



Mid-Ohio Regional
Planning Commission

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Memorandum

TO: William Murdock, Executive Director
Executive Committee

FROM: Shawn Hufstedler
Chief of Staff & Director of Operations

DATE: February 23, 2018

SUBJECT: Financial Report – December 2017

Summary

At December 31, 2017 our cash position was \$1,363,980 in the operating account, which is greater than the 30-day target threshold balance. For the year ending December 31, 2017 the fringe rate variance was slightly unfavorable, and the indirect rate was better than projected.

Operating Income (Change in Net Position)

There has been a decrease in net position (loss from operations) for the year ending December 31, 2017 of -\$192,410. This is primarily the result of costs that have not been recovered in the weatherization programs (-\$279,700) and building due diligence costs (-\$39,500), offset by unexpended member dues (+\$78,000) and overall net surpluses from various MORPC-sponsored events such as the State of the Region, Ohio Conference on Freight, and Summit on Sustainability (+\$49,700).

Member Dues

Member dues revenue was 8.2% of the year-to-date operating revenue. Dues revenue recognized (excluding Leasehold Improvements and Building Due Diligence, which are budgeted from prior year dues) was \$6,587 greater than the budgeted annual dues. Use of member dues was under budget \$241,870, including the prior year dues budgeted for use. Use of all current year and prior year member dues, including building due diligence and office improvement activities were as follows:

William Murdock, AICP
Executive Director

Matt Greeson
Chair

Rory McGuiness
Vice Chair

Karen J. Angelou
Secretary

<u>Use of Member Dues</u>	<u>Year-to-date 12-31-2017</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance (Over) Under</u>
Services to Members	\$369,029	\$322,036	\$ 53,157
Local Matching Funds	287,928	280,864	7,064
Development Fund	93,710	98,564	(4,854)
Building Lease	100,092	101,222	(1,130)
Member Services Coordination	91,675	85,511	6,164
Leasehold Improvements & Building Due Diligence	210,000	39,549	170,451
Other	46,387	29,346	17,041
Total	\$1,214,284	\$972,414	\$ 241,870

Fringe Benefit and Indirect (Overhead) Variances

Fringe Benefits

The actual fringe benefit cost rate for the year-to-date is 63.21% which is higher than the budgeted rate of 63.0%, creating an unfavorable variance for the year of \$6,373.

Indirect (Overhead)

The actual indirect cost variance for the year-to-date first quarter is 52.11% which is lower the budgeted rate of 54.50%, resulting in a favorable variance for the year-to-date of \$112,486. Total indirect department expenses were significantly under budget for the year, resulting in the favorable variance.

Statement of Net Assets

- Operating cash on hand is \$1,363,980 which was equal to 34 days of cash flow. The Hope 3 Trust account holds cash of \$40,574 restricted for NSP usage. The building reserve account is \$1,026,135; operating reserve account is at \$1,316,048; and management reserve is \$101,189. The building improvement/maintenance fund holds \$684,606.
- Accounts Receivable totaled \$2,053,102 compared to \$1,465,167 at the end of December 2016.
- Accounts Payable, plus Other Accrued Liabilities, were \$361,664, less than the \$442,357 balance at the end of December 2016.

Expenses and Appropriations

Expenses for the year ending December 31, 2017 totaled \$12,291,234 or 83.0% of the total year's operating appropriations of \$14,814,194 as MORPC spent well within annual appropriations.

Operating Reserve

The \$1,363,980 of operating cash at December 31, 2017 is equivalent to 34 days of expenditures, which is greater than the 30-day target threshold established in the Operating Reserve Policy.

The \$1,311,863 balance of the operating reserve at December 31 is held in STAROhio, and has not been utilized year-to-date. Combining both the operating reserve balance and the operating cash balance equates to 67 days of expenditures, which is above the 60-day target threshold as per the Operating Reserve Policy. Interest earned and allocated to the operating reserve in 2017 was \$14,841.

