



MID-OHIO REGIONAL
MORPC
PLANNING COMMISSION

111 Liberty Street, Suite 100
Columbus, Ohio 43215
morpc.org

T. 614. 228.2663
TTY. 1.800.750.0750
info@morpc.org

Memorandum

TO: William Murdock, Executive Director
Executive Committee

FROM: Shawn Hufstedler
Chief of Staff & Director of Operations

DATE: July 30, 2021

SUBJECT: Financial Report – June 2021

Summary

As of June 30, 2021 our cash position was \$2,544,122 in the operating account. For the year-to-date ending June 30, 2021, both the actual fringe rate variance and the indirect rate variance were unfavorable. A net loss from all operations was recorded year-to-date as of June 30, 2021.

Operating Income (Change in Net Position)

There has been a decrease in net position (loss from operations) for the year-to-date ending June 30, 2021 of (\$1,194,097). This is primarily the result of:

- a December 31, 2020 accounting adjustment that recorded year-end unspent COTA local funds received in lieu of FTA Section 5307 funds as revenue in 2020, and which has thus reduced 2021 revenue accordingly (a reduction of \$1,178,183),
- costs that have not been recovered in the weatherization programs (a loss of \$230,971),
- a \$99,000 net gain year-to-date in the Central Ohio Greenways Fund, which is held at The Columbus Foundation, and
- a reimbursement from our landlord, of previous costs incurred in 2020 for the downstairs office expansion, that exceeded current year costs incurred by \$102,532.

In April 2021, we submitted an application to the U.S. Small Business Administration requesting that the federal government forgive the \$461,686 Payroll Protection Program loan we received in 2020, as we did not reduce staffing last year. The request was approved, and we will reclassify the loan balance as revenue in 2021.

Member Dues

Member dues revenue was 12.9% of total 2021 operating revenue for the year-to-date ending June 30, 2021. Use of member dues was under budget by \$17,908 excluding the prior year dues budgeted

William Murdock, AICP
Executive Director

Karen J. Angelou
Chair

Erik J. Janas
Vice Chair

Chris Amorose Groomes
Secretary

for building due diligence and leasehold improvements. Use of all current year and prior year member dues, including building due diligence and office improvement activities were as follows:

<u>Use of Member Dues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance (Over) Under</u>
Services to Members	\$254,208	\$251,173	\$ 3,035
Local Matching Funds	157,376	145,664	11,712
Development Fund	43,093	44,119	(1,026)
Building Lease	82,174	82,174	-
Member Services Coordination	92,058	82,141	9,917
Leasehold Improvements & Building Due Diligence	148,524	54,067	94,457
Other	23,450	29,180	(5,730)
Total	\$880,883	\$688,518	\$112,365

Fringe Benefit and Indirect (Overhead) Variances

Fringe Benefits

The actual fringe benefit cost rate for the year-to-date is 58.74% which is higher than the budgeted rate of 58.00%, creating an unfavorable variance for the year-to-date of \$(12,445).

Indirect (Overhead)

The actual indirect cost variance for the year-to-date is 63.24% which is higher than the budgeted rate of 62.00%, resulting in an unfavorable variance for the year-to-date of \$(40,971).

Statement of Net Position

- Operating cash on hand is \$2,544,122 which was equal to 50 days of cash flow. The building reserve account balance is \$449,575; operating reserve account is at \$1,100,376; and management reserve is \$108,884. The building improvement/maintenance fund holds \$193,855. The Central Ohio Greenways fund is administered and held by the Columbus Foundation and had a balance of \$113,328.
- Accounts Receivable totaled \$1,521,557 compared to \$1,157,380 as of June 30, 2020.
- Accounts Payable plus Other Accrued Liabilities totaled \$272,859 compared to \$255,456 as of June 30, 2020.
- The GASB Statement 68 Pension liability of \$6,592,842 and the GASB 75 OPEB (other postemployment benefits, i.e. retiree healthcare) liability of \$4,651,263 represent estimates of the Commission's proportional share of the unfunded liabilities 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, as per State of Ohio law. Excluding the

impact of GASB Statements 68 and 75, net position would be nearly \$12 million greater, or a positive balance of \$2,184,864 as of June 30, 2021.

