



# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**COLUMBUS, OHIO**

**FISCAL YEAR ENDED  
DECEMBER 31, 2017**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR**  
**FISCAL YEAR ENDED DECEMBER 31, 2017**

Prepared by

William Murdock  
Executive Director

Shawn P. Hufstedler  
Chief of Staff & Director of Operations

MORPC

Mid-Ohio Regional Planning Commission  
111 Liberty Street  
Suite 100  
Columbus, OH 43215

**MID-OHIO REGIONAL PLANNING COMMISSION  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
December 31, 2017**

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## **I. INTRODUCTORY SECTION**



111 Liberty Street, Suite 100  
Columbus, Ohio 43215

T 614.228.2663  
TTY 1.800.750.0750

[www.morpc.org](http://www.morpc.org)

June 7, 2018

To the Residents of Central and South-Central Ohio and  
The Honorable Members of the Mid-Ohio Regional Planning Commission

We are pleased to present the Comprehensive Annual Financial Report of the Mid-Ohio Regional Planning Commission (MORPC) for the year ended December 31, 2017.

This report has been prepared by the MORPC finance team according to generally accepted accounting principles applicable to governmental entities. The management of MORPC is responsible for and affirms the adequacy of the agency's internal accounting control and the completeness of the material presented in this report. The report will be available on MORPC's website at [www.morpc.org](http://www.morpc.org).

Management's discussion and analysis (the MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complement this letter of transmittal and should be read in conjunction with it.

MORPC was created in 1969 as the successor to the Franklin County Regional Planning Commission under authority granted by Ohio Revised Code Section 713.21. MORPC is a voluntary association of local governments and regional organizations in Central Ohio and also serves as a regional planning agency. In 2017, membership included 54 political subdivisions in and around Franklin, Ross, Delaware, Perry, Pickaway, Madison, Licking, Union, and Fairfield Counties, Ohio. In addition, MORPC has an associate membership program with 7 participating regional organizations. MORPC is the federally designated Metropolitan Planning Organization (MPO) for the urbanized Columbus area.

The local government members appoint representatives (117 as of December 31, 2017) who make up the Commission, the policy-making body of the organization, and the oversight board. MORPC is a political subdivision of Ohio and a non-profit organization exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. MORPC employees are members of the Ohio Public Employee Retirement System.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations are Component Units*, an amendment of GASB Statement No. 14, Statement No. 61, *Omnibus—an amendment of GASB Statements No. 14 and No. 34*, and Statement No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*, MORPC is not considered a component unit of the Franklin County financial reporting entity because:

William Murdock, AICP  
Executive Director

Rory McGuiness  
Chair

Karen J. Angelou  
Vice Chair

Erik J. Janas  
Secretary

- MORPC is a separate legal entity, established under Section 713.21 of the Ohio Revised Code (“ORC”);
- Franklin County holds only 12 of 117 seats on MORPC’s governing board;
- MORPC is not fiscally dependent on Franklin County, and it does not provide a financial benefit to, nor impose a financial burden on, the County; and
- MORPC provides services to members outside of Franklin County.

Accordingly, MORPC, including the Hope for Homeownership of Single Family Homes Program (“HOPE 3”) Trust (see Note 1), is the sole organization of the reporting entity. HOPE 3 is a component unit of MORPC, as MORPC is its exclusive beneficiary. All HOPE 3 Trust assets, liabilities, net position, and results of operations have been blended in with those of MORPC in the accompanying financial statements. There are no agencies or organizations other than HOPE 3 for which MORPC is considered the primary government.

## **MISSION**

At MORPC, our board members and staff work collectively to advance the organization’s mission and achieve our aspirations. MORPC’s mission is to be the regional voice and a catalyst to drive sustainability and economic prosperity in order to secure a competitive advantage for Central Ohio.

MORPC is a dynamic organization that must continually adapt to changing regional, state, national and global conditions. The need for our regional leadership has never been more important given our current national and local economic issues, development trends and changing demographics.

## **2017 ACCOMPLISHMENTS**

### **Transportation Systems & Funding**

**Metropolitan Planning Organization (MPO) Summary** - MORPC serves as the federally-designated MPO for the urbanized Columbus area to provide continuing, comprehensive, and cooperative transportation planning and programming. MORPC is required to carry out this work by annually developing, maintaining and reporting to the community on its Planning Work Program (PWP).

**Metropolitan Transportation Plan (MTP)** – In 2017, MORPC updated the 2016-2040 Metropolitan Transportation Plan, which is a long-range transportation plan that prioritizes transportation improvements in the Columbus region for the next 20 years. The schedule and process for preparing the 2020-2050 Metropolitan Transportation Plan was developed; work commences on that planning process in 2018.

**Federal Highway Funding** - The Transportation Improvement Program (TIP) allocates federal funding to transportation projects in the region. MORPC adopted the TIP for the next four state fiscal years (SFYs 2018 through 2021). The TIP included funding commitments of nearly \$2 billion for projects sponsored by the state, transit agencies and local partners through MORPC. The MORPC funding for each of those fiscal years includes approximately \$37 million annually and requires quarterly review between plan updates. The development of the 2020-2023 TIP was started in 2017. The TIP is updated and adopted every two years.

**Federal Transit Funding** - MORPC receives Federal Transit Administration Section 5310 funding annually for projects that are focused on providing public transit accessibility to persons with disabilities and seniors. In 2017, MORPC passed-through over \$700,000 in federal funds relating to agreements executed with sub-recipients in 2016 and 2017, to assist local non-profit agencies in purchasing and maintaining accessible transit vehicles, and in providing transportation services to their clients.

**Congestion Mitigation Air Quality (CMAQ) Funding Changes** – In 2017, MORPC staff continued to play an integral role in establishing priorities for application procedures, statewide record keeping and chairing the Ohio Statewide Urban CMAQ Committee.

**Transportation Review Advisory Council (TRAC)** – In 2017, MORPC achieved regional consensus on prioritizing Central Ohio transportation projects to compete for funding through the statewide TRAC process administered by ODOT. MORPC and its partners were successful in obtaining funding for each application and keeping Central Ohio projects on the major new highway projects statewide listing.

**Gohio** - MORPC's rideshare program, Gohio, focuses on improving mobility and reducing the number of commuters who travel to work alone. Gohio provided customized transportation services, programs and projects that promote use of transit, walking, biking, carpooling and vanpooling. In 2017, the MORPC rideshare team worked with other MPOs in the Ohio Association of Regional Councils (OARC) to complete the deployment new software and a ride matching service for their combined rideshare programs statewide, under the Gohio brand umbrella.

**Ohio Public Works Commission (OPWC) District 3 Integrating Committee** - Administered by MORPC, the committee awarded over \$27 million for infrastructure projects. In addition, \$3.6 million from the Clean Ohio Conservation Fund was made available to preserve or restore green space in Franklin County.

**Central Ohio Rural Planning Organization** - MORPC worked to advance transportation planning for seven counties (Fairfield, Knox, Madison, Marion, Morrow, Pickaway and Union). This effort is known as the Central Ohio Rural Planning Organization (CORPO). In 2017, each of the seven counties' started working on county level transportation plans including reviewing existing conditions, future conditions and potential project priorities. MORPC staff has started working to compile all of the planning efforts for a long-range transportation plan for the whole CORPO area. This is a similar practice to the development of the MTP for the urbanized area.

**Rickenbacker Area Study** - Team members worked with multiple stakeholders in the Rickenbacker area on a community-driven study to provide a strategy to help Central Ohio better position the area as a successful international logistics hub. This study looks into the area's multifaceted existing factors and their growth potential over the next 10 to 20 years.

**Hyperloop Midwest Connect Initiative** - Together with the Columbus Partnership and numerous other local partners, MORPC proposed a Hyperloop route that links Chicago, Columbus and Pittsburgh. Our Midwest Connect corridor proposal was named one of ten winners in the Hyperloop One Global Challenge in September 2017. This challenge attracted Hyperloop corridor proposals from 2,600 registrants in more than 100 countries across the globe. Work was started on the next steps of coordinating with Virgin Hyperloop One to study the feasibility to bring Hyperloop technology to Central Ohio and the Midwest.



**Downtown C-PASS** - MORPC partnered with the Central Ohio Transit Authority (COTA) and Capital Crossroads Special Improvement District (CCSID) downtown property owners to create a program for eligible downtown workers to get a special transit pass (C-PASS) for unlimited use any day, any time, on any COTA bus route. The program will use the Gohio system for tracking riders and will start in June 2018.

**WIC Study** - We completed a transportation assessment for Columbus Public Health (CPH), an organization that operates the Women, Infant & Children's (WIC) Supplemental Nutrition Assistance Program for Franklin County. MORPC partnered with CPH to conduct the assessment following concerns expressed by WIC clients on transportation challenges in getting to clinics. The assessment identified transportation barriers, actions to address existing barriers, and public transportation trends and options that may affect future potential WIC clinic sites.

**Public Transit Human Services Transportation Plan for Delaware and Franklin Counties Coordinated Plan** – MORPC staff developed the coordinated plan to identify community resources for transportation and mobility, understand the gaps and unmet needs with those resources, and determine the approach to address those gaps and needs. It is slated for completion in 2018.

### **Planning & Environment**

**Central Ohio Greenways Board** – In 2017, the Central Ohio Greenways (COG) Board developed a draft 7-county trail vision map and finalized a regional trail signage guide. Among its other 2017 accomplishments were: the rollout of a new Greenways trail information website at [www.centralohiogreenways.com](http://www.centralohiogreenways.com), the initiation of a trail prescription program with all four major regional hospital systems, the creation of multiple marketing videos, and the drafting of a trail design document. Also, MORPC and its partners continued its comprehensive trail count program to estimate overall trail system usage.

**insight2050 Academy and Technical Assistance** – MORPC hosted the 2017 “insight2050 Academy” program, offered to elected and appointed officials and residential leaders. The Academy is a six-class workshop, focused on topics ranging from demographics and trends to planning and zoning, real estate development, and communicating with residents and stakeholders. In addition to the Academy, MORPC launched its first technical assistance planning program which resulted in four communities receiving assistance with Complete Streets and district redevelopment projects.

**Water Resources Planning** – In 2017 the Ohio EPA asked MORPC to lead an update of the region's comprehensive Water Quality Management Plan for the seven-county area, including Delaware, Franklin, Fairfield, Licking, Madison, Pickaway, and Union counties. MORPC worked with utility providers, waste management agencies, local governments, and other stakeholders to develop the best plan possible, and has begun collecting data and holding stakeholder meetings counties. A regional approach promotes efficient and comprehensive programs for water treatment and for controlling water pollution from point and non-point sources. Identifying sewer service boundaries also helps avoid duplicative public infrastructure investments.

**Age-Friendly Columbus** – After completing a successful assessment of the age-friendliness of the City of Columbus, MORPC with many of its partners spent 2017 developing a 5-year strategic plan for the initiative. This strategic planning process was again guided by the many working teams and the Older Adults Advisory Council. The strategic plan can be found here: [www.agefriendlycolumbus.org](http://www.agefriendlycolumbus.org). In December 2017, MORPC officially transitioned the project to the OSU College of Social Work who will

act as the administrative arm of the Age-Friendly Columbus program moving forward, in collaboration with the City of Columbus and Franklin County.

**Sustainable2050** – To ensure implementation of the [2017 – 2020 Regional Sustainability Agenda](#), MORPC launched a new member service called the sustainable2050 program. Since its official launch in summer 2017, more than 30 MORPC government and associated members have signed on. By being a sustainable2050 member, MORPC will publicly recognize their sustainability efforts, share best practices, and provide technical assistance.

**Safety Planning** – In 2017 MORPC continued to pilot and document the potential for providing more defined safety-related services to its members, such as conducting safety engineering studies or Road Safety Audits. MORPC also once again published its high-crash locations lists and fact sheets and highlighted key safety statistics to its members.

### **Energy & Air Quality**

**Air Quality Awareness** - MORPC provided air quality forecasts for the region and raised awareness about air pollution and air friendly transportation choices through a variety of strategies, including press releases, social media, media interviews, and community presentations. MORPC launched a comprehensive marketing campaign in coordination with Sinclair Media and their affiliate local television stations ABC6, Fox28, and CW-WWHO, and worked with Advantage Media with a focus on more diverse populations such as Hispanic populations. The campaign included public service announcements, targeted display marketing, email promotion, social media promotion, and morning show appearances. In total, the elements of the campaign were seen nearly 2,000,000 times. Subscribers to Enviroflash, the platform MORPC uses to issue Air Quality Alerts, increased 10% in 2017.

In 2017, the ozone season was extended from March through October instead of April to October as in previous years. There were two ozone exceedances in the Central Ohio region in 2017, compared to ten in 2016. The number of days in 2017 in the Good, Moderate and Unhealthy for Sensitive Groups Air Quality Index (AQI) categories were similar to the last two years. Air quality remained within the Good AQI category on 78% of days, compared with 68% of days in 2016. As in 2016, no Unhealthy for Sensitive Groups AQI days were observed for particle pollution.

MORPC Air Quality and Gohio Commute staff piloted the region's second Central Ohio Commuter Challenge, which ran from June 1 through June 30. The Challenge, a collaboration with multi-modal partners COTA, car2go, and CoGo bikeshare, encouraged Central Ohioans to replace any single-occupant vehicle commute with one of the eligible sustainable modes (carpool, vanpool, bicycle, bus, walking, car share). When commuters logged these sustainable commute trips at the website [www.makeyourmilesmatter.com](http://www.makeyourmilesmatter.com), they became eligible to receive gift card prizes awarded daily and at the conclusion of the Challenge.

910 individuals participated, logging 16,400 trips, reducing vehicle miles traveled (VMT) in the region by 130,873 miles. The participants in the challenge diverted 69,420 lbs. of greenhouse gases from entering the atmosphere by choosing more sustainable modes of transportation during the month of June, and saved \$35,063 in vehicle costs. Also, 30% of respondents indicated that the Commuter Challenge helped motivate them to try a new mode of travel.

**Energy & Air Quality Working Group** - MORPC convened state, regional and local experts on energy and air quality from the Ohio EPA, Columbus Public Health, Columbus Regional Airport Authority, and other public agencies, private sector representatives, and community groups. In 2017, the main

focus of the group was advocating for public policy that is consistent with MORPC's Public Policy Agenda and Regional Sustainability Agenda.

**Property Assessed Clean Energy (PACE) / Energy Special Improvement Districts (ESIDs)** – In 2017 MORPC continued to provide leadership for the Columbus Regional Energy Special Improvement District in order to make PACE available as a project financing tool for energy projects at a multi-jurisdictional level. PACE allows property owners of non-residential buildings to finance energy improvements through a voluntary assessment on their tax bill. The ESID was expanded to include two new local governments, the City of Dublin and City of Whitehall, in addition to the City of Columbus and the City of Worthington. The total number of local jurisdictions is four at the end of 2017. MORPC is a member of the ESID board, which oversees administration, financing and project approvals. MORPC also continued to advocate for state legislation to streamline the process for implementing PACE which benefits local governments.

**Franklin County Energy Study** – MORPC developed the Franklin County Energy Study, which examined and measured existing energy supply and consumption across transportation, commercial, industrial and residential users. The data will serve as a tool for Franklin County to drive the regional energy priorities and investments that support quality of life and economic growth. A consultant was hired by MORPC to conduct data collection and analysis, and an Advisory Committee was engaged to provide expertise and input into the study. MORPC also implemented a 30-day public comment period for the draft study and presented the draft report via webinar which was recorded and posted on the website for wider distribution. The final release of the findings and recommendations will be in 2018.

**Local Government Energy Partnership** – In 2017, MORPC advocated at the Public Utilities Commission of Ohio (PUCO) to continue the energy efficiency programs through Columbia Gas of Ohio and AEP-Ohio – specifically for all residential and business customers. MORPC secured financial support for a Local Government Energy Partnership Program as well. Through this program, MORPC will provide energy resources to local government members and engage communities in available energy efficiency programming. In 2017, MORPC kicked off the first phase of the Local Government Energy Partnership by selecting a vendor to provide an automated energy benchmarking platform. MORPC also identified interested members to participate in the pilot phase in order to smooth out the process and identify additional needs and support from MORPC in the process. We also hosted a forum with the twelve pilot communities to introduce the benchmarking program.

**Data Analysis and Technical Studies** – During 2017, the Energy & Air Quality Department increased capacity in the area of data analysis and technical studies. Staff began working to produce a greenhouse gas baseline analysis for the seven counties located within the Smart Columbus area of focus. This work was fee for service with HNTB Corporation, which is under contract with Smart Columbus to produce this this analysis. Staff also began the energy use analysis for the Rickenbacker Area Study. Using the methodology developed from the Franklin County Energy Study, this analysis will provide the energy baseline for all sectors operating within the Rickenbacker area zip codes, and an advisory group will be engaged to review the findings and offer input into the recommendations. In addition, staff initiated work with the City of Columbus Department of Public Utilities to collect data and develop and document the methodology in order to meet annual greenhouse gas reporting obligations as part of the Compact of Mayors Climate Agreement through ICLEI.

**Sustainability** – The Energy & Air Quality department continued to lead the sustainability initiatives at MORPC in close coordination with the Planning & Environment Department. Key activities include the

Sustainability Advisory Committee, the annual Summit on Sustainability and the launch of a new program for local governments called Sustainable2050. The facilitation and planning support of the Sustainability Advisory Committee is led through the Energy & Air Quality Department to host quarterly meetings of these advisors along with ensuring progress towards meeting the goals and objectives of the Regional Sustainability Agenda. In 2017, this committee's guidance and involvement with the Summit on Sustainability contributed to achieving record success in fundraising, attendance, and program content.

**Materials Management Working Group** - MORPC convened a diverse stakeholder group to promote recycling resources and organic waste diversion efforts throughout the Central Ohio region. MORPC secured funding from SWACO through mid-2017 to support these efforts. The Working Group undertook an evaluation process to identify opportunities for members to stay engaged beyond July 2017 when our funding cycle concluded.

**Residential Energy** - MORPC provided energy efficiency services for hundreds of income-eligible households through Columbia Gas of Ohio's WarmChoice program, the federally-funded Home Weatherization Assistance Program (HWAP), AEP-Ohio's Community Assistance Program (CAP), the Electric Partnership Program (EPP), and City of Columbus Department of Public Utilities. Available services include safety inspections, installation or repair of heating units, increased insulation in attic and sidewalls, and more efficient appliances, showerheads and lighting.

In 2017, MORPC continued implementing process improvements with a focus on initial weatherization inspections in order to increase efficiency and the number of clients served by the programs. MORPC also conducted a process review of the intake functions at the end of 2017.

**Housing Programs** - MORPC assisted low- and moderate-income homeowners with maintaining and improving their homes. With funding provided by multiple agencies, MORPC administered programs to help with exterior repairs and emergency repairs and overall, met or exceeded program goals. In 2017, MORPC administered programs funded by Franklin County, Campus Partners for Community Urban Redevelopment, Homeport, The Columbus Foundation, Partners Achieving Community Transformation (PACT), and United Way of Central Ohio. Further, MORPC administered the Housing Advisory Board (HAB) which reviews applications and makes recommendations to the Franklin County Board of Commissioners regarding tax exempt or taxable multifamily revenue bonds for affordable multi-family housing developments. In 2017, one project was reviewed and recommended as well as ongoing monitoring of approved projects to ensure adherence to affordability requirements.

Again this year, MORPC has improved the business model in delivery of home repair services that achieved increased efficiency, improved timeliness of service to clients and leveraged additional program resources by coordinating efforts with the weatherization programs administered by MORPC. Further, MORPC actively sought partnership with other mission-aligned organizations to increase coordination and service to similar clients.

**Neighborhood Stabilization Program (NSP)** – The NSP program provides funding to local jurisdictions and their partners for the purchase and renovation of foreclosed or vacant homes. In 2017, MORPC continued the program agreements for the NSP program-generated income funds. The effort includes partnerships with Homeport and the Franklin County Land Bank (COCIC), and the City of Columbus. While a safe and healthy home increases the value of a house and improves the quality of residents' lives, it also brings added value to the surrounding neighborhood.

## **Regional Data & Mapping**

**Population Estimates** – Each year, MORPC produces population estimates for every county, township, and municipality in the 15-county Central Ohio region. These estimates are the most current and localized data available about populations in Central Ohio, and are used to track growth across the region as well as to calculate MORPC membership dues. For the past several years the estimates had been diverging from the US Census Bureau’s population estimates, so in 2017 two significant changes were made to the process for generating the 2018 estimates. First, MORPC staff undertook a concerted effort to collect more accurate and complete building permit data, which supports the population estimates. Second, a new method for calculating annual estimates was adopted, which increased the use of known data and reduced reliance on assumptions.

