



SORTA/Metro
Finance Committee
October 15, 2024
8:30 am-9:00 am Eastern Time

FINANCE COMMITTEE

TUESDAY, OCTOBER 15TH, 2024 – 8:30 A.M.

SORTA/METRO AT HUNTINGTON CENTER

6th FLOOR SORTA BOARD ROOM

525 VINE STREET

CINCINNATI, OHIO 45202

General Items:

Call to order

Pledge of Allegiance

- 1 Approval of Finance Committee Minutes: September 17th, 2024

Briefing Items:

- 2 Vendor Management Audit (Clark Schaefer)
- 3 Internal Audit (Norman Bouwie)
- 4 Financial Results as of September 30th (Tim Walker)

Action Items:

- 5 Approval of Investment of Funds Reports as of September 30th, 2024 (Tim Walker)
- 6 Proposed Motion: Approval of 2025 SORTA Meeting Schedule (Andy Aiello)
 - 6.1 Schedule:
- 7 Proposed Resolution: Approval of Revised 2025 Healthcare Program - Enrollment Management Services (Adriene Hairston)
 - 7.1 Action Item:

Other Items:

New Business

Adjournment

The next regular meeting of the Finance Committee has been scheduled for

Tuesday, November 12th, 2024, at 8:30 a.m.

FINANCE COMMITTEE
TUESDAY, SEPTEMBER 17TH, 2024 – 8:30 A.M.
SORTA/METRO AT HUNTINGTON CENTER
6th FLOOR SORTA BOARD ROOM
525 VINE STREET
CINCINNATI, OHIO 45202

COMMITTEE MEMEBERS APPOINTED: *Blake Ethridge (Chair), Jay Bedi, Chelsea Clark, Dan Driehaus, and KZ Smith*

COMMITTEE/BOARD MEMBERS PRESENT: Jay Bedi, Chelsea Clark, Dan Driehaus, Trent Emenecker, Blake Ethridge, Neil Kelly, Pete Metz, Briana Moss, Gwen Robinson and Sara Sheets

COMMITTEE MEMBERS ABSENT: Tony Brice, KZ Smith and Sonja Taylor

STAFF MEMBERS PRESENT: Andy Aiello, Steve Anderson, Vicki Barker, Norman Bouwie, Scott Enns, Patrick Giblin, Adriene Hairston, Christina Harvey, Vickie Hickman, Brandy Jones, Natalie Krusling, Bradley Mason, Jeff Mundstock, John Ravasio, Jason Roe, Kevin Ruth, Mark Samaan, August Schweitzer, Bill Spraul and Tim Walker

OTHERS PRESENT: Kim Schaefer and John Kuhl (Legal Counsel-Vorys)

1. Call to Order

Mr. Ethridge called the meeting to order.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

3. Approval of Minutes of August 20th, 2024

Mr. Ethridge moved, and Ms. Clark seconded that the minutes from August 20th, 2024, be approved. By voice vote the committee approved the minutes.

4. Financial Report as of August 31st, 2024

Mr. Walker presented the August financial results. Total revenues were \$13.6 million, which was favorable to budget by \$199K. Total expenses were \$13.8 million, which is unfavorable to budget by \$410k. Surplus/Deficit was \$0.1 million, which was unfavorable to budget by \$211k. Ridership was 1,230k, which was favorable to budget by 19k. Mr. Walker then reviewed the contributing factors to these variances.

The Committee accepted the report as presented.

5. Approval of Investment of Funds Reports as of August 31st, 2024

Mr. Walker presented the August report noting the yields of SORTA 4.57% for August compared to the prior month of 4.64% for the month of July.

Mr. Walker presented the report noting yields for the Infrastructure Transit Fund of 4.83% for August compared to the prior month of 4.83% for the month of July.

Mr. Ethridge moved, and Mr. Metz seconded that the Investment of Funds as of August 31st, 2024 be approved.

By voice vote the committee approved the reports.

The Committee approved the report as presented.

6. Proposed Motion: Approval of Revised SORTA Travel Training Policy

Ms. Hairston requested approval of the Revised SORTA Travel Training Policy.

The Committee agreed to recommend the motion to the full Board for approval.

7. Proposed Motion: Approval of 2025 Healthcare Plan

Ms. Barker requested approval of the 2025 Healthcare Plan.

The Committee agreed to recommend the motion to the full Board for approval.

New Business

N/A

8. **Adjournment**

The meeting adjourned at 9:13 A.M.



Southwest Ohio Regional Transit Authority (“SORTA”)

Vendor Management Audit

August 28, 2024



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Management Summary

Since 2006, Clark Schaefer Consulting (“CSC”) has performed the internal audit function for Southwest Ohio Regional Transit Authority (“SORTA”). SORTA has recently established its own internal audit function and will continue to work in conjunction with CSC on internal audit endeavors.

CSC last performed SORTA’s Vendor Management Audit in 2019. Through a combination of considering historical audits performed by CSC and evaluating the timeframe in which critical areas were last reviewed, SORTA engaged CSC to perform the examination in the current year.

The purpose of this audit was to examine SORTA’s vendor management processes related to vendor and outsourced activities. This audit examined whether organizational objectives were clearly established in each area, and whether departments have sufficient control activities to ensure the objectives were achieved.

