

SORTA FINANCE COMMITTEE MEETING

TUESDAY, AUGUST 9TH, 2022 - 9:00 A.M.
SORTA/METRO AT HUNTINGTON CENTER,
23RD FLOOR CONFERENCE ROOM,
525 VINE STREET
CINCINNATI, OHIO 45202

General Items:

- Call to order
- Pledge of Allegiance
- 1. Approval of Finance Committee Minutes: August 9th, 2022

Briefing Items

- 2. Financial Reports for August 31st, 2022 (*Larry Pinkelton*)

Action Items

- 3. Investment of Funds Report as of for August 31st, 2022 (*Larry Pinkelton*)

Other Items:

- New Business
- Adjournment

The next regular meeting of the Finance Committee has been scheduled for
November 8th, 2022, at 9:00 a.m.

FINANCE COMMITTEE MEETING
TUESDAY, AUGUST 9TH, 2022
SORTA/METRO AT HUNTINGTON CENTER
23RD FLOOR CONFERENCE ROOM
CINCINNATI, OHIO, 45202

COMMITTEE MEMEBERS APPOINTED: *Rod Hinton (Chair), Heidi Black, Chelsea Clark, Allen Freeman, Krista Lewis, and Sonja Taylor*

COMMITTEE/BOARD MEMBERS PRESENT: Rod Hinton, Alyson Beridon, Blake Ethridge, Krista Lewis, Sara Sheets, Sonja Taylor, and Larry Thompson

COMMITTEE MEMBERS ABSENT: Chelsea Clark, Allen Freeman,

STAFF MEMBERS PRESENT: Darryl Haley, Donna Adkins, John Edmonson, Pat Giblin, Adriene Hairston, Brandy Jones, Maria Jones, Natalie Krusling, Jeff Mundstock, Larry Pinkelton, John Ravasio, Amy Rasmussen, Jason Roe, Shannel Satterfield, and Alan Solomon

OTHERS PRESENT: Christine Torres (Crowe)

1. **Call to Order**

Mr. Hinton called the meeting to order.,

2. **Pledge of Allegiance**

The Pledge of Allegiance was recited.

3. **Approval of Minutes of July 12th, 2022**

Mr. Hinton moved, and Sonja seconded that the minutes of the July 12th, 2022, meeting be approved as previously emailed.

4. **Presentation of Audited Financial Statements**

Christine Torres from Crowe presented SORTA's 2021 Audited Financial Statements as for the year ended December 31, 2021. Ms. Torres provided an overview of the audit process and noted that the audit contained a clean opinion.

Ms. Torres walked through the Comprehensive Annual Financial Report (CAFR), including current assets, noncurrent assets, current liabilities, noncurrent liabilities, operating revenues, operating expenses, nonoperating revenues, and capital grant revenues

The Committee accepted the report as presented.

5. **Financial Reports for July 31st, 2022**

Mr. Pinkelton presented the May financial reports. Total revenues were \$16.8 million, which is favorable to budget by \$4.8 million. Total expenses were \$11.2 million, which is favorable to budget by \$879,000. Fare revenue was favorable to budget by \$24,000. Mr. Pinkelton then reviewed the contributing factors to these variances.

The Committee accepted the report as presented.

6. **Investment of Funds Report as of July 31st, 2022**

Mr. Pinkelton presented the report noting the yields for SORTA of 1.79% for July compared to the prior month of 1.58% for the month of June.

Mr. Pinkelton presented the report noting the yields for the Infrastructure Transit Fund of 1.81% for July compared to the prior month of 1.57% for the month of June.

The Committee accepted the report as presented.

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7. **New Business**

The next regular meeting of the Finance Committee has been scheduled for Tuesday, September 13th, 2022, at 9:00 A.M.

8. **Adjournment**

The meeting adjourned at 9:51 A.M.

