASE (DECREASE) IN NET POSITION	14,172,478	10,469,456	(25,909,788)	(34,177,686)	(457,042)	12,885,977	(289,334,224)	26,952,264	5,064,778	2,122,259
NET POSITION AT YEAR-END										
Net Investment in capital assets	544,439,222	541,172,169	540,237,680	557,608,047	595,631,553	591,656,741	591,977,036	570,651,091	532,024,259	530,601,966
Restricted	55,007,535	45,015,937	34,478,762	22,373,325	16,177,751	18,706,314	23,535,651	31,091,581	42,980,686	42,573,001
Restristed Cash Debt Fund	852,782	727,000	-	-	-	-	-	-	-	-
Unrestricted	25,804,995	25,743,950	27,811,301	24,352,824	26,702,579	28,605,873	10,570,264	18,344,503	18,129,966	14,895,165
TOTAL NET POSITION	$ 626,104,534	$ 612,659,056	$ 602,527,743	$ 604,334,196	$ 638,511,883	$ 638,968,928	$ 626,082,951	$ 620,087,175	$ 593,134,911	$ 588,070,132

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

STATISTICAL AND GENERAL INFORMATION

Fiscal Year Ended June 30, 2023	
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	122.8
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.....	$139.3 Million
Supporting Subsidies.....	Florida Department of Transportation Federal Transit Administration Federal Highway Administration Broward, Miami Dade and Palm Beach Counties
Track Miles.....	73.5 Miles
Passengers Served.....	3,735,040 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 TRANSPORTATIONAUTHORITY
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.

Zones	*One Way*	*Discount One Way*	*Round-trip*	*Discount Roundtrip*	*12 Trips*	*Monthly*	*Discount Monthly*	*Regional Monthly*	*Discount Regional Monthly*
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 2023 increased by 694,549 riders or 23.0% from fiscal year 2022. The following table illustrates passenger ridership for fiscal years 2023 and 2022.

Passenger Ridership – FY 2023 and FY 2022

	FY 2023 Ridership to Date	FY 2022 Ridership to Date	YTD % Ridership 23% VS 22%
Monday to Friday	3,096,416	2,512,820	**51.58%**
Saturday	323,086	262,052	**36.34%**
Sunday	288,299	247,890	**51.83%**
Holidays	27,239	17,729	**8.22%**
Totals	**3,735,040**	**3,040,491**	**22.84%**

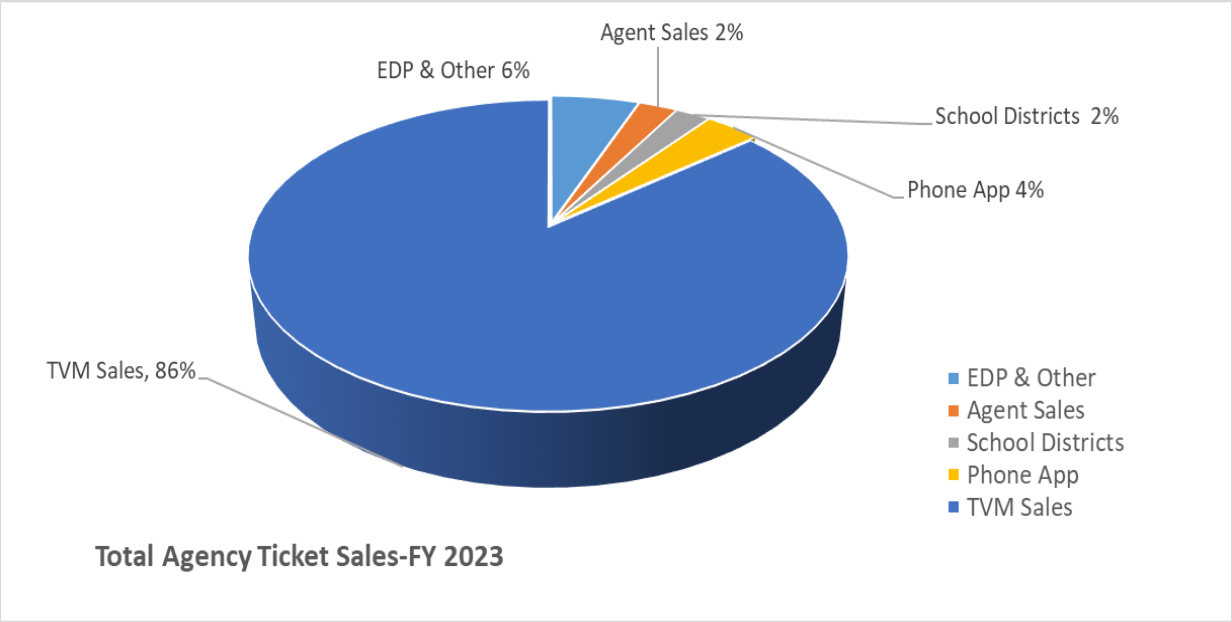
Passenger Ridership – FY 2013 thru 2022

Year	Totals	Monday to Friday	Saturday	Sunday	Holidays
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
2020	3,522,019	2,927,556	304,090	265,483	24,890
2021	2,029,609	1,657,755	192,198	163,273	16,383
2022	3,040,491	2,512,820	262,052	247,890	17,729
2023	3,735,040	3,096,416	323,086	288,299	27,239

Source: SFRTA - Tri-Rail

SOUTH FLORIDA REGIONAL TRANSPORTATIONAUTHORITY
RIDERSHIP & SALES ANALYSIS

Passenger fares collected for fiscal year 2023 were $12,384,094, an increase of $3.5 million from fiscal year 2022. 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.



