



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: October 29, 2021

SUBJECT: Financial Report – September 2021

Summary

As of September 30, 2021 our cash position was \$3,525,195 in the operating account. For the year-to-date ending September 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 September 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 September 30, 2021 of (\$869,441). 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);
- The outstanding 2020 Payroll Protection Program loan balance of \$461,686 was forgiven by the SBA, and was recorded as current year revenue;
- costs that have not been recovered in the weatherization programs (a loss of \$291,119),
- a \$78,386 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 \$74,930.

Member Dues

Member dues revenue was 8.8% of total 2021 operating revenue for the year-to-date ending September 30, 2021. Use of member dues was under budget by \$220,504 excluding the prior year dues budgeted for building due diligence and leasehold improvements. In October, a \$225,000 transfer of dues from the main operating account to the operating reserve was made to replenish the

operating reserve as approved in the 2021 revised budget. 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	\$381,312	\$383,756	\$(2,444)
Local Matching Funds	236,064	8,498	227,566
Development Fund	64,639	65,541	(902)
Building Lease	123,262	123,262	-
Member Services Coordination	138,087	131,939	6,148
Leasehold Improvements & Building Due Diligence	222,786	77,899	144,887
Other	35,175	45,039	(9,864)
Total	\$1,201,325	\$835,934	\$365,391

Fringe Benefit and Indirect (Overhead) Variances

Fringe Benefits

The actual fringe benefit cost rate for the year-to-date is 58.22% which is higher than the budgeted rate of 58.00%, creating an unfavorable variance for the year-to-date of \$(5,504).

Indirect (Overhead)

The actual indirect cost variance for the year-to-date is 63.19% which is higher than the budgeted rate of 62.00%, resulting in an unfavorable variance for the year-to-date of \$(51,034).

Statement of Net Position

- Operating cash on hand is \$3,525,195 which was equal to 67 days of cash flow. The building reserve account balance is \$449,660; operating reserve account is at \$1,100,584; and management reserve is \$108,906. The building improvement/maintenance fund holds \$193,922. The Central Ohio Greenways fund is administered and held by the Columbus Foundation and had a balance of \$92,624.
- Accounts Receivable totaled \$1,419,9667 compared to \$1,350,882 as of September 30, 2020.
- Accounts Payable plus Other Accrued Liabilities totaled \$167,056 compared to \$481,048 as of September 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 \$2,509,523 as of September 30, 2021.

Expenses and Appropriations

Expenses through the third quarter of 2021 totaled \$8,557,417 or 44.4% of the total year's revised operating appropriations of \$19,287,830.

Operating Reserve

The \$1,100,584 balance of the invested operating reserve as of September 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 October 2021 we transferred, from the operating account back to the operating reserve, \$225,000 of the corresponding maximum \$450,000 authorized for that purpose in the 2021 revised budget.

Combining both the operating reserve balance and the operating cash balance equates to 88 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 September 30, 2021 was \$683.

