



MEMO

To: Mid-MO RPC Board of Directors
From: David Bock, Executive Director
Date: **June 23, 2021**

Re: **FY2022 Budget**

Background

The Mid-MO RPC 2021 fiscal year begins on July 1, 2021 and ends June 30, 2022. In accordance with our by-laws, an annual budget is prepared to coordinate the work program and staffing requirements to our budget for the fiscal year. In May each year, the draft budget is submitted to the Executive Board which serves as our Budget Committee for review and comment before sharing the final proposed budget with the full Board of Directors for review, comment, and approval.

FY22 Budget

The proposed budget covers the work program for the period of July 01, 2021 through June 30, 2022. In addition to our traditional work, this year's work program includes activities associated with our EDA supplemental funding and new revolving loan fund which will allow our organization to partner with local banks to make small business loans.

Revenue

The revenue section of our budget is separated into two sections: operating revenue and non-operating revenue. Operating revenue is funding that comes into our organization through a variety of sources and allows us to pay our employees and pay general business expenses like rent, utilities, equipment, software, etc. Operating revenue includes revenue used to pay monthly and annual bills as well as less periodic expenses that are still vital to our operations – such as website development. Non-operating revenue includes pass-through dollars as well as contracted work activities. Examples of pass-through dollars include funding from the Office of Homeland Security (OHS) that we use to purchase equipment as part of our involvement with the Region F - Regional Homeland Security Oversight Committee (RHSOC) as well as our new revolving loan fund dollars that will come from the Economic Development Administration (EDA) and in turn be lent out to small business borrowers.

Operating Revenue

The projected operating revenue for FY22 totals \$458,099. Funding sources include the following:

- Local dues projected at \$87,021
- MO Office of Administration - \$13,352
- Economic Development Administration (EDA) - \$70,000 (planning partnership grant)

- EDA Supplemental Funding (Operational) - \$87,386. \$76,710 of this amount was drawn in FY21 but was not expended, so it will roll over to the FY22 budget.
- CDBG administration services (multiple projects) totaling \$59,375
- Technical Assistance: Centertown Comprehensive Plan, \$5,000; Holts Summit WW Extension ER, \$1,500
- MoDOT- \$61,500 through our transportation planning work program
- Hazard Mitigation Plans: Cole County, \$10,000; Cooper County, \$19,369
- OHS-Region F RHSOC Regionalization and M&A - \$35,000

Non-Operating Revenue

The projected non-operating revenue for FY22 totals \$1,260,527. Funding sources include the following:

- EDA Supplemental Funding - \$239,209
- Revolving Loan Fund - \$806,684 total funding with \$783,000 coming from EDA and \$23,684 estimated to be coming from our RLF partner organizations that are contributing match to the program. This is an estimate based on a project that a little over half of the RLF funding will be lent out this fiscal year. It may be more or less depending on demand for the loan program.
- RHSOC Funds (Pass-through) - \$214,634 is estimated to come through Mid-MO RPC this year as we continue to procure equipment as part of the RHSOC program.

Expenditures

As with the revenue section of our budget, the expenditure section of the budget is divided into two separate sections: operating expenditures and non-operating expenditures. Operating expenditures include expenses such as personnel costs, general operating expenses – office equipment and supplies, insurance, phone and internet expenses, etc. – office space, utilities, travel, meeting expenses, and professional development. Non-operating expenses include pass-through dollars as well as contracted work activities. More contracted projects than normal will be included in the FY22 budget as a result of the increased EDA supplemental revenue that will be paying for these additional projects.

Operating Expenses

Operating expenses for FY22 total \$426,130. Personnel costs comprise 78% of the operating costs for the organization in FY22. This year's budget also includes several one-time expenses that will be funded through EDA supplemental or EDA Revolving Loan Fund dollars and also includes a few new expenses that will be anticipated to be annual expenses moving forward.

Personnel Costs

Personnel cost is the largest budget expense category with the projected expenditure level for all personnel costs (salary, fringe, healthcare, retirement, unemployment) for FY22 at \$332,610. The FY22 budget is based on a staff of 5 full-time employees (Executive Director, Regional Planner/Grant Specialist, Transportation Planner/GIS Specialist, RHSOC Coordinator/Hazard Mitigation Planner, and Planner and Recovery Coordinator), and 2 part-time employees (Fiscal Officer, Administrative Assistant).