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**
2023	29,278,547
2022	30,304,312

Note: Details regarding the Authority's outstanding debt can be found in the notes to the financial statements. Prior to Fiscal Year 2019 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	400
Broward County	1,209	1,660
Miami-Dade County	1,945	1,455
Palm Beach County	1,974	784

https://worldpopulationreview.com/states/florida/counties

Annual Population

	Annual Population 2023 (Thousands)	Annual Population 2022 (Thousands)	Annual Percent Change
Florida	22,661,577	22,244,823	1.87%
Broward County	2,003,268	1,932,212	1.04%
Miami-Dade County	2,763,366	2,832,794	0.98%
Palm Beach County	1,543,809	1,466,494	1.05%

Projected Population 2025 - 2050

Projected Population Year	2025 (Thousands)	2035 (Thousands)	2050 (Thousands)	Percent Change 2021-2041
Florida	23,164,008	25,520,837	27,176,715	17.32%
Broward County	2,018,179	2,141,734	2,257,548	10.41%
Miami-Dade County	2,826,885	3,010,941	3,186,934	10.72%
Palm Beach County	1,568,299	1,697,953	1,809,232	14.05%

http://edr.state.fl.us/Content/population-demographics/data/index-floridaproducts.cfm
https://www.bebr.ufl.edu/wp-content/uploads/2022/02/projections_2022.pdf

Population Trends FY 2013 thru 2022

Year	Florida	Broward County	Miami-Dade County	Palm Beach County	Tri-County Total	Annual % Change
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	2,696,353	1,391,741	5,942,607	1.49%
2017	20,484,142	1,873,970	2,743,095	1,414,144	6,031,209	1.42%
2018	20,840,568	1,897,976	2,779,322	1,433,417	6,110,715	1.32%
2019	21,208,589	1,919,644	2,812,130	1,447,857	6,179,631	1.13%
2020	21,596,068	1,932,212	2,832,794	1,466,494	6,231,500	0.84%
2021	21,925,785	1,943,319	2,853,938	1,483,241	6,280,498	1.63%
2022	21,898,945	1,955,375	2,731,939	1,502,495	6,189,809	1.60%

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

Broward County

	2022			2013		
Employer	**Employees**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
Broward County School Board	33,022	1	3.04%	26,000	1	2.50%
Memorial Health Care System	14,000	2	1.29%	10,900	3	1.50%
Broward County Government	12,681	3	1.17%	11,360	2	1.09%
Broward Health	9,824	4	0.91%	8,190	4	1.09%
Nova Southeastern University	6,181	5	0.57%	4,013	5	0.39%
FirstService Residential	5,400	6	0.50%	-	-	-
HEICO	4,532	7	0.42%	-	-	-
Broward College	4,170	8	0.38%	-	-	-
Spirit Airlines	3,947	9	0.36%	-	-	-
American Express	3,500	10	0.32%	3,000	6	0.29%
The Answer Group	-	-	-	2,800	7	0.27%
Kaplan Higher Education	-	-	-	2,500	8	0.24%
City of Fort Lauderdale	-	-	-	2,425	9	0.23%
Brandsmart USA	-	-	-	2,000	10	0.19%
	97,257		8.96%	73,188		7.04%

Source: Broward County, Florida, 2022 Comprehensive Annual Financial Report, Fiscal Year September 30, 2022

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

	Miami-Dade County					
	2022			2013		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Miami-Dade County Public Schools	39,959	1	2.91%	33,477	1	2.58%
Miami-Dade County	27,862	2	2.03%	25,502	2	1.97%
University of Miami	19,996	3	1.46%	12,720	5	0.98%
Publix Supermarket	12,524	4	0.91%	4,604	9	0.36%
Jackson Health System	12,173	5	0.89%	8,208	8	0.63%
American Airlines	11,102	6	0.81%	9,850	7	0.76%
Miami-Dade College	7,111	7	0.52%	-	-	-
Florida International University	6,608	8	0.48%	-	-	-
United States Postal Service	5,134	9	0.37%	-	-	-
Baptist Health South Florida	5,133	10	0.37%	10,793	5	0.83%
U.S. Federal Government	-	-	-	19,600	3	1.51%
Florida State Government	-	-	-	18,300	4	1.41%
City of Miami	-	-	-	3,656	10	0.28%
	147,602		10.75%	146,710		11.31%

1 Information is based on data from year 2021. The data for 2022 is not available as of the date of this report.

Source: Miami-Dade County, Florida, 2022 Comprehensive Annual Financial Report, Fiscal Year September 30, 2022

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

Palm Beach County

	2022			2013		
Employer	**Employees**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
Palm Beach County School District	22,426	1	2.94%	20,810	1	3.25%
Palm Beach County Government	12,558	2	1.65%	11,000	2	1.72%
Tenet Healthcare Group	5,734	3	0.75%	6,100	3	0.95%
NextEra Energy (Florida Power and Light)	5,330	4	0.70%	3,804	4	0.59%
Florida Atlantic University	5,059	5	0.66%	2,980	6	0.47%
Boca Raton Regional Hospital	3,135	6	0.41%	2,250	10	0.35%
Veterans Health Administration	2,600	7	0.34%	2,700	8	0.42%
Hospital Corporation of America (HCA)	2,419	8	0.32%	2,714	7	0.42%
The Breakers	2,300	9	0.30%	-	-	-
Bethesda Memorial Hospital	2,282	10	0.30%	2,643	9	0.41%
G4S	-	-	-	3,000	5	0.47%
	63,843		8.37%	58,001		9.05%

Source: Palm Beach County, Florida, 2022 Annual Comprehensive Financial Report, Fiscal Year September 30, 2022

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.
2013	19,337,590	1.06%	315,993,715	0.69%	802,976	14,189,228	41,524	44,904	7.5%	7.4%
2014	19,585,096	1.28%	318,301,008	0.73%	861,412	14,969,527	43,983	47,029	6.4%	6.2%
2015	19,879,230	1.50%	320,635,163	0.73%	919,835	15,681,233	46,271	48,907	5.5%	5.3%
2016	20,201,450	1.62%	322,941,311	0.72%	954,070	16,092,713	47,228	49,832	4.9%	4.9%
2017	20,524,865	1.60%	324,985,539	0.63%	1,023,131	16,845,028	49,848	51,833	4.2%	4.4%
2018	20,854,945	1.61%	326,687,501	0.52%	1,087,189	17,681,159	52,131	54,123	3.6%	3.9%
2019	21,189,849	1.61%	328,239,523	0.48%	1,139,799	18,402,004	53,790	56,063	3.3%	3.7%
2020	21,538,187	1.64%	331,501,080	0.99%	1,209,996	19,607,447	56,179	59,147	7.7%	8.1%
2021	21,898,945	1.67%	331,893,745	0.12%	1,315,865	21,040,471	60,088	63,395	4.7%	5.4%
2022	22,251,246	1.61%	332,838,183	0.28%	1,384,563	21,688,212	62,224	65,161	3.4%	3.7%

