



# MID-OHIO REGIONAL PLANNING COMMISSION FINANCIAL REPORT JUNE 2023



MID-OHIO REGIONAL  
**MORPC**  
PLANNING COMMISSION



MID-OHIO REGIONAL  
**MORPC**  
PLANNING COMMISSION

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## Memorandum

**TO:** William Murdock, Executive Director  
Executive Committee

**FROM:** Shawn Hufstedler  
Chief Operating Officer

**DATE:** July 27, 2023

**SUBJECT:** Financial Report – June 2023

## Summary

As of June 30, 2023, expenses totaled \$7,498,182 and were well within appropriations. The operating reserve (investment and cash accounts) was \$3,700,397. A net loss from all operations was recorded year-to-date. The actual fringe and indirect rate variances were unfavorable.

## Budget vs. Expenses

Expenses through quarter ending June 30, 2023, totaled \$7,498,182 or 32% of the year's total budgeted expenses of \$23,231,714.

From a programmatic perspective, expenses differed from the budget for the following reasons:

- Over-spending associated with Weatherization programs of \$279,190 can be attributed to greater spending than budgeted at this point in the year for the Columbia Gas Warm Choice Program and the Home Weatherization Assistance Program (HWAP), which are respectively over-budget by \$112,353 and \$165,704.
  - For the Columbia Gas Warm Choice Program, the budget included another \$435,329 in potential funding and MORPC is exploring various initiatives that could increase funding and/or reduce spending, including receiving increased HWAP funding.

**William Murdock, AICP**  
Executive Director

**Erik J. Janas**  
Chair

**Chris Amorose Groomes**  
Vice Chair

**Michelle Crandall**  
Secretary

- For HWAP, over-spending is a result of more expenses occurring in the second half of the state fiscal year compared to the first half, versus the original estimate. The program ended the state fiscal year with expenses remaining within awarded levels. Funding will dramatically increase in the second half of the calendar year as a result of MORPC expanding its service area and receiving new funds established by the Bipartisan Infrastructure Bill (BIL).
- Under-spending with Transportation programs of \$1,563,203 can be attributed to:
  - Less spending than budgeted of \$1,071,024 for the FTA Section 5310 Program for Enhanced Mobility of Seniors and Individuals with Disabilities. MORPC funds subgrants related to this program and subgrant payments are highly variable.
  - The Growth and Major Economic Development Planning (related to the Intel Project) started later than originally anticipated and is under-budget by \$265,860.
  - Transportation programs have experienced greater personnel turnover than anticipated.

MORPC also budgeted in the annual budget \$3,472,911 for potential programs/projects that have not been funded at this time.

### Operating Cash/Reserve

MORPC's operating reserve consists of operating cash and investment accounts. As of June 30, 2023, the cash account held \$2,087,357, while the investment account had a balance of \$1,613,040. The investment account is held in STAROhio. Combining both accounts equated to \$3,700,397, or 58 days of budgeted expenses, which is very close to the 60-day target threshold identified in the Operating Reserve Policy. Interest earned and allocated to the operating reserve year-to-date through June 30, 2023 was \$38,359.

### Operating Income (Change in Net Position)

There was a decrease in net position (loss from operations) for the year-to-date through June 30, 2023. The decrease was (\$802,608). The decrease was the result of:

- A (\$578,453) net loss year-to-date for programs funded by COTA in lieu of COVID and NTD (National Transit Database) funding, and TID (Transportation Improvement District) funding. This operating loss is due to the fact that revenue was recognized in prior years.
- A (\$197,577) net loss year-to-date for the Columbia Gas Warm Choice Program; and
- A (\$78,003) net loss year-to-date for depreciation related to leasehold improvements.

The losses were partially offset by a gain of \$41,353 to investment income and other miscellaneous gains of \$10,073.

