



SORTA/Metro
Finance Committee
September 17, 2024
8:30 am-9:00 am Eastern Time

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

General Items:

Call to order

Pledge of Allegiance

- 1 Approval of Finance Committee Minutes: August 20th, 2024

Briefing Items:

- 2 Financial Results as of August 31st (Tim Walker)

Action Items:

- 3 Approval of Investment of Funds Reports as of August 31st, 2024 (Tim Walker)
- 4 Proposed Motion: Approval of Revised SORTA Travel Training Policy (Adriene Hairston)
 - 4.1 Action Item:
 - 4.2 Policy:
- 5 Proposed Motion: Approval of 2025 Healthcare Plan (Vicki Barker)
 - 5.1 Action Item:
 - 5.2 Presentation:

Other Items:

New Business

Adjournment

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

Tuesday, October 15th, 2024, at 8:30 a.m.

FINANCE COMMITTEE
TUESDAY, AUGUST 20TH, 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: Tony Brice, Chelsea Clark, Dan Driehaus, Trent Emenecker, Blake Ethridge, Pete Metz, Briana Moss, and Sara Sheets

COMMITTEE MEMBERS ABSENT: Jay Bedi, Neil Kelly, Gwen Robinson, KZ Smith and Sonja Taylor

STAFF MEMBERS PRESENT: Andy Aiello, Steve Anderson, Julie Beard, John Edmondson, Scott Enns, Dave Etienne, Patrick Giblin, Adriene Hairston, Darryl Haley, Mary Huller, Brandy Jones, Natalie Krusling, Sharyn Lacombe, Troy Miller, Jeff Mundstock, John Ravasio, Jason Roe, Kevin Ruth, August Schweitzer, Khaled Shammout, Bill Spraul and Tim Walker

OTHERS PRESENT: Kim Schaefer (Legal Counsel-Vorys) and Matthew Hulme (City of Cincinnati)

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 July 16th, 2024

Mr. Driehaus moved, and Mr. Ethridge seconded that the minutes from July 16th, 2024, be approved. By voice vote the committee approved the minutes.

4. Financial Report as of July 31st, 2024

Mr. Aiello presented the July financial results. Total revenues were \$13.9 million, which was favorable to budget by \$277K. Total expenses were \$14.2 million, which is unfavorable to budget by \$754k. Surplus/Deficit was \$0.4 million, which was unfavorable to budget by \$468k. Ridership was 1,037k, which was favorable to budget by 468k. Mr. Aiello then reviewed the contributing factors to these variances.

The Committee accepted the report as presented.

5. Fuel Hedging Report

Mr. Kevin Ruth presented the fuel hedging report which indicated that as of July 31st, 2024, fuel is favorable to budget by \$129,733.

The Committee accepted the report as presented.

6. Approval of Investment of Funds Reports as of July 31st, 2024

Mr. Aiello presented the July report noting the yields of SORTA 4.64% for July compared to the prior month of 4.64% for the month of June.

Mr. Aiello presented the report noting yields for the Infrastructure Transit Fund of 4.83% for July compared to the prior month of 4.80% for the month of June.

Mr. Ethridge moved, and Ms. Clark seconded that the Investment of Funds as of July 31st, 2024 be approved.

By voice vote the committee approved the reports.

The Committee approved the report as presented.

New Business

N/A

7. **Adjournment**

The meeting adjourned at 9:03 A.M.



Financial Summary - August 2024

Report Out Date – September 17, 2024

Agenda – Financial Summary

- Statement of Operations for August '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 \$13.6M - favorable to Budget \$199k
- Total Expense \$13.8M - unfavorable to Budget (\$410k) or (3.1%)
- Surplus / (Deficit) (\$0.1M) - unfavorable to Budget (\$211k)
- Note: Ridership total is 1,230k – favorable to Budget 19k or 1.6%

Revenue

- Total Operating Revenue \$1.8M - favorable to Budget \$140k or 8.7%
- Non-Transportation \$0.8M - favorable to Budget \$115k or 16.9%
- County Sales Tax \$10.2M – unfavorable to Budget (\$56k); see additional slide on county sales tax
- Federal Grants \$0.8M - on Budget

Expense

- Wages & Benefits \$10.2M - unfavorable to budget (\$96k) or (0.9%)
- Fuel and Lubricants \$671k - unfavorable (\$82k) or (13.9%) to Budget
- Parts & Supplies \$848k – favorable to Budget \$103k or 10.8%
- All Other \$2.0M – unfavorable to Budget (\$329k) driven by Metro Family Day timing and spend and building maintenance spend

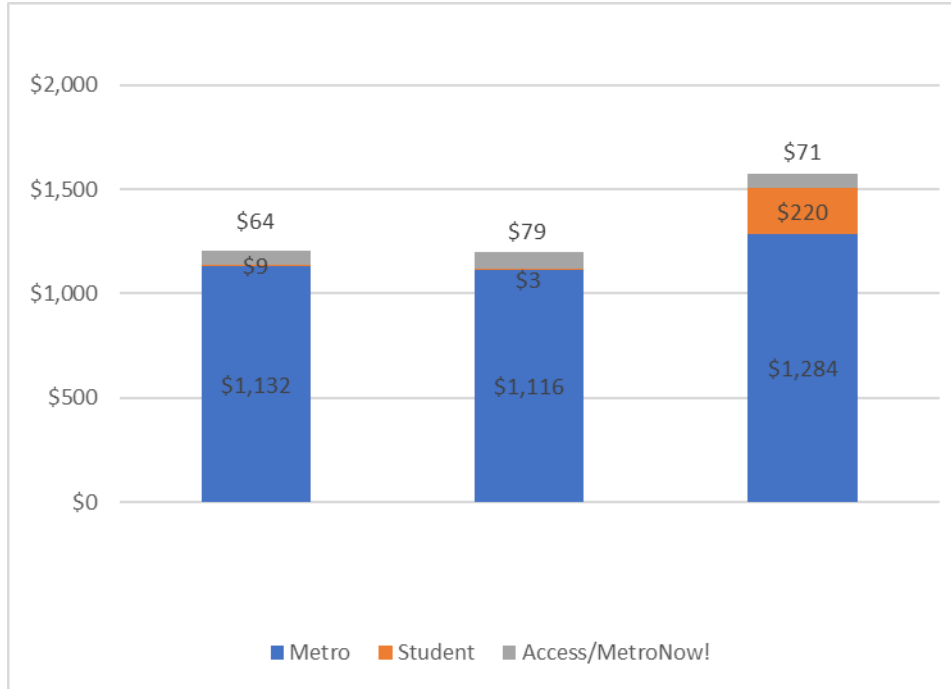
Southwest Ohio Regional Transit Authority 2024 Profit & Loss Statement