### **Regional Data Advisory Committee**

- The Regional Data Advisory Committee (RDAC) is a top-level agency committee charged with coordinating and overseeing regional data analytic and technical efforts. Whereas the Committee had previously been focused on the development of a regional data portal, RDAC’s scope was broadened in 2017 to incorporate all aspects of MORPC’s data work. The RDAC guides MORPC’s role as a regional data creator, provider, consumer, and collaborator; and advises staff on technical and policy issues. This multiple disciplinary committee includes two working groups. The Communications Sub-Committee has responsibility for advancing data literacy and bringing disparate data analysis projects to light as a way to provide leverage for these activities. The Technical Sub-Committee is responsible for suggesting technical tools and standards to advance data sharing and analytical processes.
- The Central Ohio GIS User Group (COGUG) is a voluntary organization of GIS users from throughout the 15-county Central Ohio region. In 2017 COGUG members met quarterly to network, receive technical presentations, and advance data coordination around such efforts as the Regional GIS System.
- MORPC maintains a Regional GIS System, which includes the Franklin County Location Based Response System, where multiple communities edit shared mapping files for roads, addresses, bikeways, and sidewalks. In 2017, preliminary work was done to expand this system to include Points of Interest and municipally owned fiber optic networks, both databases of which are currently maintained by MORPC.

**Data User Personas** – As data becomes more prolific, more complex, more open, and easier to deliver to more people in more formats, organizations such as MORPC with key roles around data need to deliver tools and resources that are practical, relevant and accessible to the people who need them. MORPC undertook a research project to create user personas that represent groups of Central Ohio data users. User personas are characterizations of key audiences or market segments that can be used to refine the development and marketing of a product or service. Data collected from peer organization interviews, focus groups, and an online survey of data users were used to create seven data user personas. As representatives of their respective communities of data users, MORPC and other data providers in the region can use these personas to aid in getting the right data to the right people in the right formats.

**Homes on the Hill Neighborhood Vitality Index** – In 2017, MORPC updated and expanded upon a tool developed for Homes on the Hill Community Development Corporation. The Neighborhood Vitality Index compiles a wide range of community indicators in the areas of safety, real estate market conditions, neighborhood amenities, transportation, and socioeconomic conditions into a single score indicating the vitality (i.e. health, stability, and development potential) of Census blocks on the southeast side of Franklin County. The index was created as a webmap that will assist Homes on the Hill in evaluating potential locations for housing redevelopment projects.

## **Finance**

**Convening Finance Directors** - MORPC continued to collaborate with other organizations' finance directors from Central Ohio as well as from across the state. Throughout the year, MORPC brought together the Mid-Ohio Finance Administrators (MOFA) to discuss current topics of interest and share ideas with other local governments in Central Ohio. Similarly, MORPC brought together the Ohio Association of Regional Councils (OARC) Finance Directors which includes members from other regional councils and regional transportation planning organizations.

**State-wide Recognition** - In 2017, MORPC again received the Ohio "Auditor of State Award with Distinction" for our 2016 Comprehensive Annual Financial Report (CAFR). The award is presented for excellence in financial reporting and is provided to entities that file a CAFR and timely financial reports in accordance with generally accepted accounting principles and receive an unmodified ("clean") audit report with no findings.

## **Public & Government Affairs**

**Membership Services** – In 2017, MORPC continued to prioritize strengthening member relations through educational forums, information updates and member visits. The Executive Committee and MORPC leadership conducted two one-day mini tours of Delaware, Union, and Ross counties and the Rickenbacker Airport, which included meetings with government leaders. Informative regional collaboration programs drew public and private participants interested in projects impacting economic vitality and long term community sustainability. For example, NBBJ and MORPC co-hosted a one day innovative planning forum called "Purpose Region" with 100 stakeholders from a cross section of demographics. All members received customized return on investment schedules which demonstrated the benefit of their participation. A new benefit was added for all members to receive financial advisory services through membership in the Council of Development Finance. In addition, MORPC continued to assist local governments with the placement of interns focused on civil engineering, planning and communications through its 2017 Local Government Summer Internship Program.

**Marketing & Outreach** - MORPC continued to communicate and promote its initiatives, programs, and services to the communities it serves through media outreach, social media, committees and one-on-one interactions. This work, showcased at the annual State of the Region and Summit on Sustainability, includes partnerships with business leaders, non-profits, government officials, universities and colleges, foundations, and the public at-large.

The MORPC [www.morpc.org](http://www.morpc.org) website was redesigned in 2017 in order for MORPC's programs, services, meeting materials and other resources to be easier to find for local governments, businesses, committee members, and the public. The content on the website was reorganized and a greater emphasis was placed on design and search functionality. MORPC continues to share its programs, initiatives, news and press releases on the site.

MORPC took over the day-to-day operation of the Paving the Way program, previously housed with the City of Columbus. The program monitors the status of highway and roadway construction projects by acting as a liaison among local governments, contractors, and the public. Members of the public who sign up can receive e-mail alerts on road construction projects likely to cause significant congestion or delay.

**Government Affairs** - In 2017, MORPC staff utilized its newly adopted 2017-2018 Public Policy Agenda to guide its policy work in the agency's core subject areas. Staff proactively met with elected

officials and their staff at the federal, state, and local levels of government to promote its agenda and advocate on behalf of its members.

The Regional Policy Roundtable advised MORPC's board on a variety of legislative and public policy issues. Staff played an active role on a variety of bills, especially the State's operating budget (HB49), transportation budget (HB26), and Ohio Energy Standards (HB114). Furthermore, staff provided insight to other MORPC committees and working groups, in order to ensure members were informed on any legislation pertinent to their committee or local government.

MORPC continued to facilitate the Columbus Region Coalition's (CRC) monthly meetings. The CRC is a group of local governments, members of the business community, and other community stakeholders that make up the collective interests of Central Ohio. The group works with its government consultants in Washington to advocate for federal investment in the region and sends a variety of letters to the central Ohio Congressional delegation that reflect its federal priorities. In January, MORPC staff organized the CRC's annual planning meeting and assisted in the creation of the CRC's 2017-2018 federal priorities. In April, MORPC hosted Congressman Pat Tiberi and Congresswoman Joyce Beatty to a CRC meeting where members presented the groups recently completed federal priorities. In addition, in June, staff scheduled ten congressional meetings in coordination with the CRC's annual fly-in meeting in Washington.

MORPC staff continued to collaborate with the National Association of Regional Councils (NARC) and the Ohio Association of Regional Councils (OARC) on any legislation that impacts Central Ohio.

**Enhancing Community Involvement in Transportation Planning** - MORPC's Community Advisory Committee (CAC) is comprised of volunteer residents from the transportation planning and programming areas. The purpose of the CAC is to provide community participation in transportation planning, priorities, funding, processes and programs. In 2017, the SFY 2018-2021 Transportation Improvement Program (TIP) and the 2018 Planning Work Program were approved. Priorities were reviewed and adopted for Central Ohio Candidate Projects submitted for TRAC Funding. The 2016-2040 Metropolitan Transportation Plan Report Card, which outlines the progress of our planning efforts, were reviewed and distributed along with the Popular Summary of the 2018-2021 TIP.

### **Diversity & Inclusion**

The goals of the 2016-17 Diversity & Inclusion Work Plan were to cultivate a work environment that is welcoming and inclusive; to provide services and programs to the Central Ohio community creating a special place to live, work, and raise a family; and to create an attractive place for businesses to locate. The work plan assists MORPC in its planning, decision-making, establishing priorities, providing relevancy to the MORPC region, building capacity, maintaining accountability, allocating resources and improving services to the Central Ohio community.

Accomplishments from 2017 included: The patio located outside the employee lounge now has accommodations for wheelchairs. Four handicap spaces along with two reserve spots are available for handicap or temporary proximity needs. A private room dedicated to lactation and new handicap accessible water fountains have been installed. Two trainings were provided to staff, one for those who work in the field closely with diverse populations and the other for mid-level managers. The goals for reaching African Americans were exceeded in Gohio, Warm Choice and Housing Rehabilitation applications.



## ECONOMIC CONDITION AND OUTLOOK

The economy in Central Ohio is anchored by the City of Columbus, which is the only major city in the northeast quadrant of the country to have grown continuously since 1970. Columbus is now the 14<sup>th</sup> largest city in the United States, according to a 2016 U.S. Census Bureau estimate, with over 860,000 residents in the city proper and nearly 2.1 million in the Metropolitan Statistical Area. Population growth since the 2010 census has exceeded 9.2%, which is a greater rate of growth than any other city in the Northeast or Midwest regions of the U. S. having a population of 125,000 or more. The City of Columbus is one of the largest cities in the United States with an AAA bond rating from Standard & Poor's Corporation and an Aaa rating from Moody's Investors Services, Inc. Franklin County also enjoys these high bond ratings.

Unemployment rates for the last five years were as follows:

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
United States	7.4%	5.6%	5.0%	4.7%	4.1%
Ohio	7.4%	5.1%	4.8%	5.0%	4.9%
Columbus MSA	6.2%	3.9%	3.9%	3.9%	3.7%

Columbus is one of the few metropolitan areas in the Midwest that has performed well economically in recent years. Comparing Columbus to the nation and state of Ohio, unemployment rate, recent job growth, and projected future job growth are all better than the corresponding averages. The Central Ohio region also appears poised to take advantage of future economic growth opportunities. For example, the website [www.smartasset.com](http://www.smartasset.com) has crowned Columbus as the #1 city in the nation for 2018 college graduates, based on a composite ranking of affordability, job opportunities, and lifestyle amenities for young adults aged 30 or under. Likewise, *Forbes* magazine ranked Columbus as the #7 best city nationwide in 2017 for young professionals based on similar metrics and also considering median starting salaries and rents. Similarly, the website [www.business.org](http://www.business.org) considers Columbus the #5 city in the United States in 2018 for entrepreneurs and business startups.

Total MORPC membership at the end of 2017 was 54 local governments, and an additional 7 regional local governments participated as associate members. Interest in membership continues to be expressed by other governments due to adoption of a new membership structure which took effect in 2014, enhancing MORPC's prospects for further growth within its geographic region.

## FINANCIAL INFORMATION

**DISCUSSION OF CONTROLS:** MORPC adopts its annual appropriated budget in December for the following year and makes a mid-year revision if needed. Budgetary control is maintained using the following appropriation accounts:

- Salaries
- Benefits
- Services and charges and Materials
- Capital expenditures

A more detailed level within each appropriation is accounted for and reported internally and at the Executive Committee level. The budget and appropriations are adopted by resolution of the MORPC Commission. The Commission has delegated to the Finance Director limited authority to transfer amounts among the appropriation accounts within the total appropriated.



MORPC operates like a consulting business, with most of its revenue received under actual cost reimbursement contracts or from programs like the fixed price home weatherization contracts. As a result of this funding structure, MORPC accounts for its operations as a single enterprise fund, following generally accepted accounting principles (GAAP) on the accrual basis. The budget is also developed on the GAAP basis and is detailed in six-month periods by each contract or other source of funds, and includes only those amounts estimated to be earned during the budget period. MORPC's financial information system performs budgetary control and activity-based cost accounting in order to manage the financially critical task of staying within budget for each contracted activity. GAAP financial statements and comprehensive budget-to-actual performance reports, with explanations of major variances, are prepared monthly and presented to the Executive Committee quarterly.

The Executive Committee authorizes each individual contract in excess of \$75,000 if the expense is included in the current budget. A myriad of financial status reports are periodically submitted to grantors according to their requirements. The Franklin County Auditor also ensures that all expenditures are within amounts appropriated by MORPC.

Numerous accounting and administrative controls exist to assure compliance with federal and state laws, applicable regulations such as the U.S. Office of Management & Budget's *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("OMB Uniform Requirements") which became effective December 26, 2014, the terms and conditions of the many contracts, as well as the Commission's own adopted policies and procedures, which are periodically reviewed and updated. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The accountants' report on internal control appears at the beginning of the Single Audit Section of this report and discloses no condition considered to be a material weakness.

**PROPRIETARY OPERATIONS:** As discussed above, MORPC is a voluntary association of local governments with governmental and non-profit status. It operates similar to a consulting business and is treated as a single enterprise for accounting, budgetary and financial presentation purposes.

It is MORPC's policy to charge user fees to organizations and individuals who contract for or request the services and products of MORPC staff. The user fees are established and calculated on a 100 percent actual cost recovery basis, including capital costs, in conformance with MORPC's activity-based, federally-negotiated, organization-wide cost allocation plan.

The financial statements have been prepared following Governmental Accounting Standards Board (GASB) Statement No. 34, *"Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments."* As part of this reporting model, management is responsible for preparing a Management's Discussion and Analysis of the Commission. This discussion follows the Independent Accountants' Report, providing an assessment of the Commission finances for 2017.

Members participate in the funding of MORPC on a per-capita basis at rates determined by the MORPC Commission each year. Other revenues flow from contracts for specific services to be rendered on an actual cost basis with no provision for profit, or based on completed units. Costs are allocated in accordance with policies and procedures specified by OMB Uniform Requirements using a single organization-wide cost allocation plan for which the U.S. Department of Transportation is the oversight agency. MORPC received \$6,134,429 or 48.8% of its 2017 operating revenue from federal sources under contracts directly with the federal government or indirectly under contracts with third parties, principally the State of Ohio and Franklin County.

The following is a summary of comparative results of operations, and the 2018 budget:

	<u>2016 Actual</u>	<u>2017 Actual</u>	<u>2018 Budget</u>
Revenues			
Federal grants and contracts	\$ 5,352,234	\$ 6,134,429	\$ 7,502,743
State grants and contracts	426,498	560,566	626,629
Members' per-capita fees	935,719	1,010,708	1,077,200
Utility contracts	2,418,784	2,792,618	3,480,511
Local contracts and other	571,356	1,720,386	4,147,204
Foundations/corporate contributions	584,907	347,729	664,864
Total Revenues	<u>\$10,289,498</u>	<u>\$12,566,436</u>	<u>\$17,499,151</u>
Expenses			
Salaries and benefits	\$ 6,077,580	\$ 7,294,689	\$ 7,596,443
Consultants and subcontracts	2,459,046	2,583,918	5,531,489
Depreciation	82,627	60,036	79,496
Other expenses	2,160,086	3,416,837	4,316,723
Total Expenses	<u>\$10,779,339</u>	<u>\$13,355,480</u>	<u>\$17,524,151</u>
Operating income (Loss)	(489,841)	(789,044)	(25,000)
Interest income	13,810	35,011	25,000
Net change in net position	<u>\$ (476,031)</u>	<u>\$ (754,033)</u>	<u>\$ -0-</u>
Capital expenditures	\$7,106	\$16,934	\$529,000

Members' per-capita fees of \$1,010,708 were leveraged by a factor of over 12 to 1 in 2017 to bring in total operating revenues of \$12,566,436. Total federal revenue increased \$782,195 as funding for a new program was received to assist local nonprofit agencies with providing transportation services to seniors and disabled persons. Local contracts revenue also increased \$1,149,030 as additional revenues were received to support several new regional transportation planning studies, and also due to less reduction in revenues associated with the recognition of current and prior year fringe and indirect cost recoveries. Utility contract revenue increased by \$373,834 as the number of housing units inspected and completed under the Columbia Gas Warmchoice program increased.

Total staff salaries and benefits in 2017 increased by \$1,217,109 from the prior year as a result of an \$841,937 charge relating to an increase in the Commission's proportional share of OPERS' net pension liability, employee merit increases averaging 2.5%, and an increase in medical benefit costs. Other 2017 expenses increased by \$1,256,751 related mostly to the pass-through costs for the transportation services provided to seniors and disabled persons, and additional costs for the new planning studies.

Overall, 2017 operating revenue increased \$2,276,938 (22.1%) from the prior year. Total operating revenue was under budget by \$1,887,101 or 13.1% of the 2017 budget of \$14,453,537, primarily as a result of under-spending on staff costs, consultants, and services costs because of optimistic estimates as to how soon program work could commence, and normal delays in program actual start dates. For 2018, operating revenue is projected to increase by \$4,932,715 or 39.3% compared to

2017 actual revenue. The following programs and activities were under budget by \$100,000 or more in 2017:

	<b><u>\$ Amount Under Budget</u></b>
FTA Section 5310 Designated Recipient	\$694,684
Neighborhood Stabilization Program	\$372,350
Columbia Gas Warm Choice	\$241,340
Franklin County Home Repair Program	\$216,201
USF EPP Program	\$116,995
Regional Development-insight2050	\$100,362

Funding for the above programs and activities were under contract with funders and available to be earned, some at lower than expected amounts. Expenditures, however, were also lower than the budgets for these activities.

**BUILDING LEASE:** MORPC leases 21,449 square feet of office space under a new five year operating lease, the term which began November 1, 2017. Other information regarding this lease can be found in footnote 5 of the financial statements.

**TRUST FOR BENEFIT OF MORPC - HOPE 3:** A trust for the benefit of MORPC was created in 1995 to hold title to houses and otherwise facilitate the implementation of the federal Home Ownership for People Everywhere ("HOPE3") program. The trust also similarly facilitates the implementation of the Neighborhood Stabilization Program. Cash totaling \$40,574 at December 31, 2017 was held by the trustee, is controlled by MORPC and has been included on MORPC's statement of net position.

**INDEPENDENT AUDIT:** The financial statements are presented annually for independent audit in accord with Ohio Revised Code Section 115.56 and OMB Uniform Requirements. The report of the independent auditors, Plante & Moran PLLC, is included in the financial section of this report and is unmodified.

**CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING:** The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Mid-Ohio Regional Planning Commission for its comprehensive annual financial report for the fiscal year ended December 31, 2016. MORPC has received a Certificate of Achievement for the last 29 consecutive years. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

**ACKNOWLEDGMENTS:** The timely preparation of this report could not have been accomplished without the cooperation and dedicated services of MORPC staff members and Plante & Moran PLLC, our independent auditors. We would like to express sincere appreciation to all those who assisted

and contributed to its preparation. Appreciation is also extended to the MORPC Executive Committee and officers for their interest and support in planning and conducting the financial operations of MORPC in a responsible and professional manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "William Murdock", with a long horizontal flourish extending to the right.

William Murdock  
Executive Director

A handwritten signature in blue ink, appearing to read "Shawn P. Hufstedler", with a stylized, cursive script.