SORTA maintains two applications with vendor management activities, CODA and Maximo. CODA is the accounting software where products are entered for receipt and where vendors are paid. Maximo houses vendor management related activities. The Director of Procurement and the procurement department are responsible for monitoring and controlling the vendor environment. It is the responsibility of the accounting department to review and remove vendors. The Contracts Specialist is responsible for monitoring active contracts and kicking off the contract renewal process.

Overall, SORTA has devoted resources to address the risks associated with vendors and outsourced processes. However, during our review we found opportunities for control improvements that, if implemented, will help strengthen the organization’s control structure and should help mitigate the exposure to risks within the vendor management process. The identified areas for improvement include:

- Completion of manual and implementation of periodic review activity
- Documentation of vendor monitoring activities
- Review of system access privileges granted to vendors
- New vendor setup documentation

Scope

SORTA provides transportation services throughout the Cincinnati Metro area. To help provide assurance over controls within SORTA's Vendor Management processes, SORTA contracted with CSC to perform an examination covering the audit period of April 1, 2023 through March 31, 2024. The focus of this review was to analyze current policies and procedures in place and perform limited testing of controls in the following areas:

- Evaluate whether SORTA has established risk-based policies for governing the outsourcing process.
- Review and assess controls of the vendor-provider selection process and the service provider contract process.
- Assess the due diligence process of the service provider.
- Evaluate the service contracts and service provider relationships.

Additionally, CSC followed up on the prior audit observation noted during the last Vendor Management Audit conducted in 2019.

Methodology

Fieldwork for the Vendor Management Audit was conducted in May 2024, with additional analysis and wrap up performed in June and July 2024. To achieve the objectives of this engagement, CSC utilized experienced consultants with an expertise in internal audit.

Inquiry, observation, and inspection of the organization's control structure were used to analyze SORTA's vendor management processes. Our methodology for this review included the following steps:

1. Interviewed key SORTA staff regarding their roles and responsibilities related to vendor management;
2. Performed walkthroughs to observe the full vendor management lifecycle;
3. Inspected procurement and Vendor Performance policies and procedures to verify adequacy and completeness;
4. Determined whether roles and responsibilities for procurement and accounting staff are well defined;
5. Determined whether adequate records were maintained for vendor onboarding, pre-award documentation, post-award documentation, contracts, service level agreements, and monitoring;
6. Determined whether requests for submission met the requirements based on the value of the request; and
7. Validated documentation related to pre-award vendor contracts.

To assist management in analyzing our recommendations, we ranked our suggestions for corrective actions as follows:

Rank	Description
High	Management should immediately remedy the situation to prevent significant risk of loss.
Moderate	Timely remedy by management is suggested.
Low	Does not appear to represent an immediate risk but improvements are still possible.
Informational	Opportunities for improvement exist, though the observation did not necessitate a testing exception through performance of noted procedures.

Observations & Recommendations

Based upon CSC's review of SORTA's vendor management process, we have identified six areas for enhancement.

Observation #1: Policy/Procedure Periodic Review & Approval

Severity: Low

Observation

SORTA has recently undergone an organization-wide initiative to update policies and procedures. SORTA requires policies and procedures to be reviewed and approved by management on a periodic basis. Per review of the *METRO Procurement Manual* document currently in place, CSC noted a lack of evidence of formal periodic review and approval by management. CSC noted that the last revision date documented was June 7, 2021.

Per review of the *Vendor Performance Policy*, CSC noted that it was created in June of 2023 and approved via DocuSign by the Chief of Staff; however, there was not an issue date listed on the document.

Per review of the *Vendor Performance Manual*, CSC noted a lack of evidence of formal review and approval by the Director of Procurement. The Manual is still in the infancy stages of being implemented. Per discussions with the Vendor Performance Manager, the Manual is still in a draft state but started to be implemented in December of 2023.

Risk

The absence of regular reviews of policy and procedures increases the risk of information captured within such documentation becoming outdated, which can ultimately lead to inconsistent understanding and application of internal processes throughout the organization, as well as potential noncompliance with established laws and regulations.

Recommendation

To align with industry best practice, CSC recommends policies and procedures be reviewed and approved by management on at least an annual basis with dates of review and issuance noted on the most current version. Similar to the SORTA Procurement Policy, CSC recommends incorporating a revisions table to the Vendor Performance Manual to formally capture reviews and/or updates to ensure content is reflective of current processes in place and ensure a sufficient audit trail is established. The Vendor Performance Policy should also be updated to reflect the most current issue date.

Management Response

The issued policy did not include an issue date and was unclear as to whether the Director of Procurement reviewed the policy prior to approval from the Chief of Staff. A change record at the beginning of the policy indicates the Director of Procurement as one of the persons responsible for the change but does not clarify or indicate what actions were taken by the Director for the change.

The policy document will be revised to include a signature line for the Director of Procurement, indicating that the policy has been reviewed and approved by the incumbent Director.

Observation #1: Policy/Procedure Periodic Review & Approval (continued)
Severity: Low
Responsible Department

Procurement

Expected Completion Date

September 1, 2024

Observation #2: Vendor Inactivity Review
Severity: Low
Observation

During the examination, CSC observed that a regular review of vendor inactivity within Maximo and CODA is not completed. The last documented review was completed during the 2019 Vendor Management Audit. There is also no verbiage within the METRO Procurement Manual that specifies the process for review of inactive vendors.