Southwest Ohio Regional Transit Authority



Finance Committee Update
August 31, 2022

**REINVENTING
METRO!**

Agenda – Finance Committee Update

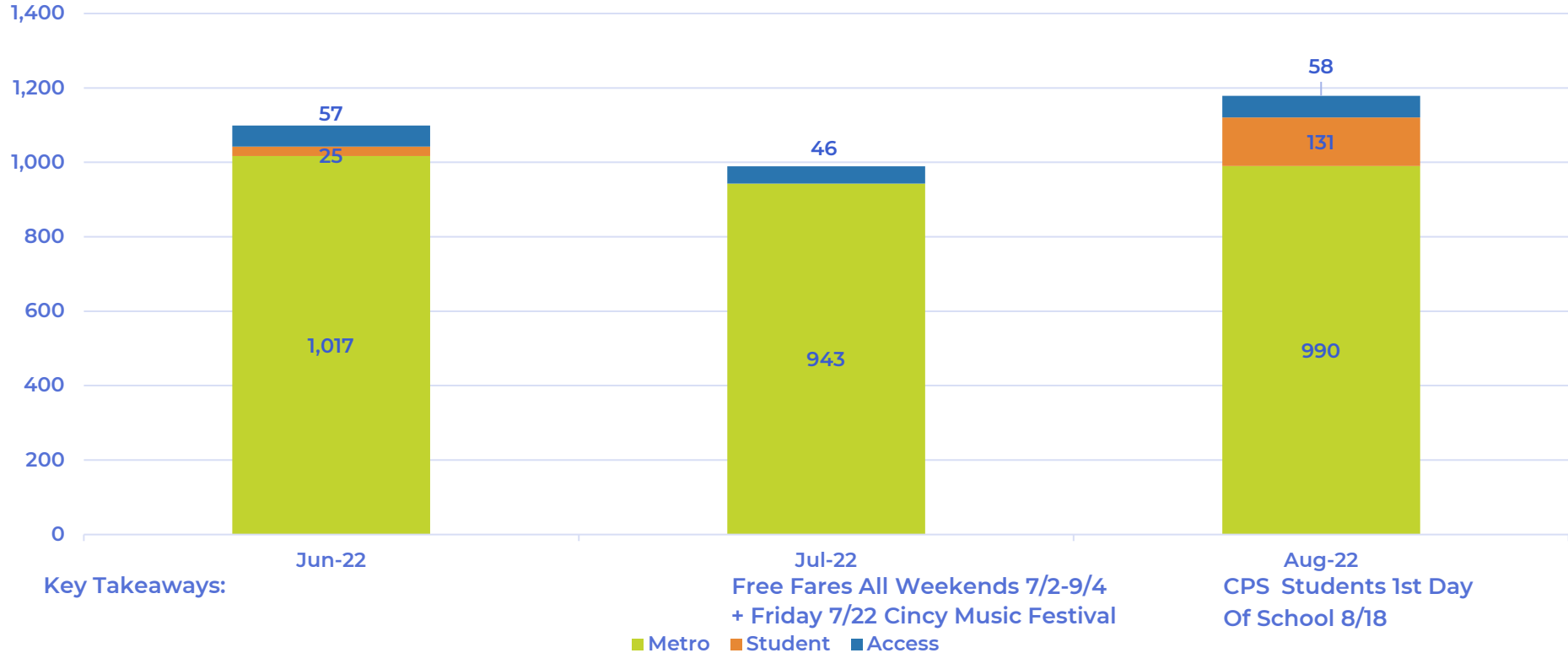
- Organization Staffing Update
- Investment Balance Update / Restricted Funds Summary
- Statement of Operations (Revenue & Expense Charts , Key Drivers, Detail)



