



This narrative is intended to assist with the review of the financial reports presented as of and for the period ended December 31, 2021, including budget variances and personnel census.

Profit and Loss

The Profit and Loss statement shows the results of the Commission's operations for the six months ended 12/31/2021, by month, and the FY2022 Budget and % of the Budget utilized as of 12/31/2021.

The following should be noted when reviewing the monthly results as shown in this report:

- Revenue is generally recognized when earned, not when received
- For revenue that is collected at the beginning of the year or quarter, said revenue is recognized as earned evenly by month over the year or quarter; the unrecognized portion is included in Deferred Revenue. The revenue accounts treated accordingly are as follows:
 - 4230 State Appropriations
 - 4301 RRTPO Assessment
 - 4310 Local Membership Dues
 - 4360 FOLAR Grant
- Expenses are recorded when incurred, not when paid. For expenses that affect more than the period in which they are incurred, the entire amount of expense is recorded in that month. For example, line item 7410 for Organizational Dues shows expenses in July and November. While these payments cover membership periods of 12 months respectively, no amount has been considered "Prepaid" or "spread-out" over the remaining periods. "Prepaid" amounts will be calculated as of 06/30/2022 and recorded as such if material.

The following table identifies accounts with significant variances between Total YTD and Budget with a brief explanation.



	Total YTD	Budget	% of Budget
Total Income	1,660,843	4,592,449	36.16%
4100 Federal Funding	980,984	2,183,468	44.93%
4200 State Funding	187,328	455,479	41.13%

Federal and State Funding is earned primarily through the billable time of the Commission's staff. The following factors contribute to the % of Budget recognized as income being less than 50%.

Productive staff time is less during the six months ended 12/31/2021 than during the 2nd half of the Fiscal Year, including 72.41% of Holidays being experienced during the 1st half and vacation time focused during July and August 2021.

Pass-through revenue does not meet 50% of Budget due to project schedules and timing of contracts and billing for goods and services.

The accounts affected most are 4105 & 4205 MPO Pass-thru. Note that these revenues do not affect profitability due to being offset by the expense of the pass-thru activity.

4300 Local Funding	420,799	868,241	48.47%
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Local Funding is being recognized close to budget due to it being primarily comprised of 4310 Local Membership Dues. This revenue is billed and collected during the first month of the fiscal year but then recognized as earned evenly throughout each month of the year.

Account 4320 Capital Region Collaborative is less than the 50% expected due to the Commission working with its program partners on the specific activities and expenditures.

4400 Private Funding	70,923	1,085,260	6.54%
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Private Funding revenue is less than the % of Budget expected due to the Regional Housing Production Grant expected ramp-up period for implementing this grant. Management expects that the budgeted amount for FY2022 will be met by 06/30/2022.

4315 Service/Fee Income represents revenue earned and billed to CVTA. This revenue is 56.44% of the expected Budget for FY2022.

5000 Other Income	809	-	n/a
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	Total YTD	Budget	% of Budget
Total Expenses	1,637,519	4,545,705	36.02%
6000 Salary & Wages	1,019,319	2,424,387	42.04%
Salaries & Wages are less than 50% of the FY2022 Budget due primarily to the timing of filling new positions and employee vacancies. See the Summary of Personnel section below.			
7100 Professional Fees	155,980	190,401	81.92%
7730 Contracted Services	89,025	-	n/a
Certain contracts expensed to this account were not included in the original budget; these expenditures are pass-thru expenses and offset by revenue.			
7730 Contracted Services	51,955	145,401	35.73%
For those contracts expected in the FY2022 Budget, the expense through 12/31/2021 is less than 50% of Budget due to the timing of these services.			
7200 Office Expenses	162,090	327,238	49.53%
Expense group tracking as expected.			
7400 Program Expenses	165,819	1,335,373	12.42%
7459 Other Pass-through Awards	-	931,873	0.00%
Other Pass-through Awards represents the expenditures of the Regional Housing Production Grant. As stated above, this grant is expected to become active during the 2nd half of FY2022 and that the budgeted amount is expected to be met by 06/30/22.			
Remainder of Expense Group	165,819	403,500	41.10%
The remainder of Program Expenses does not meet 50% of Budget due to its natural timing occurring according to specific contractual timing. See also the comment on Pass-thru Revenue.			
7600 Infrastructure	134,312	268,306	50.06%
Expense group tracking as expected.			

Summary of Personnel

New Positions	Expected Start	Actual Start	Employee/Status
Community Outreach Manager	08/01/2021	11/01/2021	Rashaunda Lanier-Jackson
Transportation Program Coordinator	09/01/2021	09/01/2021	Janice Firestone
Administrative Assistant	09/01/2021	11/22/2021	Gilbrith Gogel
Principal Data Manager	10/01/2021	04/01/2022	Active Recruitment
Vacant Positions	Date Vacated	Target Start	Employee/Status
Planner 2	07/30/2021	04/01/2022	Active Recruitment
Planner 1	08/13/2021	n/a	On Hold



Balance Sheet

The new format now shows only the Balance Sheet as recorded in the Governmental Funds as of December 31, 2021, as compared against the most recent fiscal year ended June 30, 2021 (the date of the most recent audited Balance Sheet). Showing the comparative Balance Sheets allows for evaluating key account balances as they change throughout the year as compared with the most recent fiscal year ended.

Highlights of the Balance Sheet as of December 31, 2021, as compared with June 30, 2021 are as follows:

- Cash and cash equivalents increased \$587,779, from \$496,669 to \$1,084,447 due to changes in the following accounts
 - Accounts Receivable decreased \$339,825, from \$506,750 to \$166,926: this decrease is due to pacing of collection of accounts billed during the period ended 12/31/2021 vs the period ended 06/30/2021
 - Deferred revenue increased \$274,617, from \$84,759 to \$359,376: this increase is expected as the 12/31/2021 balance includes \$288,000 received in Local Member Dues and Special Assessments which have been received but not yet recognized as earned; this amount will be recognized evenly from January through June 2022
- Accrued revenue remains at about \$500,000, showing no significant change due to consistent recognition of revenue and then the timely billing of it

Fund Balance

Fund Balance continues to exceed the \$1,000,000 goal set by the Commissioners (as measured on the modified-accrual basis used in the governmental funds Balance Sheet). The \$8,724 increase includes only the net surplus as shown in the Profit and Loss statement. The historical trend is shown in the graph below

