



Mid-Ohio Regional
Planning Commission

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Memorandum

TO: William Murdock, Executive Director
Executive Committee

FROM: Shawn Hufstedler
Chief of Staff & Director of Operations

DATE: April 26, 2017

SUBJECT: Financial Report – March 2017

Summary

In the first quarter of 2017, our cash position was just over \$1,817,658 in the operating account. This is \$464,288 higher in the operating account than March 2016. Through the first quarter, the fringe and overhead rate were better than projected.

Operating Income (Change in Net Position)

There has been a decrease in net assets (operating loss) from operations on a year-to-date basis of \$155,720. This is primarily the result of a combination of costs-to-date that have not been recovered in the first quarter for the weatherization programs.

Member Dues

Member dues revenue was 9.9% of the first quarter’s year-to-date operating revenue. Use of member dues were under budget at \$44,005 year-to-date. Use of all current year and prior year (includes building due diligence and office improvement activities) member dues were as follows:

| | Year-to-Date 2017 | |
|--|--------------------------|----------------------|
| | <u>Budget</u> | <u>Actual</u> |
| Services to Members | \$ 92,257 | \$ 94,721 |
| Local Matching Funds | \$ 71,982 | \$ 73,388 |
| Development Fund | \$ 23,428 | \$ 34,703 |
| Building Lease | \$ 25,023 | \$ 24,989 |
| Member Services Coordination | \$ 22,919 | \$ 20,935 |
| Leasehold Improvements & Building Due Diligence | \$ 52,500 | \$ 0 |
| Other | \$ 15,463 | \$ 10,831 |
| Total | \$ 303,572 | \$ 259,567 |

William Murdock, AICP
Executive Director

Matt Groesen
Chair

Rory McGuinness
Vice Chair

Karen J. Angelou
Secretary

Fringe Benefit and Indirect (Overhead) Variances

Fringe Benefits

The actual fringe benefit cost rate for the year-to-date is 58.36% which is lower than the budgeted rate of 63.0%, creating a favorable variance for the year-to-date of \$35,403. While the first half the year is typically more favorable than the last half of the year, the fringe variance is still projected to be positive by year end.

Indirect (Overhead)

The actual indirect cost variance for the year-to-date first quarter 50.60% which is lower the budgeted rate of 54.5%, with an favorable variance \$66,510.

Statement of Net Assets

- Cash on hand was \$1,817,658 which was equal to 6.5 weeks' worth of cash flow. The Hope 3 Trust account holds cash of \$42,050 restricted for NSP usage. The building reserve account is maintained at \$1,016,538. Operating reserve account is maintained at \$1,303,710. Management reserve is maintained at \$100,275. The building improvement/maintenance fund has held at \$723,685.
- Accounts Receivable totaled \$1,183,689 compared to \$2,149,970 at the end of March 2016.
- Accounts Payable plus Other Accrued Liabilities were \$230,249, a decrease versus the \$476,677 combined balance at the end of March 2016.

Expenses and Appropriations

Year-to-date expenses through 25% of the year totaled \$2,794,669 or 18.9% of the total year's operating appropriations of \$14,814,194 as MORPC has spent well within appropriations for the first quarter.

Operating Reserve

The \$1,817,658 of operating cash at March 31 is equivalent to 45 days of expenditures, which exceeds the 30-day target threshold established in the Operating Reserve Policy.

The \$1,303,710 balance of the operating reserve at March 31 is held in STAROhio, and has not been utilized in the first quarter. Combining both the operating reserve balance with the operating cash balance equates to 78 days of expenditures, which

exceeds the 60-day target threshold as per the Operating Reserve Policy. Interest earned and allocated to the operating reserve in the first quarter 2017 was \$2,502.