8 Mo Ending August 31, 2024 (\$ In Thousands)	Month				Year to Date				
	Actual	Budget	Fav(Unfav)		Actual	Budget	Fav(Unfav)		Prior Year
Ridership									
Regular	1,114,380	1,114,191	189	0.0%	7,732,854	8,085,561	(352,707)	(4.4%)	7,559,984
CPS	92,793	73,740	19,053	25.8%	850,429	873,059	(22,630)	(2.6%)	844,801
Subtotal Fixed Route	1,207,173	1,187,931	19,242	1.6%	8,583,283	8,958,620	(375,337)	(4.2%)	8,404,785
Access	15,252	18,020	(2,768)	(15.4%)	119,867	129,893	(10,026)	(7.7%)	121,353
MetroNow!	7,684	5,177	2,507	48.4%	49,699	37,497	12,202	32.5%	4,565
Total Ridership	1,230,109	1,211,128	18,981	1.6%	8,752,849	9,126,010	(373,161)	(4.1%)	8,530,703
Operating Revenue									
Metro Fares	\$ 1,284	\$ 1,207	\$ 77	6.4%	\$ 9,172	\$ 8,869	\$ 303	3.4%	\$ 8,391
Access Fares	56	68	(12)	(17.6%)	463	490	(27)	(5.5%)	462
MetroNow! Fares	15	10	5	50.0%	101	75	26	34.7%	9
CPS Fares	220	126	94	74.6%	1,942	1,191	751	63.1%	873
Other	183	207	(24)	(11.6%)	1,493	1,637	(144)	(8.8%)	1,809
Total Operating Revenue	1,758	1,618	140	8.7%	13,171	12,262	909	7.4%	11,544
Non-Operating Revenue									
County Sales Tax	10,232	10,288	(56)	(0.5%)	78,736	81,066	(2,330)	(2.9%)	77,010
ARP	-	-	-	n/a	-	-	-	n/a	21,855
ARP Comp	-	-	-	n/a	-	-	-	n/a	20,000
Federal Subsidies	843	843	-	-	6,741	6,741	-	-	9,600
Non Transportation	794	679	115	16.9%	7,179	6,091	1,088	17.9%	5,105
Total Non-Operating Revenue	11,869	11,810	59	0.5%	92,656	93,898	(1,242)	(1.3%)	133,570
Total Revenue	13,627	13,428	199	1.5%	105,827	106,160	(333)	(0.3%)	145,114
Expenses									
Employee Wages & Benefits	10,208	10,112	(96)	(0.9%)	78,915	79,901	986	1.2%	71,126
Fuel & Lubricants	671	589	(82)	(13.9%)	5,324	5,382	58	1.1%	5,222
Parts & Supplies	848	951	103	10.8%	6,368	6,901	533	7.7%	6,355
Empowerment Fund	6	-	(6)	n/a	6	-	(6)	n/a	334
Other	2,029	1,700	(329)	(19.4%)	13,321	14,631	1,310	9.0%	12,245
Total Expenses	13,762	13,352	(410)	(3.1%)	103,934	106,815	2,881	2.7%	95,282
Surplus(Deficit) Before Adj	\$ (135)	\$ 76	\$ (211)		\$ 1,893	\$ (655)	\$ 2,548		\$ 49,832



AUGUST 2024 – FARE REVENUE SOURCES 3 MONTH TREND – JUNE 2024 THRU AUGUST 2024 In Thousands



Jun-24

Jul-24

Aug-24

Month	Days per Month	Avg Rev per Day
Jun-24	30	\$38
Jul-24	31	\$36
Aug-24	31	\$41

Note: Number of Weekdays within each corresponding month as follows: Jun 20, Jul 23, Aug 22