MORPC
Statement of Net Position
As of 09/30/2021

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	<u>Balance at</u> <u>09/30/2021</u>	<u>Balance at</u> <u>08/31/2021</u>	<u>Monthly</u> <u>Difference</u>	<u>Balance at</u> <u>09/30/2020</u>	<u>Yearly</u> <u>Difference</u>
Assets					
Current Assets					
Cash	\$3,525,195	\$3,556,938	(\$31,743)	\$1,533,312	\$1,991,883
Cash-Designated for Building Improvement	193,922	193,910	12	466,959	(273,037)
Cash-Operating Reserve	1,100,584	1,100,515	69	1,099,513	1,071
Cash-Building Reserve	449,660	449,631	29	1,078,051	(628,391)
Cash-Management Reserve	108,906	108,899	7	108,794	112
Cash with Trustee NSP1 Franklin Co	0	0	0	37,040	(37,040)
Investments Greenways Fund	92,624	106,946	(14,322)	12,302	80,322
Accounts Receivable	1,419,966	1,698,325	(278,359)	1,350,882	69,084
Prepaid Expenses	<u>141,969</u>	<u>153,677</u>	<u>(11,708)</u>	<u>154,805</u>	<u>(12,836)</u>
Total Current Assets	7,032,826	7,368,841	(336,015)	5,841,658	1,191,168
Non-Current Assets					
Forgivable Mortgages	11,181	11,181	0	19,106	(7,925)
Fixed Assets	2,027,340	2,023,161	4,179	973,027	1,054,313
Contributed Assets	249,669	249,669	0	249,669	0
Accumulated Depreciation	<u>(669,627)</u>	<u>(656,033)</u>	<u>(13,594)</u>	<u>(852,283)</u>	<u>182,656</u>
Total Non-Current Assets	1,618,563	1,627,978	(9,415)	389,519	1,229,044
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>2,257,090</u>	<u>2,257,091</u>	<u>(1)</u>	<u>4,442,457</u>	<u>(2,185,367)</u>
Total Assets	<u>\$10,908,479</u>	<u>\$11,253,910</u>	<u>(\$345,430)</u>	<u>\$10,673,633</u>	<u>\$234,846</u>
Liabilities					
Current Liabilities					
Accounts Payable	\$135,566	\$357,564	(\$221,998)	\$449,493	(\$313,927)
Accrued Payroll	305,207	256,977	48,230	270,819	34,388
Accrued Fringe Benefits	85,120	75,300	9,820	89,521	(4,401)
Other Accrued Liabilities	31,490	28,017	3,473	31,555	(65)
Accrued PTO & Sick Leave	100,000	100,000	0	100,000	0
Unearned Revenue	4,269,841	4,336,214	(66,373)	1,463,008	2,806,833
Unearned Revenue-Member Dues	526,554	616,256	(89,702)	466,947	59,607
Unearned Revenue-Indirect Reserve	20,684	21,218	(534)	42,402	(21,718)
Unearned Revenue-Fringe Benefit Reserve	102,558	96,494	6,064	96,942	5,616
PPP Forgivable Loan	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Current Liabilities	5,577,020	5,888,040	(311,020)	3,010,687	2,566,333
Non-Current					
Accrued PTO & Sick Leave	553,665	538,454	15,211	576,813	(23,148)
HOPE 3 Deferred Income	0	0	0	0	0
Other Mortgages-Deferred Income	11,181	11,181	0	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	11,808,951	11,793,740	15,211	15,879,067	(4,070,116)
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	20,339,176	20,634,984	(295,808)	19,039,769	1,299,407
Net Position					
Beginning Net Position	(8,561,256)	(8,561,256)	0	(7,832,218)	(729,038)
Current YTD Net Income	<u>(869,441)</u>	<u>(819,818)</u>	<u>(49,623)</u>	<u>(533,919)</u>	<u>(335,522)</u>
Total Net Position	<u>(9,430,697)</u>	<u>(9,381,074)</u>	<u>(49,623)</u>	<u>(8,366,137)</u>	<u>(1,064,560)</u>
Total Liabilities and Net Position	<u>\$10,908,479</u>	<u>\$11,253,910</u>	<u>(\$345,431)</u>	<u>\$10,673,633</u>	<u>\$234,846</u>

MID-OHIO REGIONAL PLANNING COMMISSION

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

	Year-to-Date <u>Actual</u>	Year-to-Date <u>Budget</u>	Variance <u>over / (under)</u>
Revenue			
Planning, Data & Transportation	\$ 5,539,754	\$ 7,686,935	\$ (2,147,181)
Residential Services	2,600,220	4,465,102	(1,864,882)
Services to Members & Development	749,537	743,036	6,502
Other	<u>(332,094)</u>	<u>1,568,100</u>	<u>(1,900,194)</u>
Total Operating Revenues	\$ 8,557,417	\$ 14,463,173	\$ (5,905,756)
Expenses			
Salaries and benefits	\$ 5,585,294	\$ 5,776,289	\$ (190,995)
Materials and Supplies	128,110	359,540	(231,430)
Consultants, services and other	3,674,044	8,246,369	(4,572,325)
Depreciation	<u>56,224</u>	<u>83,676</u>	<u>(27,452)</u>
Total Expenses	\$ 9,443,672	\$ 14,465,873	\$ (5,022,201)
Operations income (loss)	\$ (886,256)	\$ (2,700)	(883,556)
Interest Income	<u>16,815</u>	<u>2,700</u>	<u>14,115</u>
Increase (decrease) in net position	<u>\$ (869,441)</u>	<u>\$ -</u>	<u>\$ (869,441)</u>