FY 2008
TRANSPORTATION AUTHORITY MONITORING
AND Oversight Report
Commission’s Charge

• In 2007, HB 985 amended Section 20.23, FS, expanding the Commission’s oversight role

• Monitor the efficiency, productivity, and management of the authorities created under Chapters 343 and 348
Commission’s Charge

• Conduct periodic reviews of each authority’s:
  – Operations and budget
  – Acquisition of property
  – Management of revenue and bond proceeds
  – Compliance with applicable laws and generally accepted accounting principles
Authorities Monitored

- **Toll Authorities**
  - Miami-Dade Expressway Authority (MDX)
  - Orlando-Orange County Expressway Authority (OOCEA)
  - Santa Rosa Bay Bridge Authority (SRBBA)
  - Tampa-Hillsborough County Expressway Authority (THEA)
  - Northwest Florida Transportation Corridor Authority (NFTCA)
  - Southwest Florida Expressway Authority (SWFEA)
  - Tampa Bay Area Regional Transportation Authority (TBARTA)

- **Transit Authorities**
  - Central Florida Regional Transportation Authority - (CFRTA / LYNX)
  - South Florida Regional Transportation Authority - (SFRTA / Tri-Rail)
Inactive Authorities

• Toll Authorities
  – Brevard County Expressway Authority
  – Broward County Expressway Authority
  – Pasco County Expressway Authority
  – St. Lucie County Expressway and Bridge Authority
  – Seminole County Expressway Authority

• Transit Authorities
  – Tampa Bay Commuter Transit Authority
Commission’s Approach

- Appointed subcommittee
- Developed “performance measures” and “operating indicators” for all authorities
- Adopted reporting requirements in areas of organizational “governance”
- Staffed by FTC with CUTR support
- Annually updated, reviewed and refined
FY 2008 Changes

Established Toll Authorities

Safety - recomputed 5-year average objective
Debt Service - did coverage meet bond covenant requirements (new objective)
Bond Ratings - uninsured ratings from rating agencies (new indicator)
Customer Service - FTE survey used for MDX, SRBBA, THEA - OOCEA uses own

LYNX

Safety - changed measure to “revenue miles between safety incidents” and revised objective to 10% above average of last 5 years

Tri-Rail

Ratio of Revenue Miles to Vehicle Miles - changed objective from 0.90 to 0.93
Operating Expense per Revenue Hour - reclassified from measure to indicator
Revenue Miles Between Failures - changed objective to 10% increase over actual FY 2007 performance, beginning in FY 2009
MIAMI-DADE EXPRESSWAY AUTHORITY

✔ MET 15 OF 17 PERFORMANCE MEASURES
  ➢ Met Construction Time measure this year
  ➢ ETC - Transactions exceeded 75% in September and October 2008
  ➢ Not met: Safety and Construction Cost measures

✔ OPERATING INDICATORS
  ➢ Opened 3-mile ORT extension of SR 836, July 2007
  ➢ Revenue increased 41% - new tolling locations on SR 836
  ➢ Routine maintenance decreased $7 million
  ➢ Total operating expenses increased 19%
GOVERNANCE

- Adopted Ethics, Conflicts of Interest, Public Records and Open Meetings Policies
- Unqualified Audit - IT recommendations being implemented
- Met Bond Covenants
- MDX cash funding deficiencies in Debt Service Reserve as a result of bond insurer’s downgrade
- Delegated Procurement Authority - Executive Director $2 M

OTHER

- Estimates only 45% of vehicles pay a toll on facilities
- Plans to implement ORT on all MDX facilities by 2012
MET 14 OF 17 PERFORMANCE MEASURES

- Met Roadway Maintenance Condition Rating, Safety and Consultant Contract Management measures
- Not met: ETC Transactions, OM&A Forecast Variance and Debt Service Coverage - Bonded Debt measures

OPERATING INDICATORS

- Renewal and replacement costs decreased by $14 million
- Infrastructure asset additions
- Revenue grew a modest 1.1% in FY 2008
GOVERNANCE

- Adopted Ethics, Conflicts of Interest, Public Records and Open Meetings Policies
- Unqualified Audit - One management recommendation
- Implementation of Orange County Audit recommendations
- Audit committee authorized Board Governance Assessment
- Met Bond Covenants
SANTA ROSA BAY BRIDGE AUTHORITY (GARCON POINT)

✔ MET 6 OF 12 APPLICABLE PERFORMANCE MEASURES

(Measures not met):

- ETC Transactions, Revenue Variance, Cost to Collect a Toll Transaction and all three Debt Service Coverage measures
- In technical default on its bonds
- Revenue is projected insufficient to make debt service payments
- Debt Service Reserve Fund is projected to be depleted in FY 2012