County Sales Tax – Year to Date May



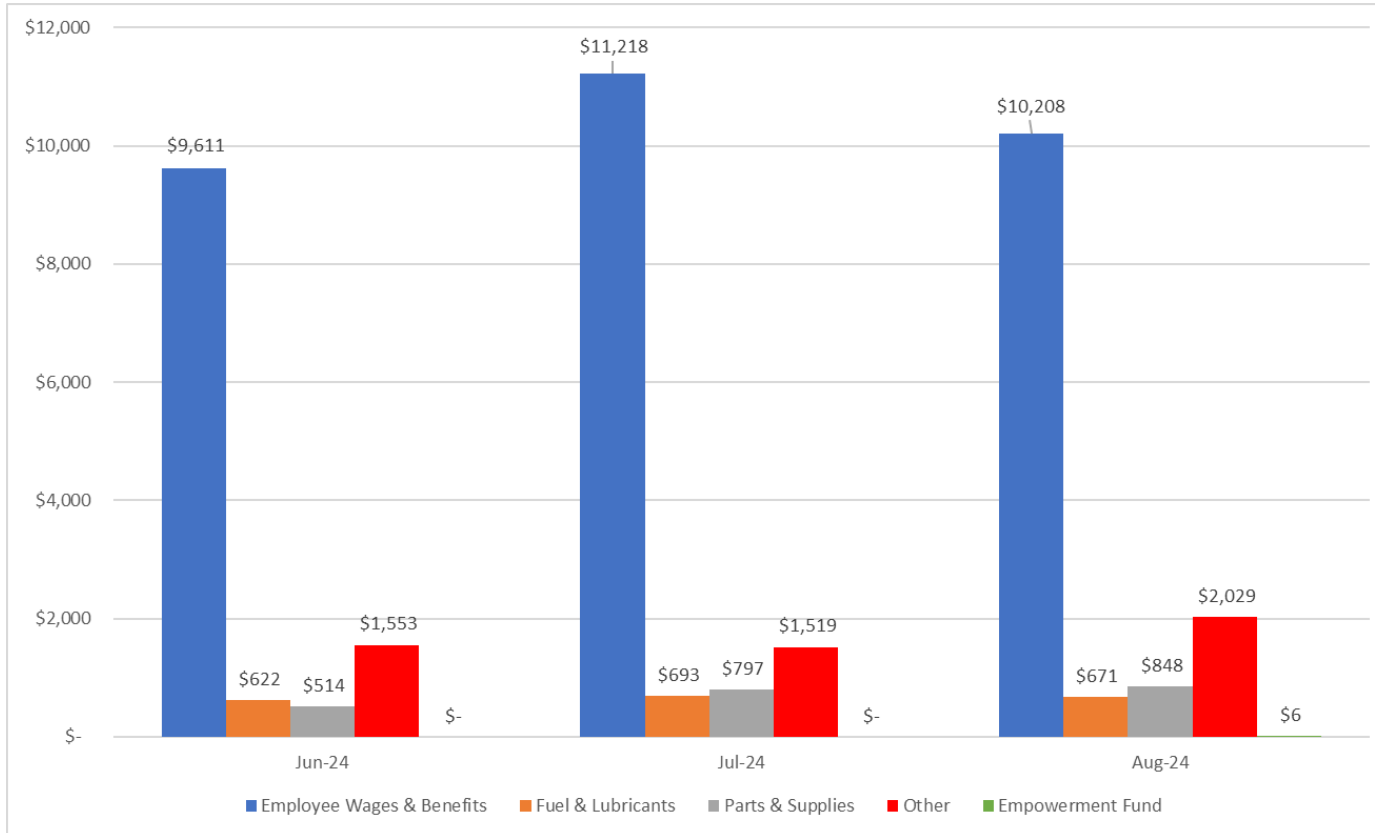
	Jan	Feb	Mar	Apr	May	YTD
CY Actual	\$8,781	\$8,683	\$9,963	\$9,366	\$9,875	\$46,668
Budget	\$9,987	\$9,327	\$10,480	\$9,273	\$9,931	\$48,999
Var \$	(1,206)	(644)	(517)	93	(56)	(2,331)
Var %	-12.1%	-6.9%	-4.9%	1.0%	-0.6%	-4.8%
PY Actual	\$8,907	\$8,659	\$10,010	\$9,465	\$9,761	\$46,802
Var	(126)	24	(47)	(99)	114	(134)
Var %	-1.4%	0.3%	-0.5%	-1.0%	1.2%	-0.3%

- Year to Date thru May Hamilton County Sales Tax is (\$2.3m) unfavorable to budget and (\$134k) unfavorable to prior year or (0.3%)
- County Sales tax is on a three month lag. Actual May results are received and recorded during August accounting cycle

AUGUST 2024 – OPERATING EXPENSE SOURCES

3 MONTH TREND – JUNE 2024 THRU AUGUST 2024

In Thousands





Investment Funds Reserve Summary

Overnight Investments	\$41,108,377
Securities & CD's	\$137,642,106

Total All Securities (8/31/2024)	\$178,750,483
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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
Local Match - FTA and ODOT Grants	\$19,916,103
100% Local Projects (<i>Prior Years Open + Current Year</i>)	\$38,174,664
2 Months of Operating Expenses	\$24,000,000
All Other Obligations	\$6,500,000

Total Current Capital Reserve Obligations	\$178,315,186
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Net Unrestricted Securities Available	\$435,297
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2024 Remaining Operating Budget Surplus Sep - Dec (Deficit)	\$2,988,590
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Net Unrestricted Securities + '24 Operating Budget Surplus	\$3,423,887
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Investment of Funds Report
August 31, 2024

	Principal Amount	8/31/2024 Yield	Security Days	Days to Maturity
<u>Overnight Investments</u>				
STAR Ohio	\$40,993,195	5.43%		
Fifth Third Bank Concentration Account	\$115,182	0.00%		
Subtotal Overnight Investments / Average Rate	<u>\$41,108,377</u>	5.41%		
<u>Securities & CD's</u>				
Fifth Third Bank Custody Account:				
Agency Bond	\$81,886,679	4.49%		
Certificate of Deposit	\$992,327	0.76%		
Commercial Paper	\$18,101,695	5.18%		
U.S. Treasury Bill	\$383,936	4.42%		
U.S. Treasury Bond	\$3,287,608	2.17%		
U.S. Treasury Note	\$32,989,861	3.73%		
Subtotal Securities & CD's / Weighted Yield / Maturity	<u>\$137,642,106</u>	4.31%	584	610
Total All Securities (8/31/2024) / Weighted Yield				
	<u>\$178,750,483</u>	4.57%		
Total All Securities (7/31/2024) / Weighted Yield				
	<u>\$179,289,114</u>	4.64%		
Funds provided by (required for) Operations during August	(\$159,631)		Monthly Investment Income \$	680,946
Funds provided by (required for) Capital during August	(\$379,000)		Year to Date Investment Income \$	6,434,085
Change in Cash during August 2024	<u>(\$538,631)</u>			