Shawn P. Hufstedler, CPA, CGFM  
Chief of Staff & Director of Operations



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
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Presented to

**Mid-Ohio Regional  
Planning Commission**

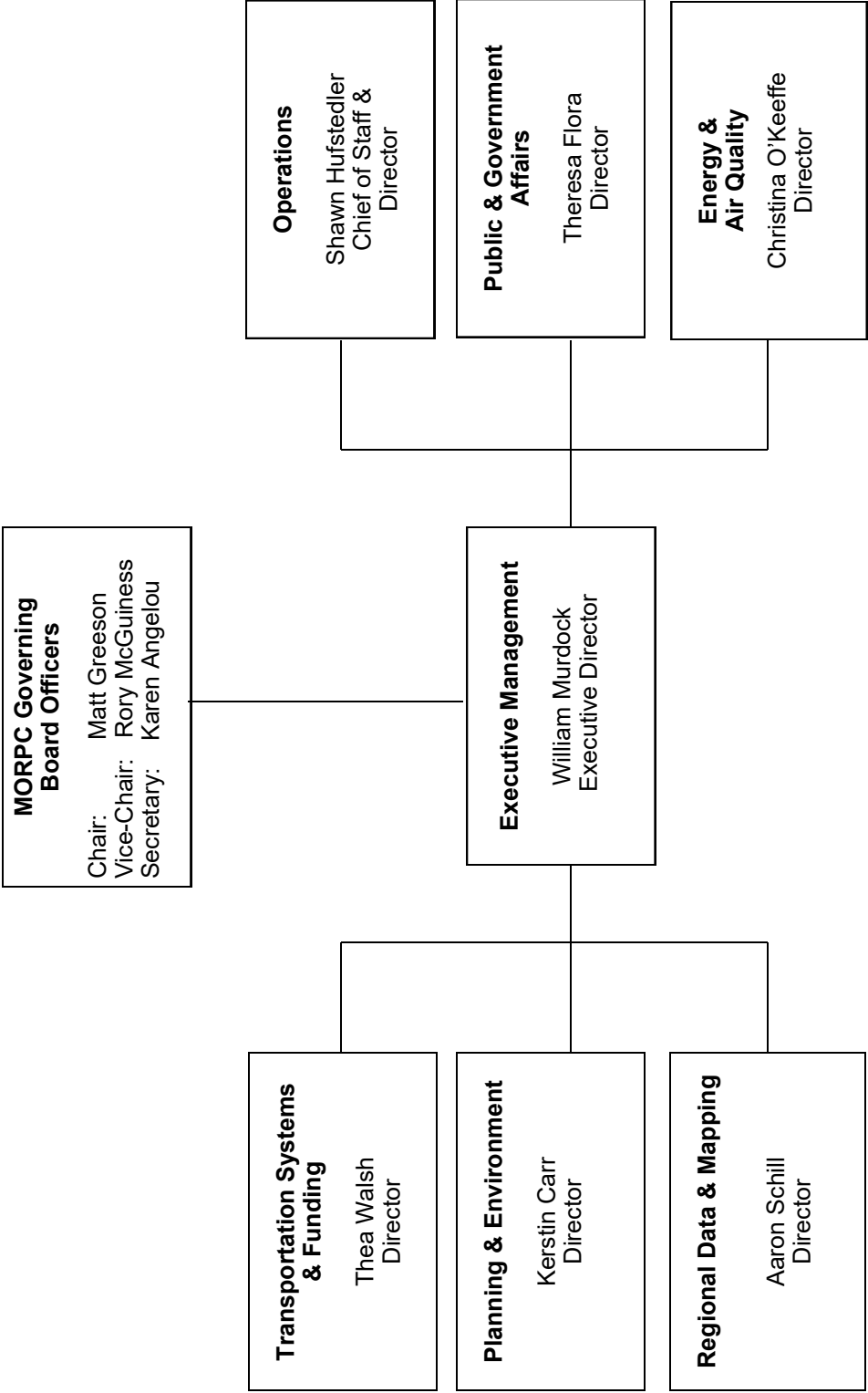
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morrell*

Executive Director/CEO

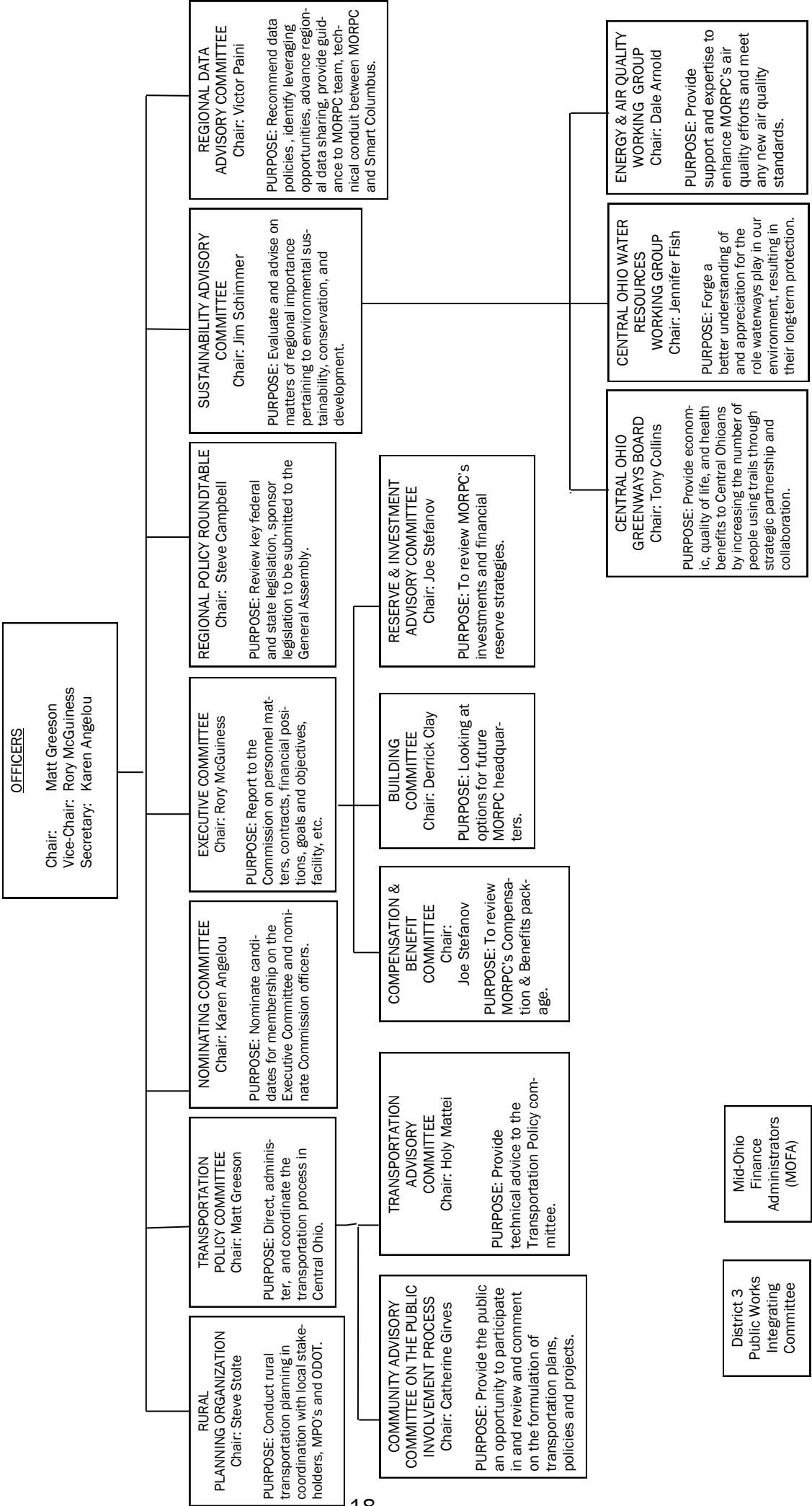
**MID-OHIO REGIONAL PLANNING COMMISSION**  
**Organizational Chart—Management Staff**  
**As of December 31, 2017**



# MID-OHIO REGIONAL PLANNING COMMISSION

## Committees

As of December 31, 2017



## **II. FINANCIAL SECTION**



## **Independent Auditor's Report**

To the Board of Commissioners  
Mid-Ohio Regional Planning Commission

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Mid-Ohio Regional Planning Commission (the "Commission") as of and for the year ended December 31, 2017 and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Mid-Ohio Regional Planning Commission as of December 31, 2017 and the changes in its financial position and its cash flows, where applicable, thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

To the Board of Commissioners  
Mid-Ohio Regional Planning Commission

## ***Other Matters***

### ***Required Supplemental Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the Commission's proportionate share of the net pension liability, and the schedule of the Commission's contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The other supplementary information, as listed in the table of contents, the introductory section, and the statistical section are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), and is not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

To the Board of Commissioners  
Mid-Ohio Regional Planning Commission

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2018 on our consideration of the Mid-Ohio Regional Planning Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Mid-Ohio Regional Planning Commission's internal control over financial reporting and compliance.

*Plante & Moreau, PLLC*

June 7, 2018

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

(Unaudited)

The following Management's Discussion and Analysis (MD&A) provides an overview of the Mid-Ohio Regional Planning Commission's (the Commission) financial performance and provides an introduction to the financial statements for the year ended December 31, 2017. The information contained in the MD&A should be considered in conjunction with the information presented in the Commission's financial statements and corresponding notes to the financial statements.

### **Financial Highlights**

- Net position decreased by \$754,033 in 2017. The 2017 decrease was due mostly to an \$841,937 charge associated with an increase in the Commission's net pension liability.
- Revenue increased in 2017 by \$2,276,938 (22.1%) to \$12,566,436. The 2017 increase was due primarily to \$782,195 more in federal revenue, attributable to an increase in funding for new transportation programs such as FTA Section 5310 transportation services for seniors and individuals with disabilities, and the Regional Transportation Planning Organization. An additional increase of \$1,358,007 was related to various nonfederal funding sources received for a wide range of planning studies and programs.
- Cash and investments at December 31, 2017 were \$4,543,458, an increase of \$113,720 from 2016. This was the result of normal business fluctuations in accounts payable, receivables, prepaid expenses, accrued liabilities, capital assets and unearned revenue in addition to losses from fee-for-service programs.
- The Commission reported an operating loss of \$789,044 in 2017. The 2017 loss was attributable to the same factors that reduced net position as discussed above.

### **Overview of the Financial Statements**

The Commission's financial statements are prepared in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Commission is structured as a single enterprise (proprietary) fund with revenues recognized when earned and expenses when incurred. Capital assets are capitalized and are depreciated over their useful lives. See the notes to the financial statements for a summary of the Commission's significant accounting policies.

Following this MD&A, are the basic financial statements of the Commission together with notes, which are essential to a full understanding of the data contained in the financial statements. Included in the financial statements for the Commission are the following:

**Statement of Net Position** – This statement presents information on all the Commission's assets and deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as net position.

**Statement of Revenue, Expenses and Changes in Net Position** – This statement measures the success of operations and can be used to determine whether the Commission successfully recovered all of its costs through Federal, State of Ohio, local government and utility company contracts, members' per capita fees and other contributions and revenues.

Statement of Cash Flows – This statement reports cash receipts, cash disbursements, and net changes in cash resulting from operating activities, investing activities, and capital and related financing activities. This statement provides answers to such questions as where did the cash come from, what was cash used for, and what was the net change in cash for each of the reporting periods. A reconciliation of operating income with net cash is also provided.

## Financial Position

The following represents the Commission's net position as of the years ended December 31, 2017 and 2016:

### Condensed Statement of Net Position

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Current assets	\$ 6,803,333	\$ 5,751,463
Capital assets, net of accumulated depreciation	84,438	127,540
Other noncurrent assets	37,749	72,010
<b>Total Assets</b>	<u>\$ 6,925,520</u>	<u>\$ 5,951,013</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	\$ 2,919,775	\$ 2,076,372
<b>LIABILITIES</b>		
Current liabilities	\$ 2,336,383	\$ 1,586,998
Net pension liability	7,183,782	5,418,085
Other noncurrent liabilities	547,340	410,121
<b>Total Liabilities</b>	<u>\$ 10,067,505</u>	<u>\$ 7,415,204</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension	\$ 336,123	\$ 416,480
<b>NET POSITION</b>		
Net investment in capital assets	\$ 84,438	\$ 127,540
Unrestricted	(642,771)	68,161
<b>Total Net Position</b>	<u>\$ (558,333)</u>	<u>\$ 195,701</u>

The net pension liability is the single largest liability reported at December 31, 2017 and 2016 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27* (GASB 68), which significantly revised accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Commission's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

GASB standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs prior to 2015, the now-superseded GASB Statement No. 27 focused on a funding approach. This approach limited pension costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension system – the Ohio Public Employees' Retirement

System (OPERS) - and state law governing the system requires additional explanation in order to properly understand the information presented in these statements.

Under the standards required by GASB 68, the net pension liability equals the Commission's proportionate share of OPERS' collective 1) present value of estimated future pension benefits attributable to active and inactive employees' past service; 2) minus plan assets available to pay these benefits.

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the Commission is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is currently no legal means to enforce the unfunded liability of the pension system against the public employer. State law operates to mitigate or lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. OPERS is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the Commission. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability is satisfied, this liability is separately identified within the long-term liability section of the statement of net position. In accordance with GASB 68, the Commission's statements include an annual pension expense for their proportionate share of OPERS' *change* in net pension liability not accounted for as deferred inflows/outflows. Also in accordance with GASB 68, the Commission is reporting a net pension liability and deferred inflows and outflows of resources related to pension on the accrual basis of accounting.

**Current assets** increased by \$1,051,870 (18.3%) in 2017 from 2016. The previously mentioned increase in cash of \$113,720 plus an increase in Accounts Receivable of \$870,869 relating to locally-funded planning studies accounts for the increase.

**Capital assets** decreased by \$43,102 (33.8%) in 2017 and was due mostly to depreciation expense charged.

**Other noncurrent assets** decreased by \$34,261 (47.6%) in 2017. This was primarily attributed to the amortization of forgivable mortgage loans issued in previous years under the discontinued federal HOPE 3 program and the former federal Neighborhood Stabilization Program (NSP).

**Deferred outflows of resources** are described more fully in note 6 to the financial statements. GASB 68-mandated deferred outflows of resources for pension represent the Commission's contractually required pension payments to OPERS made subsequent to the plan measurement date (\$545,179 in 2017), plus the Commission's 0.03163505% proportionate share of OPERS' total collective unamortized net difference between projected and actual earnings on pension plan investments as of the measurement date (\$1,195,268 in 2017). This compares to \$483,794 and \$1,617,793, respectively, for each in 2016. New for 2017 is an additional \$1,139,436 associated primarily with the cumulative difference arising from OPERS' using a 0.5% lower actuarial rate of return (7.5%) in the net pension liability calculation from previous years.

**Current liabilities** increased by \$749,385 (47.2%) in 2017 from 2016. This is mostly attributable to an increase in unearned revenue of \$300,000 in local funds for the Regional Corridor Analysis, \$137,000 in PACT local funds, and \$250,000 for the Columbus-to-Chicago rail study. Accrued payroll and benefits also increased by \$95,780 in 2017.

**Net pension liability** is described more fully in note 6 to the financial statements. GASB 68-mandated net pension liability is the Commission's proportionate share of OPERS' total collective actuarial present value of projected benefit payments attributable to past periods of service, net of the plan's fiduciary net position. The 2017 proportionate share was calculated from OPERS' total net unfunded liability as of the December 31, 2016 plan measurement date (the most recent). Changes in the 2017 liability resulted from the GASB 68-calculated pension expense of \$1,032,724, minus \$540,826 in the difference between projected and actual investment earnings, plus \$63,122 in the difference between projected and actual experience, plus the Commission's \$61,504 increase in its OPERS proportionate share (from 0.03127997% in 2016).

**Deferred inflows of resources** are described more fully in note 6 to the financial statements. GASB 68-mandated deferred inflows of resources for pension represent the Commission's total unamortized change in proportionate share of OPERS employer contributions (\$167,931 in 2017 compared to \$303,490 in 2016), differences between projected and actual experience (\$42,754 in 2017 as against \$112,990 in 2016), and \$125,438 in differences between projected and actual earnings.

**Net investment in capital assets** decreased by \$43,102 (33.8%) in 2017 resulting from \$60,036 in depreciation on capital assets offset by \$16,934 in cost basis of capital assets acquired. There was no capital related debt incurred during these periods.

**Unrestricted net position** is the part of net position that can be used to finance day-to-day operations without external constraints, and decreased by \$710,932 from 2016 to 2017, primarily due to the results of operating activities in 2017 and the GASB 68-mandated net pension expense.

The following represents the Commission's revenues, expenses and changes in net position for the years ended December 31, 2017 and 2016:

### **Condensed Statement of Revenues, Expenses and Changes in Net Position**

<b>OPERATING REVENUES</b>	<b><u>2017</u></b>	<b><u>2016</u></b>
Federal	\$6,134,429	\$5,352,234
Nonfederal	3,291,660	1,933,573
Foundations and corporations	347,729	854,907
Utility company	2,792,618	2,418,784
<b>Total Operating Revenues</b>	<b><u>\$12,566,436</u></b>	<b><u>\$10,289,498</u></b>
<b>OPERATING EXPENSES</b>		
Salaries and benefits	7,294,689	6,077,580
Consultants and subcontractors	2,583,918	2,459,046
Depreciation	60,036	82,627
Other expenses	3,416,838	2,160,086
<b>Total Operating Expenses</b>	<b><u>\$13,355,481</u></b>	<b><u>\$10,779,339</u></b>
<b>OPERATING LOSS</b>	<b>\$ (789,045)</b>	<b>\$ (489,841)</b>
Interest Income	35,011	13,810
<b>CHANGE IN NET POSITION</b>	<b><u>(754,034)</u></b>	<b><u>(476,031)</u></b>
<b>Net Position, Beginning of Year</b>	<b><u>195,701</u></b>	<b><u>671,732</u></b>
<b>Net Position, End of Year</b>	<b><u>\$ (558,333)</u></b>	<b><u>\$ 195,701</u></b>

**Operating revenues** increased by \$2,276,938 (22.1%) in 2017 compared to 2016. An increase of \$782,195 in federal revenues was attributable to new transportation programs, including \$677,000 more in FTA Section 5310 funding for seniors and disabled persons transportation, and \$164,000 more for the Regional Transportation Planning Organization. Nonfederal revenues increased by \$1,358,087 and is due to 1) \$75,000 in additional members' fees from a per-capita rate increase; 2) \$134,000 more from the state of Ohio as match on various federal grants; 3) \$465,000 more from local jurisdictions to support various regional planning and coordination efforts; and 4) a \$590,000 increase as net current year favorable variances from the fringe and indirect cost recovery plan were less than in 2016. Foundations and Corporation revenue declined by \$237,178 as the housing rehabilitation effort in the Columbus Weinland Park neighborhood wrapped up, and no new funding was received from the United Way in 2017. Utility company revenue increased by \$373,834 due to an 11.3% increase in the number of housing units inspected and completed (829 in 2017, up from 745 in 2016) in the Columbia Gas Warm Choice program.

**Operating expenses** increased by \$2,576,142 (23.9%) in 2017. The increase can mainly be attributed to an increase in Salaries and benefits of \$1,217,109 due to an \$841,937 charge related to the increase in the net pension liability, average merit increases of 2.5% granted to employees, and rising healthcare benefit costs. Additional costs of \$1,256,752 in other expenses can be attributed to the following: 1) \$731,000 in costs reimbursed to subrecipients to provide transportation services to seniors and disabled persons; 2) an increase in legal costs associated with exploring potential location options for a new building, and ultimately signing a lease extension on the current facility on 111 Liberty Street; 3) services expenses increasing in connection with the AEP-Local Government Energy Partnership, the Franklin County Energy Baseline Study, the Regional Corridor Study, and the Gohio Rideshare program, and 4) an increase in the use of temporary labor due to staff turnover.



## **Capital Assets**

Capital assets of the Commission totaled \$84,438 and \$127,540 as of December 31, 2017 and 2016, respectively (net of accumulated depreciation). The capital assets are primarily computer equipment and vehicles. In 2017, the Commission acquired \$16,934 in new assets and recorded no disposals; depreciation expense was \$60,036.

Additional information on capital assets can be found in note 3 of this report.

## **Long-Term Debt**

Long-term debt at December 31, 2017 and December 31, 2016 was \$-0-. Under the Ohio Revised Code, the Commission does not have authority to incur debt; however, the Commission may enter into capital leases. There was no debt relating to capital leases in 2017 or 2016.

## **Economic Conditions**

The Commission relies heavily on federal, state and local grants and contracts and utility company contracts along with members' dues to fund its many programs. At present these revenue sources appear to be secure in the short term; however, legislative action and national and state economic conditions can affect each of these revenue streams in both the short term and the long term.

Transportation grants have historically been and remain the largest funding sources of the Commission. The primary source for these funds is the Highway Trust Fund (HTF), which is included with legislation authorizing federal transportation programs. In 2015, the Fixing America's Surface Transportation (FAST) Act (Pub. L. No. 114-94) was signed into law. The FAST Act authorizes \$305 billion over federal fiscal years 2016 through 2020 for highway, highway and motor vehicle safety, public transportation, motor carrier safety, hazardous materials safety, rail, and research, technology, and statistics programs.

Current funding for the HTF, primarily from fuel taxes, is not sufficient to provide current levels of funding for the authorized FAST Act programs, thus requiring subsidies from the general fund; Congress most recently raised the gas tax to its current level in 1993. This has left a structural deficit in the fund, with the tax only covering about \$36 billion of the \$45 billion the federal government is authorized to spend on roads annually in each of the five federal fiscal years 2016-2020. Transfers from the general fund have taken place in most federal fiscal years since 2008; the FAST Act authorizes transfers to the HTF through the end of federal fiscal year 2020. A \$100 million transfer from the federal Leaking Underground Storage Tank Trust Fund in federal fiscal year 2017, and \$52 billion transfer from the federal general fund in federal fiscal year 2016, were made into the HTF to help maintain its solvency. At the close of the federal fiscal year ending September 30, 2017, the balance in the HTF was just over \$41.4 billion, a decline of nearly \$10.0 billion from the previous federal fiscal year end.

The transportation funds received by MORPC are dependent upon the amount of federal funding received by Ohio. For federal fiscal year 2018, FAST Act apportionments of highway program funds to the state as a whole remained comparable to that of the previous fiscal year - over \$1.41 billion. No other significant increases are expected prior to the 2020 U. S. Census, as formulas used to distribute these funds rely on population from the most recent 2010 U. S. Census. This formula share will continue until after the next U. S. Census is completed and data is available, or changes in federal transportation law are enacted.

A special federal subsidy for transportation planning that MORPC receives is Congestion Mitigation and Air Quality funding (CMAQ) via the HTF. MORPC uses the funds to support Air Quality and Travel Demand Management programming and capital projects that have an impact on these. CMAQ funding is expected to maintain similar levels to those in the past. MORPC also receives Federal Transportation Administration (FTA) Section 5310 grants to fund operating and capital costs for regional providers of transportation services to seniors and individuals with disabilities. Over \$800,000 was received from the FTA in 2017. This funding resource is expected to continue annually.