MORPC
Statement of Net Position
As of 12/31/2017

	<u>Balance at</u> <u>12/31/2017</u>	<u>Balance at</u> <u>11/30/2017</u>	<u>Monthly</u> <u>Difference</u>	<u>Balance at</u> <u>12/31/2016</u>	<u>Yearly</u> <u>Difference</u>
Assets					
Current Assets					
Cash	\$1,363,980	\$763,641	\$600,339	\$1,249,215	\$114,766
Cash-Designated for Building Improvement	684,606	725,548	(40,942)	722,584	(\$37,978)
Cash-Operating Reserve	1,316,048	1,314,571	1,477	1,301,207	\$14,841
Cash-Building Reserve	1,026,135	1,024,986	1,149	1,014,592	\$11,543
Cash-Management Reserve	101,189	101,079	109	100,089	\$1,099
Cash with Trustee NSP1 Franklin Co	40,574	42,114	(1,540)	42,050	(\$1,476)
Accounts Receivable	2,053,102	2,227,329	(174,227)	1,465,167	\$587,936
Prepaid Expenses	<u>164,735</u>	<u>125,002</u>	<u>39,733</u>	<u>101,418</u>	<u>\$63,317</u>
Total Current Assets	6,750,371	6,324,272	426,099	5,996,322	\$754,048
Non-Current Assets					
Forgivable Mortgages	72,010	75,211	(3,202)	104,274	(\$32,264)
Fixed Assets	579,201	579,201	0	562,267	\$16,934
Contributed Assets	369,976	369,976	0	369,976	\$0
Accumulated Depreciation	(864,739)	(858,273)	(6,466)	(804,703)	(\$60,036)
Total Non-Current Assets	156,448	166,115	(9,667)	231,814	(\$75,366)
Deferred Outflows of Resources					
GASB 68 Pension	<u>2,076,372</u>	<u>2,076,372</u>	<u>0</u>	<u>2,076,372</u>	<u>\$0</u>
Total Deferred Outflows of Resources	<u>2,076,372</u>	<u>2,076,372</u>	<u>0</u>	<u>2,076,372</u>	<u>0</u>
Total Assets	<u>\$8,983,191</u>	<u>\$8,566,758</u>	<u>\$416,432</u>	<u>\$8,304,508</u>	<u>\$678,683</u>
Liabilities					
Current Liabilities					
Accounts Payable	\$321,890	\$219,051	\$102,839	\$382,282	(\$60,392)
Accrued Payroll	247,880	252,613	(4,733)	245,187	\$2,693
Accrued Fringe Benefits	167,193	65,710	101,483	74,107	\$93,086
Other Accrued Liabilities	39,774	39,774	0	60,075	(\$20,301)
Accrued PTO & Sick Leave	70,000	40,000	30,000	90,000	(\$20,000)
Deferred Income	1,436,749	1,021,356	415,393	645,523	\$791,226
Deferred Income-Member Dues	63,124	216,561	(153,437)	52,155	\$10,968
Deferred Income-Indirect Reserve	167,748	226,733	(58,985)	32,045	\$135,704
Deferred Fringe Benefit Reserve	<u>154,019</u>	<u>284,654</u>	<u>(130,635)</u>	<u>245,079</u>	<u>(\$91,060)</u>
Total Current Liabilities	2,668,377	2,366,452	301,926	1,826,453	\$841,925
Non-Current					
Accrued PTO & Sick Leave	404,948	450,158	(45,210)	338,111	\$66,837
HOPE 3 Deferred Income	6,748	7,449	(702)	15,166	(\$8,419)
Other Mortgages-Deferred Income	65,262	67,762	(2,500)	89,107	(\$23,845)
Accrued Building Lease Expense	0	0	0	5,405	(\$5,405)
GASB 68 Pension Liability	<u>5,418,085</u>	<u>5,418,085</u>	<u>0</u>	<u>5,418,085</u>	<u>\$0</u>
Total Non-Current	5,895,043	5,943,454	(48,411)	5,865,874	\$29,169
Deferred Inflows of Resources					
GASB 68 Pension	<u>416,480</u>	<u>416,480</u>	<u>0</u>	<u>416,480</u>	<u>\$0</u>
Total Deferred Inflows of Resources	<u>416,480</u>	<u>416,480</u>	<u>0</u>	<u>416,480</u>	<u>\$0</u>
Total Liabilities	8,979,900	8,726,386	253,514	8,108,807	\$871,093
Net Assets					
Beginning Net Assets	195,701	195,701	0	671,732	(\$476,031)
Current YTD Net Income	(192,411)	(355,329)	162,918	(476,031)	\$283,620
Total Net Assets	<u>3,290</u>	<u>(159,628)</u>	<u>162,918</u>	<u>195,701</u>	<u>(\$192,411)</u>
Total Liabilities and Net Assets	<u>\$8,983,191</u>	<u>\$8,566,758</u>	<u>\$416,432</u>	<u>\$8,304,508</u>	<u>\$678,682</u>