Source: 2022 State of Florida Comprehensive Annual Financial Report

Broward County

Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2013	1,784,715	$ 75,934,513	$ 42,547	6.6%
2014	1,803,903	$ 81,067,747	$ 44,940	5.8%
2015	1,827,367	$ 87,258,845	$ 47,751	5.0%
2016	1,854,513	$ 89,288,273	$ 48,146	4.6%
2017	1,873,970	$ 93,747,706	$ 50,026	3.9%
2018	1,897,976	$ 98,295,320	$ 51,790	3.2%
2019	1,919,644	$ 103,374,985	$ 53,851	2.8%
2020	1,944,375	$ 109,473,926	$ 56,303	7.8%
2021	1,955,375	$ 124,458,321	$ 63,649	3.6%
2022	1,969,099	N/A	N/A	2.6%

Source: 2022 Broward County, Florida Comprehensive Annual Financial Report

Miami-Dade County

Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
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	$ 131,244,442	$ 47,813	5.0%
2018	2,779,322	$ 138,138,976	$ 50,022	3.6%
2019	2,812,130	$ 149,166,155	$ 54,902	2.9%
2020	2,701,767	$ 154,891,958	$ 57,213	6.6%
2021	2,731,939	$ 172,678,816	$ 64,849	5.5%
2022	2,757,592	N/A	N/A	2.6%

Source: 2022 Miami-Dade County, Florida Comprehensive Annual Financial Report

Palm Beach County

Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2013	1,345,652	$ 79,564,774	$ 57,985	7.1%
2014	1,360,248	$ 93,526,272	$ 66,914	6.0%
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	$ 118,519,249	$ 79,760	3.5%
2019	1,447,857	$ 124,632,614	$ 83,268	3.3%
2020	1,466,494	$ 131,435,258	$ 87,478	7.5%
2021	1,502,495	140843515	$ 92,773	4.4%
2022	1,518,152	N/A	N/A	2.7%

Source: 2022 Palm Beach County, Florida Comprehensive Annual Financial Report

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

CAPITAL ASSET STATISTICS

ASSET	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Stations	19	18	18	18	18	18	18	18	18	18
Administration/Buildings	1	1	1	1	1	1	1	1	1	1

COMMUTER RAIL

Year	Weekday Trips Daily	Saturday Trips Daily	Sunday Trips Daily	Holidays Trips Annually	Boarding Annually	Train Revenue Hours Annually
2014	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	4,235,859	37,474
2019	50	30	30	180	4,465,750	38,550
2020	50	30	30	180	3,522,017	33,956
2021	50	30	30	180	2,029,609	31,286
2022	50	30	30	180	3,041,459	37,733
2023	50	30	30	180	3,735,040	38,552

EMPLOYEES BY DEPARTMENT
LAST TEN FISCAL YEARS

DEPARTMENT										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Executive	6	5	7	7	14	15	15	15	15	17
Finance	12	8	10	12	12	17	17	17	17	24
Planning	7	6	7	6	7	11	12	13	13	11
Construction & Engineering	2	2	4	6	8	9	8	7	7	5
Human Resources	3	3	2	2	2	3	3	3	3	3
Contracts & Procurement	4	3	7	7	7	10	10	9	9	9
Administration	-	-	-	26	-	-	-	-	-	-
Operations	7	6	6	17	36	41	41	41	41	42
Maintenance of Way	2	2	2	2	-	-	-	-	-	-
Legal	3	3	3	3	3	3	3	3	3	3
Safety & Security	3	3	3	3	3	5	5	5	5	-
Public Affairs	29	29	34	-	-	-	-	-	-	-
Information & Technology	11	11	11	12	12	14	14	14	14	-
TOTAL	**89**	**81**	**96**	**103**	**104**	**128**	**128**	**127**	**127**	**114**

