



MID-OHIO REGIONAL PLANNING COMMISSION FINANCIAL REPORT MARCH 2023





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: April 28, 2023

SUBJECT: Financial Report – March 2023

Summary

As of March 31, 2023, expenses totaled \$3,488,607 or 15% of the year's total budgeted expenses of \$23,231,714. The operating reserve (investment and cash accounts) was \$3,748,963. A net loss from all operations was recorded year-to-date as of March 31, 2023. The actual fringe and indirect rate variances were unfavorable.

Budget vs. Expenses

Expenses through quarter ending March 31, 2023 totaled \$3,488,607 or 15% 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 \$132,649 can be attributed to greater spending than budgeted at this point in the year for the Columbia Gas Warm Choice and the HWAP Programs, which are respectively over-budget by \$116,439 and \$34,415. This over-spending is partially offset by under-spending on other programs.
 - 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.
- Services to Members & Development is over-budget by \$31,677 due to greater than anticipated spending at this point in the year from the Services to Members Program. This can be attributed to the timing of payroll expenses for positions funded by multiple funding sources and is expected to be offset by underspending in the second quarter.

William Murdock, AICP
Executive Director

Erik J. Janas
Chair

Chris Amorose Groomes
Vice Chair

Michelle Crandall
Secretary

- Under-spending with Transportation programs of \$805,397 can be attributed to:
 - Less spending than budgeted of \$672,103 for the FTA Section 5310 Program for Enhanced Mobility of Seniors and Individuals with Disabilities. MORPC funds subgrants related to this program and subgrant payment amounts vary by quarter.
 - The Growth and Major Economic Development Planning (related to the Intel Project) and Central Ohio Greenways Wayfinding Strategy Programs started later than originally anticipated.
 - Transportation programs have experienced greater personnel turnover than anticipated.
- Underspensing with Housing programs of \$384,863 can be attributed to less spending than originally projected for the Franklin County Home Repair Program, Ohio Dept. of Health Lead-Safe Home Fund and HUD Healthy Homes Production Program Grant. The respective under-spending amounts compared to the budget at this point in the year are \$81,905, \$147,645, and \$126,818. Additionally, MORPC budgeted at the higher end of the potential range for housing work in 2023 and the start date from HUD for HHPP projects occurred later than anticipated.

MORPC also budgeted in the annual budget \$3,664,911 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 March 31, 2023, the cash account held \$2,156,205, while the investment account had a balance of \$1,592,758. The investment account is held in STAROhio. Combining both accounts equated to \$3,748,963, or 59 days of budgeted expenses, which is very close to the 60-day target threshold per the Operating Reserve Policy. Interest earned and allocated to the operating reserve year-to-date through March 31, 2022 was \$19,543.

Operating Income (Change in Net Position)

There was a decrease in net position (loss from operations) for the year ending March 31, 2023. The decrease was (\$269,920). The decrease was the result of:

- A (\$170,878) net loss year-to-date for programs funded by COTA in lieu of COVID and TID (Transportation Improvement District) funding. This operating loss is due to the fact that revenue was recognized in prior years.
- A (\$84,816.07) net loss year-to-date for the Columbia Gas Warm Choice Program; and
- A (\$37,782.66) net loss year-to-date for depreciation related to leasehold improvements.

The losses were partially offset by a gain of \$19,543 to investment income.

Member Dues

Member dues revenue was \$337,048 for the year-to-date ending March 31, 2023. Use of member dues was over budget by \$30,674. Use of all current year member dues was as follows:

<u>Use of Member Dues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance (Over)/Under</u>
Services to Members	\$219,165	\$251,752	(\$32,587)
Local Matching Funds/Reserve	\$59,127	\$57,670	\$1,457
Development Fund	\$28,150	\$31,755	(\$3,605)
Building Lease	\$43,525	\$43,707	(\$182)
Diversity, Equity, & Inclusion	\$12,458	\$7,723	\$4,735
Other	\$2,073	\$2,565	(\$492)
Total	\$364,498	\$395,172	(\$30,674)

Fringe Benefit and Indirect (Overhead) Variances

Fringe Benefits

The actual fringe benefit cost rate for the year-to-date is 58.44%, which is greater than the budgeted rate of 57.50%, creating an unfavorable variance for the year-to-date of \$9,482.

Indirect (Overhead)

The actual indirect cost variance for the year-to-date is 64.15% which is greater than the budgeted rate of 62.50%, resulting in an unfavorable variance for the year-to-date of \$32,303.

Statement of Net Position

- On March 31, 2023, operating cash on hand was \$2,156,205, which was equal to 34 days of budgeted cash flow. The operating reserve investment account was \$1,574,681; and management reserve is \$112,213. The remaining cash balance for the building reserve and essentially all of 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 \$2,952,937 compared to \$2,261,596 as of March 31, 2022. The difference compared to the prior year was primarily due to outstanding receivables for grants. We are working with our funders and expect collection to occur soon.
- Accounts Payable plus Other Accrued Liabilities totaled \$836,757 compared to \$933,591 as of March 31, 2022.
- 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, as 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 \$5,713,523 as of March 31, 2023.



MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL FOR THE YEAR-TO-DATE ENDING
MARCH 31, 2023

	Year-to-Date Budget	Year-to-Date Actual	Variance under / (over)
Revenues			
Transportation	\$ 2,405,035	\$ 1,428,760	\$ 976,274
Infrastructure & Econ. Dev.	\$ 264,719	\$ 125,685	\$ 139,034
Planning & Sustainability	\$ 166,137	\$ 82,313	\$ 83,824
Weatherization	\$ 804,472	\$ 852,304	\$ (47,832)
Housing	\$ 707,493	\$ 322,630	\$ 384,863
Services to Members & Development	\$ 305,372	\$ 337,048	\$ (31,677)
Other	\$ 238,474	\$ 69,946	\$ 168,528
Potential Funding	\$ 916,228	\$ -	\$ 916,228
Total Operating Revenues	\$ 5,807,929	\$ 3,218,687	\$ 2,589,242
Expenses by Program Area			
Transportation	\$ 2,405,035	\$ 1,599,637	\$ 805,397
Infrastructure & Econ. Dev.	\$ 264,719	\$ 125,685	\$ 139,034
Planning & Sustainability	\$ 166,137	\$ 82,313	\$ 83,824
Weatherization	\$ 804,472	\$ 937,120	\$ (132,649)
Housing	\$ 707,493	\$ 322,630	\$ 384,863
Services to Members & Development	\$ 305,372	\$ 337,048	\$ (31,677)
Other	\$ 238,474	\$ 84,174	\$ 154,300
Potential Funding	\$ 916,228	\$ -	\$ 916,228
Total Expenses by Program Area	\$ 5,807,929	\$ 3,488,607	\$ 2,319,321
Expenses by Account Category			
Salaries and Benefits	\$ 2,479,895	\$ 2,191,468	\$ 288,427
Materials and Supplies	\$ 50,494	\$ 32,575	\$ 17,919
Services, Charges, & Other	\$ 1,603,457	\$ 378,979	\$ 1,224,478
Subcontracted Services	\$ 1,627,024	\$ 688,130	\$ 938,894
Depreciation and Amortization	\$ 47,058	\$ 197,455	\$ (150,397)
Total Expenses by Account Category	\$ 5,807,929	\$ 3,488,607	\$ 2,319,321
Operations income (loss)	\$ (0)	\$ (269,920)	\$ 269,920
Increase (decrease) in net position	\$ (0)	\$ (269,920)	\$ 269,920

MID-OHIO REGIONAL PLANNING COMMISSION

STATEMENT OF NET POSITION AS OF MARCH 31, 2023

	Balance at 03/31/2023 excludes impact of GASB 68 & 75	GASB 68 & 75 03/31/2023	Balance at 03/31/2023 includes impact of GASB 68 & 75	Balance at 03/31/2022 includes impact of GASB 68 & 75	Yearly Difference
Assets					
Current Assets					
Cash	2,156,205		2,156,205	2,859,941	(703,736)
Cash-Designated for Building Improvement	71		71	194,024	(193,953)
Cash-Operating Reserve	1,592,758		1,592,758	1,326,330	266,428
Cash-Building Reserve	-		-	449,915	(449,915)
Cash-Management Reserve	112,213		112,213	108,970	3,243
Cash-Greenways Fund	32,714		32,714	102,846	(70,132)
Accounts Receivable	2,952,937		2,952,937	2,261,596	691,341
Prepaid Expenses	175,511		175,511	126,044	49,467
Total Current Assets	7,022,408		7,022,408	7,429,666	(407,258)
Non-Current Assets					
Forgivable Mortgages	2,255		2,255	7,681	(5,426)
Assets Net of Accumulated Depreciation	1,544,745		1,544,745	1,628,283	(83,538)
Intangible Asset Building/Equipment Lease Net of Accumulated Amortization	5,402,835		5,402,835	5,984,216	(581,381)
Total Non-Current Assets	6,949,835		6,949,835	7,620,180	(670,345)
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)
Total Assets	13,972,243	1,451,923	15,424,166	16,536,426	(1,112,260)
Liabilities					
Current Liabilities					
Accounts Payable	210,350		210,350	368,086	(157,736)
Accrued Payroll and Fringe Benefits	626,407		626,407	565,505	60,902
Unearned Revenue	1,406,775		1,406,775	4,745,666	(3,338,890)
Accrued Building/Equipment Lease	377,111		377,111	374,032	3,079
Total Current Liabilities	2,620,644		2,620,644	6,053,289	(3,432,645)
Non-Current					
Accrued PTO & Sick Leave	523,504		523,504	562,186	(38,682)
Other Mortgages-Deferred Income	2,255		2,255	7,681	(5,426)
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	5,638,076	2,000,733	7,638,809	10,873,033	(3,234,224)
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
Total Liabilities	8,258,719	6,921,853	15,180,572	21,465,179	(6,284,606)
Net Position					
Beginning Net Position	513,513		513,513	(1,400,466)	1,913,979
Current YTD Net Income	(269,920)		(269,920)	(3,528,288)	3,258,367
Total Net Position	5,713,523	(5,469,930)	243,593	(4,928,754)	5,172,346
Total Liabilities and Net Position	13,972,242	1,451,923	15,424,165	16,536,425	(1,112,260)



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