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance over / (under)</u>
Revenue			
Environment, Mapping & Transportation	\$ 6,489,648	\$ 7,586,151	\$ (1,096,503)
Energy and Air Quality	3,858,200	4,482,635	(624,435)
Housing & Community Services	761,578	1,447,928	(686,350)
Services to Members & Development	658,607	716,357	(57,750)
Other	523,201	430,466	92,735
Total Operating Revenues	\$ 12,291,234	\$ 14,663,537	\$ (2,372,303)
Expenses			
Salaries and benefits	\$ 6,452,752	\$ 7,170,226	\$ (717,474)
Materials and Supplies	166,189	550,000	(383,811)
Consultants, services and other	5,838,755	6,883,968	(1,045,213)
Depreciation	60,035	57,393	2,642
Total Expenses	\$ 12,517,730	\$ 14,661,587	\$ (2,143,857)
Operations income (loss)	\$ (226,496)	\$ 1,950	(228,446)
Interest Income	34,086	5,000	29,086
Increase (decrease) in net position	\$ (192,410)	\$ 6,950	\$ (199,360)

MID-OHIO REGIONAL PLANNING COMMISSION
SOURCES AND USES OF MEMBERS PER CAPITA FEES

Sources:	December 31, 2017			12 Months Ending December 31, 2017		
	Budget	Actual	Difference	Budget	Actual	Difference
Members Dues Recognized	\$ 83,690	\$ 84,239	\$ 549	\$ 1,004,284	\$ 1,010,871	\$ 6,587
Building Reserve	\$ 17,500	\$ 2,984	\$ (14,516)	\$ 210,000	\$ 39,549	\$ (170,451)
Total Members Per Capita Fees	\$ 101,190	\$ 87,224	\$ (13,967)	\$ 1,214,284	\$ 1,050,420	\$ (163,864)
Uses of Per Capita fees						
<u>Local Match</u>						
Transportation	\$ 23,577	\$ 14,989	\$ 8,589	\$ 282,928	\$ 280,864	\$ 2,064
Foundation Grants and Other	\$ 417	\$ -	\$ 417	\$ 5,000	\$ -	\$ 5,000
Total Local Match	\$ 23,994	\$ 14,989	\$ 9,005	\$ 287,928	\$ 280,864	\$ 7,064
<u>Services to Members</u>						
Executive Director Services to Members	\$ 6,000	\$ 4,010	\$ 1,990	\$ 72,000	\$ 72,843	\$ (843)
Proactive Legislative Activity	\$ 13,577	\$ 17,453	\$ (3,877)	\$ 162,920	\$ 146,755	\$ 16,165
Public Policy and Multijurisdictional Issues	\$ 6,392	\$ 3,365	\$ 3,026	\$ 76,700	\$ 52,943	\$ 23,757
Member Service Coordination	\$ 7,640	\$ 3,979	\$ 3,661	\$ 91,675	\$ 85,511	\$ 6,164
HR Services & Annual Salary Survey	\$ 417	\$ -	\$ 417	\$ 5,000	\$ 5,067	\$ (67)
OARC MIP Process through Finance	\$ 167	\$ 13	\$ 153	\$ 2,000	\$ 1,234	\$ 766
Mid-Ohio Finance Administrators (MOFA)	\$ 121	\$ -	\$ 121	\$ 1,450	\$ 1,214	\$ 236