- Health Insurance Benefit – The budget includes a continuation of current Mid-MO RPC policy to pay for 75% of staff's monthly insurance premiums and 50% of the health insurance premium for a staff's child(ren) if the staff member is not able to acquire health insurance for their child(ren) through a spouse's insurance policy. Mid-MO RPC also offers a dental and vision insurance, but the organization pays 0% towards the premium.

- Employee benefits also include participation in the LAGERS retirement program. The LAGERS program for Mid-MO RPC is the L-7 program which is a 1.5% benefit factor. Employees contribute 4% to the program and for FY2022 Mid-MO RPC will be responsible for making a 5.3% contribution.

Other Operating Expenses

The operating expenses (rent, maintenance, professional development, travel, and meeting expenses) for FY22 total \$93,520. Items of note in the FY22 budget include:

- \$2,500 expense for a branding package that will support marking our revolving loan fund
- \$5,000 for virtual meeting equipment
- \$3,500 for a new VOIP phone system (7 phones) and installation. One time fees associated with purchasing the phones themselves and installation will be paid for with EDA supplemental funding. There will be an additional monthly cost associated with a VOIP system that may run an additional \$1,260 per year, but this is a needed upgrade. Our current phone system is glitchy and staff have not been able to find replacement phones that are compatible with our older system.
- \$10,000 to rebuild and enhance the Mid-MO RPC website
- \$1,200 (\$100 per month) – new monthly/annual payment that will ensure our data is properly and securely stored offsite. Mid-MO RPC staff is in discussions with vendors regarding our options, but our current estimate is that a solution is likely possible for \$100 per month.

Non-Operating Expenses

Non-operating expenses for FY22 total \$1,278,053. It should be noted that this will trigger a single audit after FY22 is completed. The EDA Revolving Loan Fund will cover the additional cost of a single audit next year.

Revolving Loan Fund

Mid-MO RPC’s new EDA revolving loan fund will likely make up the largest portion of FY22’s non-operating expenses. The proposed budget estimates \$789,473 in small business loans will be made in FY22, under this scenario Mid-MO RPC might expect to contribute \$15,789 in match toward these loans. The FY22 budget also estimates that \$34,737 will be paid to our RLF contractor, of which \$1,737 will be paid by Mid-MO RPC and the remaining \$33,000 will be paid for by EDA.

EDA Supplemental Contract Work

The following projects are included in the FY22 budget to be paid for with EDA supplemental dollars. It should be noted that there is no local match requirement for the EDA supplemental funds.

Project	Amount (\$)
Entrepreneurship Coach	40,000
Fulton Zoning Code Redevelopment	30,800
Fayette Downtown Revitalization	40,000
Buy Local Campaign	22,500
Labor Force Study	14,000
Heartland Port Development	40,000
Uncommitted EDA Supplemental Funding	51,909
Total	239,209

Region F Regional Homeland Security Oversight Committee (RHSOC)

Mid-MO RPC is responsible for procuring equipment and supplies for projects selected by the Region F Regional Homeland Security Oversight Committee (RHSOC). Serving in this capacity, Mid-MO RPC acts as a pass-through entity for the funding for Office of Homeland Security (OHS) funds. For FY22, it is anticipated that Mid-MO RPC may serve as a pass-through for approximately \$214,634 in OHS funding.

Budget Surplus

With operating revenues of \$458,099 and operating expenditures of \$426,130, Mid-MO RPC's operating surplus for FY22 is anticipated to be \$31,969.

When factoring in all non-operating revenue and expenses, including an anticipated \$17,526 in match that Mid-MO RPC will be responsible for as part of the revolving loan fund, the FY22 budget still shows a total budget surplus of \$14,443.

