



MID-OHIO REGIONAL
MORPC
PLANNING COMMISSION

111 Liberty St., Suite 111
Columbus, Ohio 43215
www.morpc.org

Memorandum

TO: William Murdock, Executive Director
Executive Committee

FROM: Shawn Hufstедler
Chief Operating Officer

DATE: July 29, 2024

SUBJECT: Financial Report – June 2024

Summary

As of June 30, 2024, expenses totaled \$8,198,668 or 35% of the year's total budgeted expenses of \$23,629,418. The operating reserve (investment and cash accounts) was \$2,610,314. A net loss from all operations was recorded year-to-date as of June 30, 2024.

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

Budget vs. Expenses

Expenses through quarter ending June 30, 2024, totaled \$8,198,668 or 35% 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 \$846,742 can be attributed to:
 - Less spending than budgeted by \$563,000 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 \$283,742.

William Murdock, AICP
Executive Director

Chris Amorose Groomes
Chair

Michelle Crandall
Vice Chair

Ben Kessler
Secretary

- Under-spending associated with Planning and Sustainability of \$451,561 can be attributed to delays in awarding the 2024 Ohio EPA grant, Sustaining Scioto award, Regional Water Study award, and Greenways grant. Additionally, vacancies in certain positions contributed to the overall under-spending in this area.
- Under-spending associated with Weatherization programs of \$1,444,056 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.
- Over-spending in Housing Programs of (\$74,189) can be attributed to spending on the 2024 Lead Safe Ohio Grant, which was a new grant not included in the initial budget.
- Member Dues is over-budgeted by (\$42,010) due to greater than anticipated spending at this point in the year from the Services to Members Program and higher than budgeted funds allocated to the operating reserve. This will be balanced out by the end of the year.

MORPC also budgeted \$485,708 for potential programs/projects in the six-month budget period 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 June 30, 2024, the cash account held \$905,851 while the investment account had a balance of \$1,704,463. The investment account is held in STAROhio. Combining both accounts equated to \$2,610,314, or 40 days of budgeted expenses, which is less than the 60-day target threshold identified in the Operating Reserve Policy.

Operating Income (Change in Net Position)

There was a decrease in net position (loss from operations) for the year-to-date through June 30, 2024. The decrease was (\$723,157). The decrease was the result of:

- A (\$550,377) 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 (\$139,030) net loss year-to-date for the Columbia Gas Warm Choice Program. This loss is primarily due to the less than projected households to serve in the first half of the year.
- A (\$77,326) net loss year-to-date for depreciation related to leasehold improvements as expected.
- A (\$4,841) net loss year-to-date for other miscellaneous programs.

The losses were partially offset by a gain of \$48,416 to investment income.

Member Dues

Member dues revenue was \$830,169 for the year-to-date ending June 30, 2024. Use of member dues was over budget by (\$42,010). 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	\$425,903	\$436,346	(\$10,443)
Local Matching Funds/Reserve	\$211,444	\$237,824	(\$26,380)
Development Fund	\$31,956	\$39,342	(\$7,386)
Building Lease	\$91,518	\$91,518	\$0
Diversity, Equity, & Inclusion	\$24,915	\$22,139	\$2,776
Other	\$2,423	\$3,000	(\$577)
Total	\$788,159	\$830,169	(\$42,010)

Fringe Benefit and Indirect (Overhead) Variances

Fringe Benefits

The actual fringe benefit cost rate for the year-to-date is 58.13% which is slightly more than the budgeted rate of 57.50%, creating a slightly unfavorable variance for the year-to-date of (\$14,373)

Indirect (Overhead)

The actual indirect cost variance for the year-to-date is 55.70% which is less than the budgeted rate of 62.50% resulting in a favorable variance for the year-to-date of \$236,890.

Statement of Net Position

- On June 30, 2024, operating cash on hand was \$905,851 which was equal to 14 days of budgeted cash flow. The operating reserve investment account was \$1,704,463 and management reserve was \$18,619.
- The Central Ohio Greenways Fund is administered and held by the Columbus Foundation and had a balance of \$37,182.
- Accounts Receivable totaled \$4,345,306 compared to \$1,755,006 as of June 30, 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 \$1,033,378 compared to \$599,752 as of June 30, 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 \$4,518,297 as of July 30, 2024.

