



MID-OHIO REGIONAL
MORPC
PLANNING COMMISSION

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Columbus, Ohio 43215
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Memorandum

TO: William Murdock, Executive Director
Executive Committee

FROM: Shawn Hufstедler
Chief Operating Officer

DATE: April 29, 2024

SUBJECT: Financial Report – March 2024

Summary

As of March 31, 2024, expenses totaled \$3,920,631 or 17% of the year's total budgeted expenses of \$23,629,418. The operating reserve (investment and cash accounts) was \$3,712,856. A net loss from all operations was recorded year-to-date as of March 31, 2024.

The actual fringe was slightly unfavorable and indirect (overhead) rate was favorable.

Budget vs. Expenses

Expenses through quarter ending March 31, 2024, totaled \$3,920,631 or 17% of the year's total budgeted expenses of \$23,629,418.

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

- Under-spending with Transportation programs of \$572,417 can be attributed to:
 - Less spending than budgeted by \$425,000 for the FTA Section 5310 Program for Enhanced Mobility of Seniors and Individuals with Disabilities. MORPC funds subgrants related to this program for vehicle purchases and other expenses. Subgrant payments are highly variable and vehicle purchases have in many cases been delayed due to market supply issues.
 - The Growth and Major Economic Development Planning (related to the Intel Project) started later than originally anticipated and is under-budget by \$147,417.

William Murdock, AICP
Executive Director

Chris Amorose Groomes
Chair

Michelle Crandall
Vice Chair

Ben Kessler
Secretary

- Under-spending associated with Infrastructure and Economic development of \$69,821 can mostly be attributed to delayed awards: \$22,000 for the Infrastructure Program, \$18,000 for EDA grant, \$13,750 for Franklin County Transportation and Infrastructure Development (TID) grant, \$16,000 for Transit Support of Infrastructure (TSI) grant.
- Under-spending associated with Planning and Sustainability of \$168,487 can be attributed to delays in awarding the 2024 Ohio EPA grant, Sustaining Scioto award, which led to \$63,000 and \$33,000 less expenditures compared to the budgeted amount, respectively. Additionally, vacancies in certain positions contributed to the overall under-spending in this area.
- Under-spending associated with Weatherization programs of \$679,743 can be attributed to Bipartisan Infrastructure Bill (BIL) grant being signed and budget approved later in the year, causing a delay in starting work as well as lack of client availability.
- Under-spending with Housing Programs of \$53,108 can be attributed to less spending than originally projected for HUD Healthy Homes Production Program Grant.
- Member Dues is over-budget by (\$48,525) 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, which is expected to be offset by underspending in the second quarter, and front loading of travel costs in the first quarter for the National Association of Regional Councils (NARC) and public policy work conference travel.

MORPC also budgeted in the annual budget \$985,754 for potential programs/projects that have not been funded at this time (and for which there have not been any expenses).

Operating Cash/Reserve

MORPC's operating reserve consists of operating cash and investment accounts. As of March 31, 2024, the cash account held \$2,031,367 while the investment account had a balance of \$1,681,489. The investment account is held in STAROhio. Combining both accounts equated to \$3,712,856, or 57 days of budgeted expenses, which is slightly less than the 60-day target threshold identified in the Operating Reserve Policy.

In February 2024, MORPC requested a temporary cash advance of \$750,000 from Franklin County. This request was approved and is being used to help maintain MORPC's essential operations. The cash advance is now treated as a current liability and will be repaid as a lump sum within the current fiscal year after outstanding funder receivables have been paid.

Operating Income (Change in Net Position)

There was a decrease in net position (loss from operations) for the year-to-date through March 31, 2024. The decrease was (\$343,715). The decrease was the result of:

- A (\$269,290) 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. As expected, this operating loss is due to the fact that revenue was recognized in prior years and expenses occurred in the current year.
- A (\$60,915) net loss year-to-date for the Columbia Gas Warm Choice Program. This loss is primarily due to the front loading of time spent on Columbia Gas as well as less than projected households to serve in the first quarter.
- A (\$38,663) net loss year-to-date for depreciation related to leasehold improvements as expected.