MORPC
Statement of Net Assets
As of 03/31/2017

| | <u>Balance at</u> <u>03/31/2017</u> | <u>Balance at</u> <u>02/28/2017</u> | <u>Monthly</u> <u>Difference</u> | <u>Balance at</u> <u>03/31/2016</u> | <u>Yearly</u> <u>Difference</u> |
|---|--|--|-------------------------------------|--|------------------------------------|
| Assets | | | | | |
| Current Assets | | | | | |
| Cash | 1,817,658 | 1,376,227 | 441,431 | 1,353,371 | 464,288 |
| Cash-Designated for Building Improvement | 723,685 | 723,334 | 351 | 745,577 | (21,893) |
| Cash-Operating Reserve | 1,303,710 | 1,302,928 | 782 | | 1,303,710 |
| Cash-Building Reserve | 1,016,538 | 1,015,930 | 608 | 2,105,924 | (1,089,386) |
| Cash-Management Reserve | 100,275 | 100,217 | 58 | | 100,275 |
| Cash with Trustee NSP1 Franklin Co | 42,050 | 42,050 | 0 | 42,050 | 0 |
| Cash with Trustee HOPE 3 | 0 | 0 | 0 | 1,723 | (1,723) |
| Accounts Receivable | 1,183,689 | 2,240,387 | (1,056,698) | 2,149,970 | (966,281) |
| Prepaid Expenses | <u>181,225</u> | <u>117,517</u> | <u>63,708</u> | <u>196,977</u> | <u>(15,752)</u> |
| Total Current Assets | 6,368,831 | 6,918,590 | (549,760) | 6,595,593 | (226,762) |
| Non-Current Assets | | | | | |
| Forgivable Mortgages | 99,189 | 99,891 | (702) | 127,481 | (28,292) |
| Fixed Assets | 562,267 | 562,267 | 0 | 557,420 | 4,846 |
| Contributed Assets | 369,976 | 369,976 | 0 | 369,976 | 0 |
| NSP 1 Properties | 0 | 0 | 0 | 0 | 0 |
| Accumulated Depreciation | <u>(820,616)</u> | <u>(815,312)</u> | <u>(5,304)</u> | <u>(742,624)</u> | <u>(77,992)</u> |
| Total Non-Current Assets | 210,815 | 216,821 | (6,006) | 312,253 | (101,438) |
| Deferred Outflows of Resources | | | | | |
| GASB 68 Pension | <u>694,040</u> | <u>694,040</u> | <u>0</u> | <u>694,040</u> | <u>0</u> |
| Total Deferred Outflows of Resources | <u>694,040</u> | <u>694,040</u> | <u>0</u> | <u>694,040</u> | <u>0</u> |
| Total Assets | <u>7,273,686</u> | <u>7,829,452</u> | <u>(555,766)</u> | <u>7,601,886</u> | <u>(328,200)</u> |
| Liabilities | | | | | |
| Current Liabilities | | | | | |
| Accounts Payable | 172,175 | <u>367,017</u> | (194,842) | 257,582 | (85,407) |
| Accrued Payroll | 178,244 | <u>301,926</u> | (123,681) | 313,656 | (135,412) |
| Accrued Fringe Benefits | 55,204 | <u>87,562</u> | (32,358) | 83,232 | (28,027) |
| Other Accrued Liabilities | 58,074 | <u>59,965</u> | (1,891) | 219,095 | (161,022) |
| Accrued PTO & Sick Leave | 90,000 | <u>60,000</u> | 30,000 | 60,000 | 30,000 |
| Deferred Income | 692,993 | <u>816,085</u> | (123,092) | 695,902 | (2,909) |
| Deferred Income-Member Dues | 726,498 | <u>820,011</u> | (93,513) | 741,164 | (14,666) |
| Deferred Income-Indirect Reserve | 107,596 | <u>85,966</u> | 21,630 | (135,141) | 242,737 |
| Deferred Fringe Benefit Reserve | <u>256,074</u> | <u>215,135</u> | <u>40,939</u> | <u>(54,602)</u> | <u>310,676</u> |
| Total Current Liabilities | 2,336,858 | 2,813,667 | (476,808) | 2,180,888 | 155,970 |
| Non-Current | | | | | |
| Accrued PTO & Sick Leave | 341,641 | 412,972 | (71,331) | 367,447 | (25,805) |
| HOPE 3 Deferred Income | 13,062 | 13,763 | (702) | 24,958 | (11,896) |
| Other Mortgages-Deferred Income | 86,127 | 86,127 | 0 | 102,523 | (16,395) |
| Accrued Building Lease Expense | 3,783 | 4,324 | (540) | 36,999 | (33,216) |
| GASB 68 Pension Liability | <u>4,245,280</u> | <u>4,245,280</u> | <u>0</u> | <u>4,245,280</u> | <u>0</u> |
| Total Non-Current | 4,689,894 | 4,762,467 | (72,573) | 4,777,207 | (87,313) |
| Deferred Inflows of Resources | | | | | |
| GASB 68 Pension | <u>74,581</u> | <u>74,581</u> | <u>0</u> | <u>74,581</u> | <u>0</u> |
| Total Deferred Inflows of Resources | <u>74,581</u> | <u>74,581</u> | <u>0</u> | <u>74,581</u> | <u>0</u> |
| Total Liabilities | 7,101,334 | 7,650,714 | (549,381) | 7,032,676 | 68,657 |
| Net Assets | | | | | |
| Beginning Net Assets | 328,073 | 281,567 | 46,506 | 671,732 | (343,659) |
| Current YTD Net Income | <u>(155,720)</u> | <u>(102,830)</u> | <u>(52,891)</u> | <u>(102,522)</u> | <u>(53,198)</u> |
| Total Net Assets | <u>172,352</u> | <u>178,737</u> | <u>(6,385)</u> | <u>569,210</u> | <u>(396,858)</u> |
| Total Liabilities and Net Assets | <u>7,273,686</u> | <u>7,829,452</u> | <u>(555,766)</u> | <u>7,601,886</u> | <u>(328,200)</u> |