TRI RAIL™
Part of the South Florida Regional Transportation Authority

NEW TRAIN SCHEDULE – EFFECTIVE APRIL 5, 2015

SOUTHBOUND — WEEKDAYS

	AM SOUTHBOUND												PM SOUTHBOUND											
Train No.	**P601**	**P603**	**P605**	**P607**	**P609**	**P611**	**P613**	**P615**	**P617**	**P619**	**P621**	**P623**	**P625**	**P627**	**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	9:00	10:00	11:00	12:00	1:00	2:00	3:00	3:30	4:00	4:25	5:00	5:30	6:15	6:45	7:40	8:40
West Palm Beach ✈	4:06	4:46	5:26	6:06	6:26	6:46	7:06	7:36	8:06	9:06	10:06	11:06	12:06	1:06	2:06	3:06	3:36	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	9:16	10:16	11:16	12:16	1:16	2:16	3:16	3:46	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	7:02	7:22	7:52	8:22	9:22	10:22	11:22	12:22	1:22	2:22	3:22	3:52	4:22	4:47	5:22	5:52	6:37	7:07	8:02	9:02
Delray Beach	4:29	5:11	5:51	6:31	6:51	7:11	7:31	8:01	8:31	9:31	10:31	11:31	12:31	1:31	2:31	3:31	4:01	4:31	4:56	5:31	6:01	6:46	7:16	8:11	9:11
Boca Raton	4:35	5:17	5:57	6:37	6:57	7:17	7:37	8:07	8:37	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	9:17
Deerfield Beach	4:42	5:24	6:04	6:44	7:04	7:24	7:44	8:14	8:44	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	9:24
Pompano Beach	4:48	5:30	6:10	6:50	7:10	7:30	7:50	8:20	8:50	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	9:30
Cypress Creek	4:54	5:37	6:17	6:57	7:17	7:37	7:57	8:27	8:57	9:56	10:58	11:56	12:56	1:56	2:58	3:58	4:28	4:58	5:23	5:58	6:27	7:12	7:42	8:37	9:37
Fort Lauderdale	5:01	5:45	6:25	7:05	7:25	7:45	8:05	8:35	9:05	10:06	11:06	12:06	1:06	2:06	3:06	4:06	4:36	5:06	5:33	6:06	6:35	7:20	7:50	8:45	9:45
Fort Lauderdale Airport ✈	5:08	5:53	6:33	7:13	7:33	7:53	8:13	8:43	9:13	10:17	11:17	12:17	1:17	2:17	3:17	4:17	4:47	5:17	5:42	6:17	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	10:21	11:21	12:21	1:21	2:21	3:21	4:21	4:51	5:21	5:46	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	10:26	11:26	12:26	1:26	2:26	3:26	4:26	4:56	5:26	5:51	6:26	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	10:35	11:35	12:35	1:35	2:35	3:35	4:35	5:05	5:35	6:00	6:35	7:00	7:45	8:15	9:10	10:10
Opa-locka	5:31	6:16	6:56	7:36	7:56	8:16	8:36	9:06	9:36	10:41	11:41	12:41	1:41	2:41	3:41	4:41	5:11	5:41	6:06	6:41	7:06	7:51	8:21	9:16	10:16
Metrorail Transfer	5:38	6:23	7:03	7:43	8:03	8:23	8:43	9:13	9:43	10:48	11:48	12:48	1:48	2:48	3:48	4:48	5:18	5:48	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	10:54	11:54	12:54	1:54	2:54	3:56	4:56	5:26	5:56	6:21	6:56	7:19	8:04	8:34	9:29	10:29
Miami Airport ✈	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	4:02	5:02	5:32	6:02	6:27	7:02	7:25	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 ✈	4:15	4:45	5:10	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	9:40
Hialeah Market	4:18	4:48	5:13	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	9:43
Metrorail Transfer	4:23	4:54	5:19	5:49	6:09	6:29	7:09	7:49	8:30	9:30	10:30	11:30	12:30	1:30	2:30	3:20	4:09	4:39	4:59	5:29	5:57	6:29	6:59	7:59	9:49
Opa-locka	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	4:15	4:45	5:05	5:35	6:03	6:35	7:05	8:05	9:55
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	4:21	4:51	5:11	5:41	6:09	6:41	7:11	8:11	10:01
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	4:30	5:00	5:20	5:50	6:18	6:50	7:20	8:20	10:10
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	4:34	5:04	5:24	5:54	6:22	6:54	7:24	8:24	10:14
Fort Lauderdale Airport ✈	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	4:38	5:08	5:28	5:58	6:26	6:58	7:28	8:28	10:18
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	4:47	5:17	5:37	6:07	6:35	7:07	7:37	8:37	10:27
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	4:54	5:24	5:44	6:14	6:42	7:14	7:44	8:44	10:34
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	5:00	5:30	5:50	6:20	6:48	7:20	7:50	8:50	10:40
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	5:06	5:36	5:56	6:26	6:54	7:26	7:56	8:56	10:46
Boca Raton	5:25	5:59	6:24	6:54	7:14	7:34	8:14	8:54	9:36	10:36	11:36	12:36	1:36	2:36	3:36	4:26	5:14	5:44	6:04	6:34	7:02	7:34	8:04	9:04	10:54
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	10:59
Boynton Beach	5:38	6:13	6:38	7:08	7:28	7:48	8:28	9:08	9:53	10:53	11:53	12:53	1:53	2:53	3:53	4:43	5:28	5:58	6:18	6:48	7:16	7:48	8:18	9:18	11:08
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	7:22	7:54	8:24	9:24	11:14
West Palm Beach ✈	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	7:33	8:05	8:35	9:35	11:25
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	7:43	8:15	8:45	9:45	11:35

All passengers must purchase a valid ticket before boarding the train.

L Stop Train may depart station as much as five (5) minutes ahead of schedule.

Southbound trains board on Track 1 and Northbound trains board on Track 2, unless otherwise announced at train station.

Tri-Rail advises passengers to arrive at the station 20 minutes prior to departure and to call Customer Service at 1-800-TRI-RAIL (874-7245) to verify schedule and connection information before traveling.

Para recibir esta información en español por favor llame al 1-800-TRI-RAIL (874-7245).

Pou resevwa enfòmasyon sa a an kreyòl silvouple rele 1-800-TRI-RAIL (874-7245).

SOUTHBOUND — WEEKENDS & HOLIDAYS

	AM SOUTHBOUND												PM SOUTHBOUND											
Train No.	**P661**	**P663**	**P665**	**P667**	**P669**	**P671**	**P673**	**P675**	**P677**	**P679**	**P681**	**P683**	**P685**	**P687**	**P689**									
Mangonia Park	5:50	6:50	7:50	8:50	9:50	10:50	11:50	12:50	1:50	2:50	3:50	4:50	5:50	6:50	9:00									
West Palm Beach ✈	5:56	6:56	7:56	8:56	9:56	10:56	11:56	12:56	1:56	2:56	3:56	4:56	5:56	6:56	9:06									
Lake Worth	6:06	7:06	8:06	9:06	10:06	11:06	12:06	1:06	2:06	3:06	4:06	5:06	6:06	7:06	9:16									
Boynton Beach	6:14	7:14	8:14	9:14	10:14	11:14	12:14	1:14	2:14	3:14	4:14	5:14	6:14	7:14	9:24									
Delray Beach	6:23	7:23	8:23	9:23	10:23	11:23	12:23	1:23	2:23	3:23	4:23	5:23	6:23	7:23	9:33									
Boca Raton	6:29	7:29	8:29	9:29	10:29	11:29	12:29	1:29	2:29	3:29	4:29	5:29	6:29	7:29	9:39									
Deerfield Beach	6:36	7:36	8:36	9:36	10:36	11:36	12:36	1:36	2:36	3:36	4:36	5:36	6:36	7:36	9:46									
Pompano Beach	6:41	7:41	8:41	9:41	10:41	11:41	12:41	1:41	2:41	3:41	4:41	5:41	6:41	7:41	9:51									
Cypress Creek	6:48	7:48	8:48	9:48	10:48	11:48	12:48	1:48	2:48	3:48	4:48	5:48	6:48	7:48	9:58									
Fort Lauderdale	6:56	7:56	8:56	9:56	10:56	11:56	12:56	1:56	2:56	3:56	4:56	5:56	6:56	7:56	10:06									
Fort Lauderdale Airport ✈	7:03	8:03	9:03	10:03	11:03	12:03	1:03	2:03	3:03	4:03	5:03	6:03	7:03	8:03	10:13									
Sheridan Street	7:07	8:07	9:07	10:07	11:07	12:07	1:07	2:07	3:07	4:07	5:07	6:07	7:07	8:07	10:17									
Hollywood	7:11	8:11	9:11	10:11	11:11	12:11	1:11	2:11	3:11	4:11	5:11	6:11	7:11	8:11	10:21									
Golden Glades	7:20	8:20	9:20	10:20	11:20	12:20	1:20	2:20	3:20	4:20	5:20	6:20	7:20	8:20	10:30									
Opa-locka	7:25	8:25	9:25	10:25	11:25	12:25	1:25	2:25	3:25	4:25	5:25	6:25	7:25	8:25	10:35									
Metrorail Transfer	7:32	8:32	9:32	10:32	11:32	12:32	1:32	2:32	3:32	4:32	5:32	6:32	7:32	8:32	10:42									
Hialeah Market	7:38	8:38	9:38	10:38	11:38	12:38	1:38	2:38	3:38	4:38	5:38	6:38	7:38	8:38	10:48									
Miami Airport ✈	7:50	8:50	9:50	10:50	11:50	12:50	1:50	2:50	3:50	4:50	5:50	6:50	7:50	8:50	11:00									