MID-OHIO REGIONAL PLANNING COMMISSION

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL

FOR THE YEAR-TO-DATE ENDING June 30, 2024

	Year-to-Date Budget	Year-to-Date Actual	Variance under / (over)
Revenues			
Transportation	\$ 3,065,843	\$ 1,951,253	\$ 1,114,590
Infrastructure & Econ. Dev.	\$ 481,301	\$ 122,924	\$ 358,377
Planning & Sustainability	\$ 2,411,132	\$ 1,958,628	\$ 452,504
Weatherization	\$ 3,238,827	\$ 1,654,742	\$ 1,584,085
Housing	\$ 1,051,451	\$ 1,126,329	\$ (74,879)
Services to Members & Development	\$ 576,716	\$ 592,344	\$ (15,629)
Other	\$ 503,733	\$ 69,291	\$ 434,442
Potential Funding	\$ 485,708	\$ -	\$ 485,708
Total Operating Revenues	\$ 11,814,709	\$ 7,475,511	\$ 4,339,198
Expenses by Program Area			
Transportation	\$ 3,065,843	\$ 2,219,101	\$ 846,742
Infrastructure & Econ. Dev.	\$ 481,301	\$ 405,450	\$ 75,851
Planning & Sustainability	\$ 2,411,132	\$ 1,959,571	\$ 451,561
Weatherization	\$ 3,238,827	\$ 1,794,771	\$ 1,444,056
Housing	\$ 1,051,451	\$ 1,126,329	\$ (74,879)
Services to Members & Development	\$ 576,716	\$ 592,344	\$ (15,629)
Other	\$ 503,733	\$ 101,102	\$ 402,631
Potential Funding	\$ 485,708	\$ -	\$ 485,708
Total Expenses by Program Area	\$ 11,814,709	\$ 8,198,668	\$ 3,616,041
Expenses by Account Category			
Salaries and Benefits	\$ 5,491,733	\$ 4,982,267	\$ 509,466
Materials and Supplies	\$ 153,759	\$ 67,484	\$ 86,274
Services, Charges, & Other	\$ 2,232,412	\$ 1,082,301	\$ 1,150,110
Subcontracted Services	\$ 3,498,174	\$ 1,572,239	\$ 1,925,935
Depreciation and Amortization	\$ 438,633	\$ 494,377	\$ (55,745)
Total Expenses by Account Category	\$ 11,814,709	\$ 8,198,668	\$ 3,616,041
Operations income (loss)	\$ -	\$ (723,157)	\$ 723,157
Increase (decrease) in net position	\$ -	\$ (723,157)	\$ 723,157

MID-OHIO REGIONAL PLANNING COMMISSION

STATEMENT OF NET POSITION AS OF June 30, 2024

	Balance at 06/30/2024 excludes impact of GASB 68 & 75	GASB 68 & 75 (Pension & OPEB) 06/30/2024	Balance at 06/30/2024 includes impact of GASB 68 & 75	Balance at 06/30/2023 includes impact of GASB 68 & 75	Yearly Difference
Assets					
Current Assets					
Cash	905,851		905,851	2,087,357	(1,181,506)
Cash-Designated for Building Improvement	-			71	(71)
Cash-Operating Reserve	1,704,463		1,704,463	1,613,040	91,423
Cash-Management Reserve	18,619		18,619	113,739	(95,120)
Cash-Greenways Fund	37,182		37,182	32,714	4,468
Accounts Receivable	4,345,306		4,345,306	1,755,006	2,590,300
Prepaid Expenses	166,258		166,258	98,696	67,562
Total Current Assets	7,177,680		7,177,680	5,700,623	1,477,057
Non-Current Assets					
Assets Net of Accumulated Depreciation	1,391,601		1,391,601	1,528,587	(136,986)
Intangible Asset Building/Equipment Lease/IT	4,840,067		4,840,067	5,484,684	(644,618)
Subscriptions Net of Accumulated Amortization					
Total Non-Current Assets	6,231,667		6,231,667	7,013,271	(781,604)
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	13,409,347	4,635,594	18,044,941	14,165,817	3,879,124
Liabilities					
Current Liabilities					
Accounts Payable	554,868		554,868	143,206	411,662
Accrued Payroll and Fringe Benefits	478,510		478,510	456,545	21,964
Unearned Revenue	1,591,915		1,591,915	950,104	641,812
Accrued Building/Equipment Lease	267,153		267,153	250,768	16,385
Accrued IT Subscriptions	80,467		80,467	107,289	(26,822)
FC Temporary Cash Advance	750,000		750,000	-	750,000
Total Current Liabilities	3,722,914		3,722,914	1,907,912	1,815,001
Non-Current					
Accrued PTO & Sick Leave	516,057		516,057	525,342	(9,285)
Other Mortgages-Deferred Income	-		-	-	-
Accrued Building/Equipment Lease	4,652,080		4,652,080	5,112,313	(460,233)
Accrued SBITA	-		-	-	-
GASB 68 & 75	-	9,943,599	9,943,599	2,000,733	7,942,866
Total Non-Current	5,168,138	9,943,599	15,111,737	7,638,388	7,473,349
Deferred Inflows of Resources - GASB 68 & 75	-	352,136	352,136	4,921,120	4,538,857
Total Deferred Inflows of Resources	-	352,136	352,136	4,921,120	(4,568,984)
Total Liabilities	8,891,051	10,295,735	19,186,786	14,467,421	4,719,366
Net Position					
Beginning Net Position	5,241,454	(5,660,141)	(418,687)	511,977	(930,664)
Current YTD Net Income	(723,157)		(723,157)	(813,583)	90,426
Total Net Position	4,518,297	(5,660,141)	(1,141,844)	(301,606)	(840,238)
Total Liabilities and Net Position	13,409,347	4,635,594	18,044,941	14,165,817	3,879,124