The Director of Accounting and Accounting Supervisor noted that certain vendors should be given longer than 12 months without activity prior to being marked as inactive based upon the nature of their contractual arrangements with SORTA (e.g., services rendered every other year).

Risk

The lack of monitoring of the vendor relationship creates the risk of inaccurate or inappropriate payments made to vendors by SORTA.

Recommendation

CSC recommends creating procedures to implement an annual review of vendor inactivity and incorporating these procedures into the METRO Procurement Manual. SORTA should specify common situations under which it would be acceptable by policy for vendors to stay active within the CODA and Maximo systems beyond the standard 12-month inactivity period. The annual review should be signed and documented.

Management Response

SORTA currently utilizes multiple processes to validate the vendor's name, address, and contact information when creating a purchase requisition, prior to the creation and issue of a purchase order, and prior to issuing payments. Such redundant processes reduce the likelihood of a payment being issued to an incorrect vendor. In addition, constraints within the CODA and Maximo systems require specialized resources to identify periods of vendor inactivity and specialized access (e.g., developer access) to change the active status of vendor profiles.

Accordingly, SORTA has determined that the substantial resources needed to address the recommendation for mitigating the relatively low risk observation are unnecessary at this time.

Observation #2: Vendor Inactivity Review (continued)
Severity: Low
Responsible Department

Procurement, Accounting

Expected Completion Date

N/A

Observation #3: Vendor Performance Review Manual and Procedure Updates Severity: Moderate
Observation

Per discussions with Vendor Performance, the Vendor Performance Review process is in its infancy stages. CSC reviewed the Vendor Performance Manual and the Vendor Performance Policy with Vendor Performance Manager to gain a full understanding of what has been implemented and what is still in process of being implemented.

Per inspection of the Vendor Performance Manual and the Vendor Performance Policy, CSC noted some updates that could be added to make the documents easier to follow and to include a more in-depth understanding of the process. CSC also noted multiple areas of conflicting information between the METRO Procurement Manual and the Vendor Performance Manual that could lead the users of the manuals to follow incorrect steps to a process. The specific sections to note that contain contradictory language are the Contract Administration, Contract Modifications, and Contract Closeout sections of the manuals.

Risk

The absence of evidence of monitoring activities can introduce compliance related issues when it comes to future audits. Lack of documentation also does not allow for historical tracking of vendors who may not be in compliance with contract terms and conditions.

If there are multiple policies and procedures with conflicting information, this can lead to the users of the policies performing inaccurate or outdated duties.

Recommendation

See attached Vendor Performance Manual-with CSC comments for the recommended updates.

In summary, CSC recommends clarifying which types of projects/vendors require performance monitoring and the extent of monitoring that should be done. CSC also recommends creating a vendor performance tracking spreadsheet to create a hub of all the vendors that are being monitored and to have one place to view the current status of each vendor's performance and compliance with contracts and regulations.

CSC also recommends reviewing the Procurement Manual and Vendor Performance Manual to ensure that they do not share conflicting information that could result in users being confused or unsure of which policy to follow.

Observation #3: Vendor Performance Review Manual and Procedure Updates (continued)
Severity: Moderate
Management Response

The manual reviewed was mistitled as "Procurement Manual." The correct title should be "SORTA Vendor Performance Manual." SORTA will revise the title of the Manual to properly reflect the content subject matter.

The SORTA Procurement Manual does contain guidance related to vendor performance and contract administration that was replaced by the Vendor Performance Policy and the Vendor Performance Manual. SORTA will review the Procurement Manual to ensure that the replaced sections have been removed.

SORTA will revise the Vendor Performance Policy and Procurement Manual to incorporate CSC recommendations and to remove inconsistencies or contradictory guidance. The revised guidance documents will include, but is not limited to the following:

- *a definition for "complex projects."*
- *a comprehensive list of the vendor performance actions to be taken based on contract type,*
- *detailed guidance on the conditions that will trigger a post-award kick-off meeting,*
- *a documentation standard for all contract files,*
- *a vendor performance tracking sheet to be used by all SORTA employees involved in vendor performance,*
- *a standard vendor progress report,*
- *a detailed process for collecting vendor performance surveys,*
- *a more comprehensive change order process, and*
- *a more comprehensive method of tracking and resolving vendor performance deficiencies, corrective action plans, and resolutions.*

The Procurement department will also create a centralized shared repository for ongoing, active vendor monitoring documentation as well as a policy and procedure providing guidance on how to use the new repository.

Responsible Department

Procurement

Expected Completion Date

December 31, 2024

Observation #4: Vendor Internal Environment Monitoring
Severity: Moderate
Observation

Per discussion with management, there is no review in place of vendor internal control environments, financial conditions, or business continuity issues.

Risk

Not maintaining evidence of monitoring activities can introduce compliance related issues when it comes to future audits. Lack of documentation also does not allow for historical tracking of vendors who may not be in compliance with contract terms and conditions.

Recommendation

CSC recommends performing an evaluation of vendors based upon criticality to SORTA's operations. For vendors that are deemed high risk, CSC recommends implementing an evaluation of the internal control environments for these vendors. The review should include not only the monitoring of the performance of the vendor according to the contract but also the financial conditions, internal control environment, and business continuity plans to ensure they are fit to perform their duties. This assignment of vendor criticality should also be performed as a part of any new vendor onboarding.