Local and State funding is received for various other transportation initiatives or federal grant matching. MORPC has executed a five year contract with the Central Ohio Transit Authority (COTA) for local funds in lieu of FTA Section 5307 funding. Receipts from this agreement totaled \$329,000 in 2017, and additional amounts will be received annually through 2019.

### **Contacting the Commission**

This financial report is designed to provide our members, grantors, federal and state oversight agencies and the citizens of Central Ohio with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. Additional financial information can be obtained by contacting the Chief of Staff & Director of Operations, Mid-Ohio Regional Planning Commission, 111 Liberty Street, Suite 100, Columbus, Ohio, 43215 or on the web at [www.morpc.org](http://www.morpc.org).

# MID-OHIO REGIONAL PLANNING COMMISSION

## STATEMENT OF NET POSITION

AS OF DECEMBER 31, 2017

	<u>2017</u>
<b><u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</u></b>	
<b><u>Assets:</u></b>	
Current Assets -	
Cash and cash equivalents	\$ 3,858,852
Cash — board designated for building repairs and replacements	684,606
Accounts receivable	2,058,912
Other prepaid expenses	166,702
Mortgage notes receivable	34,261
Total current assets	<u>6,803,333</u>
Noncurrent Assets -	
Capital assets — net of accumulated depreciation	84,438
Mortgages notes receivable	37,749
Total noncurrent assets	<u>122,187</u>
Total assets	<u>6,925,520</u>
<b><u>Deferred Outflows of Resources:</u></b>	
Pension	2,919,775
Total assets and deferred outflows of resources	<u>\$ 9,845,295</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION:</u></b>	
<b><u>Liabilities:</u></b>	
Current liabilities -	
Accounts payable	\$ 444,443
Accrued payroll and fringe benefits	415,073
Accrued vacation and sick leave	70,000
Unearned revenue	1,406,867
Total current liabilities	<u>2,336,383</u>
Noncurrent liabilities -	
Accrued vacation and sick leave	404,948
Unearned revenue	142,392
Net pension liability	7,183,782
Total noncurrent liabilities	<u>7,731,122</u>
Total liabilities	<u>10,067,505</u>
<b><u>Deferred Inflows of Resources:</u></b>	
Pension	336,123
<b><u>Net Position:</u></b>	
Net investment in capital assets	84,438
Unrestricted	(642,771)
Total net position	<u>(558,333)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 9,845,295</u>

See notes to financial statements.

## MID-OHIO REGIONAL PLANNING COMMISSION

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED DECEMBER 31, 2017

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	<u>2017</u>
<b>OPERATING REVENUES:</b>	
Governmental:	
Federal grants and contracts	\$ 6,134,429
Nonfederal:	
Members' per capita fees	1,010,708
State grants and contracts	560,566
Local contracts and other	<u>1,720,386</u>
Total nonfederal	3,291,660
Foundations/corporate contributions	347,729
Utility company contracts	<u>2,792,618</u>
Total operating revenues	<u>12,566,436</u>
<b>OPERATING EXPENSES:</b>	
Salaries and benefits	7,294,689
Consultants and subcontractors	2,583,918
Other services	1,365,486
Grant pass-through costs to subrecipients	730,654
Rent and utilities	461,177
Conference sponsorships	245,835
Materials and supplies	164,222
Advertising	118,645
Travel	79,555
Insurance and bonding	77,163
Depreciation	60,036
Other	<u>174,101</u>
Total operating expenses	<u>13,355,481</u>
<b>OPERATING LOSS</b>	(789,045)
<b>NON-OPERATING INCOME:</b>	
Interest income	<u>35,011</u>
<b>CHANGE IN NET POSITION</b>	(754,034)
<b>NET POSITION — Beginning of year</b>	<u>195,701</u>
<b>NET POSITION — End of year</b>	<u>\$ (558,333)</u>

See notes to financial statements.

## MID-OHIO REGIONAL PLANNING COMMISSION

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

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	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Received from federal operating grants and contracts	\$ 5,934,584
Received from state, local, utility company operating grants, contracts, and other	6,508,288
Payments for salaries and benefits	(6,310,135)
Payments for consultants and subcontractors	(2,758,192)
Other payments	<u>(3,278,902)</u>
Net cash provided by operating activities	95,643
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest received	35,011
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Additions to property and equipment	<u>(16,934)</u>
<b>INCREASE IN CASH DEPOSITS</b>	113,720
<b>CASH DEPOSITS — Beginning of year</b> (including \$722,584 in cash, board designated for building repairs and replacement at January 1, 2017)	<u>4,429,738</u>
<b>CASH DEPOSITS — End of year</b> (including \$684,606 in cash, board designated for building repairs and replacement at December 31, 2017)	<u>\$ 4,543,458</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES —</b>	
Operating loss	\$ (789,045)
Adjustments to reconcile to cash provided by operating activities:	
Depreciation	60,036
Changes in assets and liabilities:	
Accounts receivable	(870,869)
Other prepaid expenses	(65,284)
Mortgage notes receivable	32,264
Accounts payable	2,086
Accrued liabilities	137,212
Unearned revenue	747,306
Pension	<u>841,937</u>
Total adjustments	<u>884,688</u>
Net cash provided by operating activities	<u>\$ 95,643</u>

See notes to financial statements.

## MID-OHIO REGIONAL PLANNING COMMISSION

### NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2017

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#### 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Organization**— The Mid-Ohio Regional Planning Commission (“MORPC”) was created in December 1969 as the successor to the Franklin County Regional Planning Commission under authority granted by state statute. MORPC is a regional planning agency composed of representatives from political subdivisions in and around Franklin County, Ohio. These representatives gain membership in MORPC by satisfying certain eligibility and conditional requirements. MORPC serves communities in central and south-central Ohio by supervising, monitoring, and performing planning activities affecting the present and future environmental, social, economic, and government characteristics of the region. MORPC is not subject to federal or state income taxes.

In accordance with Government Accounting Standards Board (“GASB”) Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, an amendment of GASB Statement No. 14, Statement No. 61, *Omnibus— an amendment of GASB Statements No. 14 and No. 34*, and Statement No. 80, *Blending Requirements for Certain Component Units— an amendment of GASB Statement No. 14*, MORPC is not considered part of the Franklin County (the “County”) financial reporting entity as a result of the following:

- MORPC is a separate legal entity, established under Section 713.21 of the Ohio Revised Code (“ORC”).
- The County holds only 12 of 117 seats on MORPC’s governing Board.
- MORPC is not fiscally dependent on the County, and it does not provide a financial benefit to, nor impose a financial burden on, the County.
- MORPC provides services to members outside of the County.

Accordingly, MORPC, including the Hope for Homeownership of Single Family Homes Program (“HOPE 3”) Trust, is the sole organization of the reporting entity. HOPE 3 is a component unit of MORPC, as MORPC is its exclusive beneficiary, described further below in Note 1. All HOPE 3 Trust assets, liabilities, net position, and results of operations have been blended in with those of MORPC in the accompanying financial statements. There are no agencies or organizations other than HOPE 3 for which MORPC is considered the primary government.

**Basis of Accounting**— In accordance with accounting principles generally accepted in the United States of America for governmental entities such as MORPC, a proprietary fund is used to account for operations since they are financed and operated in a manner similar to private business enterprises. The intent of MORPC is to recover costs of the services provided to its members, the federal government, the state, and all other contracting organizations. The proprietary fund is accounted for on the accrual basis of accounting, using a flow of economic resources measurement focus. Revenue is recognized in the period earned and expenses are recognized in the period incurred. The financial statements include both MORPC and the HOPE 3

Trust, a blended component unit, which was established principally for the purpose of holding title to certain real estate for MORPC.

***Revenue Recognition*** — Revenue is derived from federal, state, county, and local funding, as well as foundations, corporations, and utility company contracts. MORPC members are charged an annual fee on a per-capita basis as determined by MORPC pursuant to the Articles of Agreement of MORPC. In addition, MORPC receives federal grants, which include amounts from the Department of Housing and Urban Development, the Federal Transit Administration, the Federal Highway Administration (in conjunction with the Ohio Department of Transportation), the U.S. Department of Energy and the U.S. Department of Health and Human Services (in conjunction with the Ohio Department of Development).

Revenues are recognized in the statement of revenues, expenses, and changes in net position when earned. Cash received for which applicable services have not been performed are recorded as unearned grant and contract revenue in the statements of net position.

Proprietary funds distinguish operating revenues from non-operating revenues. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. MORPC receives revenue from those who directly benefit from the services of MORPC and receives revenue from other governments restricted to a specific program or programs. Revenue from these sources has been classified as operating revenue.

***Property and Equipment*** — MORPC capitalizes at cost all purchased property and equipment costing \$5,000 and greater and with a useful life greater than one year. Depreciation is provided on the straight-line method over the estimated useful lives of the assets ranging from four to ten years. Leasehold improvements are amortized over the lesser of the useful life of the asset or term of the lease. Donated property and equipment are recorded at acquisition value on the date of donation. Upon sale or disposition of property and equipment, the cost and related depreciation are removed from the accounts and any gain or loss is recognized.

***Cash Deposits and Cash Equivalents*** — As required by ORC Section 713.21, MORPC must deposit all receipts in the Franklin County Treasury. The County Treasurer maintains a cash and investment pool used for all County Treasury activities.

Pursuant to ORC Section 135.181, the County's deposits are covered by collateral held by third-party trustees in collateral pools securing all public funds on deposits with specific depository institutions. There is no regulatory oversight for the pool. A portion of the deposits is held in the County's name in non-interest-bearing demand deposit accounts in institutions with branches in Franklin County. A portion of the deposits is in time certificates of deposit registered in the County's name and is held by the County.

During 2017, Franklin County held investments on behalf of MORPC in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the state to pool their funds for investment purposes. STAROhio is not registered with the federal Securities and Exchange Commission as an investment company, but has adopted GASB Statement No. 79, *Accounting and Financial Reporting for Certain External Investment Pools and Pool Participants*, which establishes accounting and financial reporting standards for qualifying external investment pools, and for the state and local governments that participate in them, that elect to measure their investments at amortized cost. STAROhio is reported at the net asset value (NAV) per share, which is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. For the

year ended December 31, 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemptions gates.

MORPC's deposits with Franklin County have carrying amounts of \$4,491,959 at December 31, 2017 and bank balances of \$4,491,959 at December 31, 2017. Included in these bank balances are \$684,606 at December 31, 2017 which is designated by the MORPC Board for building repairs and replacements. Franklin County's deposits of MORPC funds are held by third-party trustees, pursuant to ORC Section 135.181, in collateral pools securing all public monies on deposit with specific depository institutions. The fair value of the position in this external investment pool is the same as the value of the pool shares. MORPC's deposits in the Hope 3 Trust, relating to the HOPE 3 and NSP programs, had carrying amounts of \$40,574 at December 31, 2017. The bank balances were \$40,574 at December 31, 2017.

Custodial credit risk for deposits is the risk that in the event of bank failure, MORPC will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year-end, none of the cash deposits and cash equivalents was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution.

***Investments***— The ORC does not provide MORPC the power to make or hold investments other than the non-interest-bearing deposits in the Franklin County Treasury explained above. By written agreement with Franklin County, the proceeds from the 2007 sale of the former MORPC office building were invested by the County on behalf of MORPC with all the proceeds from the investments flowing to MORPC. At December 31, 2017 these proceeds were invested in a separate account in STAROhio. In total, the investment balance was \$2,443,372 at December 31, 2017. The STAROhio account is considered to be a cash equivalent and the balance is included in the cash balances carried by Franklin County as noted above.

***Interest Rate Risk***— Investments held by Franklin County on behalf of MORPC are required to mature within five years unless matched to a specific obligation of the agency. To the extent possible, the agency will attempt to match its investments with anticipated cash flow requirements.

***Credit Risk***— STAROhio carries a rating of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. For funds invested by Franklin County on behalf of MORPC, safety of principal is the foremost objective of the investment program. Investments of the agency shall be undertaken in a manner that ensures the preservation of capital in the overall portfolio. At no time will the safety of the portfolio's principal be impaired or jeopardized. Safety is defined as the certainty of receiving interest, plus full par value at the security's legal final maturity.

***Debt***— The ORC does not provide MORPC the power to incur debt other than for leases for the purchase of equipment or property and buildings for housing commission operations.

***Cash Equivalents***— For purposes of the statements of cash flows, MORPC considers all cash deposits held by the Franklin County Treasury, investments on behalf of MORPC in STAROhio and the HOPE 3 deposits, to be cash equivalents since they are available to MORPC upon demand.

***Compensated Absences***— MORPC employees are granted annual leave (Paid Time Off or PTO) and, prior to 2016, sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated annual leave and a percentage of accumulated sick leave.



Sick leave benefits are accrued using the vesting method in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*. An accrual for earned sick leave is reduced to the maximum amount allowed as a termination payment. The liability is based on the probability that individual employees will become eligible to receive termination payments.

MORPC allows employees to annually convert unused PTO and sick leave hours to cash compensation with various quantity and usage restrictions. The amount employees converted in 2017 was approximately \$44,000, reducing MORPC's liability.

***Pensions*** – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the Ohio Public Employees' Retirement System (OPERS). OPERS uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. OPERS reports investments at fair value.

***Deferred Outflows of Resources*** – In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. MORPC recognizes deferred outflows of resources related to the net pension liability as discussed further in note 6.

***Deferred Inflows of Resources*** – in addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. MORPC recognizes deferred outflows of resources related to the net pension liability as discussed further in note 6.

***HOPE 3 and NSP Programs*** – MORPC manages the Hope for Homeownership of Single Family Homes (HOPE 3) Program and the Neighborhood Stabilization Program (NSP) in which MORPC acquires homes with federal monies, refurbishes the homes, and then sells them to qualified buyers in exchange for mortgage notes. In accordance with the mortgage note, a percentage of the mortgage note is forgiven as long as the owner continues to live in the home. Management expects the notes to be fully forgiven over time.

Real estate held for resale is stated at cost and includes the costs associated with renovating the homes. Real estate held for resale consists of single-family homes, which are to be sold to qualifying participants under the NSP and HOPE 3 programs as established by the United States Department of Housing and Urban Development. MORPC held no real estate for resale as of December 31, 2017.

HOPE 3 and NSP mortgage notes receivable represent amounts due from homeowners resulting from the sale of homes under the HOPE 3 and NSP programs. These notes receivable are collateralized by second mortgages and are due upon the subsequent sale of the homes, or the amounts are forgiven pursuant to HOPE 3 and NSP guidelines. MORPC has recorded unearned revenues in amounts equal to the mortgage loans receivable. These unearned revenues represent amounts advanced by the United States Department of Housing and Urban Development to fund the HOPE 3 and NSP programs. Upon forgiveness of the mortgage notes receivable such amounts are charged against unearned revenue.

***Use of Estimates***— The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

***New Accounting Pronouncements*** - The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which addresses reporting by governments that provide postemployment benefits other than pensions (OPEB) to their employees and for governments that finance OPEB for employees of other governments. This standard will require MORPC to recognize on the financial statements its proportionate share of the net OPEB liability related to its participation in OPERS. The statement also revises note disclosures and enhances required supplementary information disclosures. The provisions of this statement are effective for MORPC's financial statements for the year ending December 31, 2018.

The GASB has issued Statement No. 87, *Leases*, which requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions of this statement are effective for MORPC's financial statements for the year ending December 31, 2020.

The GASB has also issued Statement No. 83, *Certain Asset Retirement Obligations*; Statement No. 84, *Fiduciary Activities*; Statement No. 85, *Omnibus 2017*; Statement No. 86, *Certain Debt Extinguishment Issues*; and Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The provisions of these statements are effective for financial statements for various reporting periods beginning after June 15, 2017, or later.

All of the statements discussed above will be implemented at the required time. Management has not yet determined the impact any of these statements will have on its financial statements.

## **2. CASH DESIGNATED FOR REPLACEMENTS**

During 2017, MORPC held monies with the Franklin County Treasury, which are designated to be used for major replacements, repairs and maintenance of its office facility, which totaled \$684,606 at December 31, 2017.

### 3. PROPERTY AND EQUIPMENT

The changes in capital assets during the year ended December 31, 2017 are as follows:

	Balance December 31, <u>2016</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2017</u>
Capital assets being depreciated:				
Leasehold improvements	\$ 118,496	\$ -	\$ -	\$ 118,496
Furniture and equipment	538,529	16,934	-	555,463
Automobiles and light trucks	275,218	-	-	275,218
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Total capital assets being depreciated:	932,243	16,934	-	949,177
	<hr/>	<hr/>	<hr/>	<hr/>
Less accumulated depreciation:				
Leasehold improvements	74,485	19,830	-	94,315
Furniture and equipment	455,000	40,206	-	495,206
Automobiles and light trucks	275,218	-	-	275,218
	<hr/>	<hr/>	<hr/>	<hr/>
Total accumulated depreciation	804,703	60,036	-	864,739
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets – net of depreciation	\$ 127,540	\$(43,102)	\$ -	\$ 84,438
	<hr/>	<hr/>	<hr/>	<hr/>

### 4. ACCOUNTS RECEIVABLE

A schedule of MORPC's accounts receivable as of December 31, 2017 is as follows:

	<u>2017</u>
Federal grants and contracts	\$ 892,250
State and local contracts	800,924
Utility company contracts	365,748
	<hr/>
Total	\$ 2,058,912
	<hr/>

### 5. LEASES

MORPC leases approximately 21,449 square feet of office space to house the MORPC office staff and public meeting areas. This operating lease had an initial ten-year term which expired on October 31, 2017, and was extended for an additional five-year period from November 1, 2017 through October 31, 2022. The cost for the lease was \$412,851 in 2017. Additionally, MORPC entered into two copier leases during 2016, and a postage meter lease in 2014. The cost for these equipment leases was \$17,215 in 2017. Future minimum payments, by year, under all leases consisted of the following at December 31, 2017:

2018	\$ 467,644
2019	\$ 466,183
2020	\$ 452,324
2021	\$ 450,429
2022	\$ 375,357

MORPC leases warehouse space for the home weatherization program under an annual operating lease with no contingent rentals. The cost for the lease was \$12,000 in 2017.

## **6. DEFINED BENEFIT PENSION PLAN**

### **a. Net Pension Liability**

The net pension liability reported on the statement of net position represents a liability to employees for pension benefits provided through the Ohio Public Employees Retirement System (OPERS). Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents MORPC's proportionate share of OPERS' collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits MORPC's obligation for this liability to annually required payments. MORPC cannot control benefit terms or the manner in which pensions are financed; however, MORPC does receive the benefit of employees' services in exchange for compensation including pensions.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included as a payable on the accrual basis of accounting.

### **b. Plan Description – Ohio Public Employees Retirement System (OPERS)**

**Plan Description** - MORPC employees, through Franklin County, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While

members (e.g. MORPC employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS' CAFR referenced above for additional information):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit.
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career. Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

**Funding Policy** - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions to OPERS as follows:

	<u>State and Local</u>
<b>2017 Statutory Maximum Contribution Rates:</b>	
Employer	14.0%
Employee	10.0%
<b>2017 Actual Contribution Rates:</b>	
Employer:	
Pension	13.0%
Post-employment Health Care Benefits	1.0%
Total Employer	<u>14.0%</u>
Employee	<u>10.0%</u>

Employer contribution rates are actuarially determined using the entry age normal cost method, and are expressed as a percentage of covered payroll. MORPC's actuarially and statutorily required contribution was \$545,179 for 2017, of which \$-0- is reported as a payable at December 31, 2017.

**c. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The net pension liability for OPERS was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. MORPC's proportion of the net pension liability was based on MORPC's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to MORPC's proportionate share and pension expense:

	<u>OPERS</u>
Proportionate share of the net pension liability	\$7,183,782
Proportion of the net pension liability	0.03163505%
Pension expense	\$903,322

At December 31, 2017, MORPC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS
<b>Deferred Outflows of Resources:</b>	
Net difference between projected and actual earnings	
on pension plan investments	\$1,195,268
Change in assumptions	1,139,436
Change in proportionate share	30,155
Difference between expected and actual experience	9,737
MORPC contributions subsequent to the measurement date	545,179
Total deferred outflows of resources	<u>\$2,919,775</u>
<b>Deferred Inflows of Resources:</b>	
Change in proportionate share	\$ 167,931
Differences between projected and actual earnings	125,438
Differences between expected and actual experience	42,754
Total deferred inflows of resources	<u>\$ 336,123</u>

\$545,179 reported as deferred outflows of resources related to pension resulting from MORPC contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS
Year Ending December 31:	
2018	\$ 768,262
2019	920,034
2020	381,543
2021	(31,366)
Total	<u>\$2,038,473</u>

**d. Actuarial Assumptions - OPERS**

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.25%
Future Salary Increases	3.25% to 10.75% including wage inflation
Cost of Living Adjustments	Pre- 1/7/2013 retirees – 3.00% simple Post- 1/7/2013 retirees – 3.00% simple through 2018; then afterwards 2.15% simple
Investment Rate of Return	7.50%
Actual Cost Method	Individual Entry Age

Mortality rates were based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base year of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation period base year of 2006 and then established the base year as 2015 for males and 2015 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The most recent experience study was completed in 2016 by OPERS actuarial consultants for the five year period ended December 31, 2015 and compared assumptions to actual results. The experience study incorporated both a historical review and forward-looking projections to determine the appropriate set of assumptions to keep the plan on a path toward full funding. Information from the study led to changes in both demographic and economic assumptions, with the most notable being a reduction in the actuarially assumed rate of return from 8.0% down to 7.5% for the defined benefit investments.