Note: Total All Securities (8/31/2023) \$183,916,760

Reviewed and approved by:

Tim Walker
Chief Financial Officer



**Infrastructure Investment of Funds Report
August 31, 2024**

	Principal Amount	8/31/2024 Yield	Sec Days	Days to Maturity
<u>Overnight Investments</u>				
STAR Ohio	\$41,409,390	5.43%		
Trust Account/Fed Govt Oblig Issue Money Market Fund	\$193,700	5.16%		
Fifth Third Bank Infrastructure Account	\$202,776	0.00%		
Subtotal Overnight Investments / Average Rate	<u>\$41,805,866</u>	<u>5.40%</u>		
<u>Securities & CD's</u>				
Fifth Third Bank Custody Account:				
Agency Bond	\$32,461,110	4.39%		
Commercial Paper	\$12,077,793	5.40%		
U.S. Discount Note	\$2,398,834	5.11%		
U.S. Treasury Bond	\$9,410,352	3.83%		
U.S. Treasury Note	\$28,705,503	4.60%		
Subtotal Securities & CD's / Weighted Yield / Maturity	<u>\$85,053,592</u>	<u>4.55%</u>	442	460
Total All Securities (8/31/2024) / Weighted Yield / Maturity				
	<u>\$126,859,458</u>	4.83%		
Total All Securities (7/31/2024) / Weighted Yield / Maturity				
	<u>\$123,894,485</u>	4.83%		
Funds provided by (required for) Tax Receipts during August	\$ 3,656,875		Monthly Investment Income \$	543,590
Funds provided by (required for) Payouts during August	\$ (691,902)		Year to Date Investment Income \$	4,056,285
Change in Cash during August 2024	<u>\$ 2,964,973</u>			

Note: Total All Securities (8/31/2023) \$94,811,323

Reviewed and Approved by:

Tim Walker
Chief Financial Officer



Attachments:
Action Item
Healthcare

BOARD OF TRUSTEES
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY
MOTION

APPROVAL OF REVISED SORTA TRAVEL TRAINING POLICY

I move that the SORTA Board approve the Revised SORTA Travel Training policy and authorize the CEO/General Manager/Secretary-Treasurer or their designee to implement the policy effective immediately.



BOARD OF TRUSTEES ACTION ITEM

DATE: September 24, 2024

FROM: Adriene Hairston, Senior Vice President of Human Resources

PROJECT NO.:

REQUEST: Revised SORTA Travel, Meals and Entertainment Policy

BACKGROUND

SORTA's Travel, Meals and Entertainment Policy was adopted by the Board effective July 16, 2013.

BUSINESS PURPOSE

The Revised SORTA Travel, Meals and Entertainment Policy provides additional clarity and clear guidance for employees and Board members who travel, for meals provided on behalf of SORTA and accepting things of value. It aims to ensure cost-effectiveness, efficient travel planning and proper use of procedures for approval and reimbursement of travel expenses.

PROJECT FINANCING

There are no financial considerations.

PROJECT PROCUREMENT

N/A

PROJECT DIVERSITY

N/A

RECOMMENDED BOARD ACTION

Approval of the revised SORTA Travel, Meals and Entertainment Policy.



SORTA TRAVEL, MEALS AND ENTERTAINMENT POLICY

(Adopted by Board of Trustees)

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Purpose and Scope

The Southwest Ohio Regional Transit Authority (SORTA) Policy Concerning Providing Amenities and Meals, Reimbursement of Expenses, and Accepting Things of Value are as follows:

Section I

Amenities and Meals for Employees, Trustees, and Others

A. Amenities

Coffee, tea, water and soft drinks may be provided to SORTA employees, ~~managers,~~ trustees and visitors at any time and at any place while SORTA business is being transacted.

B. Provision of Meals

Meals provided by SORTA must be of only moderate value (the MI&E limits for greater Cincinnati should be used as a guideline) and ~~may~~ shall not include alcoholic beverages.

Approval of provision of any meal is to be given only when it is clearly for SORTA's convenience and in the public interest. Additional requirements must also be met for certain groups as explained below:

1. Meals for SORTA Employees

Meals may be provided by SORTA to SORTA employees (including SORTA's management contractor) only under the specific circumstances stated below:

- a) **Necessity**: when it is necessary for employees to work or train through a normal meal hour without any interruption or when, although an interruption for meals is possible, the time available for meals is so short that employees cannot reasonably be expected to obtain proper meals elsewhere within that time. The meal may be breakfast, lunch or dinner and must be provided on SORTA's regular business premises. This provision does not permit meals to be provided during routine meetings of employees.
- b) **Overtime**: when employees are required to work overtime and the meals enable the employees to work overtime. Meals may be provided whether or not the employees receive additional compensation for their overtime work.

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(Adopted by Board of Trustees)

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- c) **Training:** during the course of employee in-person training sessions when, although adequate time for meals is available, the taking of meals together by the employees being trained will provide a significant opportunity for worthwhile informal discussion of the training subject matter and significantly enhance the effectiveness of the training. The meal must be provided at the training location.
- d) **Awards and Recognition:** as part of programs for the promotion or recognition of employee safety, efficiency or other excellence in the conduct of SORTA's business. The meal must be provided at the location of the program or at a location approved by the CEO.

2. Meals for SORTA Trustees

Meals may be provided to SORTA Trustees under the specific circumstances stated below:

- a) **Recognition:** as part of programs for the promotion or recognition of excellence in the conduct of SORTA's business.
- b) **Board and Committee Meetings:** during the course of meetings of the Board of Trustees or committees thereof when the trustees cannot reasonably be expected to obtain proper meals elsewhere within that time. The meal may be breakfast, lunch or dinner and must be provided on SORTA's regular business premises.
- c) **Other Meetings:** when employees are meeting with Board Trustees during a normal meal hour to discuss SORTA business. The meal may be provided at restaurants, hotels or similar facilities must be of only moderate value and may-shall not include alcoholic beverages.