Management Response

SORTA does not currently monitor the internal controls environment of any vendor, irrespective of the criticality of the work being performed. The lack of such monitoring activity can be attributed largely to the rarity of conflicts between contractual requirements and vendor performance or the limited number of contract terminations SORTA has issued.

SORTA will develop a policy and procedure to obtain and review evidence of vendor internal control environment for those vendors determined to be high risk and for those vendors performing work determined to be critical to the organization.

Responsible Department

Procurement

Expected Completion Date

December 31, 2024

Observation #5: Vendor Access Monitoring
Severity: Moderate
Observation

Per discussion with management, there is no review in place of vendor digital access. CSC reviewed the policies and procedures in place and noted that there is not any language that speaks to the performance of a digital access review of vendors. The Director of Procurement mentioned that SORTA does grant digital access as it is deemed necessary for projects; however, there is no evidence of an access review completed on a regular basis.

Risk

The lack of review of digital access leaves the risk of vendors and service providers having access to systems when it is not deemed necessary or appropriate.

Recommendation

CSC recommends creating and implementing policies and procedures that outlines a digital access review process. This policy should include who is responsible for performing the review (the project manager or Vendor Performance) as well as how often the review should be completed. CSC also recommends creating a defined process for removing system access upon completion of contractual obligations of vendors. Vendors with system access should also be included in ongoing system access reviews that are conducted by SORTA.

Management Response

Digital access to SORTA files is controlled by individual departments and/or file owners. Procurement has granted vendors access to digital procurement files for activities such as audit or operational review. However, Procurement does not monitor when access to non-procurement digital files is granted by other departments.

Procurement will develop a policy and checklist for granting access to digital files owned and maintained by the Procurement department and will provide the new policy and checklist to customer departments as a template for controlling access to their specific digital files.

Responsible Department

Procurement

Expected Completion Date

October 1, 2024

Observation #6: New Vendor Approvals**Severity: High****Observation**

During examination, CSC identified that for 13 of the 15 new vendors selected, there was not a time stamp recorded for Procurement's approval. Per policy, the Procurement team is to approve of all new vendors prior to input into the CODA System; however, evidence to fully support vendor approval was not present due to absence of time stamps.

Risk

The lack of time stamps for approvals creates the risk that a vendor could be input into CODA without the proper approvals.

Recommendation

CSC recommends implementing a detection control for a review of new vendors added to CODA on a periodic basis to ensure they are appropriate and were properly approved. This control should be performed by someone other than those team members with authorization to input new vendors into CODA.

Management Response

SORTA has reviewed the new vendor set up process and associated form and concurs that each is incomplete in terms of mitigating risk. The Procurement department will draft a policy that establishes a process and sequence for obtaining review and approval signatures on all associated forms. Revised new vendor setup forms will capture the signatures of those employees who completed the request, reviewed the request, and approved the request prior to submission to the Accounting department for entry into CODA.

Responsible Department

Procurement

Expected Completion Date

October 1, 2024



Internal Audit Updates

October 15, 2024 **Norman C. Bouwie III, CPA**

Agenda

- Prior Audit Observations
- Current Audits
- Upcoming Audits



Prior Audit Observations

History of Audit Observations

- 15 Audit Reports Issued Since 2022
- 50 Total Observations Noted
- 82% of Observations Fully Remediated

Open Audit Observations

Project Name	Entity	Severity Level	Recommendation Title	Estimated Implementation Date	Days Overdue – All Day	Actual Implementation Date	Actual Closed Date
Vendor Management	Procurement	High	New Vendor Approvals	10/1/2024	6		
Succession Planning	Human Resources	Medium	Completing Senior Leadership Team Succession Plans	6/30/2024	99		
Vendor Management	Procurement	Medium	Vendor Access Monitoring	10/1/2024	6		
Vendor Management	Procurement	Medium	Vendor Internal Environment Monitoring	12/31/2024	0		
Vendor Management	Procurement	Medium	Vendor Performance Review Manual and Procedure Updates	12/31/2024	0		
Vendor Management	Procurement	Low	Policy/Procedure Periodic Review & Approval	9/1/2024	36		



Current Audits

Current Audits

Description	Fieldwork Kick-Off Date	Estimated Draft Report Date	Estimated Total Hours
Ridership Audit	June '24	Oct '24	80
Bridgestone Tire Contract Audit	Aug '24	Sept '24	TBD
Risk Assessment	Oct '24	Dec '24	TBD
Accounts Payable Audit	Oct '24	Dec '24	160



Upcoming Audits

Upcoming Audits

Description	Fieldwork Kick-Off Date	Estimated Draft Report Date	Estimated Total Hours
Badge Access / Security	Oct '24	Nov '24	TBD
Fixed Assets Audit	TBD	TBD	TBD

Questions

Thank you for your time!

