

## SORTA FINANCE COMMITTEE MEETING

THURSDAY, DECEMBER 7<sup>TH</sup>, 2021 - 8:30 A.M.  
SORTA/METRO AT HUNTINGTON CENTER,  
23<sup>RD</sup> FLOOR CONFERENCE ROOM,  
525 VINE STREET  
CINCINNATI, OHIO 45202

### General Items:

- Call to order
- Pledge of Allegiance
- 1. Approval of Finance Committee Minutes: November 4<sup>th</sup>, 2021

### Briefing Items

- 2. Financial Reports for November 30<sup>th</sup>, 2021 (*Cindy Resor*)

### Action Items

- 3. Investment of Funds Report as of October 31<sup>st</sup>, 2021 and November 30<sup>th</sup>, 2021 (*Cindy Resor*)
- 4. Proposed Motion: Approval of Contract for Audited Financial Statements (*Cindy Resor*)
- 5. Proposed Resolution: Approval of 2022 Property Insurance Policy (*Cindy Resor*)
- 6. Proposed Resolution: Approval of General Liability Insurance Program Renewal (*Cindy Resor*)
- 7. Proposed Resolution: Approval of Service Contract with Butler County (*Matt Moorman*)
- 8. Proposed Resolution: Approval of Service Contract with Clermont County (*Matt Moorman*)
- 9. Proposed Resolution: Approval of Service Contract with Warren County (*Matt Moorman*)

### Other Items:

New Business

Adjournment

The next regular meeting of the Finance Committee has been scheduled for  
**January 11<sup>th</sup>, 2022 at 8:30 a.m.**

FINANCE COMMITTEE  
TUESDAY, NOVEMBER 4<sup>TH</sup>, 2021 – 8:30 A.M.

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

COMMITTEE/BOARD MEMBERS PRESENT: Heidi Black, Robert Harris, Rod Hinton, and Thaddeus Hoffmeister

COMMITTEE MEMBERS ABSENT: Chelsea Clark, Allen Freeman, and Sonja Taylor

STAFF MEMBERS PRESENT: Darryl Haley, Donna Adkins, Chris Cole, Dave Etienne, Pat Giblin, Adriene Hairston, , Caprice Jones, Maria Jones, Natalie Krusling, Pat LaFleur, Amy Rasmussen, John Ravasio, Cindy Resor, Shannel Satterfield, Alan Solomon, and Khaled Shammout

OTHERS PRESENT:

1. **Call to Order**

Ms. Black called the meeting to order.

2. **Pledge of Allegiance**

The Pledge of Allegiance was recited.

3. **Approval of Minutes of October 12<sup>th</sup>, 2021**

Ms. Black moved and Mr. Hinton seconded that the minutes of the October 12<sup>th</sup>, 2021 meeting be approved as previously emailed.

4. **Financial Reports for October 31<sup>st</sup>, 2021**

Ms. Resor stated the October financial report will be presented at the November Board meeting.

5. **Internal Audit: Q3 Summary**

Ms. Adkins presented a summary of internal and external audit findings that had been performed during the years 2017-2021 with management responses to findings on outstanding items for quarter three (3).

The Committee accepted the report as presented.

6. **Fuel Hedging Report:Q3**

Ms. Resor presented the quarterly fuel hedging report which indicated that as of September 30th, 2021 fuel is favorable to budget by \$279,139.

The Committee accepted the report as presented.

7. **Proposed Motion: Approval of Legal Expenditures with for Vorys, Sater, & Pease LLC**

Ms. Adkins proposed a one (1) agreement with Vorys, Sater, Seymour and Pease, LLP at the rates set forth in the engagement letter at a cost not to exceed \$250,000 for legal services

The Committee agreed to recommend this resolution for approval to the full Board on the consent agenda.

8. **Proposed Motion: Approval of Legal Service Expenditures with Dinsmore & Shohl, LLP**

Ms. Adkins proposed a one (1) agreement with Dinsmore & Shohl, LLP at the rates set forth in the engagement letter at a cost not to exceed \$150,000 for legal services.

The Committee agreed to recommend this resolution for approval to the full Board on the consent agenda.

9. **Proposed Resolution: Approval of the 2022 Budget**

Ms. Resor proposed the 2022 operating and capital plan for 2022 of \$172,998,000 of which \$146,730,000 is for operating and \$26,268,000 is for capital. Hamilton County Sales Tax funds are estimated to be \$101,118,009 based on 2021 UC Economic Center sales tax projections.