NORTHBOUND — WEEKENDS & HOLIDAYS

	AM NORTHBOUND												PM NORTHBOUND											
Train No.	**P660**	**P662**	**P664**	**P666**	**P668**	**P670**	**P672**	**P674**	**P676**	**P678**	**P680**	**P682**	**P684**	**P686**	**P688**									
Miami Airport ✈	5:17	6:17	7:17	8:17	9:17	10:17	11:17	12:17	1:17	2:17	3:17	4:17	5:17	6:17	9:42									
Hialeah Market	5:20	6:20	7:20	8:20	9:20	10:20	11:20	12:20	1:20	2:20	3:20	4:20	5:20	6:20	9:45									
Metrorail Transfer	5:27	6:27	7:27	8:27	9:27	10:27	11:27	12:27	1:27	2:27	3:27	4:27	5:27	6:27	9:52									
Opa-locka	5:33	6:33	7:33	8:33	9:33	10:33	11:33	12:33	1:33	2:33	3:33	4:33	5:33	6:33	9:58									
Golden Glades	5:39	6:39	7:39	8:39	9:39	10:39	11:39	12:39	1:39	2:39	3:39	4:39	5:39	6:39	10:04									
Hollywood	5:49	6:49	7:49	8:49	9:49	10:49	11:49	12:49	1:49	2:49	3:49	4:49	5:49	6:49	10:14									
Sheridan Street	5:53	6:53	7:53	8:53	9:53	10:53	11:53	12:53	1:53	2:53	3:53	4:53	5:53	6:53	10:18									
Fort Lauderdale Airport ✈	5:57	6:57	7:57	8:57	9:57	10:57	11:57	12:57	1:57	2:57	3:57	4:57	5:57	6:57	10:22									
Fort Lauderdale	6:05	7:05	8:05	9:05	10:05	11:05	12:05	1:05	2:05	3:05	4:05	5:05	6:05	7:05	10:30									
Cypress Creek	6:12	7:12	8:12	9:12	10:12	11:12	12:12	1:12	2:12	3:12	4:12	5:12	6:12	7:12	10:37									
Pompano Beach	6:19	7:19	8:19	9:19	10:19	11:19	12:19	1:19	2:19	3:19	4:19	5:19	6:19	7:19	10:44									
Deerfield Beach	6:25	7:25	8:25	9:25	10:25	11:25	12:25	1:25	2:25	3:25	4:25	5:25	6:25	7:25	10:50									
Boca Raton	6:33	7:33	8:33	9:33	10:33	11:33	12:33	1:33	2:33	3:33	4:33	5:33	6:33	7:33	10:58									
Delray Beach	6:39	7:39	8:39	9:39	10:39	11:39	12:39	1:39	2:39	3:39	4:39	5:39	6:39	7:39	11:04									
Boynton Beach	6:48	7:48	8:48	9:48	10:48	11:48	12:48	1:48	2:48	3:48	4:48	5:48	6:48	7:48	11:13									
Lake Worth	6:54	7:54	8:54	9:54	10:54	11:54	12:54	1:54	2:54	3:54	4:54	5:54	6:54	7:54	11:19									
West Palm Beach ✈	7:05	8:05	9:05	10:05	11:05	12:05	1:05	2:05	3:05	4:05	5:05	6:05	7:05	8:05	11:30									
Mangonia Park	7:20	8:20	9:20	10:25	11:20	12:20	1:20	2:20	3:20	4:20	5:20	6:20	7:20	8:20	11:45									

South Florida Regional Transportation Authority

Timeline

2022	SFRTA received signed Tri-Party Agreement with Florida East Coast (FEC) Railway and Brightline, giving permission to begin training and testing Tri-Rail on FEC and at MiamiCentral Station.
2021	Tri-Rail reaches 100 millionth riders after 32 ½ years of inception. Achieves 96.76% On-Time Performance (OTP) highest in its history.
2020	SFRTA receives approval from the FRA for Positive Train Control on South Florida Rail Corridor.
2020	SFRTA implements fare increase after 11-years with no fare changes. Completes Positive Train Control technology implementation on all Tri-Rail trains and South Florida Rail Corridor tenants, CSX and Amtrak.
2019	Tri-Rail achieves its highest On-Time Performance ever with 96.64%, and carries record number of passengers in a calendar year – 4.5 million.
2017	New SFRTA Operations Center in Pompano Beach opens.
2015	Opening of the new Miami Intermodal Center (MIC) at the Miami Airport. Construction on the new Pompano Beach Station and Operations Center begin.
2014	Tri-Rail receives its first GFOA Budget Award. FDOT and CSX agreed to transfer dispatch to SFRTA.
2009	Tri-Rail celebrates 20th Anniversary, implements first fare increase in more than 14 years and carries record number of passengers in one calendar year – more than 4.3 million
2003	State Legislature established the South Florida Regional Transportation Authority (SFRTA) with the right to own, operate, maintain, and manage a transit system within the tri- county region.
2000	Award winning tropical train wrap unveiled.
1998	Tri-Rail opens new Miami Airport Station
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)