If you wish to discuss any aspects of this presentation in more detail, please feel free to contact us:

Norman: NBouwie@Go-Metro.com



Financial Summary - September 2024

Report Out Date – October 15, 2024

Agenda – Financial Summary

- Statement of Operations for September '24
 - Key Drivers
 - Detail Profit & Loss Statement
 - Revenue Chart
 - Expense Chart
- Investment Funds Reserve Summary
- Investment Balance Update (separate attachment)



Statement of Operations

Summary

- Total Revenue \$13.2M - unfavorable to Budget (\$418k)
- Total Expense \$13.0M - favorable to Budget \$53k or 0.4%
- Surplus / (Deficit) \$0.2M - unfavorable to Budget (\$365k)
- Note: Ridership total is 1,260k – favorable to Budget 1k or 0.1%

Revenue

- Total Operating Revenue \$1.7M - favorable to Budget \$38k or 2.3%
- Non-Transportation \$0.7M - favorable to Budget \$36k or 5.5%
- County Sales Tax \$10.0M – unfavorable to Budget (\$492k); see additional slide on county sales tax
- Federal Grants \$0.8M - on Budget

Expense

- Wages & Benefits \$9.8M - unfavorable to budget (\$31k) or (0.3%)
- Fuel and Lubricants \$724k - unfavorable (\$174k) or (31.6%) to Budget driven by higher consumption and price
- Parts & Supplies \$690k – favorable to Budget \$124k or 15.2%
- All Other \$1.8M – favorable to Budget \$152k driven by timing of outside services \$215k