The Committee agreed to recommend this resolution for approval to the full Board.

**New Business**

The next regular meeting of the Finance Committee has been scheduled for Thursday, December 7<sup>th</sup>, 2021 at 8:30 A.M.

10. **Adjournment**

The meeting adjourned at 9:18 A.M.



**Investment of Funds Report**  
Oct-21

	<b>Principal Amount</b>	<b>10/31/2021 Yield</b>	<b>Security Days</b>	<b>Days to Maturity</b>
<b><u>Overnight Investments</u></b>				
STAR Ohio	\$34,173,372	0.07%		
Fifth Third Bank Concentration Account	\$647,870	0.00%		
<b>Subtotal Overnight Investments / Average Rate</b>	<b>\$34,821,243</b>	<b>0.07%</b>		
<b><u>Securities &amp; CD's</u></b>				
<b>Fifth Third Bank Custody Account:</b>				
Agency Bond	\$3,055,081	0.59%		
Commercial Paper	\$5,512,800	0.18%		
Certificate of Deposit	\$992,327	0.76%		
U.S. Treasury Bond	\$993,609	0.61%		
U.S. Treasury Note	\$6,408,414	0.60%		
<b>Subtotal Securities &amp; CD's / Weighted Yield / Maturity</b>	<b>\$16,962,231</b>	<b>0.47%</b>	788	858
<b>Total All Securities (10/31/2021) / Weighted Yield</b>	<b>\$51,783,473</b>	<b>0.20%</b>		
<b>Total All Securities (09/30/2021) / Weighted Yield</b>	<b>\$47,965,785</b>	<b>0.20%</b>		
<b>Funds provided by (required for) Operations during October</b>	<b>\$4,277,005</b>		<b>Monthly Investment Income \$</b>	<b>7,888</b>
<b>Funds provided by (required for) Capital during October</b>	<b>(\$459,317)</b>		<b>Year to Date Investment Income \$</b>	<b>47,134</b>
<b>Change in Cash during October 2021</b>	<b>\$3,817,688</b>			
<b>Total All Securities (10/31/2020)</b>	<b>\$44,168,359</b>			

Reviewed and Approved by:

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Cindy Resor  
Interim Chief Financial Officer



**Infrastructure Investment of Funds Report**

Oct-21

	Principal Amount	Maturity Date	Purchase Date	10/31/2021 Yield	Sec Days	Days to Maturity
<b><u>Overnight Investments</u></b>						
STAR Ohio	\$ 28,658,162			0.07%		
Fifth Third Bank Concentration Account	\$ 60,744			0.00%		
<b>Subtotal Overnight Investments / Average Rate</b>	<b>\$ 28,718,906</b>			<b>0.07%</b>		

<b>Total All Securities (10/31/2021) / Weighted Yield / Maturity</b>	<b>\$ 28,718,906</b>			0.07%		1
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<b>Total All Securities (09/30/2021) / Weighted Yield / Maturity</b>	<b>\$ 25,695,666</b>			0.08%		1
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Funds provided by (required for) Tax Receipts during October	\$ 3,023,240			Monthly Investment Income \$	1,726
Funds provided by (required for) Capital during October	\$ -			Year to Date Investment Income \$	8,162
<b>Change in Cash during October 2021</b>	<b>\$ 3,023,240</b>				

Reviewed and Approved by:

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Cindy Resor  
Interim Chief Financial Officer

BOARD OF TRUSTEES  
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY  
MOTION

APPROVAL OF THIRD PARTY AGREEMENT FOR AUDITED FINANCIAL  
STATEMENTS

I move that the SORTA Board approve an agreement between Crowe, the Ohio State Auditor's Office, and SORTA for the audit of SORTA's financial statements for the years ending 2021 through 2025, at a total cost not to exceed \$842,280, and authorize the CEO/General Manager to execute the contract on behalf of SORTA.

December 2021

**ACTION ITEM- APPROVAL OF THIRD PARTY AGREEMENT FOR AUDITED FINANCIAL STATEMENTS**

**STRATEGIC PLAN GOAL / OBJECTIVE**

- Organizational Sustainability

**RECOMMENDATION**

Approval of a motion for agreement between Crowe LLP, the Ohio State Auditor's office, and SORTA for the audit of SORTA's financial statements for the years ending 2021 through 2025.

