



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:** May 3, 2022

**SUBJECT:** Financial Report – March 2022

## Summary

As of March 31, 2022, our cash position was \$2,859,941 in the operating account. For the year-to-date ending March 31, 2022, the actual fringe rate variance was favorable, while the indirect rate variance was unfavorable. A net loss from all operations was recorded year-to-date as of March 31, 2022.

## Operating Income (Change in Net Position)

There has been a decrease in net position (loss from operations) for the year ending March 31, 2022 of (\$3,449,086). This is primarily the result of:

- A December 31, 2021 accounting adjustment that recorded year-end unspent COTA local funds received in lieu of FTA Section 5307 funds as revenue in 2021, and which has thus reduced 2022 revenue accordingly (a reduction of \$3,503,047) **(this reduction is strictly due to the timing of the recording of revenue)**;
- Costs that have not been recovered in the weatherization programs (a loss of \$13,442);
- A \$35,211 net gain year-to-date in the Central Ohio Greenways Fund, which is held at the Columbus Foundation; and
- Total year-to-date depreciation related to leasehold improvements of (\$35,059).

## **Member Dues**

Member dues revenue was 8.5% of total 2022 operating revenue for the year-to-date ending March 31, 2022. Use of member dues was over budget by (\$4,016) excluding the prior year dues budgeted for building due diligence and leasehold improvements. In 2022, a \$225,000 transfer of dues from the main operating account to the operating reserve will be made to replenish and further bolster 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:

<b><u>Use of Member Dues</u></b>	<b><u>Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance (Over) Under</u></b>
Services to Members	\$176,172	\$189,661	(\$13,489)
Local Matching Funds	83,168	73,694	9,474
Development Fund	24,358	27,487	(3,129)
Building Lease	41,109	41,109	0
Member Services Coordination	12,775	12,255	520
Leasehold Improvements & Building Due Diligence	61,875	0	61,875
Other	2,609	0	2,609
<b>Total</b>	<b>\$402,065</b>	<b>\$344,207</b>	<b>\$57,858</b>

## **Fringe Benefit and Indirect (Overhead) Variances**

### **Fringe Benefits**

The actual fringe benefit cost rate for the year-to-date is 53.11%, which is lower than the budgeted rate of 57.00%, creating a favorable variance for the year-to-date of \$46,857.

### **Indirect (Overhead)**

The actual indirect cost variance for the year-to-date is 64.51%, which is higher than the budgeted rate of 63.00%, resulting in an unfavorable variance for the year-to-date of (\$12,939).

## **Statement of Net Position**

- Operating cash on hand is \$2,859,941, which was equal to 47 days of cash flow. The building reserve account balance is \$449,915; operating reserve account is \$1,326,330; and management reserve is \$108,970. The building improvement/maintenance fund holds \$194,024. The Central Ohio Greenways Fund is administered and held by the Columbus Foundation and has a balance of \$102,846.
- Accounts Receivable totaled \$2,252,530 compared to \$1,605,640 as of March 31, 2021.
- Accounts Payable plus Other Accrued Liabilities totaled \$933,591 compared to \$715,248 as of March 31, 2021.
- The GASB Statement 68 Pension liability of \$5,315,024 and the GASB 75 OPEB (other postemployment benefits, i.e. retiree healthcare) asset of \$625,863 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 (or asset) of MORPC to (or from) OPERS, as per State of Ohio law. Excluding the impact of GASB Statements 68 and 75, net position would be approximately \$7.7 million greater, or a positive balance of \$2,891,887 as of March 31, 2022.

### **Expenses and Appropriations**

Expenses through quarter ending March 31, 2022 totaled \$3,125,125 or 14.1% of the total year's revised operating appropriations of \$22,127,185.

### **Operating Reserve**

The \$1,326,330 balance of the invested operating reserve as of March 31, 2022 is held in STAROhio. \$300,000 was transferred from the operating reserve 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. An additional \$225,000 is to be transferred from the operating account to the operating reserve in 2022 to fully replenish and further bolster it.

Combining both the operating reserve balance and the operating cash balance equates to 69 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 March 31, 2021 was \$510.