The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the 401(h) Health Care Trust portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The 401(h) Health Care Trust portfolio was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio of July 1, 2016. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan. The Defined Benefit portfolio historically has included the assets of the Member-Directed retiree medical accounts funded through the VEBA Trust. However, the VEBA Trust was closed as of June 30, 2016 and the net position transferred to the 115 Health Care Trust portfolio on July 1, 2016. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money weighted rate of return expressing investment performance, net of investments expense and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio is 8.3 percent for 2016.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return



basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2016 and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	23.00%	2.75%
Domestic Equities	20.70	6.34
Real Estate	10.00	4.75
Private Equity	10.00	8.97
International Equities	18.30	7.95
Other Investments	<u>18.00</u>	<u>4.92</u>
Total	<u>100.00%</u>	<u>5.66%</u>

**Discount Rate** - The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of MORPC's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following table presents MORPC's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.5 percent, as well as what MORPC's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.5 percent) or one-percentage-point higher (8.5 percent) than the current rate:

	<u>1% Decrease 6.50%</u>	<u>Current Discount Rate 7.50%</u>	<u>1% Increase 8.50%</u>
MORPC's proportionate share of the net pension liability	\$10,974,832	\$7,183,782	\$4,024,611

## 7. OTHER POST-EMPLOYMENT BENEFITS

OPERS maintains a single cost-sharing multiple employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage, and deposits to a Health Reimbursement Arrangement, to qualifying members of both the Traditional Pension and the Combined Plans. This trust also funds a Retiree Medical Account (RMA) for members in the Member-Directed Plan. At retirement or refund, Member-Directed plan participants can be reimbursed for qualified medical expenses from their vested RMA balance.

In order to qualify for post-employment health care coverage, age-and-service retirees, under the Traditional Pension and the Combined Plans must have twenty or more years of qualifying Ohio

service credit. Health care coverage for disability recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45. Please see the Plan Statement in the OPERS 2016 CAFR for details.

The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided to the OPERS Board of Trustees in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained at <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-5601 or 1-800-222-7377.

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care benefits. Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2017 local government employers contributed at a rate of 14.00% of earnable salary. This is the maximum employer contribution rate permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For calendar year 2017, 2016 and 2015 the portion of employer contributions allocated to health care for members in the Traditional Plan and Combined Plan was 1.0%, 2.0% and 2.0% respectively. The portion of MORPC's 2017, 2016 and 2015 contributions that were used to fund postemployment benefits was \$44,000, \$85,000 and \$82,000 respectively. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected.

## **8. CONTINGENCIES**

Federal, state and local contracts and utility contracts are subject to review and audit by the grantor agencies or their designees. Such audits could lead to requests for reimbursement to the grantor agency for expenses disallowed under terms of the grant. There are no such claims pending and no known situations, which would lead to such a claim. In addition, based upon prior experience and audit results, management believes that such disallowances, if any, would be immaterial.

In the normal course of its business activities, MORPC may become subject to claims and litigation relating to contract, employment or other matters. In the opinion of management, the resolution of any such claims pending would not likely have a material impact on MORPC's financial position.

## **9. RISK MANAGEMENT**

MORPC is exposed to various risks of losses related to torts, theft or damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters.

Beginning in 2012 MORPC self-insured its workers' compensation costs by participating in the Franklin County Workers' Compensation self-insurance program. The County establishes rates for its member agencies based on an independent actuarial evaluation, and those charges are intended to cover administrative costs and maintain a sufficient reserve. The reserve is intended to cover costs in excess of \$100,000 per claim. MORPC is liable to cover the claim costs up to \$100,000. MORPC's related rate charge liability to the County as of December 31, 2017 was approximately \$2,200 and was included in the balance of accrued liabilities - payroll and fringe benefits. MORPC had one outstanding incurred employee claim as of December 31, 2017, and based on estimates provided by the program administrator, management believes that the maximum loss obligation of \$100,000 will be attained; accordingly, that amount is also included in the balance of accrued liabilities - payroll and fringe benefits.

MORPC has insurance for both general liability and automobile claims and hospitalization and medical benefit coverage to all of its full-time employees. There were no significant changes in the above policies during 2017. During 2017, insurance coverage, after meeting any applicable deductibles, was sufficient to cover all losses.

#### 10. FEDERAL GRANTS AND CONTRACTS REVENUE

Federal grants and contracts revenue for the year ended December 31, 2017 are made up of the following:

	<u>2017</u>
Federal grants	\$ 6,115,295
Federal contracts	<u>19,134</u>
Total federal grants and contracts	<u><u>\$ 6,134,429</u></u>

## 11. NONCURRENT LIABILITIES

The changes in MORPC's noncurrent liabilities for the year ended December 31, 2017 are as follows:

	Beginning Balance December 31, <u>2016</u>	<u>Additions</u>	<u>Reductions</u>	Ending Balance December 31, <u>2017</u>	Current Portion December 31, <u>2017</u>
Paid Time Off (PTO)	\$ 283,874	\$ 410,517	\$ (326,385)	368,006	\$ 45,000
Sick leave	<u>144,237</u>	<u>-</u>	<u>(37,295)</u>	<u>106,942</u>	<u>25,000</u>
Accrued PTO and sick leave	428,111	410,517	(363,680)	474,948	70,000
Accrued building lease expense	5,405	-	(5,405)	-	-
Unearned revenue	801,952	1,433,231	(685,924)	1,549,259	1,406,867
Net pension liability	<u>5,418,085</u>	<u>1,765,697</u>	<u>-</u>	<u>7,183,782</u>	<u>-</u>
Total noncurrent liabilities	<u>\$ 6,653,553</u>	<u>\$ 3,609,445</u>	<u>\$ (1,055,009)</u>	<u>\$ 9,207,989</u>	<u>\$ 1,476,867</u>

## REQUIRED SUPPLEMENTARY INFORMATION

# MID-OHIO REGIONAL PLANNING COMMISSION

## REQUIRED SUPPLEMENTARY INFORMATION

### SCHEDULE OF MORPC'S PROPORTIONATE SHARE OF NET PENSION LIABILITY

#### OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - TRADITIONAL PLAN

#### LAST FOUR YEARS (1)

	<u>2016 (2)</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
MORPC's proportion of the net pension liability:	0.031635%	0.031280%	0.035198%	0.035198%
MORPC's proportionate share of the net pension liability:	\$7,183,782	\$5,418,085	\$4,245,280	\$4,149,393
MORPC's covered-employee payroll:	\$4,031,617	\$3,896,043	\$4,297,843	\$4,271,108
MORPC's proportionate share of the net pension liability as a % of covered-employee payroll:	178.19%	139.07%	98.78%	97.15%
Plan fiduciary net position as a % of the total pension liability:	77.39%	81.08%	86.45%	86.36%

#### Notes:

(1) Amounts are calculated as of the OPERS measurement date, which is December 31 of the calendar year shown. MORPC's corresponding net pension liability is as of December 31 of the succeeding fiscal year. Data prior to 2013 is not available.

(2) In 2016, OPERS revised several actuarial assumptions which impacted the net pension liability valuation. The most significant changes in assumptions were: wage inflation was reduced from 3.75% to 3.25%; the range of projected salary increases was revised from 4.25% - 10.05% to 3.25% - 10.75%; the actuarial rate of return on investments was reduced from 8.0% to 7.5%; and the RP-2014 Healthy Annuitant mortality tables replaced the RP-2000 mortality tables used in previous years.

# **MID-OHIO REGIONAL PLANNING COMMISSION**

## **REQUIRED SUPPLEMENTARY INFORMATION**

### **SCHEDULE OF MORPC CONTRIBUTIONS TO THE**

### **OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM - TRADITIONAL PLAN**

### **LAST FIVE YEARS (1)**

	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>
Contractually required contribution	\$ 545,179	\$ 483,794	\$ 467,525	\$ 515,741	\$ 555,244
Contributions in relation to the contractually required contribution	(545,179)	(483,794)	(467,525)	(515,741)	(555,244)
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
MORPC covered-employee payroll	\$ 4,193,685	\$ 4,031,617	\$ 3,896,043	\$ 4,297,843	\$ 4,271,108
Contributions as a percentage of covered-employee payroll	13.00%	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not presented as Governmental Accounting Standards Board Statement No. 68 was implemented in 2015, resulting in restatement of 2014 and prior balances.

## OTHER SUPPLEMENTARY INFORMATION



# MID-OHIO REGIONAL PLANNING COMMISSION

## SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance over / (under)</u>
Revenue			
Environment, Mapping & Transportation	\$ 6,565,945	\$ 7,586,151	\$ (1,020,206)
Energy and Air Quality	3,863,711	4,482,635	(618,924)
Housing & Community Services	761,578	1,447,928	(686,350)
Services to Members & Development	659,107	716,357	(57,250)
Other	716,095	430,466	285,629
<b>Total Operating Revenues</b>	<b>12,566,436</b>	<b>14,663,537</b>	<b>(2,097,101)</b>
Expenses			
Salaries and benefits	7,294,689	7,170,226	124,463
Materials and Supplies	164,222	550,000	(385,778)
Consultants, services and other	5,836,534	6,883,968	(1,047,434)
Depreciation	60,036	57,393	2,643
<b>Total Expenses</b>	<b>13,355,481</b>	<b>14,661,587</b>	<b>(1,306,106)</b>
Operating income (loss)	(789,045)	1,950	(790,995)
Interest Income	35,011	5,000	30,011
Increase (decrease) in net position	<u>\$ (754,034)</u>	<u>\$ 6,950</u>	<u>\$ (760,984)</u>

## MID-OHIO REGIONAL PLANNING COMMISSION

### BUDGETARY ACCOUNTING

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The accounting principles employed by MORPC in its budgetary accounting and reporting are the same as those used to present financial statements in accordance with generally accepted accounting principles. Outlined below are the annual procedures MORPC follows to establish the expense budget data.

By December of the preceding year, the Finance Director develops a comprehensive operating and capital budget for the following calendar year with detailed estimated revenue and expenses by source for each half calendar year. Detailed direct and indirect cost allocations by grant are included. This budget, including appropriations, is presented to MORPC's Executive Committee of the Commission for review and then submitted to the full Commission for adoption.

MORPC appropriates at the major account group level, which includes personal services, materials and supplies, services and charges, capital expenditures, debt service, and interfund transfer. The Executive Committee can approve transfers among the appropriation accounts within the total appropriated by MORPC, which is the legal spending limit.

Each spring the federal transportation planning work program is submitted along with contract applications for federal planning funds for the next July through June fiscal year. The indirect cost allocation plan is submitted for negotiation in the summer or autumn, for the following calendar year.

If necessary during the year, MORPC's calendar year budget and appropriations are revised by the Finance Director, reviewed by the Executive Committee and adopted by the full Commission.

Appropriations lapse at year-end. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in conjunction with the Franklin County Auditor as an extension of formal budgetary control.

Interim financial statements comparing budget to actual in the same level of detail as the budget are prepared monthly on the accrual basis. These statements, along with narrative variance analyses, are reviewed four times during the year by the Executive Committee.

MID-OHIO REGIONAL PLANNING COMMISSION

Details of Indirect Cost Allocation and Fringe Benefits Allocation

Year-to-date as of December 31, 2017

	Estimated CY 2017	Actual CY 2017	Difference (Over Bdgt.) Under Bdgt.
<b>Wages paid for time worked:</b>			
Direct Labor	\$ 3,110,182	\$ 2,978,087	\$ 132,095
Indirect Labor	\$ 1,025,377	\$ 937,673	\$ 87,704
<b>Total Labor - base for fringe allocation</b>	<b>\$ 4,135,559</b>	<b>\$ 3,915,760</b>	<b>\$ 219,799</b>
<b>Fringe Benefits</b>			
PTO leave	\$ 310,000	\$ 240,475	\$ 69,525
Holidays, funeral, jury, other leave	\$ 238,284	\$ 194,198	\$ 44,086
Sick Leave	\$ 83,488	\$ 37,840	\$ 45,648
Retirement PTO/Sick Leave	\$ 3,000	\$ (5,620)	\$ 8,620
PTO/Sick Carryover	\$ 110,000	\$ 170,042	\$ (60,042)
<b>Subtotal Fringe Benefit Wages</b>	<b>\$ 744,772</b>	<b>\$ 636,935</b>	<b>\$ 107,837</b>
<b>Other Fringe Benefits</b>			
OPERS	\$ 671,657	\$ 625,510	\$ 46,147
Workers Comp	\$ 70,000	\$ 141,459	\$ (71,459)
Unemployment Compensation	\$ 10,500	\$ 15,412	\$ (4,912)
Medicare	\$ 69,564	\$ 61,343	\$ 8,221
Group Medical Insurance	\$ 1,032,851	\$ 936,797	\$ 96,054
Group EAP Insurance	\$ 36,814	\$ 35,413	\$ 1,401
Group Life Insurance	\$ 2,360	\$ 2,568	\$ (208)
Group Optical Insurance	\$ 10,428	\$ 9,463	\$ 965
Group Dental Insurance	\$ 55,770	\$ 50,587	\$ 5,183
Group Prescription Insurance	\$ 212,614	\$ 192,842	\$ 19,772
Benefits Administrative Fee	\$ 61,311	\$ 46,522	\$ 14,789
Employee Health Incentive	\$ 10,000	\$ 7,050	\$ 2,950
Employee Group Insurance Cost Sharing	\$ (294,815)	\$ (264,555)	\$ (30,260)
Contributions in Lieu of Medical Insurance	\$ 44,000	\$ -	\$ 44,000
ST/LT Disability Insurance	\$ (70,753)	\$ 39,644	\$ (110,397)
Prior Year Rate Adjustment (use only with fixed rate)	\$ (61,671)	\$ (61,671)	\$ -
<b>Subtotal Other Fringe Benefits</b>	<b>\$ 1,860,630</b>	<b>\$ 1,838,384</b>	<b>\$ 22,244</b>
<b>TOTAL FRINGE BENEFITS</b>	<b>\$ 2,605,402</b>	<b>\$ 2,475,319</b>	<b>\$ 130,081</b>
<b>Indirect Costs</b>			
Salaries - Indirect Only	\$ 1,025,377	\$ 937,673	\$ 87,704
Fringe Benefits for Indirect Salaries	\$ 645,988	\$ 592,752	\$ 53,236
Materials & Supplies	\$ 79,109	\$ 60,593	\$ 18,516
Services & Charges	\$ 500,963	\$ 568,967	\$ (68,004)
Rent & Utilities	\$ 323,600	\$ 305,795	\$ 17,805
Other General Overhead	\$ 187,691	\$ 68,583	\$ 119,108
Prior Year Rate Adjustment (use only with fixed rate)	\$ 204	\$ 204	\$ -
<b>TOTAL INDIRECT COSTS</b>	<b>\$ 2,762,932</b>	<b>\$ 2,534,567</b>	<b>\$ 228,365</b>
<b>Direct Labor Costs by Department:</b>			
Transportation	\$ 2,228,436	\$ 2,056,086	\$ 172,350
Energy & Air Quality	\$ 943,913	\$ 770,650	\$ 173,263
Member Dues	\$ 173,084	\$ 143,901	\$ 29,183
Other Grants/Programs	\$ 10,231	\$ 7,450	\$ 2,781
Less Estimated Turnover	\$ (245,482)	\$ -	\$ (245,482)
<b>TOTAL DIRECT LABOR COSTS</b>	<b>\$ 3,110,182</b>	<b>\$ 2,978,087</b>	<b>\$ 132,095</b>

MID-OHIO REGIONAL PLANNING COMMISSION  
Details of Indirect Cost Allocation and Fringe Benefits Allocation  
Year-to-date as of December 31, 2017

	Estimated CY 2017	Actual CY 2017	Difference (Over Bdgt.) Under Bdgt.
<b>Calculated Direct vs. Indirect Fringe Benefits Costs</b>			
Direct Labor Fringe Benefits	\$ 1,959,414	\$ 1,882,568	\$ 76,846
Indirect Labor Fringe Benefits	\$ 645,989	\$ 592,752	\$ 53,237
<b>TOTAL FRINGE BENEFITS</b>	<b>\$ 2,605,402</b>	<b>\$ 2,475,320</b>	<b>\$ 130,082</b>
<b>Fringe Benefit Cost Rate Computation</b>			
TOTAL Fringe Benefit Costs /	\$ 2,605,402	\$ 2,475,320	
TOTAL Labor Costs (Direct & Indirect)	\$ 4,135,559	\$ 3,915,760	
<b>= Fringe Benefit Cost Rate</b>	<b>63.00%</b>	<b>63.21%</b>	
<b>Estimated</b>			
<b>Fringe Benefit Cost Recovery Comparison (Direct Labor Portion Only)</b>			
Should have recovered in fiscal year		\$ 1,882,568	63.21% of Direct Labor
Amount actually recovered in fiscal year		\$ 1,876,195	63.00% of Direct Labor
Prior Year Net (Over) / Under Recovery		\$ (61,671)	
Prior Year (Over) / Under Recovery Posted to Cost Pool		\$ (61,671)	
<b>Total - (Over)/Under Recovery of Fringe Benefits</b>		<b>\$ 6,373</b>	<b>A (over)/under</b>
<b>Indirect Cost Rate Computation</b>			
TOTAL Indirect Costs /	\$ 2,762,932	\$ 2,534,567	
DIRECT Labor + Direct Labor Fringe Benefits	\$ 5,069,597	\$ 4,860,655	
<b>= Indirect Cost Rate</b>	<b>54.50%</b>	<b>52.14%</b>	
<b>Estimated</b>			
<b>Indirect Cost Recovery Comparison (All Indirect Costs, Indirect Labor &amp; Indirect Labor Fringe Benefits)</b>			
Should have recovered in fiscal year			of Direct Labor +
((Actual Direct Labor + Actual Direct Labor Fringe Benefits)			Direct Labor Fringe
x Actual Indirect Cost Rate)	\$ 2,534,567		Benefits
Amount actually recovered in fiscal year			of Direct Labor +
((Actual Direct Labor + Direct Labor Fringe Benefits)			Direct Labor Fringe
x ESTIMATED Indirect Cost Rate)	\$ 2,645,585		Benefits
Prior Year Net (Over) / Under Recovery	\$ 204		
Prior Year (Over) / Under Recovery Posted to Cost Pool	\$ 204		
<b>Total - (Over)/Under Recovery of Indirect Costs</b>		<b>\$ (111,018)</b>	<b>B (over)/under</b>
<b>Estimated</b>			
Fringe Benefit Cost (Over)/Under Recovery		\$ 6,373	A (over)/under
Indirect Cost (Over)/Under Recovery		\$ (111,018)	B (over)/under
<b>Net (Over)/Under Recovery</b>		<b>\$ (104,645)</b>	
<b>Summary</b>			
	<b>CY 2017 Estimated</b>	<b>CY 2017 Actual</b>	
Fringe Benefit Rate	63.00%	63.21%	
Indirect Cost Rate	54.50%	52.14%	
<b>Total Overhead Cost Rate</b>	<b>117.50%</b>	<b>115.36%</b>	

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF REVENUES AND EXPENSES FOR U.S. DEPARTMENT OF TRANSPORTATION FUNDS**  
Year Ended December 31, 2017

	Federal Highway Administration/Ohio Department of Transportation 467772	Federal Highway Administration/Ohio Department of Transportation 467929	Federal Highway Administration/Ohio Department of Transportation 467771	Federal Highway Administration/Ohio Department of Transportation 467928
	Rideshare Program SFY17	Rideshare Program SFY18	Supplemental Planning SFY17	Supplemental Planning SFY18
Revenues:				
Federal	\$ 506,570	370,837	37,324	112,382
State	-	-	-	-
Local	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 506,570</b>	<b>370,837</b>	<b>37,324</b>	<b>112,382</b>
Expenditures:				
Salaries and benefits	\$ 222,676	178,813	13,438	59,367
Consultants	-	-	12,928	6,900
Other Direct	162,535	94,571	3,634	13,760
Indirect Costs	121,359	97,453	7,324	32,355
<b>TOTAL EXPENDITURES</b>	<b>\$ 506,570</b>	<b>370,837</b>	<b>37,324</b>	<b>112,382</b>