3. Meals for Others

Meals may be provided to persons other than SORTA employees and trustees under the following circumstances:

- a) The meal is reasonably necessary and expected to obtain a specific benefit to SORTA in the conduct of a function or duty of SORTA.
- b) There must be a business meeting, negotiation, discussion, promotion or other bona fide business function.

SORTA TRAVEL, MEALS AND ENTERTAINMENT POLICY

(Adopted by Board of Trustees)

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- c) The principal aspect of the meal must be the active conduct of SORTA’s business.
- d) The number of SORTA representatives included in the meal must not be unreasonable.
- e) The surroundings in which the meal is taken must be conducive to the business function and without substantial distraction.
- f) Providing or offering to provide the meal must not violate any prohibitions or code of conduct for public officers, employees, or contractors contained in any federal, state or local statute or regulation.

An expense report with detailed receipts attached should be submitted within ~~fifteen~~ (10) business days ~~(15) business days~~ after the expenditure. The report must **contain documentation of the business purpose of the expense and** be approved by the employee’s ~~immediate supervisor~~ Direct Manager and the appropriate Executive ~~Director~~ Officer (“EDEO”)/Chief. ~~All expense reports must also be approved by the CFO prior to reimbursement.~~

Section II

Reimbursement by SORTA of Trustee & Employee Expenses

Employees and Trustees shall, at all times, use prudent judgment in the use of SORTA resources, incurring only necessary expenses to carry out official SORTA business.

A. Eligibility

Full-time, regular employees who have completed six-months of employment are eligible under this travel/training policy.

- a. Employees must be in good standing; no formal disciplinary actions received within 3 months of the request.
- b. Must be a current full-time employee at time of reimbursement to receive payment.
- c. Employee has not received formal disciplinary action at any time after approval has been granted and before the travel/training is completed.

Requests for exceptions to the policy must be made in writing and approved by the employee’s Executive Officer and Human Resources Executive.

A.B. Local Travel Expenses

1. Local travel shall be defined as travel not requiring overnight

SORTA TRAVEL, MEALS AND ENTERTAINMENT POLICY

(Adopted by Board of Trustees)

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accommodations and does not require completion of a "Travel/Training Request" form. An employee shall obtain prior approval, which may be given verbally, from the employee's Direct Manager prior to local travel while in SORTA business. Employees are encouraged to use SORTA vehicles whenever possible. Expenditures incurred for operation of the SORTA vehicle will be reimbursed, including parking and fuel expenses, with a receipt. Parking fines are not reimbursable. Personal vehicle use is only reimbursable if a SORTA vehicle is not available or under unusual circumstances. If a personal vehicle is used for business purposes, mileage will be reimbursed ~~less the miles for the employee's normal commute to and from the employee's work location.~~

B.C. Out of Town Travel and All Training Expenses

1. Authorization

SORTA Trustees and employees must obtain prior approval prior to booking any costs associated with the out-of-town travel and/or all training (both in-person and online). This includes registration fees, airlines and hotel expenses. Prior to departure, employees ~~Employees~~ traveling outside the area served by SORTA must complete a "Travel/Training Request" form, which should shall be submitted completed and approved at least 30 days in advance of travel. The procedure to obtain approval shall occur in the following order: attach the program/agenda, and obtain the proper approvals from the appropriate Executive Director ("ED"), Chief Financial Officer ("CFO"), Chief Operations Officer ("COO") or Chief Executive Officer ("CEO"). The CFO and COO must obtain approval of the Chief Executive Officer ("CEO").

- The employee shall sign and complete a Travel/Training request Form and attach the program/agenda and estimates of reimbursable expenses the employee expects to incur
- The employee's Direct Manager shall review the request, including but not limited to the details of the program/event, dates of travel and actual dates of program, number of employees within department making the trip, explanation of request, reasonableness of expenses and indicate approval of the travel by signing the form;
- The employee's Executive Officer shall review and indicate approval by signing the form. Travel by members of the executive team shall be approved by the Chief Executive Officer.
- The Human Resources Executive shall review the form and indicate approval by signing the form. Once approved, a copy will be forwarded to the employee and retained in the employee's personnel file.

Travel by Trustees, the Secretary-Treasurer, or the CEO must be approved in

SORTA TRAVEL, MEALS AND ENTERTAINMENT POLICY

(Adopted by Board of Trustees)

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advance by the SORTA Board Chairperson or the Chairperson of the Finance Committee.

a. Time of Travel at SORTA's Expense:

An employee travelling out of town on SORTA business may begin travel at SORTA's expense no earlier than the day before the event begins and end such travel at SORTA's expenses no later than the day after the event ends. An employee who elects to extend travel may do so at his/her own expense.

b. Travel Cancellation:

In the event of cancellation, whether the cancellation was initiated by the organizer or the employee, the employee shall notify the Direct Manager, Human Resources Executive and Director of Accounting. It is the responsibility of the employee to cancel all associated expenditures including flights and hotels.

2. Expenses Prior to Travel Cash Advances

Upon approval of the Travel/Training Request Form by the Human Resources Executive, the employee shall use a SORTA P-Card to pay for all approved expenses prior to travel including registration, flights and hotels. heCash advances will not be provided. A voucher request form approved by an employee's supervisor must be completed for cash advance requests. Advances are to be held to a minimum, and are not to cover items that will be charged. Requests for an advance must be in Accounts Payable Department by the prior Friday to receive a check by the next Thursday or Friday.