**MORPC**  
**Statement of Net Position**  
**As of 03/31/22**

	<u>Balance at</u> <u>03/31/2022</u>	<u>Balance at</u> <u>02/28/2022</u>	<u>Monthly</u> <u>Difference</u>	<u>Balance at</u> <u>03/31/2021</u>	<u>Yearly</u> <u>Difference</u>
<b>Assets</b>					
<b>Current Assets</b>					
Cash	\$ 2,859,941	\$ 1,983,580	\$ 876,360	\$ 2,702,535	\$ 157,406
Cash-Designated for Building Improvement	194,024	194,012	12	193,856	168
Cash-Operating Reserve	1,326,330	1,326,060	270	1,100,165	226,165
Cash-Building Reserve	449,915	449,823	93	449,488	427
Cash-Management Reserve	108,970	108,947	23	108,862	108
Cash with Trustee NSP1 Franklin Co	0	0	0	0	0
Investments Greenways Fund	102,846	102,635	211	14,238	88,608
Accounts Receivable	2,252,530	3,186,667	(934,137)	1,605,640	646,890
Prepaid Expenses	126,044	117,581	8,463	94,695	31,349
Other Current Assets	<u>6,023,292</u>	<u>6,063,642</u>	<u>(40,350)</u>	<u>0</u>	<u>(40,350)</u>
<b>Total Current Assets</b>	<b>13,443,891</b>	<b>13,532,946</b>	<b>(89,055)</b>	<b>6,269,479</b>	<b>7,174,413</b>
<b>Non-Current Assets</b>					
Forgivable Mortgages	7,681	7,681	0	15,606	(7,925)
Fixed Assets	2,133,300	2,133,300	0	1,918,730	214,570
Contributed Assets	249,669	249,669	0	249,669	0
Accumulated Depreciation	<u>(754,686)</u>	<u>(740,174)</u>	<u>(14,515)</u>	<u>(868,581)</u>	<u>113,895</u>
<b>Total Non-Current Assets</b>	<b>1,635,963</b>	<b>1,650,478</b>	<b>(14,515)</b>	<b>1,315,424</b>	<b>320,540</b>
<b>Deferred Outflows of Resources</b>					
GASB 68 Pension	1,050,632	1,050,632	0	1,334,304	(283,672)
GASB 75 OPEB	<u>435,948</u>	<u>435,948</u>	<u>0</u>	<u>922,787</u>	<u>(486,839)</u>
<b>Total Deferred Outflows of Resources</b>	<b><u>1,486,580</u></b>	<b><u>1,486,580</u></b>	<b><u>0</u></b>	<b><u>2,257,091</u></b>	<b><u>(770,511)</u></b>
<b>Total Assets</b>	<b><u>16,566,435</u></b>	<b><u>16,670,005</u></b>	<b><u>(\$103,570)</u></b>	<b><u>9,841,994</u></b>	<b><u>6,724,441</u></b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable	368,086	357,487	\$10,599	\$199,252	\$168,834
Accrued Payroll	316,791	235,045	81,746	282,969	33,823
Accrued Fringe Benefits	95,878	82,099	13,779	92,546	3,332
Other Accrued Liabilities	52,836	49,194	3,643	40,482	12,354
Accrued PTO & Sick Leave	100,000	100,000	0	100,000	0
Unearned Revenue	3,730,353	3,793,301	(62,948)	2,666,295	1,064,058
Unearned Revenue-Member Dues	1,047,804	1,133,657	(85,853)	973,411	74,393
Unearned Revenue-Indirect Reserve	<u>(28,761)</u>	<u>(46,333)</u>	<u>17,572</u>	<u>36,171</u>	<u>(64,932)</u>
Unearned Revenue-Fringe Benefit Reserve	<u>(91,998)</u>	<u>(31,368)</u>	<u>(60,630)</u>	<u>28,094</u>	<u>(120,092)</u>
Accrued Building Lease Expense-Current	372,638	310,615	62,023	0	372,638
PPP Forgivable Loan	<u>0</u>	<u>0</u>	<u>0</u>	<u>461,686</u>	<u>(461,686)</u>
<b>Total Current Liabilities</b>	<b>5,963,627</b>	<b>5,983,696</b>	<b>(20,069)</b>	<b>4,880,906</b>	<b>1,082,721</b>
<b>Non-Current</b>					
Accrued PTO & Sick Leave	562,186	557,610	4,576	609,306	(47,120)
HOPE 3 Deferred Income	0	0	0	0	0
Other Mortgages-Deferred Income	7,681	7,681	0	15,606	(7,925)
Accrued Building Lease Expense	5,654,474	5,654,474	(0)	0	5,654,474
GASB 68 Pension Liability	5,315,024	5,315,024	0	6,592,842	(1,277,818)
GASB 75 OPEB Liability	<u>(625,863)</u>	<u>(625,863)</u>	<u>0</u>	<u>4,651,263</u>	<u>(5,277,126)</u>
<b>Total Non-Current</b>	<b>10,913,502</b>	<b>10,908,926</b>	<b>4,576</b>	<b>11,869,017</b>	<b>(955,515)</b>
<b>Deferred Inflows of Resources</b>					
GASB 68 Pension	2,514,671	2,514,671	0	2,016,480	498,191
GASB 75 OPEB	<u>2,024,186</u>	<u>2,024,186</u>	<u>0</u>	<u>936,725</u>	<u>1,087,461</u>
<b>Total Deferred Inflows of Resources</b>	<b><u>4,538,857</u></b>	<b><u>4,538,857</u></b>	<b><u>0</u></b>	<b><u>2,953,205</u></b>	<b><u>1,585,652</u></b>
<b>Total Liabilities</b>	<b>21,415,986</b>	<b>21,431,479</b>	<b>(15,493)</b>	<b>19,703,128</b>	<b>1,712,858</b>
<b>Net Position</b>					
Beginning Net Position	<u>(1,400,466)</u>	<u>(1,400,466)</u>	<u>0</u>	<u>(8,561,256)</u>	<u>7,160,790</u>
Current YTD Net Income	<u>(3,449,085)</u>	<u>(3,361,008)</u>	<u>(88,077)</u>	<u>(1,299,878)</u>	<u>(2,149,207)</u>
<b>Total Net Position</b>	<b><u>(4,849,551)</u></b>	<b><u>(4,761,474)</u></b>	<b><u>(88,077)</u></b>	<b><u>(9,861,135)</u></b>	<b><u>5,011,584</u></b>
<b>Total Liabilities and Net Position</b>	<b><u>\$16,566,435</u></b>	<b><u>\$16,670,005</u></b>	<b><u>(\$103,570)</u></b>	<b><u>\$9,841,994</u></b>	<b><u>\$6,724,441</u></b>

