



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: September 4, 2018

SUBJECT: Financial Report – July 2018

Summary

At July 31, 2018 our cash position was \$1,810,001 in the operating account, which is greater than the 30-day target threshold balance. For the year-to-date ending July 31, 2018 the fringe rate variance was favorable, 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-to-date ending July 31, 2018 of (\$339,327). This is primarily the result of costs that have not been recovered in the weatherization programs (\$122,916), building due diligence/leasehold improvement costs (\$25,440), and a reduction in 2018 revenues which relate to cash received from COTA in 2017 but not spent in 2017, recorded instead as prior year revenue (\$191,269).

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 \$30,795 less than the 2018 annual dues billed. Use of member dues was under budget \$198,510, 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

Rory McGuiness
Chair

Karen J. Angelou
Vice Chair

Erik J. Janas
Secretary

<u>Use of Member Dues</u>	<u>Year-to-date 07-31-2018</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>(Over) Under</u>
Services to Members	\$229,426	\$218,931	\$ 10,495
Local Matching Funds	170,461	170,033	428
Development Fund	50,508	55,506	(4,998)
Building Lease	81,296	81,757	(461)
Member Services Coordination	62,581	57,799	4,782
Leasehold Improvements & Building Due Diligence	204,166	25,440	178,726
Other	34,095	24,557	9,538
Total	<u>\$832,533</u>	<u>\$634,023</u>	<u>\$ 198,510</u>

Fringe Benefit and Indirect (Overhead) Variances

Fringe Benefits

The actual fringe benefit cost rate for the year-to-date is 59.09% which is lower than the budgeted rate of 61.0%, creating a favorable variance for the year of \$34,500.

Indirect (Overhead)

The actual indirect cost variance for the year-to-date first quarter is 51.87% which is lower than the budgeted rate of 55.0%, resulting in a favorable variance for the year-to-date of \$108,791.

Statement of Net Assets

- Operating cash on hand is \$1,810,001 which was equal to 37 days of cash flow. The Hope 3 Trust account holds cash of \$40,838 restricted for NSP usage. The building reserve account is \$1,036,588; operating reserve account is at \$1,329,485; and management reserve is \$102,187. The building improvement/maintenance fund holds \$690,983.
- Accounts Receivable totaled \$1,591,772 compared to \$1,955,371 at the end of July 2017. The current year decrease is due to large balances owed on the HWAP and Rickenbacker Study programs last year.
- Accounts Payable plus Other Accrued Liabilities totaling \$250,428 were \$30,355 more than the \$220,073 balance at the end of July 2017. The increase is the result of a greater number of weatherization jobs, and corresponding level of subcontractor activity, compared to last year.

Expenses and Appropriations

Expenses for the year-to-date through July 31, 2018 totaled \$8,115,144 or 45.4% of the total year's operating appropriations of \$17,874,151.

Operating Reserve

The \$1,810,001 of operating cash at July 31, 2018 is equivalent to 37 days of expenditures, which is greater than the 30-day target threshold established in the Operating Reserve Policy.

The \$1,329,485 balance of the invested operating reserve at July 31, 2018 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 64 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 year-to-date through July 31, 2018 was \$13,436.