3. Transportation Costs

Travel by air or other means must be at the lowest available rate for the most direct route and does not include the costs of flight upgrades or additional flight services. Unused tickets or flight credits issued to the employee for cancelled or rescheduled flights must be reported in the expense report under Section II.C. If an employee chooses to travel in a personal vehicle, mileage will only be reimbursed up to the amount of the lowest available rate of air travel. Car rental is available if it is more economical than using other modes of transportation. The employee shall include the cost of liability insurance and loss damage waiver of transportation in determining whether car rental is the most economical option. requires prior approval from the appropriate ED or Chief and is only permissible if no transit option is available.

Travel in personal vehicles will be reimbursed at the rate permitted by the Internal Revenue Service for business mileage. The business mileage rate includes provision for fuel. This rate does not cover incidentals to travel by automobile (i.e., fares, tolls, parking fees); these expenses must be separately reported. If an

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employee chooses to travel in a personal vehicle, mileage will only be reimbursed up to the amount of the lowest available rate of air travel.

Employees traveling in Authority-owned vehicles will be reimbursed only for out-of-pocket expenses required for the operation of the vehicles such as fuel and parking. Each such expense -must be listed separately.

*Pursuant to the P-card policy 5.5.3.1, travel expenses charged to the P-card are limited to airfare, event registration, and hotel accommodations.

4. **Living Allowances**

Lodging – Single occupancy accommodations in the medium price range for the locale shall be paid for using a SORTA P-Card~~will be reimbursed~~. Higher priced accommodations will require written explanation and prior approval.

5. **Meetings, Seminars, Training Sessions**

Registration fees for approved business meetings and seminars ~~(both in-person and online) will be reimbursed~~ shall be paid using a SORTA P-Card.

SORTA TRAVEL, MEALS AND ENTERTAINMENT POLICY

(Adopted by Board of Trustees)

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6. Meals and Incidental Expense (“M&E”)

An employee shall be reimbursed for meals and incidental expenses incurred while travelling on SORTA business upon submitting an expense report after travel is completed.

Meal and incidental expenses will be reimbursed at a daily per diem allowance for travel in the Continental United States (“CONUS”) based on the destination city’s rate set by the General Services Administration (“GSA”) index which can be found at www.gsa.gov on the Metronet under the Finance department.

Incidental expenses, as defined in the Federal Travel Regulations, ~~and~~ included in the daily M&E per diem allowance are listed as follows and are thus not separately reimbursable are:

- fees and tips given to porters, baggage carriers, bellhops, and ~~hotel maids~~ staff
- ~~transportation to and from meals~~
- coffee break and snack expenses
- ~~all phone expenses, other than those on a prepaid SORTA provided telephone card~~

Receipts for these meals and incidental expenses do not need to be submitted with the final travel expense report; however, a copy of the CONUS (Continental United States) index for the respective city must be attached.

The per diem will be calculated based on time of travel under this policy subject to Section II.B.1.a. starts on the day you depart your home or office and ends on the day you return to your home or office. The M&E allowance will be paid based on the following table: Please use the rates on the GSA Meals and Incidentals for first and last day of travel.

<u>When travel is:</u>	<u>Your allowance is:</u>
<u>More than 12 but less than 24 hours</u>	<u>75 percent of the applicable M&E rate</u>
<u>24 hours or more, on: The day of departure</u>	<u>75 percent of the applicable M&E rate</u>
<u>Full days of travel</u>	<u>100 percent of the Each such expense</u>
<u>The last day of travel</u>	<u>75 percent of the applicable M&E rate</u>

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7. Non-Reimbursable Items:

- Premiums for air travel insurance.
- Upgraded flight expenses.
- Damage to car rentals.
- Expenses for personal activities, including transportation.
- Car rentals for non-business purposes.
- Fines for violation of laws.
- Donations to charities or political parties.
- Loss or damage of personal items, including baggage.
- Alcoholic beverages.
- Loss of cash advance.
- Clothing or clothes cleaning.
- Personal items.
- Hair care.
- Lodging other than self.

8. Travel Expense Report Required Documentation

Upon completion of travel, the employee shall be reimbursed for all approved travel expenses and M&I, subject to SORTA policy, by submitting a SORTA travel expense report.

The employee shall submit the travel expense report ~~A detailed expense report should be submitted~~ within ten (10) ~~fifteen (15)~~ business days after the completion of a trip.

The employee must sign the form and attach copies ~~A copy~~ of the approved "Travel/Training Request" form, receipts for all items ~~in excess of \$25.00,~~ and the applicable GSA index for the respective city for M&IE expenses ~~must be attached.~~ The report must **contain documentation of the business purpose of the expense and be approved by the employee's immediate supervisor.** All expenses related to the travel must be included in the expense report and any costs paid by a SORTA P-Card must be noted on the expense report.

a. The employee's Direct Manager shall review and sign the form to ensure that all items in the report

This approval means that the supervisor has reviewed all the items in the report and believes that they were reasonable and incurred for good business purposes. Managers should confirm all costs and receipts are included in the report prior to processing.

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b. The report must then be approved by the appropriate Executive Officer (ED, CFO, COO, or the CEO for members of the Executive Leadership Team). ~~All reports must be approved by the CFO before reimbursement will be made.~~

c. General Accounting will audit all reports for accuracy and adherence to policy.

Trustees, the CEO, and the Secretary-Treasurer traveling on SORTA business will have such statement approved by the Chairperson of the SORTA Board or by the Chairperson of the Finance Committee of SORTA.

Actual Receipts-receipts (not estimates or booking confirmations) are required for all expenses ~~in excess of \$25.00~~. When receipts ~~cannot~~ cannot be reasonably obtained, written explanations should note the amount, nature, purpose, and date of the expense. Credit card slips are not considered equivalent to actual receipts unless they are itemized receipts.