**FINANCIAL CONSIDERATIONS**

- Sufficient funding for this contract is included in the FY 2022 Operating Budget and will be included in FY 2023-2026.
- The total cost for the periods 2021-2025 is \$842,280, which is an average hourly rate for the 5 year period of \$169.

**BUSINESS PURPOSE**

- An audit provides an objective independent examination of the financial statements, helping to ensure that they are correct and prepared according to proper rules and regulations.

**PROCUREMENT CONSIDERATIONS**

- N/A

**D/M/WBE CONSIDERATIONS**

- Crowe LLP will subcontract 15% of the annual cost to Charles Harris & Associates, a MBE/EDGE.

**LEGAL CONSIDERATIONS**

- Section 117.38 of the Ohio Revised Code requires local public offices to file their annual financial reports with the Auditor of the State (AOS).

**SUBMITTED BY:**



Cindy Resor  
Interim Chief Financial Officer



Darryl Haley  
CEO/General Manager



**Attachments:**  
Action Item

BOARD OF TRUSTEES  
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY  
RESOLUTION NO. 2021-xx

APPROVAL OF 2022 PROPERTY INSURANCE POLICY

WHEREAS:

1. In an effort to mitigate identified risks, SORTA requires property insurance with coverage for direct physical loss or damage at the least possible.
2. The current policy expires December 31, 2021.
3. SORTA staff recommends a one (1) year policy with the Continental Casualty Company (CNA) at a cost not to exceed \$178,250 for property insurance.
4. The expenditure has been budgeted for 2022 and will be funded with local funds.

THEREFORE, BE IT RESOLVED:

5. The Board authorizes the CEO/General Manager/ Secretary-Treasurer, CAO, Interim CFO or the COO to issue a purchase order for the property insurance on behalf of SORTA at a total cost not to exceed \$178,250.



December 2021

**ACTION ITEM – APPROVAL OF 2022 PROPERTY INSURANCE POLICY**

**STRATEGIC PLAN GOAL / OBJECTIVE**

- Operational Excellence

**RECOMMENDATION**

Approval of a resolution authorizing the CEO/General Manager or the CFO to:

- Execute a 1-year renewal of the current twelve (12) month policy that expires December 31, 2021 with Continental Casualty Company (CNA) on behalf of SORTA for property insurance for the period of January 1, 2022 – December 31, 2022, at a cost not to exceed \$178,250

**FINANCIAL CONSIDERATIONS**

- The property insurance mitigates the risk to SORTA in the event of direct physical loss or damage to SORTA's properties, including the RTC, with a total expenditure of \$178,250 for a 1-year period from January 1, 2022 – December 31, 2022
  - The premium rate increased 21.8% from 2021

**BUSINESS PURPOSE**

- In an effort to mitigate identified risks, SORTA staff is requesting a renewal of the Property Insurance Policy with coverage for direct physical loss or damage at the least possible cost.

**PROCUREMENT CONSIDERATIONS**

- N/A

**D/M/WBE CONSIDERATIONS**

- N/A

**LEGAL CONSIDERATIONS**

- Section 306.43 of the Ohio Revised Code authorizes SORTA to contract for the provision of goods and services.

**SUBMITTED BY:**



Cindy Resor  
Interim Chief Financial Officer



Darryl Haley  
CEO/General Manager



**Attachments:**  
Action Item  
Presentation

BOARD OF TRUSTEES  
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY  
RESOLUTION NO. 2021-xx

APPROVAL OF 2021-2022 GENERAL LIABILITY INSURANCE PROGRAM RENEWAL

WHEREAS:

1. SORTA currently has a program in place for liability insurance covering: general liability, automobile liability, public officials' liability, cyber liability and crime.
2. SORTA staff recommends a one (1) year contract with the Ohio Transit Risk Pool (OTRP) at a cost not to exceed \$682,111 for its liability insurance program covering: General Liability, Automobile Liability, Public Officials Liability, Cyber Liability and Crime.
3. The expenditure has been budgeted for 2022 and will be funded with local funds.

THEREFORE, BE IT RESOLVED:

4. The Board authorizes the CEO/General Manager/ Secretary-Treasurer, CAO, Interim CFO or the COO to issue purchase orders for the liability insurance program on behalf of SORTA at a total cost not to exceed \$682,111.