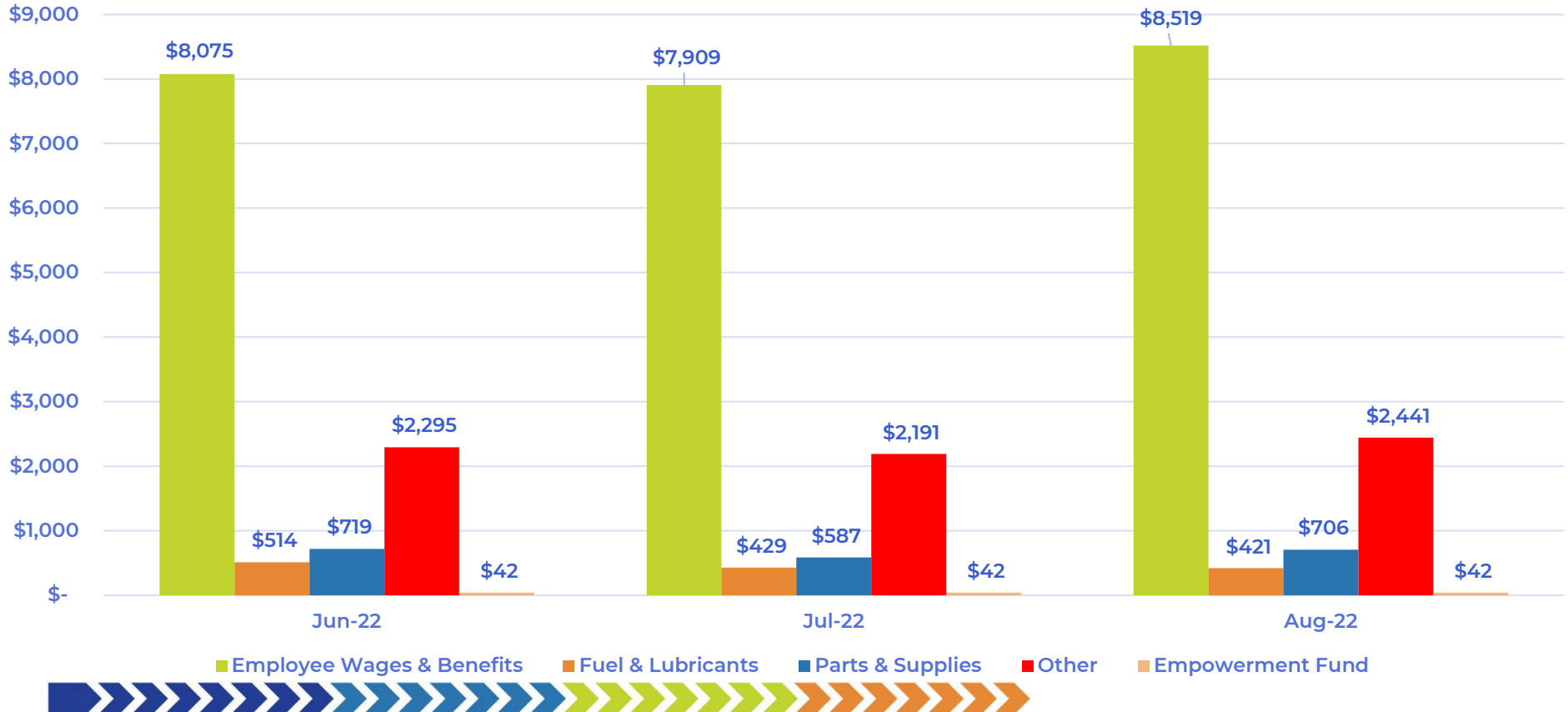
STATEMENT OF OPERATIONS



**AUGUST 2022 - FARE REVENUE SOURCES
3 MONTH TREND – JUNE 2022 THRU AUGUST 2022
In Thousands**



**AUGUST 2022 - OPERATING EXPENSE SOURCES
3 MONTH TREND – JUNE 2022 THRU AUGUST 2022
In Thousands**



Profit & Loss – Summary / Key Drivers

Summary

Total Revenue \$16.3M favorable to Budget \$4.2M or 34.6%

Total Expense \$12.1M favorable to Budget \$21k or 0.2%

Surplus / (Deficit) \$ 4.2M

Note : Ridership – Total 131k or 16.6% favorable to Budget

Revenue

Total Fares unfavorable (\$135k) to Budget or (11.4%). Root Cause – August Free Fare All Weekends