Data Advisory Committee	\$ 833	\$ 2,613	\$ (1,779)	\$ 10,000	\$ 4,317	\$ 5,683
Sustainability Advisory Committee	\$ 1,667	\$ 2,767	\$ (1,101)	\$ 20,000	\$ 20,039	\$ (39)
Other Services to Members	\$ 1,580	\$ 2,141	\$ (561)	\$ 18,959	\$ 17,625	\$ 1,334
Total Services to Members	\$ 38,392	\$ 36,341	\$ 2,051	\$ 460,704	\$ 407,547	\$ 53,157
<u>Development Fund</u>						
Executive Director Development	\$ 5,833	\$ 3,983	\$ 1,851	\$ 70,000	\$ 70,773	\$ (773)
Executive Travel	\$ 1,358	\$ 965	\$ 393	\$ 16,300	\$ 17,184	\$ (884)
Board Travel	\$ 442	\$ -	\$ 442	\$ 5,300	\$ 7,160	\$ (1,860)
Other Development	\$ 176	\$ -	\$ 176	\$ 2,110	\$ 3,447	\$ (1,337)
Total Development Fund	\$ 7,809	\$ 4,948	\$ 2,862	\$ 93,710	\$ 98,564	\$ (4,854)
<u>Other Services</u>						
Building Lease Expense	\$ 8,341	\$ 8,470	\$ (129)	\$ 100,092	\$ 101,222	\$ (1,130)
Strategic Initiatives	\$ 2,308	\$ 3,447	\$ (1,139)	\$ 27,700	\$ 22,571	\$ 5,129
Diversity and Inclusion	\$ 2,083	\$ 4,207	\$ (2,124)	\$ 25,000	\$ 19,873	\$ 5,127
Sponsorships/Memberships	\$ 183	\$ -	\$ 183	\$ 2,200	\$ 2,225	\$ (25)
Leasehold Improvements	\$ 833	\$ -	\$ 833	\$ 10,000	\$ -	\$ 10,000
Building Due Diligence	\$ 16,667	\$ 2,984	\$ 13,682	\$ 200,000	\$ 39,549	\$ 160,451
Total Other	\$ 30,416	\$ 19,109	\$ 11,307	\$ 364,992	\$ 185,440	\$ 179,552
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost Overruns	\$ 579	\$ -	\$ 579	\$ 6,950	\$ -	\$ 6,950
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Contingency	\$ 579	\$ -	\$ 579	\$ 6,950	\$ -	\$ 6,950
Total Uses of Members Per Capita Fees	\$ 101,190	\$ 75,387	\$ 25,803	\$ 1,214,284	\$ 972,414	\$ 241,870
Dues under (over) expended	\$ -	\$ 11,836	\$ 11,836	\$ -	\$ 78,005	\$ 78,005

<u>Members Per Capita Fees Billed:</u>						
RPC Dues (\$.290)	\$ 46,074	\$ 46,594	\$ 520	\$ 552,892	\$ 559,130	\$ 6,238
MPO Dues (\$.195)	\$ 28,692	\$ 28,627	\$ (65)	\$ 344,300	\$ 343,519	\$ (781)
Associate Members Dues	\$ 583	\$ 583	\$ -	\$ 7,000	\$ 7,000	\$ -
Building (\$.0525)	\$ 8,341	\$ 8,435	\$ 94	\$ 100,092	\$ 101,222	\$ 1,130
Sub-total Members Per Capita Fees Billed:	\$ 83,690	\$ 84,239	\$ 549	\$ 1,004,284	\$ 1,010,871	\$ 6,587
Members Dues Recognized:		\$ 84,239		\$ -	\$ 1,010,871	
Members Dues (Over) Under recognized		\$ 0			\$ 0	