TRI RAIL
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
Mangonia Park
45th St.
West Palm Beach
Banyan Blvd. & Tamarind Av.
Palm Beach International Airport
Lake Worth
Lake Worth Rd.
Boynton Beach
Gateway Blvd.
PALM BEACH
Delray Beach
Congress Av.
Boca Raton
Yamato Rd.
Deerfield Beach
Hillsboro Blvd.
Pompano Beach
Sample Rd. & NW 8th Av.
Cypress Creek
Cypress Creek Rd. & Powerline Rd.
BROWARD
Ft. Lauderdale
Broward Blvd.
Fort Lauderdale-Hollywood International Airport
Ft. Lauderdale-Hollywood Int' Airport at Dania Beach
Griffin Rd.
Sheridan Street
Hollywood
Hollywood Blvd.
Golden Glades
Metrorail Transfer
NW 79th St.
Opa-Locka
Ali Baba Ave.
North-side
Palmetto
Okeechobee
Hialeah
Dr. Martin Luther King, Jr.
Brownsville
Earlington Hts.
Hialeah Market
SE 12th St.
Allapattah
Santa Clara
Civic Center
Miami International Airport
Miami Intermodal Center (MIC)
Culmer
Overtown/Lyric Theatre
Government Center
Brickell
Vizcaya
Coconut Grove
Douglas Road
University
South Miami
Dadeland North
Dadeland South
MIAMI - DADE
Tri-Rail and Amtrak to service Miami Intermodal Center (MIC) in 2013.
N

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January 10, 2024

To the Governing Board
South Florida Regional Transportation Authority

We have audited the financial statements of the South Florida Regional Transportation Authority (the "Authority") as of and for the year ended June 30, 2023 and have issued our report thereon dated January 10, 2024. Professional standards require that we provide you with the following information related to our audit, which is divided into the following sections:

Section I - Required Communications with Those Charged with Governance

Section II - Management Letter and State Reporting Requirements

Section III - Other Recommendations and Related Information

Section IV - Legislative and Informational Items

Section I includes information that we are required to communicate to those individuals charged with governance of the Authority. This section communicates significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process.

Section II includes comments and recommendations pursuant to Section 218.39(4), Florida Statutes, and Rule 10.557(3)(g), *Rules of the Auditor General.*

Section III presents recommendations related to internal control, procedures, and other matters noted during our current year audit. These comments are offered in the interest of helping the Authority in its efforts toward continuous improvement, not just in the areas of internal control and accounting procedures, but also in operational or administrative efficiency and effectiveness.

Section IV contains informational items that we believe will be of interest to you.

We would like to take this opportunity to thank the Authority's staff for the cooperation and courtesy extended to us during our audit. Their assistance and professionalism are invaluable.

This report is intended solely for the use of the governing board and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

We welcome any questions you may have regarding the following communications, and we would be willing to discuss these or any other questions that you might have at your convenience.

Very truly yours,

Plante & Moran, PLLC

Blake Roe

Blake Roe, CPA
Partner

PRAXITY
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Section I - Required Communications with Those Charged with Governance

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated November 1, 2023, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of the Authority. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Our audit of the Authority's financial statements has also been conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Under *Government Auditing Standards*, we are obligated to communicate certain matters that come to our attention related to our audit to those responsible for the governance of the Authority, including compliance with certain provisions of laws, regulations, contracts, and grant agreements; certain instances of error or fraud; illegal acts applicable to government agencies; and significant deficiencies in internal control that we identify during our audit. Toward this end, we issued a separate letter dated January 10, 2024 regarding our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on December 7, 2023.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note 1 to the financial statements.

No new accounting policies were adopted, and the application of existing policies was not changed during 2023.

We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus.

There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimate affecting the financial statements was the valuation of the net pension liability. Management's estimate of the net pension liability is based on actuarial valuations. We evaluated the key factors and assumptions used to develop the net pension liability and related assumptions and methodologies in determining that they are reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing and completing our audit.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

We are pleased to report that no such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

There were adjustments to the financial statements that were not recorded by management. This included an adjustment to increase unearned revenue and decrease federal revenue by approximately $2,179,000 for prepaid expenses that had not yet been earned as revenue. This also included an adjustment to increase expenses and accounts payable by approximately $1,082,000 related to an invoice that was received after management's cutoff period for accounts payable. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. However, uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future period financial statements to be materially misstated.

Significant Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Authority, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 10, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts.

To our knowledge, there were no such consultations with other accountants.

Other Information Included in Annual Reports

Our responsibility for other information included in annual reports does not extend beyond the financial statements, and we do not express an opinion or any form of assurance on the other information. However, we read the introductory and statistical sections, and nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially misstated or materially inconsistent with the information or manner of its presentation appearing in the financial statements.

Section II - Management Letter and State Reporting Requirements

Report on the Financial Statements

We have audited the financial statements of the South Florida Regional Transportation Authority as of and for the fiscal year ended June 30, 2023 and have issued our report thereon dated January 10, 2024.

Auditor's Responsibility

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

During the audit, we also adhered to the requirements under Chapter 10.550, *Rules of the Auditor General*, which requires certain additional procedures and the reporting of certain items addressed in this letter.

Other Reporting Requirements

We have issued our independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; independent auditor's report on compliance for each major federal program and major state financial assistance project and report on internal control over compliance required by the Uniform Guidance and chapter 10.550 of the *Rules of the Auditor General* of the State of Florida; schedule of findings and questioned costs; and independent accountant's report on compliance with local government investment policies, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General.* This letter should be considered in conjunction with those reports and schedules, which are dated January 10, 2024.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. No recommendations were made in the preceding financial audit report. For findings related to the single audit, please see the report on compliance for each major federal program and major state financial assistance project and report on internal control over compliance required by the Uniform Guidance and Chapter 10.550 of the *Rules of the Auditor General* of the State of Florida.

Official Title and Legal Authority

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

Financial Condition and Management

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

Section II - Management Letter and State Reporting Requirements (Continued)

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the Authority based on the audited financial statements as of and for the year ended June 30, 2023. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by the same.

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

Specific Information

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

a. The total number of authority employees compensated in the last pay period of the Authority's fiscal year as 89

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal year as 0

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $9,547,003

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $0

e. Each construction project with a total cost of at least $65,000 approved by the Authority that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project; management asserted that they have no projects scheduled to begin on or after October 1 of the fiscal year being reported that meet this threshold

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Authority amends a final adopted budget under Section 189.016(6), Florida Statutes, as follows:

   Refer to Note 1 subsection F in the Authority's June 30, 2023 annual comprehensive financial report.

Additional Matter

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. Please see the report on internal control over financial reporting dated January 10, 2024.

Purpose of This Section

Section II of this letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, and federal and other granting agencies and to communicate certain matters prescribed by Chapter 10.550, *Rules of the Auditor General*. Accordingly, this section is not suitable for any other purpose.