Southwest Ohio Regional Transit Authority 2024 Profit & Loss Statement

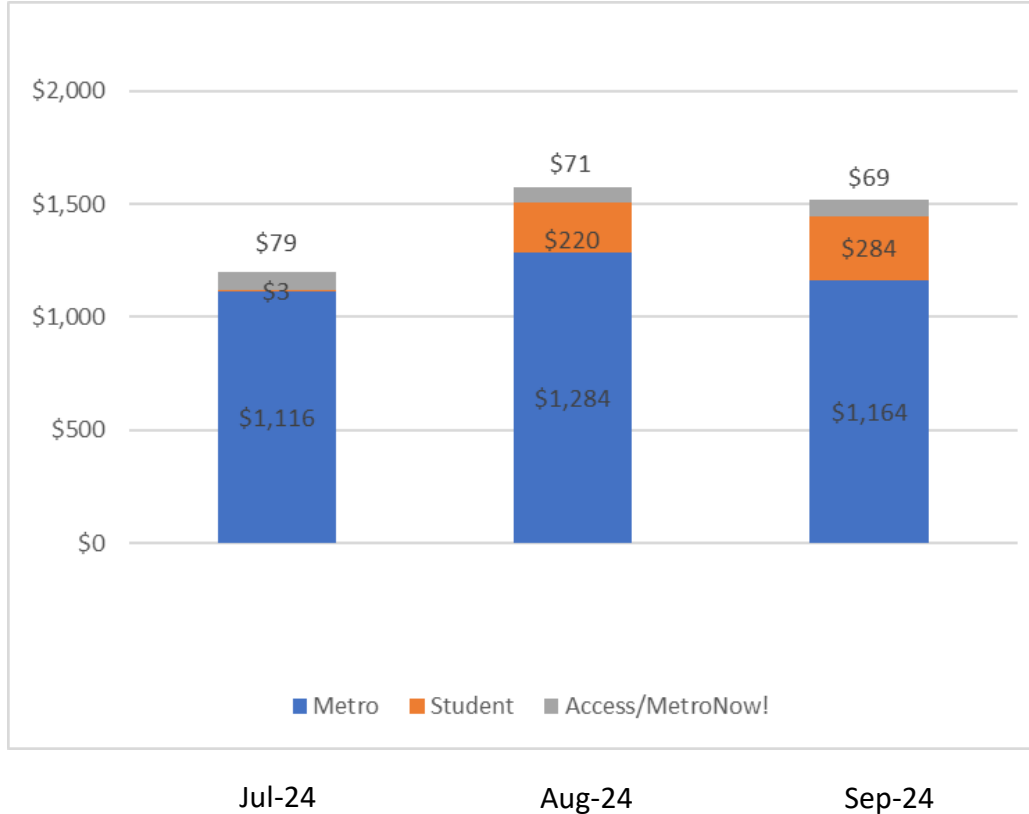


9 Mo Ending Septmeber 30, 2024
(\$ In Thousands)

	Month				Year to Date				Prior Year
	Actual	Budget	Fav(Unfav)		Actual	Budget	Fav(Unfav)		
Ridership									
Regular	1,046,482	1,090,586	(44,104)	(4.0%)	8,779,336	9,176,147	(396,811)	(4.3%)	8,592,921
CPS	191,391	146,896	44,495	30.3%	1,041,820	1,019,955	21,865	2.1%	999,259
Subtotal Fixed Route	1,237,873	1,237,482	391	0.0%	9,821,156	10,196,102	(374,946)	(3.7%)	9,592,180
Access	14,663	15,868	(1,205)	(7.6%)	134,530	145,761	(11,231)	(7.7%)	136,588
MetroNow!	7,433	5,382	2,051	38.1%	57,132	42,879	14,253	33.2%	8,005
Total Ridership	1,259,969	1,258,732	1,237	0.1%	10,012,818	10,384,742	(371,924)	(3.6%)	9,736,773
Operating Revenue									
Metro Fares	\$ 1,164	\$ 1,181	\$ (17)	(1.4%)	\$ 10,336	\$ 10,050	\$ 286	2.8%	\$ 9,566
Access Fares	54	60	(6)	(10.0%)	517	550	(33)	(6.0%)	518
MetroNow! Fares	15	11	4	36.4%	116	86	30	34.9%	16
CPS Fares	284	218	66	30.3%	2,226	1,409	817	58.0%	1,124
Other	194	203	(9)	(4.4%)	1,687	1,840	(153)	(8.3%)	2,032
Total Operating Revenue	1,711	1,673	38	2.3%	14,882	13,935	947	6.8%	13,256
Non-Operating Revenue									
County Sales Tax	9,981	10,473	(492)	(4.7%)	88,716	91,538	(2,822)	(3.1%)	86,768
ARP	-	-	-	n/a	-	-	-	n/a	24,032
ARP Comp	-	-	-	n/a	-	-	-	n/a	28,500
Federal Subsidies	843	843	-	-	7,584	7,584	-	-	10,800
Non Transportation	695	659	36	5.5%	7,874	6,751	1,123	16.6%	5,905
Total Non-Operating Revenue	11,519	11,975	(456)	(3.8%)	104,174	105,873	(1,699)	(1.6%)	156,005
Total Revenue	13,230	13,648	(418)	(3.1%)	119,056	119,808	(752)	(0.6%)	169,261
Expenses									
Employee Wages & Benefits	9,777	9,746	(31)	(0.3%)	88,692	89,648	956	1.1%	80,223
Fuel & Lubricants	724	550	(174)	(31.6%)	6,048	5,931	(117)	(2.0%)	5,875
Parts & Supplies	690	814	124	15.2%	7,058	7,715	657	8.5%	6,851
Empowerment Fund	18	-	(18)	n/a	24	-	(24)	n/a	375
Other	1,773	1,925	152	7.9%	15,094	16,556	1,462	8.8%	13,743
Total Expenses	12,982	13,035	53	0.4%	116,916	119,850	2,934	2.4%	107,067
Surplus(Deficit) Before Adj	\$ 248	\$ 613	\$ (365)		\$ 2,140	\$ (42)	\$ 2,182		\$ 62,194



SEPTEMBER 2024 – FARE REVENUE SOURCES 3 MONTH TREND – JULY 2024 THRU SEPTEMBER 2024 In Thousands



Month	Days per Month	Avg Rev per Day
Jul-24	31	\$36
Aug-24	31	\$41
Sep-24	30	\$39

Note: Number of Weekdays within each corresponding month as follows: Jul 23, Aug 22, Sep 21

County Sales Tax – Year to Date June



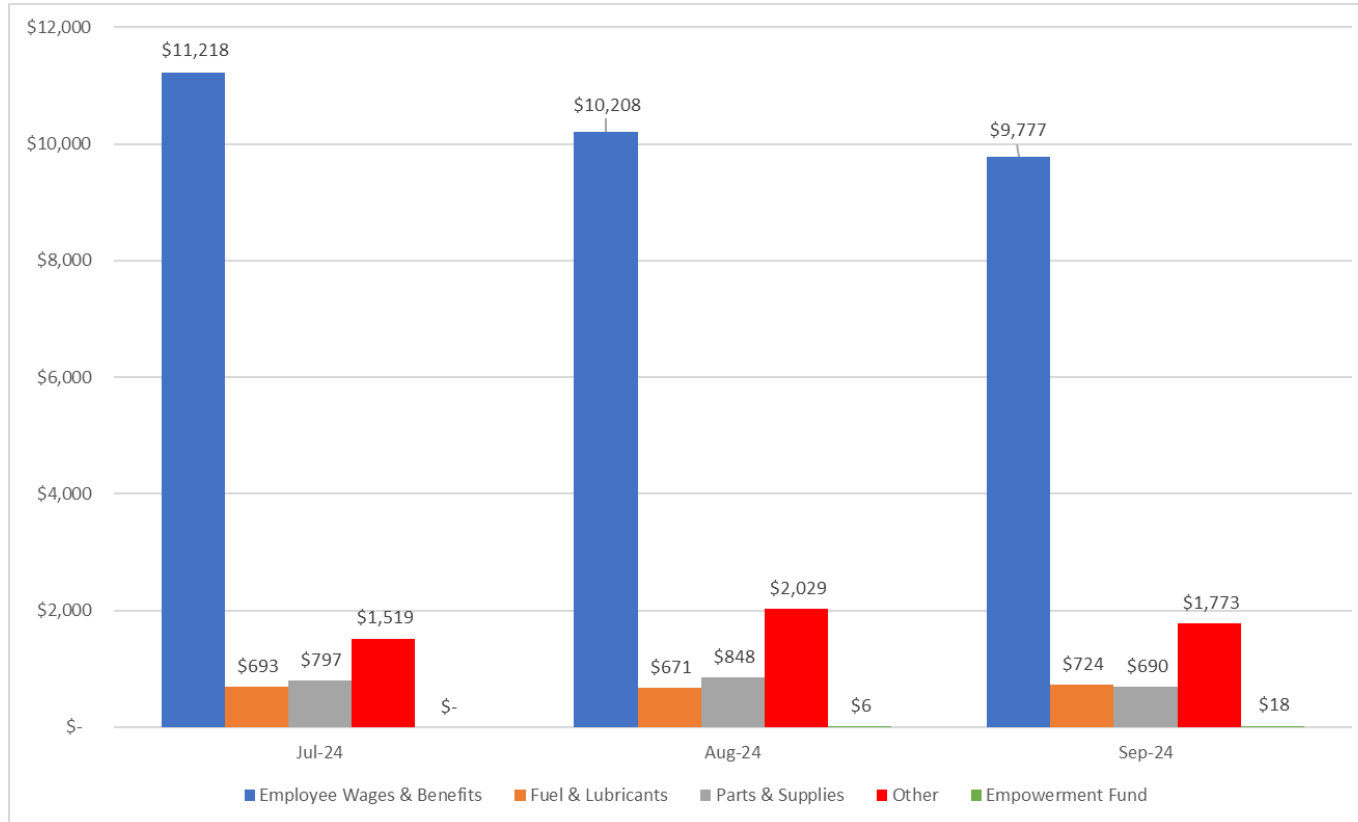
	Jan	Feb	Mar	Apr	May	Jun	YTD
CY Actual	\$8,781	\$8,683	\$9,963	\$9,366	\$9,875	\$10,636	\$57,304
Budget	\$9,987	\$9,327	\$10,480	\$9,273	\$9,931	\$11,128	\$60,127
Var \$	(1,206)	(644)	(517)	93	(56)	(492)	(2,822)
Var %	-12.1%	-6.9%	-4.9%	1.0%	-0.6%	-4.4%	-4.7%
PY Actual	\$8,907	\$8,659	\$10,010	\$9,465	\$9,761	\$10,375	\$57,177
Var	(126)	24	(47)	(99)	114	261	127
Var %	-1.4%	0.3%	-0.5%	-1.0%	1.2%	2.5%	0.2%