If a vendor's receipt does not clearly indicate the amount, nature, purpose, and date of an expense, the employee ~~should~~ shall add this information and sign the receipt.

Section III

Accepting Things of Value

~~No~~ SORTA trustee, ~~manager~~ or employees shall NOT solicit or accept anything of value that exceeds \$25 or is of such a character as to manifest a substantial and improper influence ~~upon him~~ with respect to their respective his duties at SORTA.

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Section IV

Prior Inquiry

SORTA employees and trustees are strongly encouraged to inquire in advance if they have any doubts about the propriety under this policy of any contemplated expenditure or other action.



Attachments:
Action Item
Healthcare

BOARD OF TRUSTEES
SOUTHWEST OHIO REGIONAL TRANSIT AUTHORITY
MOTION

APPROVAL OF HEALTHCARE

I move that the SORTA Board approves the 2025 Health Care Plan.



BOARD OF TRUSTEES ACTION ITEM

DATE: September 17, 2024
FROM: Adriene Hairston, Sr. VP of Human Resources
 Vicki Barker, Director of Human Resources

PROJECT NO.: 2025 Healthcare Program

REQUEST: Contract

BACKGROUND

SORTA provides health insurance coverage for 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 provide health care benefits for all eligible participants at a sustainable cost. Provide 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:

United Healthcare is a one (1) year agreement beginning January 1, 2025, with a total expenditure of \$229,642 an increase from \$205,897 in 2024.

UHC Stop Loss is a one (1) year agreement beginning January 1, 2025, with a total expenditure of \$928,872, an increase from \$723,977 in 2024.

Delta Dental (new dental carrier replacing Dental Care Plus) is a 3-year admin rate guarantee beginning January 1, 2025, with a total expenditure of \$141,369.

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 United Healthcare, Inc. (UHC) for Services for the 2025 healthcare program



Healthcare
Finance Committee Presentation
September 17, 2024/ Vicki Barker

Agenda

2023 / 2024 Update

- 2023/24 Medical Plan Performance
- Enrollment Management Services (EMS) Update

2025 Program

- 2025 Medical Renewal Overview
- 2025 Projection
- Stop Loss Renewal
- UnitedHealthcare Features
- Employee Contribution Impact
- Medical Recommendation
- Dental Recommendation
- 2024 New and Continued Healthcare Initiatives
- Healthcare Calendar



2023 / 2024 Program Update

2023 / 2024 Medical Plan Performance

- 2023 healthcare plan ran at 111.6% of projected resulting in a deficit of \$1,467,729
 - \$1.5M equates to 12.4% of YTD 2023 budget
- YTD 2024 through July medical plan ran at 101.8% of projected resulting in a deficit of \$150K
 - \$150K equates to 1.1% of YTD 2024 budget
 - Driven by large claimant activity – 12 claims over \$100K YTD
 - 2023 Plan year had 16 large claims over \$100K

Enrollment Management Services (EMS) Update

- EMS team works directly with members to help facilitate enrollment in alternate insurance options
 - As voluntary enrollment changes are made, individual outcomes are improved while the Group Plan benefits from reduced claims and fixed costs
- EMS proactively offers support to members
 - Weekly New Hire Orientation, benefit termination, referrals from HR, or census data
 - 276 employees are currently participating in the program (Up from 248 in August 2023)
- EMS results through June 2024 (Report released quarterly)

	Financial Impact
Claims & Admin Fee Reduction	\$2,524,284
EMS Service Fee (Annual)	\$80,000
Opt-Out Credits	\$864,600
Net Savings to SORTA	\$1,579,684
ROI	267%



2025 Program

Total Cost Summary

	UnitedHealthcare 2024 Budget	UnitedHealthcare 2024 Projection	UnitedHealthcare 2025 Budget
Administration	\$205,897	\$234,909	\$229,642
Specific Stop Loss	\$663,280	\$860,814	\$853,267
Aggregate Stop Loss	\$60,697	\$65,540	\$75,605
Claims Projection	\$12,848,450	\$14,543,850	\$14,581,345
ACA Fees	\$4,675	\$5,078	\$5,072
TOTAL	\$13,782,999	\$15,710,191	\$15,744,930
\$ Change from 2024	-	-	+\$1,645,624
% Change from 2024	-	-	+11.7%

- 2025 Budget based on data through June 2024
- Overall increase 2024 Budget to 2025 Budget: +11.7%

2025 Medical Projection

	Total Spend	Enrollment	Avg. Cost Per Unit/Enrollment
2024 Budget – UHC	\$13,782,999	732	\$18,829
2024 Projection – UHC	\$15,710,191	760	\$20,671
2025 Budget – UHC	\$15,744,930	760	\$20,717

- Projected medical cost increase per enrolled unit is +11.7% (2024B vs 2025B)
- 2025 budget includes illustrative stop loss renewal – *UHC requires data through August 2024 to finalize renewal*

Stop Loss Renewal

- UnitedHealthcare's stop loss is projected to increase 23.6% (+\$177K)
 - Final renewal expected to be released by end of September – ***UHC requires data through August 2024 to finalize***
 - Illustrative renewal does not include lasers*
- Executed stop loss market bid, but market either declined to quote OR rates were not competitive against illustrative renewal released from UHC
- In line with trend of +20% driven by increase in large claimant frequency risk over past 24 months

*Laser: Additional amount SORTA will be responsible for prior to stop loss reimbursement

Financial Guardrails

- SORTA participated in UHC's aggregate share program which split claims risk at 50/50 if actual claims exceeded 100% projected for 2023, (limiting SORTA's liability as a self-funded plan)
 - Ensures UHC has a vested interest in managing claims appropriately
 - Typical arrangement begins splitting claims at 125% of projected
- SORTA's refund from the program was \$947,234 and was posted to SORTA's account in July 2024
- UHC ***will not*** renew the aggregate share program & is no longer offering to new UHC clients