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL  
FOR THE YEAR-TO-DATE ENDING MARCH 31, 2022

	Year-to-Date <u>Actual</u>	Year-to-Date <u>Budget</u>	Variance <u>over / (under)</u>
Revenue			
Planning, Data & Transportation	\$ 1,675,251	\$ 3,036,282	\$ (1,361,031)
Residential Services	1,089,055	\$ 1,978,017	(888,962)
Services to Members & Development	270,512	\$ 257,022	13,490
Other	<u>(3,359,764)</u>	\$ 227,901	(3,587,665)
<b>Total Operating Revenues</b>	<b>\$ (324,946)</b>	<b>\$ 5,499,218</b>	<b>\$ (5,824,164)</b>
Expenses			
Salaries and benefits	\$ 1,879,883	\$ 2,274,572	\$ (394,689)
Materials and Supplies	90,614	\$ 116,841	(26,227)
Consultants, services and other	1,092,395	\$ 3,061,509	(1,969,114)
Depreciation	62,233	\$ 46,300	15,933
<b>Total Expenses</b>	<b>\$ 3,125,125</b>	<b>\$ 5,499,218</b>	<b>\$ (2,374,093)</b>
Operations income (loss)	\$ (3,450,071)	\$ 0	(3,450,071)
Interest Income	<u>985</u>	<u>409</u>	<u>576</u>
Increase (decrease) in net position	<b><u>\$ (3,449,086)</u></b>	<b><u>\$ 409</u></b>	<b><u>\$ (3,449,495)</u></b>