- Year to Date thru June Hamilton County Sales Tax is (\$2.8m) unfavorable to budget and \$127k favorable to prior year or 0.2%
- County Sales tax is on a three month lag. Actual June results are received and recorded during September accounting cycle

SEPTEMBER 2024 – OPERATING EXPENSE SOURCES

3 MONTH TREND – JULY 2024 THRU SEPTEMBER 2024

In Thousands





Investment Funds Reserve Summary

Overnight Investments	\$43,194,662
Securities & CD's	\$135,433,685

Total All Securities (9/30/2024)	\$178,628,347
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Current Capital Reserve Obligations

<i>BRT Project Development (Hamilton & Reading Corridors) - Amts Pd</i>	\$35,724,419
<i>Future BRT Capital Match (Fed 70% & Local 30%)</i>	\$54,000,000

Total BRT	\$89,724,419
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Local Match - FTA and ODOT Grants	\$19,916,103
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100% Local Projects (Prior Years Open + Current Year)	\$36,480,080
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2 Months of Operating Expenses	\$24,000,000
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All Other Obligations	\$6,500,000
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Total Current Capital Reserve Obligations	\$176,620,602
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Net Unrestricted Securities Available	\$2,007,745
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2024 Remaining Operating Budget Surplus Oct - Dec (Deficit)	\$2,376,618
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Net Unrestricted Securities + '24 Operating Budget Surplus	\$4,384,363
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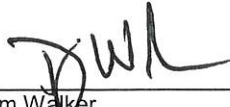


**Investment of Funds Report
September 30, 2024**

	Principal Amount	9/30/2024 Yield	Security Days	Days to Maturity
<u>Overnight Investments</u>				
STAR Ohio	\$42,804,798	5.08%		
Fifth Third Bank Concentration Account	\$389,864	0.00%		
Subtotal Overnight Investments / Average Rate	<u>\$43,194,662</u>	5.03%		
<u>Securities & CD's</u>				
Fifth Third Bank Custody Account:				
Agency Bond	\$81,092,060	4.51%		
Certificate of Deposit	\$1,236,407	2.02%		
Commercial Paper	\$16,660,314	5.16%		
U.S. Treasury Bill	\$383,936	4.42%		
U.S. Treasury Bond	\$4,227,246	1.97%		
U.S. Treasury Note	\$31,833,721	3.83%		
Subtotal Securities & CD's / Weighted Yield / Maturity	<u>\$135,433,684</u>	4.33%	573	595
Total All Securities (9/30/2024) / Weighted Yield				
	<u>\$178,628,346</u>	4.50%		
Total All Securities (8/31/2024) / Weighted Yield				
	<u>\$178,750,483</u>	4.57%		
Funds provided by (required for) Operations during September	\$1,205,063		Monthly Investment Income \$	578,266
Funds provided by (required for) Capital during September	<u>(\$1,327,200)</u>		Year to Date Investment Income \$	7,012,352
Change in Cash during September 2024	<u>(\$122,137)</u>			

Note: Total All Securities (9/30/2023) \$188,515,448

Reviewed and Approved by:



 Tim Walker
 Chief Financial Officer



**Infrastructure Investment of Funds Report
September 30, 2024**

	Principal Amount	9/30/2024 Yield	Sec Days	Days to Maturity
<u>Overnight Investments</u>				
STAR Ohio	\$43,539,944	5.08%		
Trust Account/Fed Govt Oblig Issue Money Market Fund	\$200,391	4.79%		
Fifth Third Bank Infrastructure Account	\$40,863	0.00%		
Subtotal Overnight Investments / Average Rate	<u>\$43,781,198</u>	<u>5.07%</u>		
<u>Securities & CD's</u>				
Fifth Third Bank Custody Account:				
Agency Bond	\$34,416,871	4.34%		
Commercial Paper	\$9,645,477	5.40%		
U.S. Discount Note	\$2,398,834	5.11%		
U.S. Treasury Bond	\$11,161,661	3.87%		
U.S. Treasury Note	\$27,761,245	4.67%		
Subtotal Securities & CD's / Weighted Yield / Maturity	<u>\$85,384,088</u>	<u>4.50%</u>	453	471

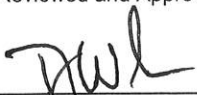
Total All Securities (9/30/2024) / Weighted Yield / Maturity	<u><u>\$129,165,286</u></u>	4.70%
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Total All Securities (8/31/2024) / Weighted Yield / Maturity	<u><u>\$126,859,458</u></u>	4.83%
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Funds provided by (required for) Tax Receipts during September	\$ 4,062,919	Monthly Investment Income \$	508,009
Funds provided by (required for) Payouts during September	<u>\$ (1,757,091)</u>	Year to Date Investment Income \$	4,564,294
Change in Cash during September 2024	<u><u>\$ 2,305,828</u></u>		

Note: Total All Securities (9/30/2023) \$97,361,963

Reviewed and Approved by:



 Tim Walker
 Chief Financial Officer



Attachments:
Schedule

BOARD OF TRUSTEES
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY
MOTION

APPROVAL OF 2025 BOARD AND COMMITTEE MEETING SCHEDULE

The SORTA Board approves and adopts the 2025 Board and Committee Meeting Schedule as attached.



SORTA Schedule of Meetings 2025

<u>Finance Committee</u> Tuesday 8:30 a.m.	<u>Planning & Operations Committee</u> Tuesday 9 a.m.	<u>Ad Hoc Committees</u> Employee Relations, Executive, Governance & Nominating, Infrastructure, Bike & ROW, Labor and Paratransit Coordination Thursdays 9 a.m.-11 a.m. (As Needed)	<u>SORTA Board</u> Tuesday 9 a.m./6 p.m.
January 21	January 21		January 28 9 a.m.
February 18	February 18		February 25 6 p.m.
March 18	March 18		March 25 9 a.m.
April 15	April 15		April 22 6 p.m.
May 20	May 20		May 27 9 a.m.
June 17	June 17		June 24 6 p.m.
July 15	July 15		July 22 9 a.m.
August 19	August 19		August 26 6 p.m.
September 16	September 16		September 23 9 a.m.
October 21	October 21		October 28 6 p.m.
November 11	November 11		November 18 9 a.m.
December 9	December 9		December 16 6 p.m.

Notes:

- Committee and Board meetings meet the 3rd and 4th Tuesday each month.
- Ad Hock Committees meet quarterly or as needed.
- November and December Committee and Board meetings were moved to the 2nd and 3rd Tuesday of the month due to holidays.



BOARD OF TRUSTEES
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY
RESOLUTION NO. 2024-xx

APPROVAL OF CONTRACT FOR 2024 HEALTHCARE PROGRAM

WHEREAS:

1. SORTA provides contractual health insurance coverage for all employees. The current healthcare contract expires December 31, 2024.
2. SORTA's insurance broker HUB International (formerly known as HORAN) requested proposals based on Metro's medical plan of self-funded plans.
3. SORTA staff recommends that the Board accept the proposals of HUB International (formerly known as HORAN) to administer SORTA's self-funded health care program.

THEREFORE, BE IT RESOLVED:

4. The Board authorizes the CEO/General Manager/ Secretary-Treasurer or the Senior Vice President of Human Resources to execute a (1) year Contract on behalf of Metro and Enrollment Management Services for services for the 2025 healthcare program with a not to exceed value of \$80,000.



BOARD OF TRUSTEES ACTION ITEM

DATE: October 15, 2024

FROM: Adriene Hairston, Sr. VP of Human Resources

PROJECT NO.: 2025 Healthcare Program (Enrollment Management Services)

REQUEST: Contract

BACKGROUND

SORTA provides health insurance benefits to all employees. The current healthcare contract expires December 31, 2024.

SORTA's insurance broker HUB International (formerly known as HORAN) requested proposals based on Metro's medical plan of self-funded plans.

BUSINESS PURPOSE

Ensure that SORTA continues to offer additional health care benefit options for all eligible participants at a comparable and or sustainable cost. Ensuring continued health insurance coverage to all eligible participants that meet Affordable Care Act compliance.

PROJECT FINANCING

The following 2025 Healthcare Program costs will be included in the 2025 operating budget:

Enrollment Management Services is a one (1) year option for continued program administration and communication for \$80,000 beginning January 1, 2025.

PROJECT PROCUREMENT

None

PROJECT DIVERSITY

None

RECOMMENDED BOARD ACTION

Approval of a resolution authorizing the CEO/General Manager or the Senior Vice President of Human Resources to execute a one (1) year contract with Enrollment Management Services for Services for the 2025 healthcare program.