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF REVENUES AND EXPENSES FOR U.S. DEPARTMENT OF TRANSPORTATION FUNDS**  
Year Ended December 31, 2017

	Federal Highway Administration/Ohio Department of Transportation 467773	Federal Highway Administration/Ohio Department of Transportation 467927	Federal Highway Administration/Ohio Department of Transportation 135420	Federal Highway Administration/Ohio Department of Transportation 135535
	Air Quality Awareness SFY17	Air Quality Awareness SFY18	Consolidated Planning Grant SFY17	Consolidated Planning Grant SFY18
Revenues:				
Federal	\$ 208,150	253,261	1,161,709	1,085,248
State	-	-	145,214	135,656
Local	-	-	145,210	135,653
<b>TOTAL REVENUES</b>	<b>\$ 208,150</b>	<b>253,261</b>	<b>1,452,133</b>	<b>1,356,557</b>
Expenditures:				
Salaries and benefits	98,148	129,657	884,653	834,099
Consultants	33,664	34,316	-	-
Other Direct	22,847	18,625	85,344	67,874
Indirect Costs	53,491	70,663	482,136	454,584
<b>TOTAL EXPENDITURES</b>	<b>\$ 208,150</b>	<b>253,261</b>	<b>1,452,133</b>	<b>1,356,557</b>

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF REVENUES AND EXPENSES FOR U.S. DEPARTMENT OF TRANSPORTATION FUNDS**  
Year Ended December 31, 2017

	Federal Highway Administration/Ohio Department of Transportation 467322	Federal Highway Administration/Ohio Department of Transportation 135422	Federal Highway Administration/Ohio Department of Transportation 135211 Central Ohio Rural Planning Organization	Federal Highway Administration/Ohio Department of Transportation 135211 Rural Transportation Planning Partnership
Revenues:				
Federal	\$ 9,937	-	217,255	11,366
State	-	64,224	27,157	2,841
Local	-	-	27,156	-
<b>TOTAL REVENUES</b>	<b>\$ 9,937</b>	<b>64,224</b>	<b>271,568</b>	<b>14,207</b>
Expenditures:				
Salaries and benefits	\$ 4,995	40,760	174,182	9,124
Consultants	-	-	-	-
Other Direct	2,220	1,250	2,456	110
Indirect Costs	2,722	22,214	94,930	4,973
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,937</b>	<b>64,224</b>	<b>271,568</b>	<b>14,207</b>

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF REVENUES AND EXPENSES FOR U.S. DEPARTMENT OF TRANSPORTATION FUNDS**  
Year Ended December 31, 2017

Revenues:				
Federal		Federal Highway Administration/Ohio Department of Transportation 466698	Federal Highway Administration/Ohio Department of Transportation 467815	Federal Highway Administration/Ohio Department of Transportation 468031
State	\$	1,828	153,897	32,542
Local		457	-	-
		-	-	-
TOTAL REVENUES	\$	2,285	153,897	32,542
Expenditures:				
Salaries and benefits				
Consultants	\$	1,460	95,006	-
Other Direct		-	-	32,542
Indirect Costs		29	7,113	-
		796	51,778	-
TOTAL EXPENDITURES	\$	2,285	153,897	32,542



**MID-OHIO REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF COSTS BY SUBCATEGORY FOR**  
**US DEPARTMENT OF TRANSPORTATION FUNDED ACTIVITIES**  
**AS DEPICTED IN THE SFY 17 AND SFY 18 PLANNING WORK PROGRAMS**  
**Year Ended December 31, 2017**

	<u>SUBCATEGORIES</u>	<u>FHWA</u>	<u>ODOT</u>	<u>MORPC</u>	<u>CMAQ</u>	<u>STP</u>	<u>Other Local</u>	<u>TOTAL</u>
		80.00%	10.00%	10.00%				100.00%
601	Short Range Planning SFY 17	\$ 361,508	\$ 45,188	\$ 45,188	\$ -	\$ -	\$ -	\$ 451,884
	Short Range Planning SFY 18	\$ 346,344	\$ 43,293	\$ 43,293	\$ -	\$ -	\$ -	\$ 432,930
		80.00%	10.00%	10.00%				100.00%
602	Transportation Improvement Program SFY 17	\$ 116,197	\$ 14,525	\$ 14,525	\$ -	\$ -	\$ -	\$ 145,247
	Transportation Improvement Program SFY 18	\$ 120,556	\$ 15,069	\$ 15,069	\$ -	\$ -	\$ -	\$ 150,694
		80.00%	10.00%	10.00%				100.00%
605	Continuing Planning - Surveillance SFY 17	\$ 447,003	\$ 55,875	\$ 55,875	\$ -	\$ -	\$ -	\$ 558,753
	Continuing Planning - Surveillance SFY 18	\$ 413,416	\$ 51,677	\$ 51,677	\$ -	\$ -	\$ -	\$ 516,770
		80.00%	10.00%	10.00%				100.00%
610	Long Range Planning SFY 17	\$ 152,475	\$ 19,059	\$ 19,059	\$ -	\$ -	\$ -	\$ 190,593
	Long Range Planning SFY 18	\$ 127,652	\$ 15,957	\$ 15,957	\$ -	\$ -	\$ -	\$ 159,566
		80.00%	10.00%	10.00%				100.00%
625	Service SFY 17	\$ 45,906	\$ 5,738	\$ 5,738	\$ -	\$ -	\$ -	\$ 57,382
	Service SFY 18	\$ 30,735	\$ 3,842	\$ 3,842	\$ -	\$ -	\$ -	\$ 38,419
665	Special Studies	80.00%	10.00%				10.00%	
	Central Ohio Rural Planning Organization	\$ 217,255	\$ 27,157	\$ -	\$ -	\$ -	\$ 27,157	\$ 271,569
		80.00%	20.00%					
	Rural Transportation Partnership	\$ 11,366	\$ 2,841	\$ -	\$ -	\$ -	\$ -	\$ 14,207
						80.00%	20.00%	
	Regional Development III (insight2050 phase 2)	\$ -	\$ -	\$ -	\$ -	\$ 1,828	\$ 457	\$ 2,285
		100%						
	Regional Development III (insight2050 phase 3)	\$ 153,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 153,897
						100.00%		
	Insight2050 - Technical Assistance	\$ -	\$ -	\$ -	\$ -	\$ 76,710	\$ -	\$ 76,710
	Regional Corridor Analysis	\$ -	\$ -	\$ -	\$ -	\$ 32,542	\$ -	\$ 32,542
	Regional Supplemental Planning SFY 17	\$ -	\$ -	\$ -	\$ -	\$ 37,324	\$ -	\$ 37,324
	Regional Supplemental Planning SFY 18	\$ -	\$ -	\$ -	\$ -	\$ 112,382	\$ -	\$ 112,382
	Paving the Way 2018	\$ -	\$ -	\$ -	\$ -	\$ 9,937	\$ -	\$ 9,937
			100.00%					
	Safety Initiative Program 2017	\$ -	\$ 64,225	\$ -	\$ -	\$ -	\$ -	\$ 64,225
						100.00%		
667	Rideshare Activities SFY 16-17	\$ -	\$ -	\$ -	\$ 506,570	\$ -	\$ -	\$ 506,570
	Rideshare Activities SFY 17-18	\$ -	\$ -	\$ -	\$ 370,837	\$ -	\$ -	\$ 370,837
	Air Quality 2016 - 2017	\$ -	\$ -	\$ -	\$ 208,150	\$ -	\$ -	\$ 208,150
	Air Quality 2017 - 2018	\$ -	\$ -	\$ -	\$ 253,261	\$ -	\$ -	\$ 253,261
		80.00%	10.00%	10.00%				
695	Program Administration SFY 17	\$ 38,620	\$ 4,827	\$ 4,827	\$ -	\$ -	\$ -	\$ 48,274
	Program Administration SFY 18	\$ 46,545	\$ 5,818	\$ 5,818	\$ -	\$ -	\$ -	\$ 58,181
<b>Total</b>		<b>\$2,629,475</b>	<b>\$375,091</b>	<b>\$280,868</b>	<b>\$1,338,818</b>	<b>\$270,723</b>	<b>\$ 27,614</b>	<b>\$ 4,922,589</b>

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### **III. STATISTICAL SECTION**

## Mid-Ohio Regional Planning Commission

### Statistical Section

This part of MORPC's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about MORPC's overall financial health. These tables are presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 44, *Economic Condition Reporting: The Statistical Section*.

#### **Contents**

#### **Tables**

##### ***Financial Trends***

1-3

These schedules contain trend information to help understand how MORPC's financial performance and wellbeing have changed over time.

##### ***Revenue Capacity***

4-5

These schedules contain information to help access MORPC's most significant local revenue sources. MORPC does not have the authority to assess property taxes.

##### ***Debt Capacity***

N/A

The Ohio Revised Code does not provide MORPC the power to incur debt.

##### ***Demographic and Economic Information***

6-10

These schedules offer demographic and economic indicators to help the reader understand the environment within which MORPC's financial activities take place.

##### ***Operating Information***

11 -14

These schedules contain service and infrastructure data to help the reader understand how the information in MORPC's financial report relates to the services MORPC provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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Table 1

**Mid-Ohio Regional Planning Commission**  
**Net Position by Component**  
**Last Ten Years**  
*(accrual basis of accounting)*

	2008	2009	2010	2011	2012	2013	2014 (1)	2015	2016	2017
Net investment in capital assets	\$ 305,816	\$ 486,209	\$ 401,900	\$ 320,521	\$ 234,794	\$ 220,167	\$ 218,275	\$ 203,061	\$ 127,540	\$ 84,438
Restricted for community development projects	-	-	365,081	976,369	1,388,327	73,049	255,750	-	-	-
Unrestricted	4,740,702	4,816,524	4,904,954	5,080,651	4,856,252	4,598,325	653,274	468,671	68,161	(642,771)
Total net position	\$ 5,046,518	\$ 5,302,733	\$ 5,671,935	\$ 6,377,541	\$ 6,479,373	\$ 4,891,541	\$ 1,127,299	\$ 671,732	\$ 195,701	\$ (558,333)

(1) Includes a \$3,633,652 reduction of unrestricted net position due to a change in accounting principle. In 2015, MORPC implemented the provisions of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*, and restated 2014 unrestricted net position due to the recognition of the pension-related deferred outflow of resources and pension liability, in accordance with GASB Statement No. 68. Information does not exist to restate any other prior years' net position.

**Mid-Ohio Regional Planning Commission**  
**Changes in Net Position - Revenue and Expense by Program**  
**Last Ten Years**  
**(accrual basis of accounting)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenue</b>										
Transportation and RideSolutions (1)	\$ 4,169,405	\$ 3,804,359	\$ 4,397,314	\$ 3,480,106	\$ 3,353,832	\$ 3,533,513	\$ -	\$ -	\$ -	\$ -
Environment, Mapping & Transportation (3)	-	-	-	-	-	-	5,193,972	5,103,694	5,616,497	6,565,020
Center for Energy and Environment (2)	2,858,281	4,001,307	4,033,450	5,360,983	5,770,537	5,026,526	-	-	-	-
Energy & Air Quality (3)	-	-	-	-	-	-	2,997,302	3,888,322	3,428,978	3,863,710
Housing	1,346,397	1,463,802	1,798,416	3,433,549	4,076,124	1,975,036	2,665,982	1,294,752	1,072,460	761,578
All Other	472,504	698,440	682,950	754,133	1,624,624	702,720	992,318	613,352	171,563	1,376,128
<b>Total Operating Revenues</b>	<b>\$ 8,846,587</b>	<b>\$ 9,967,908</b>	<b>\$ 10,912,130</b>	<b>\$ 13,028,771</b>	<b>\$ 14,825,117</b>	<b>\$ 11,237,795</b>	<b>\$ 11,849,574</b>	<b>\$ 10,900,120</b>	<b>\$ 10,289,498</b>	<b>\$ 12,566,436</b>
<b>Expenses</b>										
Transportation and RideSolutions (1)	\$ 4,169,665	\$ 3,804,401	\$ 4,397,331	\$ 3,471,043	\$ 3,355,699	\$ 3,533,865	\$ -	\$ -	\$ -	\$ -
Environment, Mapping & Transportation (3)	-	-	-	-	-	-	5,179,295	5,116,383	5,582,701	6,479,282
Center for Energy and Environment (2)	2,858,281	4,005,356	4,033,450	5,518,203	5,995,747	5,184,431	-	-	-	-
Energy & Air Quality (3)	-	-	-	-	-	-	3,230,208	3,877,695	3,795,914	4,141,726
Housing	1,346,397	1,463,802	1,433,336	2,642,025	3,713,684	3,444,390	2,493,046	1,655,871	1,070,943	762,223
All Other	610,686	722,187	736,532	706,325	1,661,164	664,850	1,079,474	708,157	329,781	1,972,250
<b>Total Operating Expenses</b>	<b>\$ 8,985,029</b>	<b>\$ 9,995,746</b>	<b>\$ 10,600,649</b>	<b>\$ 12,337,596</b>	<b>\$ 14,726,294</b>	<b>\$ 12,827,536</b>	<b>\$ 11,982,023</b>	<b>\$ 11,358,106</b>	<b>\$ 10,779,339</b>	<b>\$ 13,355,481</b>
Operating Income (Loss)	\$ (138,442)	\$ (27,838)	\$ 311,481	\$ 691,175	\$ 98,823	\$ (1,589,741)	\$ (132,449)	\$ (457,986)	\$ (489,841)	\$ (789,045)
Interest Income	119,652	85,747	46,074	11,151	3,009	1,909	1,859	2,419	13,810	35,011
Capital Contributions	16,384	198,306	11,647	3,280	-	-	-	-	-	-
<b>Increase (Decrease) in net position</b>	<b>\$ (2,406)</b>	<b>\$ 256,215</b>	<b>\$ 369,202</b>	<b>\$ 705,606</b>	<b>\$ 101,832</b>	<b>\$ (1,587,832)</b>	<b>\$ (130,590)</b>	<b>\$ (455,567)</b>	<b>\$ (476,031)</b>	<b>\$ (754,034)</b>
<b>Net Position - beginning of year</b>	<b>\$ 5,048,924</b>	<b>\$ 5,046,518</b>	<b>\$ 5,302,733</b>	<b>\$ 5,671,935</b>	<b>\$ 6,377,541</b>	<b>\$ 6,479,373</b>	<b>\$ 4,891,541</b>	<b>\$ 1,127,299</b>	<b>\$ 671,732</b>	<b>\$ 195,701</b>
<b>Change in Accounting Principle (4)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,633,652)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position - end of year</b>	<b>\$ 5,046,518</b>	<b>\$ 5,302,733</b>	<b>\$ 5,671,935</b>	<b>\$ 6,377,541</b>	<b>\$ 6,479,373</b>	<b>\$ 4,891,541</b>	<b>\$ 1,127,299</b>	<b>\$ 671,732</b>	<b>\$ 195,701</b>	<b>\$ (558,333)</b>

(1) RideSolutions moved to Transportation in 2007.

(2) Air Quality Awareness and Residential Energy Awareness moved to Center for Energy and Environment in 2008 and is shown in the Center for Energy and Environment for the prior year.

(3) MORPC reorganized several departments in 2014 as reflected above.

(4) MORPC implemented the provisions of GASB Statement No. 68 in 2015 and as a result of the change in accounting principle, recorded a restatement of 2014 net position.

**Mid-Ohio Regional Planning Commission**  
**Changes in Net Position - Revenue by Source, Expense by Program**  
**Last Ten Years**  
**(accrual basis of accounting)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenue</b>										
Federal grants and contracts	\$ 4,966,886	\$ 5,785,078	\$ 6,540,474	\$ 8,199,084	\$ 8,767,346	\$ 5,782,052	\$ 6,607,866	\$ 5,943,391	\$ 5,352,234	\$ 6,134,429
Members' per capita fees	668,428	705,535	708,921	702,698	708,877	734,539	839,887	895,596	935,719	1,010,708
State grants and contracts	515,101	442,041	597,890	559,895	496,836	481,608	646,189	404,367	426,498	560,566
Local contracts and other	1,073,810	827,060	815,975	710,153	837,190	885,917	1,277,348	634,199	571,356	1,720,386
Foundations/corporate contributions	204,729	140,885	301,954	726,445	1,513,572	255,682	341,525	208,055	584,907	347,729
Utility company contracts	1,417,633	2,067,309	1,946,916	2,130,496	2,501,296	3,097,997	2,136,759	2,814,512	2,418,784	2,792,618
<b>Total Operating Revenues</b>	<b>\$ 8,846,587</b>	<b>\$ 9,967,908</b>	<b>\$ 10,912,130</b>	<b>\$ 13,028,771</b>	<b>\$ 14,825,117</b>	<b>\$ 11,237,795</b>	<b>\$ 11,849,574</b>	<b>\$ 10,900,120</b>	<b>\$ 10,289,498</b>	<b>\$ 12,566,436</b>
<b>Expenses</b>										
Transportation and RideSolutions (1)	\$ 4,169,665	\$ 3,804,401	\$ 4,397,331	\$ 3,471,043	\$ 3,355,699	\$ 3,533,865	\$ -	\$ -	\$ -	\$ -
Environment, Mapping & Transportation (3)	-	-	-	-	-	-	5,179,295	5,116,383	5,582,701	6,479,282
Center for Energy and Environment (2)	2,858,281	4,005,356	4,033,450	5,518,203	5,995,747	5,184,431	-	-	-	-
Energy & Air Quality (3)	-	-	-	-	-	-	3,230,208	3,877,695	3,795,914	4,141,726
Housing	1,346,397	1,463,802	1,433,336	2,642,025	3,713,684	3,444,390	2,493,046	1,655,871	1,070,943	762,223
All Other	610,686	722,187	736,532	706,325	1,661,164	664,850	1,079,474	708,157	329,781	1,972,250
<b>Total Operating Expenses</b>	<b>\$ 8,985,029</b>	<b>\$ 9,995,746</b>	<b>\$ 10,600,649</b>	<b>\$ 12,337,596</b>	<b>\$ 14,726,294</b>	<b>\$ 12,827,536</b>	<b>\$ 11,982,023</b>	<b>\$ 11,358,106</b>	<b>\$ 10,779,339</b>	<b>\$ 13,355,481</b>
Operating Income (Loss)	\$ (138,442)	\$ (27,838)	\$ 311,481	\$ 691,175	\$ 98,823	\$ (1,589,741)	\$ (132,449)	\$ (457,986)	\$ (489,841)	\$ (789,045)
Interest Income	119,652	85,747	46,074	11,151	3,009	1,909	1,859	2,419	13,810	35,011
Capital Contributions	16,384	198,306	11,647	3,280	-	-	-	-	-	-
<b>Increase (Decrease) in net position</b>	<b>\$ (2,406)</b>	<b>\$ 256,215</b>	<b>\$ 369,202</b>	<b>\$ 705,606</b>	<b>\$ 101,832</b>	<b>\$ (1,587,832)</b>	<b>\$ (130,590)</b>	<b>\$ (455,567)</b>	<b>\$ (476,031)</b>	<b>\$ (754,034)</b>
<b>Net Position - beginning of year</b>	<b>\$ 5,048,924</b>	<b>\$ 5,046,518</b>	<b>\$ 5,302,733</b>	<b>\$ 5,671,935</b>	<b>\$ 6,377,541</b>	<b>\$ 6,479,373</b>	<b>\$ 4,891,541</b>	<b>\$ 1,127,299</b>	<b>\$ 671,732</b>	<b>\$ 195,701</b>
<b>Change in Accounting Principle (4)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,633,652)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position - end of year</b>	<b>\$ 5,046,518</b>	<b>\$ 5,302,733</b>	<b>\$ 5,671,935</b>	<b>\$ 6,377,541</b>	<b>\$ 6,479,373</b>	<b>\$ 4,891,541</b>	<b>\$ 1,127,299</b>	<b>\$ 671,732</b>	<b>\$ 195,701</b>	<b>\$ (558,333)</b>

(1) RideSolutions moved to Transportation in 2007

(2) Air Quality Awareness and Residential Energy Awareness moved to Center for Energy and Environment in 2008 and is also shown in the Center for Energy and Environment for the prior year.

(3) MORPC reorganized several departments in 2014 as reflected in the table.

(4) MORPC implemented the provisions of GASB Statement No. 68 in 2015 and as a result of the change in accounting principle, recorded a restatement of 2014 net position.