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL FOR THE TWELVE MONTHS ENDING March 31, 2016

| | <u>Actual</u> | <u>Budget</u> | <u>Variance over / (under)</u> |
|---------------------------------------|----------------------------|------------------------|------------------------------------|
| Revenue | | | |
| Environment, Mapping & Transportation | \$ 1,586,944 | \$ 2,026,642 | \$ (439,697) |
| Energy and Air Quality | 718,147 | 1,151,644 | (433,496) |
| Housing & Community Services | 192,628 | 362,968 | (170,340) |
| Services to Members & Development | 187,280 | 180,389 | 6,891 |
| Other | <u>(51,786)</u> | <u>124,648</u> | <u>(176,434)</u> |
| Total Operating Revenues | \$ 2,633,214 | \$ 3,846,290 | \$ (1,213,076) |
| Expenses | | | |
| Salaries and benefits | \$ 1,634,985 | \$ 1,792,557 | \$ (157,572) |
| Materials and Supplies | 30,212 | 137,500 | (107,288) |
| Consultants, services and other | 1,113,559 | 1,901,398 | (787,839) |
| Depreciation | <u>15,913</u> | <u>14,349</u> | <u>1,565</u> |
| Total Expenses | \$ 2,794,669 | \$ 3,845,803 | \$ (1,051,134) |
| Operations income (loss) | \$ (161,455) | \$ 487 | (161,942) |
| Interest Income | 5,735 | \$ 1,250 | 4,485 |
| Capital Contributions | <u>-</u> | <u>\$ -</u> | <u>-</u> |
| Increase (decrease) in net position | <u>\$ (155,720)</u> | <u>\$ 1,737</u> | <u>\$ (157,457)</u> |