Other Contract unfavorable (33k) to Budget or (21.4%). Root Cause – Business Contract payments lower than budgeted

County Sales Tax favorable to Budget \$1.4M or 16.9%. Root Cause – County Sales Tax purchases greater than planned

ARP Comp \$2.9M favorable to Budget. Root Cause - Unbudgeted Grant

Non-Transportation \$180k favorable to Budget or 227.8%. Root Cause – Investment Income

Expense

Wages & Benefits (\$187k) unfavorable to Budget or (2.2%). Root Cause – Administrative Salaries (\$120k), driven by a combination of vacancies and market rate salary adjustments. Operator Wages (\$82k), primarily driven by OT hours worked.

Parts & Supplies (\$107k) unfavorable to Budget or (17.9%). Root Cause – Increase in Cost of Revenue Vehicle Parts (\$140k)

All Other \$323k favorable to Budget or 11.7%. Root Cause – Outsourced Services supporting Planning & Innovation \$365k



Southwest Ohio Regional Transit Authority 2022 Profit & Loss Statement

8 Mos Ending Aug 31, 2022 (\$ In Thousands)	Month				Year to Date				Prior Year
	Actual	Budget	Fav(Unfav)		Actual	Budget	Fav(Unfav)		
Ridership									
Regular	844,359	747,500	96,859	13.0%	5,360,684	5,201,603	159,081	3.1%	4,248,243
CPS	61,274	28,000	33,274	118.8%	779,813	685,000	94,813	13.8%	295,879
Subtotal Fixed Route	905,633	775,500	130,133	16.8%	6,140,497	5,886,603	253,894	4.3%	4,544,122
Access	16,141	15,127	1,014	6.7%	110,647	109,006	1,641	1.5%	80,089
Total Ridership	921,774	790,627	131,147	16.6%	6,251,144	5,995,609	255,535	4.3%	4,624,211
Revenue									
Metro Fares	\$ 990	\$ 1,126	\$ (136)	(12.1%)	\$ 7,179	\$ 7,825	\$ (646)	(8.3%)	\$ 6,109
Access Fares	58	57	1	1.8%	403	409	(6)	(1.5%)	307
Total Fares	1,048	1,183	(135)	(11.4%)	7,582	8,234	(652)	(7.9%)	6,416
CPS Contract	131	228	(97)	(42.5%)	1,526	2,611	(1,085)	(41.6%)	2,724
Other Contract Revenue	121	154	(33)	(21.4%)	1,062	1,233	(171)	(13.9%)	1,102
Non Transportation	259	79	180	227.8%	1,281	631	650	103.0%	392
County Sales Tax	9,689	8,286	1,403	16.9%	70,035	65,289	4,746	7.3%	57,606
Federal Subsidies	-	-	-	n/a	-	-	-	n/a	7,602
ARP	2,109	2,109	-	-	16,869	16,869	-	-	-
ARP Comp	2,881	-	2,881	n/a	22,049	-	22,049	n/a	-
State Subsidies	111	111	-	-	942	999	(57)	(5.7%)	1,189
Total Revenue	16,349	12,150	4,199	34.6%	121,346	95,866	25,480	26.6%	90,391
Expenses									
Employee Wages & Benefits	8,519	8,332	(187)	(2.2%)	62,537	63,561	1,024	1.6%	55,306
Fuel & Lubricants	421	413	(8)	(1.9%)	3,096	3,415	319	9.3%	3,029
Parts & Supplies	706	599	(107)	(17.9%)	5,299	4,969	(330)	(6.6%)	4,458
Casualty & Liability	-	-	-	n/a	-	-	-	n/a	-
Empowerment Fund	42	42	-	-	335	336	1	0.3%	-
Other	2,441	2,764	323	11.7%	18,336	23,250	4,914	21.1%	9,349
Total Expenses	12,129	12,150	21	0.2%	89,603	95,531	5,928	6.2%	72,142
Surplus(Deficit) Before Adj	\$ 4,220	\$	\$ 4,220		\$ 31,743	\$ 335	\$ 31,408		\$ 18,249
Capital Reserve Transfer	(4,220)				(31,743)				(18,249)
Remaining Funds	\$ -				\$ -				\$ -