## Member Dues

Member dues revenue was \$633,132 for the year-to-date ending June 30, 2023. Use of member dues was over budget by \$11,635. Use of all current year member dues was as follows:

| <u>Use of Member Dues</u>      | <u>Budget</u>    | <u>Actual</u>    | <u>Variance<br/>(Over)/Under</u> |
|--------------------------------|------------------|------------------|----------------------------------|
| Services to Members            | \$438,331        | \$451,192        | (\$12,861)                       |
| Local Matching Funds/Reserve   | \$118,254        | \$117,807        | \$447                            |
| Development Fund               | \$56,301         | \$59,542         | (\$3,242)                        |
| Building Lease                 | \$87,051         | \$87,415         | (\$364)                          |
| Diversity, Equity, & Inclusion | \$24,915         | \$21,957         | \$2,958                          |
| Other                          | \$4,146          | \$2,719          | \$1,427                          |
| <b>Total</b>                   | <b>\$728,997</b> | <b>\$740,632</b> | <b>(\$11,635)</b>                |

## Fringe Benefit and Indirect (Overhead) Variances


### Fringe Benefits

The actual fringe benefit cost rate for the year-to-date is 58.82%, which is greater than the budgeted rate of 57.50%, creating an unfavorable variance for the year-to-date of \$26,422.

### Indirect (Overhead)

The actual indirect cost variance for the year-to-date is 65.79% which is greater than the budgeted rate of 62.50%, resulting in an unfavorable variance for the year-to-date of \$120,907.

## Statement of Net Position

- On June 30, 2023, operating cash on hand was \$2,087,357, which was equal to 33 days of budgeted cash flow. The operating reserve investment account was \$1,613,040; and management reserve was \$113,739. The remaining cash balance for the building reserve and essentially all the building improvement/maintenance fund were transferred to the operating cash account in 2022 to cover expenses from that fund associated with the now completed building renovation project. \$71 remains in the building improvement/ maintenance fund as interest income exceeded expectations in the fourth quarter of 2022, resulting in the cash amount being slightly above the transfer authority granted in the 2023 budget. The intention was to reduce the balance to \$0.
  - The Central Ohio Greenways Fund is administered and held by the Columbus Foundation and had a balance of \$32,714.
  - Accounts Receivable totaled \$1,759,801 compared to \$2,496,432 as of June 30, 2022. The reduction can be attributed to more timely collection of outstanding receivables for grants from our funders.
  - Accounts Payable plus Other Accrued Liabilities totaled \$850,520 compared to \$1,379,725 as of June 30, 2022. The reduction can be attributed to more timely payment by MORPC of vendor invoices as a result of the implementation of electronic workflow for invoice review, and a reduction in accrued payroll and fringe due to the timing of the payment of payroll.
  - The GASB Statement 68 Pension liability and the GASB Statement 75 OPEB (other postemployment benefits, i.e. retiree healthcare) asset have a net liability of \$5,469,930 and represent estimates of the Commission's proportional share of the unfunded liabilities/assets of the Ohio Public Employees Retirement System (OPERS). The Government Accounting Standards Board mandates that these amounts be shown in the financial statements, but such amounts do not represent an actual legal liability of MORPC to OPERS per State of Ohio law. Excluding the impact of GASB Statements 68 and 75, net position would be approximately \$5.5 million greater, or a positive balance of \$5,179,300 as of June 30, 2023.
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# MID-OHIO REGIONAL PLANNING COMMISSION

## SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL FOR THE YEAR-TO-DATE ENDING JUNE 30, 2023

|  | Year-to-Date<br>Budget | Year-to-Date<br>Actual | Variance<br>under / (over) |
|--|------------------------|------------------------|----------------------------|
| <b>Revenues</b>                            |                        |                        |                            |
| Transportation                             | \$ 3,391,361           | \$ 1,828,158           | \$ 1,563,203               |
| Infrastructure & Econ. Dev.                | \$ 598,361             | \$ 160,932             | \$ 437,428                 |
| Planning & Sustainability                  | \$ 1,815,864           | \$ 1,577,290           | \$ 238,574                 |
| Weatherization                             | \$ 1,604,944           | \$ 1,635,422           | \$ (30,479)                |
| Housing                                    | \$ 1,422,782           | \$ 801,116             | \$ 621,666                 |
| Services to Members & Development          | \$ 610,743             | \$ 622,825             | \$ (12,082)                |
| Other                                      | \$ 435,348             | \$ 69,832              | \$ 365,516                 |
| Potential Funding                          | \$ 1,736,456           | \$ -                   | \$ 1,736,456               |
| <b>Total Operating Revenues</b>            | <b>\$ 11,615,857</b>   | <b>\$ 6,695,575</b>    | <b>\$ 4,920,282</b>        |
| <b>Expenses by Program Area</b>            |                        |                        |                            |
| Transportation                             | \$ 3,391,361           | \$ 1,828,157           | \$ 1,563,203               |
| Infrastructure & Econ. Dev.                | \$ 598,361             | \$ 496,892             | \$ 101,469                 |
| Planning & Sustainability                  | \$ 1,815,864           | \$ 1,577,370           | \$ 238,494                 |
| Weatherization                             | \$ 1,604,944           | \$ 1,884,134           | \$ (279,190)               |
| Housing                                    | \$ 1,422,782           | \$ 801,116             | \$ 621,666                 |
| Services to Members & Development          | \$ 610,743             | \$ 622,825             | \$ (12,082)                |
| Other                                      | \$ 435,348             | \$ 287,689             | \$ 147,658                 |
| Potential Funding                          | \$ 1,736,456           | \$ -                   | \$ 1,736,456               |
| <b>Total Expenses by Program Area</b>      | <b>\$ 11,615,857</b>   | <b>\$ 7,498,182</b>    | <b>\$ 4,117,674</b>        |
| <b>Expenses by Account Category</b>        |                        |                        |                            |
| Salaries and Benefits                      | \$ 4,959,791           | \$ 4,304,602           | \$ 655,189                 |
| Materials and Supplies                     | \$ 100,989             | \$ 103,519             | \$ (2,531)                 |
| Services, Charges, & Other                 | \$ 3,206,913           | \$ 1,165,026           | \$ 2,041,888               |
| Subcontracted Services                     | \$ 3,254,049           | \$ 1,530,267           | \$ 1,723,782               |
| Depreciation and Amortization              | \$ 94,116              | \$ 394,769             | \$ (300,653)               |
| <b>Total Expenses by Account Category</b>  | <b>\$ 11,615,857</b>   | <b>\$ 7,498,182</b>    | <b>\$ 4,117,675</b>        |
| Operations income (loss)                   | \$ (0)                 | \$ (802,608)           | \$ 802,608                 |
| <b>Increase (decrease) in net position</b> | <b>\$ (0)</b>          | <b>\$ (802,608)</b>    | <b>\$ 802,608</b>          |