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

| Sources: | March 31, 2017 | | | 3 Months Ending March 31, 2017 | | |
|--|-------------------|------------------|--------------------|-----------------------------------|-------------------|--------------------|
| | Budget | Actual | Difference | Budget | Actual | Difference |
| Members Dues Recognized | \$ 83,690 | \$ 90,533 | \$ 6,842 | \$ 251,071 | \$ 259,568 | \$ 8,497 |
| Building Reserve | \$ 17,500 | \$ - | \$ (17,500) | \$ 52,500 | \$ - | \$ (52,500) |
| Total Members Per Capita Fees | \$ 101,190 | \$ 90,533 | \$ (10,658) | \$ 303,571 | \$ 259,568 | \$ (44,003) |
| Uses of Per Capita fees | | | | | | |
| <u>Local Match</u> | | | | | | |
| Transportation | \$ 23,577 | \$ 27,533 | \$ (3,956) | \$ 70,732 | \$ 73,388 | \$ (2,656) |
| Foundation Grants and Other | \$ 417 | \$ - | \$ 417 | \$ 1,250 | \$ - | \$ 1,250 |
| Total Local Match | \$ 22,390 | \$ 27,533 | \$ (3,539) | \$ 71,982 | \$ 73,388 | \$ (1,406) |
| <u>Services to Members</u> | | | | | | |
| Executive Director Services to Members | \$ 6,000 | \$ 5,974 | \$ 26 | \$ 18,000 | \$ 19,934 | \$ (1,934) |
| Proactive Legislative Activity | \$ 13,577 | \$ 13,212 | \$ 364 | \$ 40,730 | \$ 33,623 | \$ 7,107 |
| Public Policy and Multijurisdictional Issues | \$ 6,392 | \$ 8,151 | \$ (1,760) | \$ 19,175 | \$ 25,782 | \$ (6,607) |
| Member Service Coordination | \$ 7,640 | \$ 7,871 | \$ (231) | \$ 22,919 | \$ 20,935 | \$ 1,983 |
| HR Services & Annual Salary Survey | \$ 417 | \$ - | \$ 417 | \$ 1,250 | \$ - | \$ 1,250 |
| OARC MIP Process through Finance | \$ 167 | \$ - | \$ 167 | \$ 500 | \$ 219 | \$ 281 |
| Mid-Ohio Finance Administrators (MOFA) | \$ 121 | \$ - | \$ 121 | \$ 363 | \$ 361 | \$ 1 |
| Data Advisory Committee | \$ 833 | \$ - | \$ 833 | \$ 2,500 | \$ 527 | \$ 1,973 |
| Sustainability Advisory Committee | \$ 1,667 | \$ 2,505 | \$ (838) | \$ 5,000 | \$ 8,875 | \$ (3,875) |
| Other Services to Members | \$ 1,580 | \$ 435 | \$ 1,145 | \$ 4,740 | \$ 5,398 | \$ (659) |
| Total Services to Members | \$ 38,392 | \$ 38,148 | \$ 244 | \$ 115,176 | \$ 115,656 | \$ (480) |
| <u>Development Fund</u> | | | | | | |
| Executive Director Development | \$ 5,833 | \$ 5,974 | \$ (141) | \$ 17,500 | \$ 18,827 | \$ (1,327) |
| Executive Travel | \$ 1,358 | \$ 5,257 | \$ (3,899) | \$ 4,075 | \$ 7,749 | \$ (3,674) |
| Board Travel | \$ 442 | \$ 1,405 | \$ (964) | \$ 1,325 | \$ 4,404 | \$ (3,079) |
| Other Development | \$ 176 | \$ 1,449 | \$ (1,273) | \$ 528 | \$ 3,723 | \$ (3,196) |
| Total Development Fund | \$ 7,809 | \$ 14,085 | \$ (6,276) | \$ 23,428 | \$ 34,703 | \$ (11,276) |
| <u>Other Services</u> | | | | | | |
| Building Lease Expense | \$ 8,341 | \$ 8,330 | \$ 11 | \$ 25,023 | \$ 24,989 | \$ 34 |
| Strategic Initiatives | \$ 2,308 | \$ 913 | \$ 1,396 | \$ 6,925 | \$ 5,529 | \$ 1,396 |
| Diversity and Inclusion | \$ 2,083 | \$ 1,523 | \$ 560 | \$ 6,250 | \$ 4,094 | \$ 2,156 |
| Sponsorships/Memberships | \$ 183 | \$ - | \$ 183 | \$ 550 | \$ 1,208 | \$ (658) |
| Leasehold Improvements | \$ 833 | \$ - | \$ 833 | \$ 2,500 | \$ - | \$ 2,500 |
| Building Due Diligence | \$ 16,667 | \$ - | \$ 16,667 | \$ 50,000 | \$ - | \$ 50,000 |
| Total Other | \$ 30,416 | \$ 10,766 | \$ 19,650 | \$ 91,248 | \$ 35,820 | \$ 55,428 |
| Contingency | | | | | | |
| Cost Overruns | \$ 579 | \$ - | \$ 579 | \$ 1,738 | \$ - | \$ 1,738 |
| Other | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Contingency | \$ 579 | \$ - | \$ 579 | \$ 1,738 | \$ - | \$ 1,738 |
| Total Uses of Members Per Capita Fees | \$ 88,395 | \$ 90,532 | \$ 10,658 | \$ 303,571 | \$ 259,567 | \$ 44,004 |
| Dues under (over) expended | \$ - | \$ 0 | \$ 0 | \$ - | \$ 0 | \$ 0 |

Members Per Capita Fees Billed:

| | | | | | | |
|--|------------------|------------------|----------------|-------------------|-------------------|-----------------|
| RPC Dues (\$.290) | \$ 46,074 | \$ 46,011 | \$ (63) | \$ 138,223 | \$ 138,034 | \$ (189) |
| MPO Dues (\$.195) | \$ 28,692 | \$ 28,679 | \$ (12) | \$ 86,075 | \$ 86,038 | \$ (37) |
| Associate Members Dues | \$ 583 | \$ 583 | \$ - | \$ 1,750 | \$ 1,750 | \$ - |
| Building (\$.0525) | \$ 8,341 | \$ 8,330 | \$ (11) | \$ 25,023 | \$ 24,989 | \$ (34) |
| Sub-total Members Per Capita Fees Billed: | \$ 83,690 | \$ 83,604 | \$ (87) | \$ 251,071 | \$ 250,811 | \$ (260) |
| Members Dues Recognized: | | \$ 90,533 | | \$ - | \$ 259,568 | |
| Members Dues (Over) Under recognized | | \$ (6,929) | | | \$ (8,756) | |