The losses were partially offset by a gain of \$24,151 to investment income and other miscellaneous net gains of \$1,003.

Member Dues

Member dues revenue was \$442,604 for the year-to-date ending March 31, 2024. Use of member dues was over budget by (\$48,525). 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	\$212,951	\$243,974	(\$31,023)
Local Matching Funds/Reserve	\$105,722	\$127,429	(\$21,707)
Development Fund	\$15,978	\$15,178	\$800
Building Lease	\$45,759	\$45,759	\$0
Diversity, Equity, & Inclusion	\$12,457	\$7,764	\$4,693
Other	\$1,212	\$2,500	(\$1,288)
Total	\$394,079	\$442,604	(\$48,525)

Fringe Benefit and Indirect (Overhead) Variances

Fringe Benefits

The actual fringe benefit cost rate for the year-to-date is 57.66% which is slightly more than the budgeted rate of 57.50%, creating a slightly unfavorable variance for the year-to-date of (\$1,857)

Indirect (Overhead)

The actual indirect cost variance for the year-to-date is 56.93% which is less than the budgeted rate of 62.50% resulting in a favorable variance for the year-to-date of \$100,718.

Statement of Net Position

- On March 31, 2024, operating cash on hand was \$2,031,367 which was equal to 31 days of budgeted cash flow. The operating reserve investment account was \$1,681,489 and management reserve was \$17,329. \$74 remains in the building improvement/maintenance fund as interest income exceeded expectations in the fourth quarter of 2023, 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). Transfer will be made in April 2024.
- The Central Ohio Greenways Fund is administered and held by the Columbus Foundation and had a balance of \$37,182.
- Accounts Receivable totaled \$3,752,372 compared to \$2,961,731 as of March 31, 2023, the increase can be attributed to outstanding receivables for grants. We are working with our funders and expect collection to occur soon for many of the outstanding receivables.
- Accounts Payable plus other current accrued liabilities totaled \$1,477,365 compared to \$836,756 as of March 31, 2023.
- The GASB Statement 68 Pension and the GASB Statement 75 OPEB (other postemployment benefits, i.e. retiree healthcare) have a net liability of \$5,660,441 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 \$5.6 million greater, or a positive balance of \$4,794,692 as of March 31, 2024.

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL

FOR THE YEAR-TO-DATE ENDING March 31, 2024

	Year-to-Date Budget	Year-to-Date Actual	Variance under / (over)
Revenues			
Transportation	\$ 1,532,922	\$ 816,235	\$ 716,687
Infrastructure & Econ. Dev.	\$ 240,650	\$ 36,934	\$ 203,716
Planning & Sustainability	\$ 1,201,982	\$ 1,033,496	\$ 168,486
Weatherization	\$ 1,619,413	\$ 878,755	\$ 740,658
Housing	\$ 525,725	\$ 472,617	\$ 53,108
Services to Members & Development	\$ 288,358	\$ 315,174	\$ (26,816)
Other	\$ 251,867	\$ 23,705	\$ 228,162
Potential Funding	\$ 246,439	\$ -	\$ 246,439
Total Operating Revenues	\$ 5,907,355	\$ 3,576,916	\$ 2,330,439
Expenses by Program Area			
Transportation	\$ 1,532,922	\$ 960,505	\$ 572,417
Infrastructure & Econ. Dev.	\$ 240,650	\$ 170,829	\$ 69,821
Planning & Sustainability	\$ 1,201,982	\$ 1,033,495	\$ 168,487
Weatherization	\$ 1,619,413	\$ 939,670	\$ 679,743
Housing	\$ 525,725	\$ 472,617	\$ 53,108
Services to Members & Development	\$ 288,358	\$ 315,174	\$ (26,816)
Other	\$ 251,867	\$ 28,341	\$ 223,526
Potential Funding	\$ 246,439	\$ -	\$ 246,439
Total Expenses by Program Area	\$ 5,907,355	\$ 3,920,631	\$ 1,986,724
Expenses by Account Category			
Salaries and Benefits	\$ 2,745,867	\$ 2,544,951	\$ 200,916
Materials and Supplies	\$ 76,879	\$ 44,228	\$ 32,651
Services, Charges, & Other	\$ 1,116,206	\$ 338,352	\$ 777,853
Subcontracted Services	\$ 1,749,087	\$ 745,805	\$ 1,003,282
Depreciation and Amortization	\$ 219,316	\$ 247,295	\$ (27,978)
Total Expenses by Account Category	\$ 5,907,355	\$ 3,920,631	\$ 1,986,723
Operations income (loss)	\$ -	\$ (343,715)	\$ 343,715
Increase (decrease) in net position	\$ -	\$ (343,715)	\$ 343,715