Expenses and Appropriations

Expenses through the second quarter of 2021 totaled \$6,213,435 or 33.7% of the total year's operating appropriations of \$18,415,630.

Operating Reserve

The \$1,100,376 balance of the invested operating reserve as of June 30, 2021 is held in STAROhio and is net of the outstanding transfer-out of \$300,000 to the operating account in December 2019. In the third quarter 2021 we anticipate transferring, from the operating account back to the operating reserve, a portion of the corresponding maximum \$450,000 authorized for that purpose in the second half-year budget.

Combining both the operating reserve balance and the operating cash balance equates to 72 days of expenditures, which is greater than the 60-day target threshold per the Operating Reserve Policy. Interest earned and allocated to the operating reserve year-to-date through June 30, 2021 was \$475.

MORPC
Statement of Net Position
As of 06/30/2021

1468614.07

	<u>Balance at</u> <u>06/30/2021</u>	<u>Balance at</u> <u>05/31/2021</u>	<u>Monthly</u> <u>Difference</u>	<u>Balance at</u> <u>06/30/2020</u>	<u>Yearly</u> <u>Difference</u>
Assets					
Current Assets					
Cash	\$2,544,122	\$2,788,757	(\$244,635)	\$2,261,441	\$282,681
Cash-Designated for Building Improvement	193,890	193,879	11	522,129	(328,239)
Cash-Operating Reserve	1,100,376	1,100,305	71	1,098,621	1,755
Cash-Building Reserve	449,575	449,545	30	1,077,177	(627,602)
Cash-Management Reserve	108,884	108,876	8	108,701	183
Cash with Trustee NSP1 Franklin Co	0	0	0	38,689	(38,689)
Investments Greenways Fund	113,238	155,301	(42,063)	12,789	100,449
Accounts Receivable	1,521,557	1,727,001	(205,444)	1,157,380	364,177
Prepaid Expenses	<u>222,014</u>	<u>153,710</u>	<u>68,304</u>	<u>139,850</u>	<u>82,164</u>
Total Current Assets	6,253,656	6,677,375	(423,719)	6,416,779	(163,123)
Non-Current Assets					
Forgivable Mortgages	11,181	13,351	(2,170)	19,106	(7,925)
Fixed Assets	2,213,719	2,159,977	53,742	779,774	1,433,945
Contributed Assets	249,669	249,669	0	249,669	0
Accumulated Depreciation	<u>(876,302)</u>	<u>(873,728)</u>	<u>(2,574)</u>	<u>(845,419)</u>	<u>(30,883)</u>
Total Non-Current Assets	1,598,267	1,549,268	48,999	203,129	1,395,137
Deferred Outflows of Resources					
GASB 68 Pension	1,334,304	1,334,304	0	3,687,608	(2,353,304)
GASB 75 OPEB	<u>922,787</u>	<u>922,787</u>	<u>0</u>	<u>754,849</u>	<u>167,938</u>
Total Deferred Outflows of Resources	<u>2,257,091</u>	<u>2,257,091</u>	<u>0</u>	<u>4,442,457</u>	<u>(2,185,366)</u>
Total Assets	<u>\$10,109,014</u>	<u>\$10,483,734</u>	<u>(\$374,720)</u>	<u>\$11,062,365</u>	<u>(\$953,352)</u>
Liabilities					
Current Liabilities					
Accounts Payable	\$243,208	\$432,470	(\$189,262)	\$233,856	\$9,352
Accrued Payroll	369,055	345,599	23,456	335,779	33,276