Section III - Other Recommendations and Related Information

During our audit, we noted an area where we believe there are opportunities for the Authority to further strengthen internal control or to increase operating efficiencies. Our observations on this area are presented below for your consideration:

- **Investments** - During our audit procedures, it was noted that an annual reconciliation of investment statements to the general ledger was performed to ensure the financial statements are properly stated at year end. However, we recommend that the Authority implement a process to reconcile investment statements to the general ledger on a more frequent basis (monthly).

Section IV - Legislative and Informational Items

COVID-19 Resource Center and ARPA

Throughout the COVID-19 pandemic, Plante & Moran, PLLC's COVID-19 task force of leaders across the firm has monitored, addressed, and provided insight related to the virus and the unique challenges our local governments have faced while continuing to provide essential services to their communities through our ARPA and COVID-19 resource center for governments. Following is a link to various ARPA-related articles that we believe will be of interest to you: https://www.plantemoran.com/explore-our-thinking/search?skip=10&keyword=arpa&type=all&professional=all&practice=all&industry=85a5df97-9c41-4000-86d3-db25835731a6&areaOfFocus=all&daterange=all&sortBy=DateDesc.

In March 2021, the president signed the American Rescue Plan Act (ARPA) into law, which included federal stimulus funding for state and local governments of all sizes. The largest of all funding streams, the Coronavirus State and Local Fiscal Recovery Funds (SLFRF), represents a $350 billion top-line allocation for state and local governments. Funding was provided in two tranches beginning in May 2021, with the second tranche not being released until 12 months after the first payment. Effective April 1, 2022, the U.S. Department of the Treasury published the final rule for determining the types of programs and services that are eligible uses of the SLFRF funding. Overall information about the program, including a frequently asked questions document and an overview of the final rule, is available on the U.S. Department of the Treasury's website at https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments.

The ARPA award terms provide that payments from the Fiscal Recovery Funds as a general matter will be subject to the provision of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, including the cost principles and restrictions on general provisions for selected items of cost. The Authority will need to understand these reforms and may be required to evaluate, document, and monitor internal procedures around compliance, including maintaining certain required policies.

Plante & Moran, PLLC's COVID-19 resource center is being continuously updated for the latest guidance and strategy related to SLFRF and will help keep the Authority running smoothly through our nation's recovery.

Want to receive relevant content directly to your email? Subscribe at https://www.plantemoran.com/subscribe where you can customize your subscription preferences based on your specific interests and industry selection.

Recommended Cybersecurity Measures

In response to persistent and ever evolving cyber threats, regulatory bodies continue to introduce new recommended and mandatory actions for transit agencies. Effective December 31, 2021, the Transportation Security Administration issued recommended measures for railroad owners/operators, passenger railroad, public transportation agencies, rail transit system owner/operators, and over-the-road-bus owner/operators. These recommended measures included the following aspects for consideration:

1. Designating a cybersecurity coordinator
2. Reporting cybersecurity incidents
3. Implementing a cybersecurity incident response plan
4. Performing a cybersecurity vulnerability assessment

While cybersecurity actions like this are only recommendations for most transit agencies at this point, they are now required for freight rail carriers per Security Directive 1580/82-2022-01, which went into effect on October 24, 2023. This security directive also required proactive documentation, reporting, and ongoing assessment of an organizational cybersecurity implementation plan. It is likely that these requirements will continue to expand to other transit agencies in the future.

Does your organization have a cybersecurity implementation plan? Have you assessed the effectiveness of your cybersecurity countermeasures? We encourage administration to ensure that you are proactively approaching cybersecurity risk within the organization to ensure the system and integrity of your systems as well as comply with any requirements. We have a team of cybersecurity professionals with transit-specific experience should you like to discuss cybersecurity at your organization.

Rules Governing Management of Federal Programs

The Office of Management and Budget (OMB) issued significant reforms to the compliance requirements that must be followed by nonfederal entities receiving federal funding related to awards on or after December 26, 2014. While these revisions were not too recent, the revisions were the most significant change to occur to federal grants management in recent history. While many communities have historically been below the $750,000 single audit threshold, recent legislation provides for an increase in federal spending, and, therefore, more communities may be subject to an audit requirement; the Authority will need to understand these reforms and may be required to make changes to internal procedures, processes, and controls.

- **Cost Principles** - There were certain changes made to allowable costs and significant changes in the area of time and effort reporting and indirect costs.

- **Administrative Requirements** - Nonfederal entities receiving federal funding must adhere to revised rules related to administering federal awards. Most notably, the requirements may impact the Authority's procurement systems, including maintaining written conflict of interest policies and disclosures.

The Authority will need to ensure that consideration of the implementation of these regulations has occurred; if it has not, the Authority needs to work quickly to put the requirements into practice. Plante & Moran, PLLC has many experts in this area and welcomes any questions or needs you may have.

Federal Procurement Threshold Changes

The Office of Management and Budget has issued significant reforms to the compliance requirements that must be followed by nonfederal entities. The Office of Management and Budget recently issued Memorandum M-18-18, which provides guidance on changes to micropurchases and simplified acquisition threshold requirements. The key changes are as follows:

- Threshold for micropurchases is increased to $10,000.
- Threshold for simplified acquisitions (small purchase procedures limit) increased to $250,000.

Key adoption considerations for micropurchase and simplified acquisition thresholds include the following:

- During the original adoption of the Uniform Guidance procurement standards, were specific amounts included within the Authority's procurement policy, or were references to the Uniform Guidance sections or amounts as adjusted referenced? If specific amounts were referenced, the procurement policy will need to be updated to take advantage of the changes.

- If the Authority's procurement policy was written to allow for changes in amounts, the procedures will need to be updated to conform.

- If this change is inconsistent with other procurement policies within the organization, the Authority must decide how the policy will be enacted. Remember local ordinances in place may limit full utilization of changes.

- If the Authority has chosen not to fully adopt the change and maintain a lower threshold, then the Authority is not required to use these thresholds but cannot exceed them.

Upcoming Accounting Standards Requiring Preparation

We actively monitor new Governmental Accounting Standards Board (GASB) standards and due process documents and provide periodic updates to help you understand how the latest financial reporting developments will impact the Authority. In addition to the summaries below and to stay up to date, Plante & Moran, PLLC issues a biannual GASB accounting standard update. The most recent spring 2022 update and a link to previous fall and spring updates are available here.