Budget FY22 - REVENUE

OPERATING REVENUE

	FY21 Budget	FY21 Projected	FY22 Proposed Budget	FY22 Comments
General Operations/Matching				
Dues	86,808	87,021	87,021	
State of MO - OA	8,901	13,351	13,351	
Subtotal	95,709	100,372	100,372	
Community and Economic Development				
EDA	70,000	70,000	70,000	
EDA Supplemental Funding FY21 (Operating)	104,031	54,796	76,710	Funds drawn FY21, expended FY22
EDA Supplemental Funding FY22 (Operating)			10,676	
EDA Revolving Loan Fund (Operating)	0	0	8,597	
CDBG Admin- Bunceton	5,000	0	5,000	
CDBG Admin- Russellville Wastewater	9,000	4,500	4,500	
CDBG Admin- Russellville Road/SW	11,500	5,750	17,250	
CDBG Admin- Lohman	1,250	0	0	
CDBG Fayette Wastewater	10,000	5,000	10,000	
CDBG Armstrong Demolition	10,125	3,375	10,125	
CDBG Admin- Centertown Water	6,250	12,500	12,500	
Centertown Comp Plan	5,000	0	5,000	
Russellville Comp Plan	5,000	5,000	0	
Holts Summit WW Extension Environmental	1,500	0	1,500	
Co-Mo Electric RBDG	1,500	1,500	0	
Subtotal	240,156	162,421	231,858	
Transportation				
MoDOT Planning Program	61,402	67,689	61,500	
Subtotal	61,402	67,689	61,500	
Emergency Management				
Hazard Mitigation Planning	20,000	15,000	29,369	
RHSOC FY18 - Regionalization and M/A	4,033	4,826	0	
RHSOC FY19 - Regionalization and M/A	24,500	18,959	16,853	
RHSOC FY20 - Regionalization and M/A	6,467	222	18,147	
Subtotal	55,000	39,007	64,369	
Total Operating Revenue	452,267	369,489	458,099	

Budget FY22 - REVENUE

NON-OPERATING REVENUE

	FY21 Budget	FY21 Projected	FY22 Proposed Budget	FY22 Comments
EDA Supplemental				
EDA Supplemental FY21	205,800	95,135	0	
EDA Supplemental FY22			239,209	
Subtotal	205,800	95,135	239,209	
Revolving Loan Fund				
EDA Revolving Loan Fund - EDA			783,000	\$750,000 loans; \$33,000 contractor
EDA Revolving Loan Fund - Partners' Match			23,684	
Subtotal			806,684	
Other Pass-Through Expenses				
RHSOC Procurement Funds FY18	120,363	129,719	0	
RHSOC Procurement Funds FY19	176,520	142,521	69,881	
RHSOC Procurement Funds FY20			144,753	
Callaway 604(b)	36,735	33,989	0	
Subtotal	333,618	306,229	214,634	
Total Non-Operating Revenue	539,418	401,364	1,260,527	

TOTAL REVENUE

	FY21 Budget	FY21 Projected	FY22 Proposed Budget
Operating Revenue	452,267	369,489	458,099
Non-Operating Revenue	539,418	401,364	1,260,527
Total Revenue	991,685	770,853	1,718,626