Accrued Fringe Benefits	96,748	91,186	5,562	94,351	2,397
Other Accrued Liabilities	29,651	47,428	(17,777)	21,600	8,051
Accrued PTO & Sick Leave	100,000	100,000	0	100,000	0
Unearned Revenue	2,961,941	3,039,946	(78,005)	2,024,838	937,103
Unearned Revenue-Member Dues	676,709	784,218	(107,509)	695,461	(18,752)
Unearned Revenue-Indirect Reserve	29,079	19,930	9,149	(90,469)	119,548
Unearned Revenue-Fringe Benefit Reserve	62,636	56,652	5,984	(14,047)	76,683
PPP Forgivable Loan	<u>461,686</u>	<u>461,686</u>	<u>0</u>	<u>0</u>	<u>461,686</u>
Total Current Liabilities	5,030,713	5,379,115	(348,402)	3,401,370	1,629,343
Non-Current					
Accrued PTO & Sick Leave	625,164	603,332	21,832	536,784	88,380
HOPE 3 Deferred Income	0	0	0	0	0
Other Mortgages-Deferred Income	11,181	13,351	(2,170)	19,106	(7,925)
Accrued Building Lease Expense	0	0	0	0	0
GASB 68 Pension Liability	6,592,842	6,592,842	0	10,419,950	(3,827,108)
GASB 75 OPEB Liability	<u>4,651,263</u>	<u>4,651,263</u>	<u>0</u>	<u>4,863,198</u>	<u>(211,935)</u>
Total Non-Current	11,880,450	11,860,788	19,662	15,839,038	(3,958,588)
Deferred Inflows of Resources					
GASB 68 Pension	2,016,480	2,016,480	0	136,821	1,879,659
GASB 75 OPEB	<u>936,725</u>	<u>936,725</u>	<u>0</u>	<u>13,195</u>	<u>923,530</u>
Total Deferred Inflows of Resources	<u>2,953,205</u>	<u>2,953,205</u>	<u>0</u>	<u>150,016</u>	<u>2,803,189</u>
Total Liabilities	19,864,368	20,193,108	(328,740)	19,390,424	473,944
Net Position					
Beginning Net Position	(8,561,256)	(8,561,256)	0	(7,832,218)	(729,038)
Current YTD Net Income	<u>(1,194,097)</u>	<u>(1,148,118)</u>	<u>(45,979)</u>	<u>(495,841)</u>	<u>(698,256)</u>
Total Net Position	<u>(9,755,355)</u>	<u>(9,709,375)</u>	<u>(45,980)</u>	<u>(8,328,059)</u>	<u>(1,427,296)</u>
Total Liabilities and Net Position	<u>\$10,109,014</u>	<u>\$10,483,734</u>	<u>(\$374,720)</u>	<u>\$11,062,365</u>	<u>(\$953,351)</u>

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL
FOR THE YEAR-TO-DATE ENDING JUNE 30, 2021

	<u>Actual</u>	<u>Budget</u>	<u>Variance over / (under)</u>
Revenue			
Planning, Data & Transportation	\$ 3,620,283	\$ 4,505,529	\$ (885,246)
Residential Services	1,738,628	3,335,778	(1,597,150)
Services to Members & Development	645,385	495,357	150,028
Other	(997,843)	286,784	(1,284,627)
Total Operating Revenues	\$ 5,006,452	\$ 8,623,448	\$ (3,616,996)
Expenses			
Salaries and benefits	\$ 3,721,120	\$ 3,850,859	\$ (129,739)
Materials and Supplies	60,044	218,891	(158,847)
Consultants, services and other	2,416,830	5,117,281	(2,700,451)
Depreciation	15,441	20,785	(5,344)
Total Expenses	\$ 6,213,435	\$ 9,207,815	\$ (2,994,380)
Operations income (loss)	\$ (1,206,984)	\$ (584,367)	(622,617)
Interest Income	12,887	3,600	9,287
Increase (decrease) in net position	\$ (1,194,097)	\$ (580,767)	\$ (613,330)