MORPC
Statement of Net Position
As of 07/31/2018

	<u>Balance at</u> <u>07/31/2018</u>	<u>Balance at</u> <u>06/30/2018</u>	<u>Monthly</u> <u>Difference</u>	<u>Balance at</u> <u>07/31/2017</u>	<u>Yearly</u> <u>Difference</u>
Assets					
Current Assets					
Cash	\$1,810,001	\$1,885,480	(\$75,478)	\$814,643	\$995,358
Cash-Designated for Building Improvement	690,983	689,923	1,060	722,705	(\$31,721)
Cash-Operating Reserve	1,329,485	1,327,175	2,310	1,309,251	\$20,233
Cash-Building Reserve	1,036,588	1,034,791	1,796	1,020,848	\$15,739
Cash-Management Reserve	102,187	102,016	171	100,685	\$1,502
Cash with Trustee NSP1 Franklin Co	40,838	40,791	47	42,050	(\$1,212)
Investments Greenways Fund	10,925	10,925	0	0	\$10,925
Accounts Receivable	1,591,772	1,487,949	103,823	1,955,371	(\$363,600)
Prepaid Expenses	<u>161,283</u>	<u>198,231</u>	<u>(36,948)</u>	<u>179,315</u>	<u>(18,032)</u>
Total Current Assets	6,774,062	6,777,280	(3,218)	6,144,933	\$629,128
Non-Current Assets					
Forgivable Mortgages	39,105	39,476	(371)	79,018	(\$39,913)
Fixed Assets	626,507	626,507	0	579,201	\$47,306
Contributed Assets	369,976	369,976	0	369,976	\$0
Accumulated Depreciation	<u>(895,879)</u>	<u>(891,347)</u>	<u>(4,532)</u>	<u>(840,879)</u>	<u>(55,000)</u>
Total Non-Current Assets	139,709	144,612	(4,903)	187,315	(47,606)
Deferred Outflows of Resources					
GASB 68 Pension	<u>2,919,775</u>	<u>2,919,775</u>	<u>0</u>	<u>2,076,372</u>	<u>\$843,403</u>
Total Deferred Outflows of Resources	<u>2,919,775</u>	<u>2,919,775</u>	<u>0</u>	<u>2,076,372</u>	<u>\$843,403</u>
Total Assets	<u>\$9,833,545</u>	<u>\$9,841,666</u>	<u>(\$8,121)</u>	<u>\$8,408,620</u>	<u>\$1,424,925</u>
Liabilities					
Current Liabilities					
Accounts Payable	\$225,611	\$309,930	(\$84,319)	\$190,546	\$35,065
Accrued Payroll	317,655	266,615	51,039	270,789	\$46,865
Accrued Fringe Benefits	113,156	111,966	1,190	61,417	\$51,739
Other Accrued Liabilities	24,817	21,331	3,485	29,527	(\$4,711)
Accrued PTO & Sick Leave	40,000	40,000	0	40,000	\$0
Deferred Income	1,162,409	1,039,759	122,650	666,999	\$495,410
Deferred Income-Member Dues	514,022	582,964	(68,942)	487,410	\$26,612
Deferred Income-Indirect Reserve	248,354	247,583	771	171,399	\$76,955
Deferred Fringe Benefit Reserve	<u>89,445</u>	<u>98,566</u>	<u>(9,121)</u>	<u>266,272</u>	<u>(\$176,828)</u>
Total Current Liabilities	2,735,468	2,718,714	16,754	2,184,361	\$551,108
Non-Current					
Accrued PTO & Sick Leave	436,727	452,652	(15,924)	415,228	\$21,499
HOPE 3 Deferred Income	4,148	4,520	(371)	10,256	(\$6,107)
Other Mortgages-Deferred Income	34,957	34,957	0	68,762	(\$33,805)
Accrued Building Lease Expense	0	0	0	1,621	(\$1,621)
GASB 68 Pension Liability	<u>7,183,782</u>	<u>7,183,782</u>	<u>0</u>	<u>5,418,085</u>	<u>\$1,765,697</u>
Total Non-Current	7,659,614	7,675,910	(16,296)	5,913,952	\$1,745,662
Deferred Inflows of Resources					
GASB 68 Pension	<u>336,123</u>	<u>336,123</u>	<u>0</u>	<u>416,480</u>	<u>(\$80,357)</u>
Total Deferred Inflows of Resources	<u>336,123</u>	<u>336,123</u>	<u>0</u>	<u>416,480</u>	<u>(\$80,357)</u>
Total Liabilities	10,731,206	10,730,747	459	8,514,793	\$2,216,413
Net Assets					
Beginning Net Assets	(558,334)	(558,334)	0	195,701	(\$754,034)
Current YTD Net Income	<u>(339,327)</u>	<u>(330,747)</u>	<u>(8,580)</u>	<u>(301,873)</u>	<u>(\$37,453)</u>
Total Net Assets	<u>(897,660)</u>	<u>(889,081)</u>	<u>(8,580)</u>	<u>(106,173)</u>	<u>(\$791,487)</u>
Total Liabilities and Net Assets	<u>\$9,833,545</u>	<u>\$9,841,666</u>	<u>(\$8,121)</u>	<u>\$8,408,620</u>	<u>\$1,424,925</u>

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL
FOR THE YEAR-TO-DATE ENDING JULY 31, 2018

	<u>Actual</u>	<u>Budget</u>	<u>Variance over / (under)</u>
Revenue			
Environment, Mapping & Transportation	\$ 3,983,372	\$ 5,935,982	\$ (1,952,610)
Energy and Air Quality	2,741,030	2,747,532	(6,502)
Housing & Community Services	646,349	823,375	(177,026)
Services to Members & Development	438,550	457,906	(19,356)
Other	(64,747)	447,210	(511,957)
Total Operating Revenues	\$ 7,744,554	\$ 10,412,005	\$ (2,667,451)
Expenses			
Salaries and benefits	\$ 3,955,436	\$ 4,431,258	\$ (475,822)
Materials and Supplies	100,221	320,833	(220,612)
Consultants, services and other	4,028,347	5,628,124	(1,599,777)
Depreciation	31,140	46,373	(15,233)
Total Expenses	\$ 8,115,144	\$ 10,426,588	\$ (2,311,444)
Operations income (loss)	\$ (370,590)	\$ (14,583)	(356,007)
Interest Income	31,264	14,583	16,681
Increase (decrease) in net position	\$ (339,327)	\$ (0)	\$ (339,327)