December 2021

**ACTION ITEM- APPROVAL OF 2021-2022 GENERAL LIABILITY INSURANCE PROGRAM RENEWAL**

**STRATEGIC PLAN GOAL / OBJECTIVE**

- Operational Excellence

**RECOMMENDATION**

Approval of a resolution authorizing the CEO/General Manager or the CFO to execute a one (1) year renewal of the current twelve (12) month program that expired on November 30, 2021 with the Ohio Transit Risk Pool (OTRP) on behalf of SORTA for general liability insurance for the period of December 1, 2021 through November 30, 2022, at a cost not to exceed \$682,111.

**FINANCIAL CONSIDERATIONS**

- The liability insurance program is a 12-month program with coverage for General Liability (includes Cyber and Crime), Automobile Liability and Public Official's Liability with a total expenditure of \$682,111.
  - 3.2% Premium increase due to:
    - Higher market rates
    - Higher percentage of large losses
    - Increase in miles
- The expenditure has been budgeted for 2022 and will be funded with local funds.

**BUSINESS PURPOSE**

- In an effort to mitigate identified risks, SORTA staff is requesting continuing membership in the Ohio Transit Risk Pool for a liability program covering these areas: General Liability, Automobile Liability, Public Officials Liability, Cyber Liability and Crime.

**PROCUREMENT CONSIDERATIONS**

- N/A

**D/M/WBE CONSIDERATIONS**

- N/A

**LEGAL CONSIDERATIONS**

- Section 306.43 of the Ohio Revised Code authorizes SORTA to contract for the provision of goods and services.

**SUBMITTED BY:**



Cindy Resor  
Interim Chief Financial Officer



Darryl Haley  
CEO/General Manager

BOARD OF TRUSTEES  
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY  
RESOLUTION NO. 2021-xx

APPROVAL OF SERVICE CONTRACT WITH BUTLER COUNTY

WHEREAS:

1. SORTA operates bus service (Routes 42) into Butler County in cooperation with Butler County Regional Transit Authority ("BCRTA").
2. The current agreement with Butler County expires December 31, 2021.
3. SORTA and BCRTA have negotiated a new agreement for the period of January 1, 2022 through December 31, 2022. The new agreement also includes a one (1) year contract with two (2) automatic one (1) year renewals.
4. SORTA staff recommends that the SORTA Board approve the agreement with BCRTA for a continuation of services.

THEREFORE, BE IT RESOLVED:

5. The Board hereby authorizes the CEO/General Manager/ Secretary-Treasurer, CAO, Interim CFO, or the COO to execute a one (1) year service contract and two (2) automatic one (1) year renewals with BCRTA.

December 2021

**ACTION ITEM- APPROVAL OF SERVICE CONTRACT WITH BUTLER COUNTY**

**STRATEGIC PLAN GOAL / OBJECTIVE**

Operational Excellence and Strategic Partnering

**RECOMMENDATION**

Approval of a resolution authorizing the CEO/General Manager/ Secretary-Treasurer or Interim CFO to execute a one (1) year contract with two (2) automatic one (1) year renewals with Butler County for the provision of public transit service to Butler County.

**FINANCIAL CONSIDERATIONS**

- This is a one year agreement with a total expenditure of \$577,744.
- SORTA agrees to accept an annual NTD credit of \$58,000 to be applied to the total cost resulting in net cost to Butler County of \$519,744.
- The expense and revenue for this service and contract are included in SORTA's 2022 budget.
- This expenditure will be funded with BCRTA Federal 5307 Funds.

**BUSINESS PURPOSE**


- Operate express and reverse commute service.
- Operate seven (7) A.M. trips and eight (8) P.M. trips on Route 42X.
- Included are two (2) A.M. "reverse commute" trips and two (2) P.M. "reverse commute" trips on the Route 42X designed to bring commuters from downtown to West Chester.

**LEGAL CONSIDERATIONS**

- Section 306.35 of the Ohio Revised Code authorizes SORTA to enter into contracts for the provision of transit services.

**APPROVAL OF ACTION**

  
Cindy Resor  
Interim CFO

  
Darryl Haley  
CEO/General Manager

BOARD OF TRUSTEES  
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY  
RESOLUTION NO. 2021-xx

APPROVAL OF SERVICE CONTRACT WITH CLERMONT COUNTY

WHEREAS:

1. SORTA operates bus service (Routes 29X, and 82X) into Clermont County.
2. The current agreement with Clermont County expires December 31, 2021.
3. SORTA and Clermont County have negotiated a new agreement for the period of January 1, 2022 through December 31, 2022. The new agreement also includes two (2) automatic one (1) year renewals.
4. SORTA staff recommends that the SORTA Board approve the agreement with Clermont County for a continuation of services.