# MID-OHIO REGIONAL PLANNING COMMISSION

## STATEMENT OF NET POSITION AS OF JUNE 30, 2023

|   | Balance at<br>06/30/2023<br>excludes<br>impact of<br>GASB 68 & 75 | GASB 68 & 75<br>06/30/2023 | Balance at<br>06/30/2023<br>includes<br>impact of<br>GASB 68 & 75 | Balance at<br>06/30/2022<br>includes<br>impact of<br>GASB 68 & 75 | Yearly<br>Difference |
|---|---|----------------------------|---|---|----------------------|
| <b>Assets</b>   |   |                            |   |   |                      |
| Current Assets  |   |                            |   |   |                      |
| Cash  | 2,087,357   |                            | 2,087,357   | 2,174,560   | (87,203)             |
| Cash-Designated for Building Improvement                                  | 71  |                            | 71  | 194,079   | (194,008)            |
| Cash-Operating Reserve  | 1,613,040   |                            | 1,613,040   | 1,328,500   | 284,540              |
| Cash-Building Reserve   | -   |                            | -   | 450,727   | (450,727)            |
| Cash-Management Reserve   | 113,739   |                            | 113,739   | 109,177   | 4,562                |
| Cash-Greenways Fund   | 32,714  |                            | 32,714  | 31,982  | 732                  |
| Cash-Rapid 5 Project Fund   | -   |                            | -   | 70,025  | (70,025)             |
| Accounts Receivable   | 1,759,801   |                            | 1,759,801   | 2,496,432   | (736,631)            |
| Prepaid Expenses  | 205,582   |                            | 205,582   | 103,413   | 102,170              |
| Total Current Assets  | 5,812,304   |                            | 5,812,304   | 6,958,895   | (1,146,590)          |
| Non-Current Assets  |   |                            |   |   |                      |
| Forgivable Mortgages  | -   |                            | -   | 3,255   | (3,255)              |
| Assets Net of Accumulated Depreciation                                    | 1,528,587   |                            | 1,528,587   | 1,604,534   | (75,947)             |
| Intangible Asset Building/Equipment Lease Net of Accumulated Amortization | 5,276,690   |                            | 5,276,690   | 5,862,352   | (585,662)            |
| Total Non-Current Assets  | 6,805,277   |                            | 6,805,277   | 7,470,141   | (664,864)            |
| Deferred Outflows of Resources - GASB 68 & 75                             | -   | 1,451,923                  | 1,451,923   | 1,486,580   | (34,657)             |
| Total Deferred Outflows of Resources                                      | -   | 1,451,923                  | 1,451,923   | 1,486,580   | (34,657)             |
| <b>Total Assets</b>   | <b>12,617,582</b>   | <b>1,451,923</b>           | <b>14,069,505</b>   | <b>15,915,616</b>   | <b>(1,846,111)</b>   |
| <b>Liabilities</b>  |   |                            |   |   |                      |
| Current Liabilities   |   |                            |   |   |                      |
| Accounts Payable  | 143,206   |                            | 143,206   | 471,968   | (328,762)            |
| Accrued Payroll and Fringe Benefits                                       | 456,545   |                            | 456,545   | 651,737   | (195,191)            |
| Unearned Revenue  | 950,104   |                            | 950,104   | 4,303,492   | (3,353,388)          |
| Accrued Building/Equipment Lease  | 250,768   |                            | 250,768   | 256,020   | (5,252)              |
| Total Current Liabilities   | 1,800,624   |                            | 1,800,624   | 5,683,216   | (3,882,592)          |
| Non-Current   |   |                            |   |   |                      |
| Accrued PTO & Sick Leave  | 525,342   |                            | 525,342   | 554,041   | (28,698)             |
| Other Mortgages-Deferred Income   | -   |                            | -   | 3,255   | (3,255)              |
| Accrued Building/Equipment Lease  | 5,112,316   |                            | 5,112,316   | 5,614,005   | (501,689)            |
| GASB 68 & 75  | -   | 2,000,733                  | 2,000,733   | 4,689,161   | (2,688,428)          |
| Total Non-Current   | 5,637,659   | 2,000,733                  | 7,638,392   | 10,860,462  | (3,222,070)          |
| Deferred Inflows of Resources - GASB 68 & 75                              | -   | 4,921,120                  | 4,538,857   | 4,538,857   | 4,538,857            |
| Total Deferred Inflows of Resources                                       | -   | 4,921,120                  | 4,921,120   | 4,538,857   | 382,263              |
| <b>Total Liabilities</b>  | <b>7,438,282</b>  | <b>6,921,853</b>           | <b>14,360,135</b>   | <b>21,082,535</b>   | <b>(6,722,400)</b>   |
| <b>Net Position</b>   |   |                            |   |   |                      |
| Beginning Net Position  | 511,978   |                            | 511,978   | (1,400,466)   | 1,912,444            |
| Current YTD Net Income  | (802,608)   |                            | (802,608)   | (3,766,454)   | 2,963,846            |
| Total Net Position  | 5,179,300   | (5,469,930)                | (290,630)   | (5,166,920)   | 4,876,290            |
| <b>Total Liabilities and Net Position</b>                                 | <b>12,617,582</b>   | <b>1,451,923</b>           | <b>14,069,505</b>   | <b>15,915,616</b>   | <b>(1,846,110)</b>   |



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