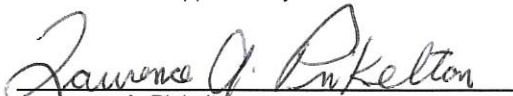
Investment of Funds Report

Aug-22

	Principal Amount	8/31/2022 Yield	Security Days	Days to Maturity
<u>Overnight Investments</u>				
STAR Ohio	\$32,346,774	2.36%		
Fifth Third Bank Concentration Account	\$47,730	0.00%		
Subtotal Overnight Investments / Average Rate	<u>\$32,394,504</u>	2.36%		
<u>Securities & CD's</u>				
Fifth Third Bank Custody Account:				
Agency Bond	\$12,173,842	1.91%		
Commercial Paper	\$11,562,956	1.82%		
Certificate of Deposit	\$992,327	0.76%		
U.S. Treasury Bond	\$5,497,801	2.00%		
U.S. Treasury Note	\$20,055,482	1.42%		
Subtotal Securities & CD's / Weighted Yield / Maturity	<u>\$50,282,409</u>	1.68%	683	730
Total All Securities (8/31/2022) / Weighted Yield				
	<u><u>\$82,676,913</u></u>	1.95%		
Total All Securities (7/31/2022) / Weighted Yield				
	<u><u>\$83,475,518</u></u>	1.79%		
Funds provided by (required for) Operations during August	(\$776,139)		Monthly Investment Income	\$ 160,047
Funds provided by (required for) Capital during August	<u>(\$22,466)</u>		Year to Date Investment Income	\$ 643,430
Change in Cash during August 2022	<u><u>(\$798,605)</u></u>			

Note: Total All Securities (8/31/2021) \$45,185,639

Reviewed and Approved by:

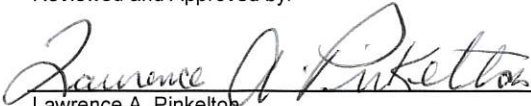

 Lawrence A. Pinkelton
 Chief Financial Officer



Infrastructure Investment of Funds Report
Aug-22

	Principal Amount	8/31/2022 Yield	Sec Days	Days to Maturity
<u>Overnight Investments</u>				
STAR Ohio	\$25,435,786	2.36%		
Trust Account/Fed Govt Oblig Issue Money Market Fund	\$3,302,459	2.10%		
Fifth Third Bank Infrastructure Account	\$360,707	0.00%		
Subtotal Overnight Investments / Average Rate	<u>\$29,098,953</u>	2.30%		
<u>Securities & CD's</u>				
Fifth Third Bank Custody Account:				
Agency Bond	\$6,471,675	1.96%		
Commercial Paper	\$7,426,601	1.50%		
U.S. Treasury Bond	\$5,986,186	1.78%		
U.S. Treasury Note	\$9,905,457	1.63%		
Subtotal Securities & CD's / Weighted Yield / Maturity	<u>\$29,789,920</u>	1.74%	402	412
Total All Securities (8/31/2022) / Weighted Yield / Maturity		<u>\$58,888,872</u>	2.00%	
Total All Securities (7/31/2022) / Weighted Yield / Maturity		<u>\$55,858,388</u>	1.81%	
Funds provided by (required for) Tax Receipts during August	\$ 3,223,907	Monthly Investment Income	\$ 74,451	
Funds provided by (required for) Payouts during August	\$ (193,423)	Year to Date Investment Income	\$ 412,298	
Change in Cash during August 2022	<u>\$ 3,030,484</u>			

Reviewed and Approved by:



 Lawrence A. Pinkelton
 Chief Financial Officer