GASB Statement No. 99 - Omnibus 2022

This new accounting pronouncement has various effective dates. This statement addresses accounting and financial reporting requirements for specific issues related to financial guarantees, derivative instruments, leases, public-public and public-private partnerships (PPPs), subscription-based information technology arrangements (SBITAs), the transition from the London Interbank Offered Rate (LIBOR), the Supplemental Nutrition Assistance Program (SNAP), nonmonetary transactions, pledges of future revenue, the focus of government-wide financial statements, and terminology.

GASB Statement No. 100 - Accounting Changes and Error Corrections

This new accounting pronouncement will be effective for fiscal years ending June 30, 2024 and after. This statement enhances the accounting and financial reporting requirements for accounting changes and error corrections.

GASB Statement No. 101 - Compensated Absences

This new accounting pronouncement will be effective for fiscal years ending December 31, 2024 and after. This statement updates the recognition and measurement guidance for compensated absences under a unified model, requiring that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. This statement also establishes guidance for measuring a liability for leave that has not been used and updates disclosure requirements for compensated absences.

Significant GASB Proposals Worth Watching

The GASB is working on two comprehensive projects that result in changes to financial reporting for state and local governments.

The Financial Reporting Model exposure draft was issued in June 2020, and the final statement is expected to be released in mid 2024. This standard proposes changes to many aspects of the Authority's financial statements, including the management's discussion and analysis (MD&A), proprietary fund financial statements, and budgetary comparisons. In August 2023, the GASB removed issues related to reporting of governmental funds from the scope of this project.

The Revenue and Expense Recognition project aims to develop a comprehensive accounting and financial reporting model for transactions that result in revenue and expenses. The GASB has issued a preliminary views document that proposes a new categorization framework that replaces the exchange/nonexchange transaction notion with a four-step categorization process for classifying a transaction. In addition to this new framework, the proposal also addresses recognition and measurement of revenue and expense transactions. The exposure draft for this project is expected sometime in 2025.

Plante & Moran, PLLC has spent significant time digesting these new proposed standards and recently testified to the GASB about our feedback. We strongly encourage the Authority to monitor developments with these standards, as the potential impacts are quite broad.

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY
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South Florida Regional Transportation Authority

June 30, 2023

Corrective Action Plan

Finding Number: 2023-001

Condition: The SEFA for the year ended June 30, 2023 was not accurately prepared, as it originally included federal expenditures that were not on the cash basis.

Planned Corrective Action: The corrective action has been implemented to revise internal procedures to prepare the SEFA on a cash basis for future fiscal years. This includes the creation of a reconciliation schedule to the financial statements which are prepared on an accrual basis.

Contact person responsible for corrective action: Jeremy Baker, Director of Finance

Anticipated Completion Date: 1/15/2024

Finding Number: 2023-002

Condition: The billing submitted to the awarding agency for May and June 2023 cash management drawdown included expenses that weren't incurred as of May and June 2023.

Planned Corrective Action: The corrective action has been implemented to modify the order of our preventative internal controls. SFTRA has changed the order of review so the electronic drawdown is not completed by the Budget Office until the Accounting Office has reviewed and approved the draw. This step was previously completed after the drawdown was initiated. Additionally, during review by the Accounting Office, the general ledger line detail will be reviewed to ensure accuracy

Contact person responsible for corrective action: Jeremy Baker, Director of Finance

Anticipated Completion Date: 1/15/2024

Finding Number: 2023-003

Condition: The SEFA for the year ended June 30, 2023 was not accurately prepared, as it originally included state expenditures that were not on the cash basis.

Planned Corrective Action: The corrective action has been implemented to revise internal procedures to prepare the SEFA on a cash basis for future fiscal years. This includes the creation of a reconciliation schedule to the financial statements which are prepared on an accrual basis.

Contact person responsible for corrective action: Jeremy Baker, Director of Finance

Anticipated Completion Date: 1/15/2024

GOVERNING BOARD J.C. de Ona | Stacy L. Miller | Carlos A. Penin | Commissioner Raquel A. Regalado | Commissioner Tim Ryan | James A. Scott | Robert B. Sendler | Hal R. Valeche | Robert C. L. Vaughan | Commissioner Marci Woodward | EXECUTIVE DIRECTOR David W. Dech

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South Florida Regional Transportation Authority

June 30, 2023

Summary Schedule of Prior Audit Findings

Prior Year Finding Number:
2022-001

Fiscal Year in Which the Finding Initially Occurred:
2022

State CFSA Number, State Agency, and Program Name:
CFSA Number 55.018, Florida Department of Transportation (FDOT), South Florida Regional Transportation Authority Operating Assistance

Original Finding Description:
There were costs charged to the program that were not allowable based on the approved budget of the Authority by FDOT.

Status/Partial Corrective Action (as applicable):
Fully corrected

Planned Corrective Action:
N/A

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November 26, 2024

Richard Voss, CPA
Auditor General
State of Florida
401 Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Response to your request of August 27, 2024

Mr. Voss,

Please find below our response to our external auditor's comment regarding reconciliation of investments found in Section III, page 7, of their external communications.

Comment:

- **Investments** - During our audit procedures, it was noted that an annual reconciliation of investment statements to the general ledger was performed to ensure the financial statements are properly stated at year end. However, we recommend that the Authority implement a process to reconcile investment statements to the general ledger on a more frequent basis (monthly).

Response:
The 2022-23 Fiscal Year was the first year SFRTA had an investment program. Due in part to the low volume of transactions and that the program was only running part of the year, we recorded the entries at year end. After speaking with our Auditors, and in response to their comment about the reconciliation of investments, we engaged the services of Plante Moran to assist with developing recurring monthly entries for investments. These were implemented in the 2023-24 Fiscal Year. We are awaiting our audit to be finalized but the initial feedback from the auditors is the entries are sufficient.

If you need additional information please contact our Accounting Manager Joseph Khouzami at 954-788-1780 or via email at khouzamij@sfrta.fl.gov.

Thank you.

Jeremy Baker
Director of Finance

GOVERNING BOARD J.C. de Ona | Stacy L. Miller | Carlos A. Penin | Commissioner Raquel A. Regalado | James A. Scott | Hal R. Valeche | Robert C. L. Vaughan | Commissioner Marci Woodward | EXECUTIVE DIRECTOR David W. Dech