**MID-OHIO REGIONAL PLANNING COMMISSION**  
**Revenue Base and Revenue Rates**  
 Estimated Population by Member Jurisdiction Used for Per Capita Membership Fees

Table 4

Governmental Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 (4)
<b>Cities</b>										
Bexley	13,257	13,267	13,267	13,269	13,064	13,067	13,070	13,074	13,074	13,233
Canal Winchester	6,516	6,536	6,575	6,687	7,161	7,262	7,326	7,385	7,750	7,919
* Chillicothe	22,183	22,256	22,277	22,326	-	-	-	-	-	-
Columbus	773,277	776,463	778,762	782,902	790,498	794,956	802,912	810,200	818,912	861,141
Delaware	32,088	32,142	32,333	32,569	34,982	35,102	35,469	35,885	36,263	37,853
Dublin	40,519	40,874	41,093	41,325	42,038	43,103	43,648	44,375	44,641	47,325
Gahanna	34,355	34,443	34,447	34,468	33,262	33,288	33,323	33,359	33,382	33,984
Grandview Heights	6,698	6,698	6,698	6,700	6,538	6,837	6,840	6,845	6,859	7,284
Grove City	33,699	34,027	34,280	34,569	35,708	35,817	36,079	36,459	36,720	37,138
Groveport	5,307	5,404	5,407	5,421	5,415	5,505	5,540	5,597	5,604	5,638
Hilliard	28,850	28,927	28,935	29,250	28,524	28,595	28,723	28,952	29,331	30,694
* London	9,420	9,420	9,436	9,458	-	-	-	-	-	-
* Marysville	18,941	19,453	19,741	19,856	22,187	22,306	22,534	22,765	23,023	23,286
New Albany	6,420	6,622	6,705	6,989	8,068	8,255	8,391	8,953	9,101	9,457
Pataskala	15,508	15,535	15,575	15,736	15,092	15,154	15,281	15,392	15,508	15,611
Pickerington	14,476	14,621	14,728	14,978	18,396	18,632	18,938	19,316	19,508	19,718
Powell	10,524	10,792	11,035	11,153	12,011	12,171	12,429	12,660	12,983	13,153
Reynoldsburg	35,787	35,818	35,970	35,970	35,913	35,929	36,013	36,102	36,185	36,540
Upper Arlington	34,023	34,035	34,038	34,050	33,825	33,871	33,895	33,964	33,976	34,562
* Washington Court House	14,443	14,516	14,546	14,586	-	-	-	-	-	-
Westerville	37,845	37,879	37,971	38,126	36,250	36,846	36,876	36,918	37,272	37,895
Whitehall	19,214	19,214	19,214	19,216	18,066	18,078	18,084	18,091	18,091	18,433
Worthington	14,216	14,228	14,228	14,235	13,579	13,581	13,581	13,596	13,596	13,650
<b>Total Cities</b>	<b>1,227,566</b>	<b>1,233,170</b>	<b>1,237,261</b>	<b>1,243,839</b>	<b>1,210,577</b>	<b>1,218,355</b>	<b>1,228,952</b>	<b>1,239,888</b>	<b>1,251,779</b>	<b>1,304,514</b>
<b>Villages</b>										
* Ashville	-	-	-	4,097	4,097	4,097	4,097	4,104	4,104	4,104
* Baltimore	-	2,914	2,914	2,919	2,968	2,968	-	-	-	-
Brice	70	70	70	70	114	114	114	114	114	114
* Cardington	-	1,249	1,252	1,252	-	-	-	-	-	-
* Crooksville	-	-	-	-	-	-	-	-	-	2,478
Galena	-	-	-	-	-	-	-	747	763	781
Harrisburg	332	335	335	335	320	320	320	320	320	320
* Johnstown	-	-	-	-	-	-	4,922	4,944	4,944	4,973
Lithopolis	992	1,036	1,036	1,052	1,127	1,162	1,206	1,250	1,250	1,399
Lockbourne	280	280	280	280	237	237	237	237	237	237
Marble Cliff	609	609	609	609	573	573	573	573	573	573
Minerva Park	1,288	1,288	1,288	1,288	1,272	1,272	1,272	1,272	1,272	1,272
* Mount Sterling	1,867	1,867	1,880	1,880	-	-	-	-	-	-
* New Lexington	-	-	-	-	-	-	-	4,768	4,768	-
Obetz	4,671	4,680	4,698	4,725	4,537	4,551	4,564	4,591	4,591	4,665
* Plain City	3,567	3,579	3,579	3,579	4,225	4,307	-	-	-	-
Riverlea	499	499	499	503	545	545	548	548	548	548
Shawnee Hills	595	596	606	610	706	713	729	745	765	776
* Somerset	-	-	-	-	-	-	-	1,466	1,466	1,466
* South Bloomfield	1,279	1,279	1,279	1,290	-	-	-	-	-	-
Sunbury	-	-	-	-	-	-	-	4,928	5,022	5,085
Urbancrest	902	902	902	902	960	960	960	960	960	967
Valleyview	601	601	601	601	-	-	-	-	-	-
* West Jefferson	4,522	4,522	4,522	4,522	4,222	4,222	4,222	4,226	-	-
<b>Total Villages</b>	<b>22,074</b>	<b>26,306</b>	<b>26,350</b>	<b>30,514</b>	<b>25,903</b>	<b>26,041</b>	<b>23,764</b>	<b>35,793</b>	<b>31,697</b>	<b>29,758</b>
<b>Townships</b>										
Bloom	6,973	6,973	6,985	7,012	7,062	7,082	7,085	7,124	7,136	7,218
Blendon	-	-	-	-	-	-	7,808	7,808	7,808	7,866
Clinton	-	-	-	-	-	-	4,109	4,109	4,109	4,130
Etna	7,444	7,454	7,469	7,502	8,417	8,566	8,657	8,723	8,847	8,928
* Granville	4,033	4,039	4,043	4,051	4,160	4,174	4,187	4,190	4,225	4,259
Jerome	-	-	-	-	-	-	-	5,407	5,844	6,210
Liberty	-	-	-	-	-	-	-	16,000	16,212	16,525
Madison	-	-	-	-	-	-	10,800	10,800	10,807	10,814
Mifflin	-	-	-	-	-	-	2,462	2,462	2,466	2,470
Perry	-	-	-	-	-	-	3,637	3,641	3,641	3,661
Plain	-	-	-	-	-	-	2,142	2,142	2,142	2,149
Prairie	-	-	-	-	-	-	16,498	16,498	16,505	16,681
Violet	19,528	19,617	19,621	19,647	19,040	19,090	19,249	19,349	19,420	19,602
<b>Total Townships</b>	<b>37,978</b>	<b>38,083</b>	<b>38,118</b>	<b>38,212</b>	<b>38,679</b>	<b>38,912</b>	<b>86,634</b>	<b>108,253</b>	<b>109,162</b>	<b>110,513</b>
<b>Counties (1)</b>										
Delaware County (2)	99,512	100,787	103,306	104,456	105,333	106,753	116,777	118,659	120,224	122,210
Franklin County (3)	98,020	98,106	98,277	98,549	93,253	93,355	102,230	102,468	102,664	103,598
* Pickaway County	38,811	39,208	39,251	39,355	36,543	36,546	-	-	-	-
* Ross County	53,984	54,203	54,317	54,482	56,163	56,163	56,335	56,392	56,392	56,571
* Union County	-	-	-	-	-	28,056	29,190	29,802	30,364	31,364
<b>Total County</b>	<b>290,327</b>	<b>292,304</b>	<b>295,151</b>	<b>296,842</b>	<b>291,292</b>	<b>320,873</b>	<b>304,360</b>	<b>307,264</b>	<b>309,644</b>	<b>313,743</b>
<b>Total full member population</b>	<b>1,577,945</b>	<b>1,589,863</b>	<b>1,596,880</b>	<b>1,609,407</b>	<b>1,566,451</b>	<b>1,604,181</b>	<b>1,643,710</b>	<b>1,691,198</b>	<b>1,702,282</b>	<b>1,758,528</b>
MPO member per capita rate	\$ 0.445	\$ 0.460	\$ 0.460	\$ 0.460	\$ 0.460	\$ 0.475	\$ 0.490	\$ 0.505	\$ 0.520	\$ 0.5375
Non-MPO per capita rate	\$ 0.445	\$ 0.310	\$ 0.310	\$ 0.310	\$ 0.310	\$ 0.310	\$ 0.310	\$ 0.310	\$ 0.325	\$ 0.3425

Notes (1) Beginning in 2014 the counties' members dues calculations use the above Population Base plus 10% of the populations of cities within the county.  
 (2) The Delaware County population figures include only townships and villages and exclude cities through 2013.  
 (3) The Franklin County population figures include only townships and exclude villages and cities through 2013.  
 (4) Beginning in 2017, net international migration population from U.S. Census estimates is included in all jurisdictions.  
 \* Non-MPO members - These members are outside the Metropolitan Planning Organization (MPO) area and pay the Non-MPO rate. The rate structure changed in 2009 to separate MPO from Non-MPO members for the purpose of rate assessment.

## **MID-OHIO REGIONAL PLANNING COMMISSION**

### **Estimated Population by Member Jurisdiction Used for Per Capita Membership Fees, Continued**

December 31, 2017

#### **Sources of Estimates**

Population estimates, prepared by MORPC staff are used for assessing per capita fees to member jurisdictions. The estimates are prepared from several available sources of population data including U. S. Census Bureau figures and estimated occupied housing units, based on the number of residential electric meters, residential building permits issued, and individual vacancy rates for each municipality. The number of persons per household has been calculated in all years (other than census years) using regression analysis and is unique to each municipality. Details of the adjacent county population base for calculating transportation per capita fees and adjacent county transportation per capita fees are not included in this schedule.

Additionally, in 2017 MORPC began including the U. S. Census' estimates of the annual net international immigration population relocating to the central Ohio region. Based on these estimates, approximately 40,000 international residents have settled in MORPC member jurisdictions since the 2010 Census. This total is reflected in the 2017 population estimates, but previous years' estimates have not been revised.

Due to the considerable effort and cost associated with updating the population estimates, it has been the decision of management on limited occasions to use existing population estimates in succeeding years without revision.

Table 5

Mid-Ohio Regional Planning Commission  
Benefits of Membership - Flow of Funds  
Year Ended December 31, 2017

Members/Governmental Unit	Member Dues & Investments	Return Flow of Funds from Federal, State and Utility Companies				
		TOTAL	Transportation	Infrastructure & Conservation	Housing	Energy Conservation*
<b>Dues</b>						
City of Bexley	\$7,113	\$4,953,451	\$0	\$4,953,451	\$0	\$0
City of Canal Winchester	\$4,256	\$2,423,406	\$0	\$2,423,406	\$0	\$0
City of Columbus	\$462,863	\$38,958,648	\$31,243,796	\$6,826,800	\$320,236	\$567,816
City of Delaware	\$20,346	\$22,413	\$22,413	\$0	\$0	\$0
City of Dublin	\$25,437	\$1,008,098	\$1,008,098	\$0	\$0	\$0
City of Gahanna	\$18,266	\$288,357	\$0	\$272,090	\$14,659	\$1,608
City of Grandview Heights	\$3,915	\$179,500	\$179,500	\$0	\$0	\$0
City of Grove City	\$20,502	\$58,439	\$0	\$0	\$34,826	\$23,613
City of Groveport	\$3,030	\$24,052	\$0	\$0	\$17,714	\$6,338
City of Hilliard	\$16,498	\$7,177,450	\$0	\$7,157,500	\$19,950	\$0
City of Marysville	\$7,975	\$0	\$0	\$0	\$0	\$0
City of New Albany	\$5,083	\$0	\$0	\$0	\$0	\$0
City of Pataskala	\$8,391	\$0	\$0	\$0	\$0	\$0
City of Pickerington	\$10,598	\$2,314,251	\$2,314,251	\$0	\$0	\$0
City of Powell	\$7,070	\$0	\$0	\$0	\$0	\$0
City of Reynoldsburg	\$19,640	\$22,156	\$0	\$0	\$20,050	\$2,106
City of Upper Arlington	\$18,577	\$1,071,896	\$1,071,896	\$0	\$0	\$0
City of Westerville	\$20,369	\$4,331,346	\$4,320,424	\$0	\$0	\$10,922
City of Whitehall	\$9,908	\$146,940	\$95,444	\$0	\$41,861	\$9,635
City of Worthington	\$7,337	\$44,470	\$0	\$0	\$44,470	\$0
Village of Ashville	\$1,406	\$0	\$0	\$0	\$0	\$0
Village of Brice	\$250	\$2,838	\$0	\$0	\$0	\$2,838
Village of Crooksville	\$1,000	\$0	\$0	\$0	\$0	\$0
Village of Galena	\$1,000	\$0	\$0	\$0	\$0	\$0
Village of Johnstown	\$1,703	\$0	\$0	\$0	\$0	\$0
Village of Lithopolis	\$1,000	\$0	\$0	\$0	\$0	\$0
Village of Lockbourne	\$1,000	\$10,012	\$0	\$0	\$10,012	\$0
Village of Marble Cliff	\$1,000	\$0	\$0	\$0	\$0	\$0
Village of Minerva Park	\$1,000	\$0	\$0	\$0	\$0	\$0
Village of Obetz	\$2,507	\$2,181	\$0	\$0	\$0	\$2,181
Village of Riverlea	\$1,000	\$5,000,225	\$0	\$4,999,900	\$0	\$325
Village of Somerset	\$1,000	\$0	\$0	\$0	\$0	\$0
Village of Sunbury	\$2,733	\$0	\$0	\$0	\$0	\$0
Village of Urbancrest	\$1,000	\$41,925	\$0	\$0	\$41,466	\$459
Blendon Township	\$4,228	\$14,960	\$0	\$0	\$14,960	\$0
Bloom Township	\$3,880	\$0	\$0	\$0	\$0	\$0
Clinton Township	\$2,220	\$248,517	\$0	\$219,000	\$17,735	\$11,782
Jerome Township	\$3,338	\$0	\$0	\$0	\$0	\$0
Liberty Township	\$8,882	\$0	\$0	\$0	\$0	\$0
Madison Township	\$5,813	\$56,936	\$0	\$0	\$36,165	\$20,771
Mifflin Township	\$1,328	\$61,925	\$0	\$0	\$59,979	\$1,946
Perry Township	\$1,968	\$0	\$0	\$0	\$0	\$0
Plain Township	\$1,155	\$0	\$0	\$0	\$0	\$0
Prairie Township	\$8,966	\$135,130	\$77,590	\$0	\$44,365	\$13,175
Violet Township	\$6,714	\$0	\$0	\$0	\$0	\$0
Shawnee Hills	\$1,000	\$410,454	\$0	\$410,454	\$0	\$0
Granville Township	\$1,459	\$0	\$0	\$0	\$0	\$0
Etna Township	\$4,799	\$297,238	\$297,238	\$0	\$0	\$0
Unincorporated Franklin County	\$117,492	\$288,645	\$0	\$230,100	\$0	\$58,545
Delaware County	\$69,584	\$0	\$0	\$0	\$0	\$0
Fairfield County	\$3,822	\$0	\$0	\$0	\$0	\$0
Perry County	\$9,376	\$0	\$0	\$0	\$0	\$0
Ross County	\$20,128	\$0	\$0	\$0	\$0	\$0
Union County	\$12,945	\$0	\$0	\$0	\$0	\$0
Associate Members	\$7,000	\$0	\$0	\$0	\$0	\$0
<b>Subtotal</b>	<b>\$1,010,870</b>	<b>\$69,595,858</b>	<b>\$40,630,650</b>	<b>\$27,492,701</b>	<b>\$738,447</b>	<b>\$734,060</b>
<b>Returns-not broken out by community</b>						
COTA and DATABUS	na	\$69,042,722	\$69,042,722	na	na	na
Other/Regional **	na	\$245,722,465	\$238,639,155	\$7,083,310	na	na
<b>Subtotal</b>	<b>na</b>	<b>\$314,765,187</b>	<b>\$307,681,877</b>	<b>\$7,083,310</b>	<b>na</b>	<b>na</b>
<b>Investments</b>						
MORPC Transportation Planning	\$2,970,844	na	na	na	na	na
MORPC Housing Admin	\$223,402	na	na	na	na	na
MORPC Infrastructure & Clean Ohio Admin	\$217,680	na	na	na	na	na
MORPC Energy Conservation Admin	\$1,313,237	na	na	na	na	na
<b>Subtotal</b>	<b>\$4,725,163</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>
<b>GRAND TOTAL</b>	<b>\$5,736,033</b>	<b>\$384,361,045</b>	<b>\$348,312,527</b>	<b>\$34,576,011</b>	<b>\$738,447</b>	<b>\$734,060</b>

na = not applicable

\*Energy Conservation flow of funds by governmental unit are estimated.

\*\*Some activities represented under one governmental unit have benefits regionally that are not included in other government unit lines.

This report is compiled from accounting and other financial data and should be considered a non-GAAP report.

Table 6

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**Principal Payers - Members' Per Capita Fees**

<b>Governmental Unit</b>	<b>2008</b>	<b>% of full members' dues</b>	<b>Governmental Unit</b>	<b>2017</b>	<b>% of full members' dues</b>
1. Columbus	\$ 344,108	51.1%	1. Columbus	\$ 462,863	45.8%
2. Delaware County balance	44,548	6.6%	2. Franklin County, excluding cities	117,492	11.6%
3. Unincorporated Franklin County	43,619	6.5%	3. Delaware County, excluding cities	69,584	6.9%
4. Ross County, excluding City of Chillicothe	24,023		4. Dublin	25,437	2.5%
5 Dublin	18,031	3.6%	5. Grove City	20,502	2.0%
6 Westerville	16,841	2.7%	6. Westerville	20,369	2.0%
7 Reynoldsburg	15,925	2.5%	7. Delaware City	20,346	2.0%
8 Gahanna	15,288	2.4%	8. Ross County	20,128	2.0%
9 Upper Arlington	15,140	2.3%	9. Reynoldsburg	19,640	1.9%
10 Grove City	14,996	2.2%	10. Upper Arlington	18,577	1.8%

Source: MORPC Finance Department

**Mid-Ohio Regional Planning Commission  
MORPC Membership Population  
Columbus M.S.A. Estimated Civilian Labor Force  
and Annual Average Unemployment Rates  
2008-2017**

(Labor Force in Thousands)						
		Columbus	M.S.A. (1)	Ohio		U. S.
	MORPC		Unem-		Unem-	Unem-
Year	Membership	Labor	ployment	Labor	ployment	ployment
	Population (4)	force (2)	rate (3)	force (2)	rate (3)	rate (3)
2008	1,577,945	965.7	5.5	5,971.9	6.5	5.8
2009	1,589,863	973.2	8.4	5,970.2	10.2	9.3
2010	1,596,880	966.7	8.6	5,897.6	10.1	9.6
2011	1,609,407	956.6	7.5	5,806.0	8.6	8.9
2012	1,566,451	969.5	6.1	5,748.0	7.2	8.1
2013	1,604,181	987.9	6.2	5,766.0	7.4	7.4
2014	1,608,742	1,034.1	3.9	5,725.8	5.1	5.6
2015	1,629,159	1,044.8	3.9	5,694.0	4.8	5.0
2016	1,639,446	1,049.1	3.9	5,686.7	5.0	4.7
2017	1,694,580	1,080.0	3.7	5,782.0	4.9	4.1

- (1) The Columbus M.S.A. includes Delaware, Fairfield, Franklin, Licking, Madison, Morrow, Pickaway and Union counties.
- (2) Civilian labor force is the estimated number of persons 16 years of age and over, who are are working or seeking work.
- (3) The unemployment rate is equal to the estimate of unemployed persons divided by the estimated civilian labor force.
- (4) For 2013 and prior years, the MORPC membership population was based on the estimated populations shown on Table 4. For 2014 and after, the MORPC membership population is the unduplicated population of MORPC's current member jurisdictions.

Sources: Membership population, MORPC  
Labor statistics, U. S. Bureau of Labor Statistics

**Mid-Ohio Regional Planning Commission**  
**Per Capita Income and Total Personal Income**  
**2008-2017**

Table 8

Year	Columbus M.S.A. (1)		Ohio	
	Per Capita Income	Total Personal Income (Millions)	Per Capita Income	Total Personal Income (Millions)
2008	\$38,612	\$72,037	\$36,681	\$422,402
2009	37,579	70,932	35,610	410,538
2010	38,322	73,062	36,360	419,570
2011	40,955	78,873	38,821	448,120
2012	43,287	84,255	40,282	465,140
2013	43,589	85,876	40,694	470,745
2014	44,962	89,780	42,200	489,251
2015	46,904	94,754	43,803	508,380
2016	47,725	97,432	44,561	517,918
2017	Not Available	Not Available	45,615	531,811

(1) The Columbus M.S.A. includes Delaware, Fairfield, Franklin, Licking, Madison, Morrow, Pickaway and Union counties.

Source: Bureau of Economic Analysis, U. S. Department of Commerce

In 2017, the Bureau of Economic Analysis revised the estimates for per capita and personal income for the years from 2010 through 2016.