✔ OPERATING INDICATORS

- Transactions decreased 14% while revenue increased 0.5%
- FY 2008 toll rate increase helped mitigate revenue decline
- Has no funding for administrative expenses - all revenue used for bond debt service
- Bond ratings are not considered investment grade
✓ GOVERNANCE

- Operating in the “Sunshine” - provisions of various Statutes adopted
- Board did not meet for one year
- Inadequate oversight of Department obligations under the Lease-Purchase Agreement (no Department noncompliance noted)
- Determination Resolution and Material Events Notice not properly filed with Trustee
- Recommendation for toll schedule revisions not properly reviewed
- No Audit - Required financial report not filed with DFS

✓ OTHER

- A Lease-Purchase Agreement amendment providing for administrative funding by the Department is being reviewed
MET 7 OF 14 APPLICABLE PERFORMANCE MEASURES
(Measures not met):
- Roadway Maintenance and Bridge Condition Rating
- ETC Transactions
- Revenue Variance
- Cost to Collect a Toll Transaction
- Two Debt Service Coverage measures (in compliance with Bonds)

OPERATING INDICATORS
- Transactions decreased 3% while revenue increased 11%
- Routine maintenance expenses increased by $1.4 million
- Total operating expenses increased by $3.3 million
GOVERNANCE

- Ethics, Conflicts of Interest, Public Records, Open Meetings
- Unqualified Audit
- Auditor General Follow-Up Audit - October 2008

OTHER

- Plans to implement ORT on all facilities by 2010
- Is currently evaluating technical proposals for toll collection services on all THEA facilities
✓ MET 6 OF 12 PERFORMANCE MEASURES
(Measures not met):
- Average Headway
- Operating Expense per Revenue Mile
- Operating Expense per Revenue Hour
- Operating Expense per Passenger Trip
- Operating Expense per Passenger Mile
- Revenue Miles versus Vehicle Miles

✓ OPERATING INDICATORS
- Operating expenses increased 13.7%
- Operating revenue increased 2.8%
- Ridership, Revenue Miles, Revenue Hours, Passenger Trips
- Farebox Recovery, Annual Passenger Miles, Average age of Fleet
✓ GOVERNANCE

- Ethics, Conflicts of Interest, Public Records, Open Meetings
- Unqualified financial statement audit
- FTA follow-up to procurement review noted deficiencies
- FTA Disadvantaged Business Enterprise compliance review

✓ OTHER

- Increased fares in January 2009
MET 9 OF 11 PERFORMANCE MEASURES
(Measures not met):
- Operating Revenue/Operating Expense
- On-Time Performance

OPERATING INDICATORS
- Operating expenses increased 16.6%
- Operating revenues increased 23.5%
- Increased Ridership, Revenue Miles, Passenger Trips, Average Trip Length, Passenger Miles and Farebox Recovery
- Operating Cost per Passenger Mile decreased
GOVERNANCE

- Ethics, Conflicts of Interest, Public Records, Open Meetings
- Unqualified financial statement audit
PERFORMANCE MEASURES – Not yet applicable
OPERATING INDICATORS – Not yet applicable
GOVERNANCE
- Ethics and Conflict of Interest Policies
- Public Records/Open Meetings
- Prohibited Activities
- No audit due to lack of funding
- Annual financial report not filed with DFS
- No formal Budget adopted
- Master Plan Adoption and Annual Update
✓ PERFORMANCE MEASURES – Not yet applicable
✓ OPERATING INDICATORS – Not yet applicable
✓ GOVERNANCE
  ➢ Adopted polices on Ethics, Conflicts of Interest, Public Records and Open Meetings
  ➢ Operating in the “Sunshine”
  ➢ Unqualified Audit
  ➢ As of November 2008, Board will meet only to fulfill legislative requirements
TAMPA BAY AREA REGIONAL TRANSPORTATION AUTHORITY

✓ PERFORMANCE MEASURES – Not yet applicable
✓ OPERATING INDICATORS – Not yet applicable
✓ GOVERNANCE

- Adopted polices on Ethics, Conflicts of Interest, Open Meetings and Procurement
- Procurement of audit services for FY 2008 financial statement audit currently underway
- Delegated procurement authority - Executive Director $50K
- Other: Conducted 1st public meeting within 60 days
  Established Transit Management Committee
  Established Citizens Advisory Committee
  Established Conflict Resolution Process
  Developing Regional Transportation Plan
SUMMARY

• Although similarly created, each transportation authority is unique
  – Span of control
  – Bond covenants
  – Lease-purchase agreements

• Each authority does have control over Governance of the organization
FY 2008
TRANSPORTATION AUTHORITY MONITORING
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