THEREFORE, BE IT RESOLVED:

5. The Board hereby approves the CEO/General Manager/ Secretary-Treasurer, CAO, Interim CFO, or the COO to execute a one (1) year contract with two (2) automatic one (1) year renewals with Clermont County for service.

December 2021

**ACTION ITEM- APPROVAL OF SERVICE CONTRACT WITH CLERMONT COUNTY**

**STRATEGIC PLAN GOAL / OBJECTIVE**

Operational Excellence and Strategic Partnering

**RECOMMENDATION**

Approval of a resolution authorizing the CEO/General Manager/ Secretary-Treasurer or Interim CFO to execute a one (1) year contract with two (2) automatic one (1) year renewals with Clermont County for the provision of public transit service to Clermont County.

**FINANCIAL CONSIDERATIONS**

- This is a one year agreement with a total expenditure of \$423,103.
- SORTA agrees to accept an annual NTD credit of \$37,000 to be applied to the total cost resulting in net cost to Clermont County of \$386,103.
- The expense and revenue for this service and contract are included in SORTA's 2022 budget.
- This service will be funded with Clermont County Federal 5307 Funds.

- **BUSINESS PURPOSE**

- Provide transit service to Clermont County.
- SORTA/Metro agrees to operate the Route 82X, Eastgate Express and the portion of Route 29X, Milford Express that operates within Clermont County 255 weekdays per year.

**LEGAL CONSIDERATIONS**

- Section 306.35 of the Ohio Revised Code authorizes SORTA to enter into contracts for the provision of transit services.

**SUBMITTED BY:**



Cindy Resor  
Interim CFO



Darryl Haley  
CEO/General Manager

BOARD OF TRUSTEES  
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY  
RESOLUTION NO. 2021-xx

APPROVAL OF SERVICE CONTRACT WITH WARREN COUNTY

WHEREAS:

1. SORTA operates bus service (Route 71X Kings Island Express and 71 Kings Island Job Connection) into Warren County under contract with the County.
2. The current agreement with Warren County expires December 31, 2021.
3. SORTA and Warren County have negotiated a new agreement for the funding of the Warren County routes for the period of January 1, 2022 through December 31, 2022. The new agreement also includes a one (1) year contract with two (2) automatic one (1) year renewals.
4. SORTA staff recommends that the SORTA Board approve the agreement with Warren County for a continuation of services.

THEREFORE, BE IT RESOLVED:

5. The Board hereby approves the CEO/General Manager/ Secretary-Treasurer, CAO, Interim CFO, or the COO to execute a one (1) year contract with a one (1) year contract with two (2) automatic one (1) year renewals with Warren County for service.



December 2021

**ACTION ITEM-APPROVAL OF SERVICE CONTRACT WITH WARREN COUNTY**

**STRATEGIC PLAN GOAL / OBJECTIVE**

Operational Excellence and Strategic Partnering

**RECOMMENDATION**

Approval of a resolution authorizing the CEO/General Manager/ Secretary-Treasurer or Interim CFO to execute a one (1) year contract with two (2) automatic one (1) year renewals with Warren County for the provision of public transit service in Warren County.

**FINANCIAL CONSIDERATIONS**

- This is a one year agreement with estimated contract revenue of \$435,474.
- This expense and revenue for this service and contract are included in SORTA's 2022 budget.
- This contract will be funded with Warren County Federal 5307 Funds. SORTA receives 50% of these funds for this service.

**BUSINESS PURPOSE**

- Operate express and reverse commute service.
- Operate seven (7) A.M. express trips and six (6) P.M. express trips. Express trips are designed to bring commuters from Warren County to Downtown.
- Included are two (2) A.M. and two (2) P.M. "reverse commute" express trips designed to bring commuters from downtown to Warren County.

**LEGAL CONSIDERATIONS**

- Section 306.35 of the Ohio Revised Code authorizes SORTA to enter into contracts for the provision of transit services.

**APPROVAL OF ACTION**



Cindy Reser  
Interim CFO



Darryl Haley  
CEO/General Manager