MID-OHIO REGIONAL PLANNING COMMISSION

STATEMENT OF NET POSITION AS OF March 31, 2024

	Balance at 03/31/2024 excludes impact of GASB 68 & 75	GASB 68 & 75 (Pension & OPEB) 03/31/2024	Balance at 03/31/2024 includes impact of GASB 68 & 75	Balance at 03/31/2023 includes impact of GASB 68 & 75	Yearly Difference
Assets					
Current Assets					
Cash	2,031,367		2,031,367	2,156,205	(124,838)
Cash-Designated for Building Improvement	74		74	71	3
Cash-Operating Reserve	1,681,489		1,681,489	1,592,758	88,731
Cash-Management Reserve	17,329		17,329	112,213	(94,884)
Cash-Greenways Fund	37,182		37,182	32,714	4,468
Accounts Receivable	3,752,372		3,752,372	2,961,731	790,641
Prepaid Expenses	215,769		215,769	167,779	47,990
Total Current Assets	7,735,581		7,735,581	7,023,471	712,110
Non-Current Assets					
Forgivable Mortgages	-		-	2,255	(2,255)
Assets Net of Accumulated Depreciation	1,440,907		1,440,907	1,544,745	(103,838)
Intangible Asset Building/Equipment Lease/IT	5,011,586		5,011,586	5,664,500	(652,914)
Subscriptions Net of Accumulated Amortization					
Total Non-Current Assets	6,452,493		6,452,493	7,211,500	(759,007)
Deferred Outflows of Resources - GASB 68 & 75	-	4,635,594	4,635,594	1,451,923	3,183,671
Total Deferred Outflows of Resources	-	4,635,594	4,635,594	1,451,923	3,183,671
Total Assets	14,188,074	4,635,594	18,823,668	15,686,893	3,136,774
Liabilities					
Current Liabilities					
Accounts Payable	793,486		793,486	210,350	583,136
Accrued Payroll and Fringe Benefits	683,879		683,879	626,406	57,473
Unearned Revenue	1,424,638		1,424,638	1,235,383	189,255
FC Temporary Cash Advance	750,000		750,000	-	750,000
Total Current Liabilities	4,157,964		4,157,964	2,658,607	1,601,425
Non-Current					
Accrued PTO & Sick Leave	583,339		583,339	523,504	59,835
Other Mortgages-Deferred Income	-		0	2,255	(2,255)
Accrued Building/Equipment Lease	4,652,080		4,652,080	5,112,316	(460,236)
Accrued SBITA	-		-	-	-
GASB 68 & 75	-	9,943,599	9,943,599	2,000,733	7,942,866
Total Non-Current	5,235,419	9,943,599	15,179,018	7,638,808	7,540,210
Deferred Inflows of Resources - GASB 68 & 75	-	352,136	352,136	5,112,316	4,538,857
Total Deferred Inflows of Resources	-	352,136	352,136	4,921,120	(4,568,984)
Total Liabilities	9,393,383	10,295,735	19,689,118	15,218,535	4,572,651
Net Position					
Beginning Net Position	5,138,407	(5,660,141)	(521,734)	511,977	(1,033,711)
Current YTD Net Income	(343,715)		(343,715)	(43,621)	(300,094)
Total Net Position	4,794,692	(5,660,141)	(865,449)	468,356	(1,333,805)
Total Liabilities and Net Position	14,188,074	4,635,594	18,823,668	15,686,893	3,136,774