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**Principal Employers in the Greater Columbus Area**

	Name of Employer	Number of Employees (FTE's)		%	to	Total	Number of Employees (FTE's)		%	to	Total
		2008					2017				
1.	State of Ohio	24,492		2.58%			30,804		2.93%		
2.	The Ohio State University	21,107		2.23%			24,067		2.29%		
3.	JPMorgan Chase & Co.	14,689		1.55%			22,821		2.17%		
4.	Nationwide	11,441		1.21%			21,117		2.01%		
5.	Federal Government/US Postal Service	10,762		1.14%			18,600		1.77%		
6.	OhioHealth	10,592		1.12%			14,100		1.34%		
7.	Honda of America Mfg., Inc.	8,800		0.93%			10,032		0.95%		
8.	Columbus City School District	8,276		0.87%			8,852		0.84%		
9.	City of Columbus	8,227		0.87%			8,815		0.84%		
10.	Franklin County	6,310		0.67%			8,004		0.76%		

Source: City of Columbus 2017 Comprehensive Annual Financial Report

Source of FTE's and Rank: "Largest Employers: Ranked by Number of Central Ohio Employees", Business First of Columbus. © Copyright 2017, Business First of Columbus Inc. All rights reserved. Reprinted with permission.

Source of 2017 % to Total: Percentage calculated using Columbus MSA labor force number of 1,069,700 less Morrow County labor force of 17,100 which is included in the Columbus MSA but not considered in the Business First largest employers statistics.

N/A = data not available

## Mid Ohio Regional Planning Commission

Area in Square Miles by Member Jurisdiction

As of December 31, 2017 and 2008

Governmental Unit	2008	2017
	Area In Square Miles	Area In Square Miles
Ross County less City of Chillicothe	681.85	682.11
Delaware County less Cities of Columbus, Delaware, Dublin, Powell, Westerville, Shawnee Hills, and Liberty Township	426.07	388.55
Union County, less Cities of Marysville, Dublin and Jerome Township	-	382.32
Fayette County without Washington C.H.	397.84	-
City of Columbus	222.81	224.61
Unincorporated Franklin County:		
Madison Township		23.81
Prairie Township		18.90
Plain Township		9.53
Blendon Township		6.11
Mifflin Township		2.04
Perry Township		2.22
Clinton Township		1.39
ALL OTHER TOWNSHIPS		<u>116.10</u>
Total Unincorporated Franklin County	187.03	180.10
Bloom Township	-	35.40
Jerome Township	-	33.61
Violet Township	-	29.47
City of Pataskala	-	29.04
Liberty Township	-	27.41
City of Dublin	24.93	24.93
Granville Township	-	21.10
Etna Township	-	20.76
City of Delaware	18.84	19.41
City of Grove City	16.38	17.09
City of Marysville	-	16.28
City of New Albany	11.59	14.52
City of Hilliard	13.90	14.38
City of Westerville	12.46	12.75
City of Gahanna	11.52	12.58
City of Reynoldsburg	11.14	11.14
City of Upper Arlington	9.76	9.76
City of Pickerington	9.74	9.74
City of Groveport	8.81	8.81
City of Canal Winchester	7.11	7.59
Village of Obetz	5.84	5.84
City of Powell	4.90	5.64
City of Worthington	5.54	5.54
City of Whitehall	5.33	5.33
Village of Sunbury	-	4.82
Village of Johnstown	-	3.01
City of Bexley	2.44	2.44
Village of Lithopolis	2.24	2.24
Village of Ashville	-	2.23
Village of Galena	-	1.80
Village of Crooksville	-	1.50
City of Grandview Heights	1.31	1.31
Village of Somerset	-	1.15
Village of Lockbourne	0.11	0.75
Village of Minerva Park	0.49	0.65
Village of Urbancrest	0.49	0.57
Village of Shawnee Hills	-	0.44
Village of Marble Cliff	0.28	0.28
Village of Riverlea	0.15	0.15
Village of Harrisburg	0.14	0.14
Village of Brice	0.09	0.09
City of Chillicothe	11.07	-
City of Washington Court House	8.76	-
City of London	8.63	-
Village of South Bloomfield	5.30	-
Village of West Jefferson	6.55	-
Village of Valleyview	0.14	-
Total area in square miles	<u>2,141.58</u>	<u>2,279.38</u>

Source: County Engineers, MORPC and Member Communities

Certain 2008 estimates have been revised to correspond with current measurement methodology



**Mid-Ohio Regional Planning Commission**  
**Employees by Function/Activity**  
**Last Ten Years**

Table 11

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Transportation and RideSolutions (1)	27.25	30.00	29.50	27.00	26.50	27.00	-	-		
Center for Energy and Environment (2)	15.50	24.00	22.00	23.00	21.00	22.50	-	-		
Housing	6.50	9.00	9.50	8.00	11.25	10.50	-	-		
Transportation Systems & Funding (3)	-	-	-	-	-	-	16.75	14.50	17.50	18.00
Regional Data & Mapping (3)	-	-	-	-	-	-	7.00	7.00	6.50	6.25
Planning & Environment (3)	-	-	-	-	-	-	7.75	8.50	9.50	9.25
Energy & Air Quality (3)	-	-	-	-	-	-	23.50	21.00	19.75	20.50
Member Services, Admin & Other	15.00	15.00	18.50	19.00	18.50	19.50	16.00	17.00	18.25	16.75
Total	64.25	78.00	79.50	77.00	77.25	79.50	71.00	68.00	71.50	70.75

(1) RideSolutions moved to Transportation in 2007 and is shown in the Transportation and RideSolutions area

(2) Air Quality Awareness and Residential Energy Awareness moved to Center for Energy and Environment in 2008 and is shown in the Center for Energy and Environment for the prior year.

(3) MORPC reorganized several departments in 2014 as reflected above.

Source: Mid-Ohio Regional Planning Commission, Operations Department

Method: 1.0 for each full-time, 0.50 for each part-time and 0.25 for each intern

**Mid-Ohio Regional Planning Commission**  
**Operating Indicators**  
**Last Ten Years**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Federal transportation projects completed</b>	6	4	6	7	5	3	5	9	6	6
Cost of Fed transportation projects completed	\$ 3,136,419	\$ 2,555,780	\$ 4,020,892	\$ 3,689,195	\$ 4,360,609	\$ 3,827,864	\$ 4,325,383	\$5,062,584	\$4,378,713	\$4,628,796
<b>Housing Repair Programs</b>										
Franklin County Single Family Rehab units completed	21	19	8	16	17	8	16	7	N/A	N/A
Franklin County Urgent Repair Program	N/A	N/A	N/A	25	32	29	62	63	41	42
Columbus Compact Rehab units completed	9	2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PACT/Homeport Home Repair Program	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4	4	15
United Way Home Repair Program	N/A	N/A	17	7	7	13	15	7	11	3
Weinland Park Home Repair Program	N/A	N/A	0	17	12	12	9	10	5	6
<b>Home Weatherization Programs</b>										
Home Weatherization Assistance Program (HWAP) Home visits	217	240	344	418	224	104	70	78	49	53
HWAP Home completed weatherizations	217	240	344	418	224	104	70	78	49	53
WarmChoice Program inspections	342	497	493	400	578	523	485	502	324	427
WarmChoice Program completions	384	460	353	471	518	586	351	505	421	402
AEP Community Assistance Program (Households)	N/A	N/A	25	244	228	357	358	311	429	397
Electric Partnership Program (Households)	208	327	198	174	218	163	63	229	328	104

Source: Mid-Ohio Regional Planning Commission

**Mid-Ohio Regional Planning Commission**  
**Capital Assets**  
**Last Ten Years**

	2008	2009	2010	2011	2012	2013	2014	2015 (1)	2016	2017
Environment, Mapping and Transportation (2)										
Computers	38	39	43	38	39	37	37	15	15	15
Vehicles	1	1	1	1	1	1	1	1	1	1
Energy & Air Quality (3)										
Computers	23	34	26	27	30	23	23	2	2	2
Vehicles	7	13	13	13	13	13	13	13	13	13
Blower Door	8	14	13	13	13	13	13	-	-	-
Computer Analyzer	9	12	10	10	10	7	7	-	-	-
Infrared Cameras	3	7	10	10	10	10	10	10	10	10
Housing										
Computers	14	14	12	12	12	15	15	2	2	2
XRF Spectrum Analyzer	1	1	1	1	1	1	1	1	1	1
All Other										
Building	-	-	-	-	-	-	-	-	-	-
Computers	28	38	47	61	68	63	64	19	19	20
Vehicles	1	1	1	1	1	1	1	-	-	-

## Notes:

(1) In 2015, the expenditure threshold was increased from \$1,000 to \$5,000 for an item to be recorded as a capital asset. As a result, all previously-capitalized assets with both an acquisition cost of <\$5,000 and a net book value of \$-0- at January 1, 2015 were written off. Capital assets remaining on the books and included herein either have an acquisition cost of >\$5,000 or were still being depreciated as of January 1, 2015.

(2) The name for this group was changed to Environment, Mapping and Transportation in 2014 to reflect organizational changes.

(3) The name for this area was changed to Energy & Air Quality in 2014 to reflect organizational changes.

Source: Mid-Ohio Regional Planning Commission capital asset records

**Mid-Ohio Regional Planning Commission**  
Schedule of Insurance Coverage  
December 31, 2017

Existing coverage - policies in force (1)		Limits of liability
1.	<b>Type</b>	<b>Commercial Umbrella</b>
	Each Occurrence	\$6,000,000
	General Aggregate	\$6,000,000
2.	<b>Type</b>	<b>Commercial General Liability</b>
	General Aggregate (Other than Products-Completed Operations)	\$3,000,000
	Products-Completed Operations Aggregate Limit	\$3,000,000
	Personal and Advertising Injury	\$1,000,000
	Each Occurrence	\$1,000,000
	Fire Damage Limit (Any One Fire)	\$1,000,000
	Deductible	\$0
3.	<b>Type</b>	<b>Public Officials</b>
	Limit of Liability	\$2,000,000
	Deductible	\$10,000
	Insurance Company	<i>Darwin Select Insurance Company</i>
	Expires	<i>November 1, 2018</i>
4.	<b>Type</b>	<b>Employer's Liability</b>
	Employer's Liability Stop Gap	\$1,000,000
	Deductible (None)	\$0
5.	<b>Type</b>	<b>Employee Benefits Liability</b>
	Aggregate Limit	\$3,000,000
	Each Claim Limit	\$1,000,000
	Deductible	\$1,000
6.	<b>Type</b>	<b>Crime Coverage</b>
	Limit of Liability	\$250,000
	Faithful Performance of Duty	\$25,000
	Finance Director	\$75,000 (excess)
	Executive Director	\$75,000 (excess)
	Accountants (2)	\$25,000 (excess)
	Deductible	\$500
7.	<b>Type</b>	<b>Cyber Liability</b>
	Aggregate Limit	\$2,000,000
	Each Claim	\$1,000,000
	Retention	\$10,000
8	<b>Type</b>	<b>Miscellaneous</b>
	Computer Coverage	\$475,000
	Camera Equipment	\$73,758
	Valuable Papers and Records - Cost of Research	\$500,000
	Fine Arts	\$25,000
	Miscellaneous Equipment	\$6,000
	Contractors' Equipment Coverage	\$72,147
	Deductible	\$500

(continued)

**Mid-Ohio Regional Planning Commission**  
Schedule of Insurance Coverage (continued)  
December 31, 2017

Existing coverage - policies in force (1)		Limits of liability
9.	<b>Type</b>	<b>Commercial Property Coverage</b>
	Blanket Buildings and Business Personal Property	\$1,436,909
	Personal Property - 111 Liberty Street Suite 100	Included
	Personal Property - 501 Industry Drive	Included
	Extra Expense -111 Liberty St. & 501 Industry Drive	\$250,000
	Deductible	\$1,000
10.	<b>Type</b>	<b>Lead Abatement Coverage</b>
	General Aggregate	
	General Aggregate Limit (Other than Products-Completed Operations)	\$1,000,000
	Products-Completed Operations Aggregate Limit	\$1,000,000
	Personal and Advertising Injury	\$1,000,000
	Each Occurrence	\$1,000,000
	Fire Damage Limit	\$50,000
	Medical Expense Limit	\$5,000
	Bodily Injury & Property Damage Deductible	\$5,000
	Insurance Company	<i>Admiral Insurance Company</i>
	Expires	<i>October 31, 2018</i>
11.	<b>Type</b>	<b>Automobile</b>
	Limit of Liability	\$1,000,000
	Auto Medical Payments (Each Person)	\$5,000
	Deductible - Comprehensive Coverage	\$500
	Deductible - Collision Coverage	\$500
12.	<b>Type</b>	<b>Architects &amp; Engineers Errors &amp; Omissions Insurance</b>
	Each Claim	\$1,000,000
	Annual Aggregate	\$1,000,000
	Deductible	\$10,000
	Insurance Company	<i>The Hanover Insurance Group</i>
	Expires	<i>September 25, 2018</i>

Notes: (1) Unless indicated otherwise, all policies are carried by the *Selective Insurance Company* and all coverage expires on November 1, 2017. MORPC does not engage in risk financing activities where it retains the risk (i.e., self-insurance).

Source: MORPC insurance policies.

#### **IV. SINGLE AUDIT SECTION**

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management and the Board of Commissioners  
Mid-Ohio Regional Planning Commission

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Mid-Ohio Regional Planning Commission (the "Commission") as of and for the year ended December 31, 2017 and the related notes to the financial statements, which comprise the basic financial statements of the Commission and have issued our report thereon dated June 7, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To Management and the Board of Commissioners  
Mid-Ohio Regional Planning Commission

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Moreau, PLLC*

June 7, 2018



## Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

### Independent Auditor's Report

To the Board of Commissioners  
Mid-Ohio Regional Planning Commission

#### Report on Compliance for Each Major Federal Program

We have audited the Mid-Ohio Regional Planning Commission's (the "Commission") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the Commission's major federal programs for the year ended December 31, 2017. The Commission's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### **Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Commission's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Commission's compliance.

#### **Opinion on Each Major Federal Program**

In our opinion, the Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended December 31, 2017.

#### Report on Internal Control Over Compliance

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Commission's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

To the Board of Commissioners  
Mid-Ohio Regional Planning Commission

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Plante & Moran, PLLC*

June 7, 2018

**MID-OHIO REGIONAL PLANNING COMMISSION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year-to-Date as of December 31, 2017**

Federal grantor / pass-through grantor/ program title	Federal CFDA Number	Grantor's Pass-through Number	Program or award amount	Federal Expenditures	Passed Through to Subrecipients
<b>Federal Highway Administration:</b>					
<b>Passed through Ohio Department of Transportation:</b>					
<b>Highway Planning and Construction Cluster</b>					
Highway Planning & Construction -					
Rideshare Program FY 2017	20.205	95498	\$ 810,000	\$ 506,570	\$ -
Rideshare Program FY 2018	20.205	99003	760,000	370,837	-
Supplemental Planning FY 2017	20.205	95502	250,000	37,324	-
Supplemental Planning FY 2018	20.205	95504	250,000	112,382	-
Air Quality Awareness FY 2017	20.205	95492	400,000	208,150	-
Air Quality Awareness FY 2018	20.205	95493	550,000	253,261	-
Paving the Way FY 2018	20.205	95526	150,000	9,937	-
Consolidated Planning Grant FY 2017	20.205	102056	2,223,421	1,161,709	-
Consolidated Planning Grant FY 2018	20.205	104295	2,257,749	1,085,248	-
Central Ohio Regional Planning Organization FY 2017	20.205	99720	142,887	116,903	-
Central Ohio Regional Planning Organization FY 2018	20.205	104876	142,887	100,352	-
Rural Transportation Partnership	20.205	99720	40,000	11,366	-
Regional Development Study, Phase III	20.205	86198	264,000	1,828	-
inSight2050 Phase III	20.205	103350	300,000	153,897	-
inSight2050 Technical Assistance	20.205	105871	200,000	76,710	-
Regional Corridor Analysis	20.205	106596	200,000	32,542	-
<b>Total Highway Planning and Construction Cluster</b>				<b>4,239,016</b>	<b>-</b>
<b>Federal Transit Administration:</b>					
<b>Transit Services Programs Cluster</b>					
Enhanced Mobility for Seniors and Individuals With Disabilities FY 2015	20.513	(3)	498,359	279,293	279,293
Enhanced Mobility for Seniors and Individuals With Disabilities FY 2016	20.513	(3)	851,219	487,804	371,586
Enhanced Mobility for Seniors and Individuals With Disabilities FY 2017	20.513	(3)	143,943	45,935	-
<b>Total Transit Services Programs Cluster</b>				<b>813,032</b>	<b>650,879</b>
<b>U.S. Department of Housing and Urban Development:</b>					
<b>Passed through Franklin County:</b>					
<b>CDBG - Entitlement Grants Cluster</b>					
Community Development Block Grant/Entitlement Grants -					
Housing Advisory Board FY 2016	14.218	(4)	10,000	4,222	-
Housing Advisory Board FY 2017	14.218	(4)	10,000	6,197	-
Home Repair 2015	14.218	(4)	500,000	67,685	-
Home Repair 2016	14.218	(4)	700,000	442,312	-
Home Repair 2017	14.218	(4)	650,000	11,602	-
<b>Total CDBG - Entitlement Grants Cluster</b>				<b>532,018</b>	<b>-</b>

(continued)

MID-OHIO REGIONAL PLANNING COMMISSION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)  
Year-to-Date as of December 31, 2017

Federal grantor / pass-through grantor/ program title	Federal CFDA Number	Grantor's Pass-through Number	Program or award amount	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Housing and Urban Development:</b>					
<b>Passed through Franklin County:</b>					
Community Development Block Grants/State's Program and Non-Entitlement Grants - Neighborhood Stabilization Program 1 Program Income	14.228	(4)		1,650	(1) -
<b>Total U.S. Department of Housing and Urban Development - CFDA No. 14.228</b>				<b>1,650</b>	<b>-</b>
<b>U.S. Department of Energy:</b>					
<b>Passed through Ohio Department of Development:</b>					
Weatherization Assistance for Low-Income Persons FY 2016	81.042	D16-140	167,039	45,522	-
Weatherization Assistance for Low-Income Persons FY 2017	81.042	D17-140	179,719	117,107	-
<b>Total U.S. Department of Energy - CFDA No. 81.042</b>				<b>162,629</b>	<b>-</b>
<b>U.S. Department of Health and Human Services:</b>					
<b>Passed through Ohio Department of Development:</b>					
Low-Income Home Energy Assistance - Weatherization Assistance for Low-Income Persons FY2016	93.568	H16-140	\$ 323,700	\$ 288,694	(2) -
Weatherization Assistance for Low-Income Persons FY2017	93.568	H17-140	328,827	40,622	(2) -
<b>Total U.S. Department of Health and Human Services - CFDA No. 93.568</b>				<b>329,316</b>	<b>-</b>
<b>Total Federal Financial Assistance</b>				<b>\$ 6,077,661</b>	<b>\$ 650,879</b>

Notes:

- (1) Excludes the write-off of homeowner mortgages for property originally purchased with federal funds.
- (2) Excludes program income received
- (3) Program funds are not passed through, but provided directly from the federal agency
- (4) Not applicable - none assigned by pass-through agency

## MID-OHIO REGIONAL PLANNING COMMISSION

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AS OF DECEMBER 31, 2017

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#### 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the Mid-Ohio Regional Planning Commission (MORPC) under programs of the federal government for the year ended December 31, 2017. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of MORPC it is not intended to, and does not, present the financial position, changes in net position, or cash flows of MORPC for the year ended December 31, 2017.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying Schedule are reported on using the accrual basis of accounting, which is described in Note 1 to MORPC's financial statements. Such expenditures are recognized according to the cost principles contained in the Uniform Guidance, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. Pass-through grant identifying numbers are presented when available. MORPC has elected not to use the ten percent de minimis indirect cost rate as allowed under the Uniform Guidance.

#### 3. MATCHING REQUIREMENTS

Certain federal programs require MORPC to contribute non-federal matching funds to support the federally-funded programs. MORPC has met its matching requirements for the year ended December 31, 2017. The accompanying Schedule does not include the expenditure of non-federal matching funds.

## Mid-Ohio Regional Planning Commission

### Schedule of Findings and Questioned Costs

Year Ended December 31, 2017

#### Section I - Summary of Auditor's Results

##### Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?        Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?        Yes   X   None reported

Noncompliance material to financial statements noted?

       Yes   X   None reported

##### Federal Awards

Internal control over major programs:

- Material weakness(es) identified?        Yes   X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses?        Yes   X   None reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?

       Yes   X   No

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
20.205	Highway Planning and Construction Cluster
20.513	Transit Services Programs Cluster

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

  X   Yes        No



111 Liberty Street, Suite 100  
Columbus, Ohio 43215

**T** 614.228.2663

**TTY** 800.750.0750

[www.morpc.org](http://www.morpc.org)