UnitedHealthcare Health Engagement Nurse

UHC's Health Engagement Nurse is a dedicated, full-time, onsite resource to SORTA's employees and helping them take actionable steps towards improving their health factors

Focus Areas:

- Preventive Care Education
- UHC Resources & Tools
- Chronic Condition Management

Key Metrics (YTD 2024):

- Individual Session: 309 with 147 unique employees
- 68 employees had 2+ individual sessions reaching higher risk population on average
- Group Sessions: 98 attended by 6242 attendees (average: 64 attendees per session)
- Healthcare Referrals: 83
- Session location breakout: Each location had a range of 68 -133 individual sessions

2025 Medical Recommendations

Based on uncompetitive stop loss market bid results, minimal employee impact, maximum projected costs, and other features, the recommendation for approval:

- ***Renew with UHC for medical, pharmacy, and stop loss administration***

2025 Dental Coverage and Recommendations

Dental Program Costs	2024 Budget	2025 Projection	2024 Budget v. 2025 Projection
Self-Funded Dual Option	\$407,866	\$451,165	+10.6% or +\$43K

Based on expected costs, negative feedback from employees on current dental network & experience, the recommendation for approval:

- ***Move to Delta Dental for dental coverage***
 - 3-Year admin rate guarantee

2025 New and Continued Healthcare Initiatives

New: Effective 1/1/2025

- Voluntary Long-Term Disability – Symetra
- Dental Carrier Change – Delta Dental
- Chronic Disease Programs

Continued

- UnitedHealthcare Health Engagement Nurse
- Engagement Campaign
- Enrollment Management Services
- Nicotine Cessation Program
- Biometric Screening
- Annual Preventive Physical
- Flu Shots
- Mammography Van
- TriHealth Employee Assistance Program (EAP)

Healthcare Calendar

September 17 th	Board approval of 2025 program
September 30 th – October 2 nd	Benefit literacy meetings
October/November 2024	Biometric screenings conducted
October 21 st – November 2 nd	Open Enrollment period
November 25 th	Preventive Health Physical deadline
January 1st, 2025	Plan year begins



Thank You

Medical Employee Contribution Impact

HDHP - Wellness								
	Current			January 1, 2025 Renewal				
Tier	Current Total Rate	EE Rate (\$)	EE Rate (%)	Renewal Total Rate	EE Rate (\$)	EE Rate (%)	EE Rate \$ Δ	Annual EE \$ Change
Single	\$837.61	\$82.24	10%	\$935.37	\$91.84	10%	\$9.60	\$115.18
Family	\$2,324.82	\$228.25	10%	\$2,596.16	\$254.89	10%	\$26.64	\$319.68
PPO								
	Current			January 1, 2025 Renewal				
Tier	Current Total Rate	EE Rate (\$)	EE Rate (%)	Renewal Total Rate	EE Rate (\$)	EE Rate (%)	EE Rate \$ Δ	Annual EE \$ Change
Single	\$833.54	\$81.84	10%	\$930.83	\$91.39	10%	\$9.55	\$114.63
Family	\$2,313.52	\$227.15	10%	\$2,583.55	\$253.66	10%	\$26.51	\$318.15
HDHP - Non-Wellness								
	Current			January 1, 2025 Renewal				
Tier	Current Total Rate	EE Rate (\$)	EE Rate (%)	Renewal Total Rate	EE Rate (\$)	EE Rate (%)	EE Rate \$ Δ	Annual EE \$ Change
Single	\$837.61	\$139.81	17%	\$935.37	\$156.13	17%	\$16.32	\$195.84
Family	\$2,324.82	\$388.03	17%	\$2,596.16	\$433.32	17%	\$45.29	\$543.48
PPO - Non-Wellness								
	Current			January 1, 2025 Renewal				
Tier	Current Total Rate	EE Rate (\$)	EE Rate (%)	Renewal Total Rate	EE Rate (\$)	EE Rate (%)	EE Rate \$ Δ	Annual EE \$ Change
Single	\$833.54	\$139.12	17%	\$930.83	\$155.35	17%	\$16.23	\$194.76
Family	\$2,313.52	\$386.14	17%	\$2,583.55	\$431.21	17%	\$45.07	\$540.84

Dental Employee Contribution Impact

Non-Ortho PPO - Union				Non-Ortho PPO - Union			
Current				January 1, 2025 Renewal			
Tier	Current Total Rate	EE Rate (\$)	EE Rate (%)	Renewal Total Rate	EE Rate (\$)	EE Rate (%)	EE Rate \$ Δ
Single	\$18.83	\$8.30	44%	\$20.83	\$9.16	44%	\$0.86
Family	\$60.14	\$30.76	51%	\$66.52	\$33.93	51%	\$3.17
Non-Ortho PPO - Non-Union				Non-Ortho PPO - Non-Union			
Current				January 1, 2025 Renewal			
Tier	Current Total Rate	EE Rate (\$)	EE Rate (%)	Renewal Total Rate	EE Rate (\$)	EE Rate (%)	EE Rate \$ Δ
Single	\$18.83	\$13.52	72%	\$20.83	\$15.00	72%	\$1.48
Family	\$60.14	\$37.07	62%	\$66.52	\$41.24	62%	\$4.17
Ortho PPO				Ortho PPO			
Current				January 1, 2025 Renewal			
Tier	Current Total Rate	EE Rate (\$)	EE Rate (%)	Renewal Total Rate	EE Rate (\$)	EE Rate (%)	EE Rate \$ Δ
Single	\$21.09	\$9.29	44%	\$23.33	\$10.27	44%	\$0.98
Family	\$67.34	\$34.44	51%	\$74.49	\$37.99	51%	\$3.55