Budget FY22 - EXPENSES

OPERATING EXPENSES

	FY21 Budget	FY21 Projected	FY22 Proposed Budget	FY22 Budget Comments
Personnel Service				
Salary	260,576	254,189	279,970	COLA 2.4% plus 0%-2.85% merit based increases
Fringe	19,934	19,381	21,418	7.65% - FICA-6.2%/MEDI-1.45%
LAGERS	12,203	10,046	12,296	5.3% paid on 5 full-time employees
Unemploy Ins.	300	369	400	
Medical Insurance	16,037	14,386	18,526	9.9% increase plus a full year of 4 employees on insurance
Subtotal	309,050	298,371	332,610	
General Operating Expenses				
Ads/Printing/Marketing	2,000	1,000	4,500	Branding for RLF/Mid-MO RPC - \$2,500
Audit	4,000	3,900	4,000	
Cell Phone	300	300	300	
Computer Consultant	25,750	0	1,000	
MACOG Fees	1,200	1,200	3,000	\$600 Trans. Work Program, \$600 * 4 HMPs
Copy Machine Mtn.	3,600	3,600	3,600	
Equipment	26,900	2,000	11,500	\$3,000 traditional line item plus \$5,000 for virtual meeting equipment, \$3,500 VOIP phone system and intall
Expendable Supplies	2,500	2,000	2,500	
Furniture/Office Renovation	1,000	45	1,000	
Insurance	3,500	3,500	3,500	
Main Phone/Internet Connection	2,160	2,160	3,420	VOIP Phone System
Miscellaneous	4,500	3,799	4,500	EMSI Data - \$3,600
Postage	1,000	1,000	1,000	
Software	5,930	4,032	5,000	
Web Site Reg./Dev	1,300	726	11,000	Website rebuild - \$10,000
Virtual Server/Data Backup			1,200	
Subtotal	85,640	29,262	61,020	
Office Rent/Maint.				
Rent	10,800	10,800	10,800	
Cleaning/Snow Removal	800	875	900	
Utilities	3,600	3,125	3,600	
Subtotal	15,200	14,800	15,300	
Professional Development				
Membership Dues	3,500	2,785	3,500	
Publications/Subscriptions	200	200	200	
Conferences & Workshops	2,500	125	2,500	
Subtotal	6,200	3,110	6,200	
Travel				
Travel	6,500	2,500	6,500	
Subtotal	6,500	2,500	6,500	
Meeting Expenses				
Board/Exec/RPC	2,000	293	2,000	
TAC/EDAC/Other	1,000	250	1,000	
Annual Meeting	1,500	0	1,500	
Subtotal	4,500	543	4,500	
Total Operating Expenses	427,090	348,587	426,130	
Operating Budget Surplus	25,177	20,903	31,969	

Budget FY22 - EXPENSES

NON-OPERATING EXPENSES

	FY21 Budget	FY21 Projected	FY22 Proposed Budget	FY22 Budget Comments
EDA Supplemental Contract Work				
Community Calendar	11,000	10,925	0	
Entrepreneurship Coach	40,000		40,000	
Fulton Zoning Code Redevelopment	30,800		30,800	
Fayette Downtown Revitalization	40,000		40,000	
Buy Local Campaign	30,000	7,500	22,500	
Labor Force Study	14,000		14,000	
Heartland Port Development	40,000		40,000	
Uncommitted EDA Supplemental Funding			51,909	
Subtotal	205,800	18,425	239,209	
EDA Revolving Loan Fund				
Small Business Loans (to borrows)			789,473	\$750,000 EDA; \$23,684 Partners' Match; \$15,789 Mid-MO Match
RLF Contractor			34,737	\$33,000 EDA; \$1,737 Mid-MO Match
Subtotal			824,210	
Other/Pass-Through Expenses				
RHSOC Procurement Funds FY18	120,363	129,719	0	
RHSOC Procurement Funds FY19	176,520	142,521	69,881	
RHSOC Procurement Funds FY20			144,753	
Callaway 604(b)	36,735	33,989	0	
Subtotal	333,618	306,229	214,634	
Total Non-Operating Expenses	539,418	324,654	1,278,053	

TOTAL EXPENSES

	FY21 Budget	FY21 Projected	FY22 Proposed Budget
Total Operating Expenses	427,090	348,587	426,130
Total Non-Operating Expenses	539,418	324,654	1,278,053
Total Expenses	966,508	673,241	1,704,183

Budget FY22 - BUDGET TOTALS & SURPLUS

BUDGET TOTALS

Total Operating Revenue	452,267	369,489	458,099
Total Non-Operating Revenue	539,418	401,364	1,260,527
Total Revenue	991,685	770,853	1,718,626
Total Operating Expenses	427,090	348,587	426,130
Total Non-Operating Expenses	539,418	324,654	1,278,053
Total Expenses	966,508	673,241	1,704,183

BUDGET SURPLUS

Total Operating Revenue	452,267	369,489	458,099
Total Operating Expenses	427,090	348,587	426,130
Operating Budget Surplus	25,177	20,903	31,969
Total Non-Operating Revenue	539,418	401,364	1,260,527
Total Non-Operating Expenses	539,418	324,654	1,278,053
Non-Operating Budget Surplus (Deficit)	0	76,710	-17,526
Total Budget Surplus	25,177	97,613	14,443