



# Metropolitan Planning Council

## MPC Audit & Finance Committee

# AGENDA

Wednesday, March 6, 2024

Zoom:

<https://us06web.zoom.us/j/81819891593?pwd=PpBkarxj2uolvbXK1mtfaTbWVZzsFe.1>

**Guests:**

Accountant - Bob Rehayem

- I. Call to Order
- II. Approval of meeting minutes from December 6, 2023
- III. 2023 Year End Financial Performance
- IV. 2024 Budget
- V. New Business
- VI. Adjourn

**MPC Audit & Finance Committee**

**Wednesday, December 6, 2023**

1:30 PM

Members in Attendance: Ramiro Atristain, Chair; Darlene Hightower, President; Bruce Taylor; and James Mann

Staff in Attendance: Gregory Gurley, COO and Kimberly Johnson, Sr. Exec Asst

- I. **Call to Order:** 1:31 PM. Atristain noted that this is a follow-up meeting to the November 22<sup>nd</sup> and November 28<sup>th</sup> meetings to review and approve the 2024 proposed budget.

II. **2023-2024 Budget**

*Gurley presented the updated budget based on committee recommendations at the November 28<sup>th</sup> meeting: 1) \$115k transfer from the endowment portfolio to complete a final investment in the strategic plan. 2) The 2024 draft budget be adjusted to reduce personnel expenses for proposed new hires. 3) Reduce fundraising revenue from 4.4M to 4M. 4) Staff will develop and provide the committee with cash flow projections/needs through the 2<sup>nd</sup> Quarter of 2024.*

Staff and Committee members reviewed and discussed the 2023 YTD actuals. It was noted that additional funding, from the Crown Foundation, the Polk Foundation, and the City of Chicago, is expected during December, totaling \$290k. Based on committee recommendations, the 2024 adjusted revenue budget reflects a reduction in the fundraising line items from \$4.4M to \$4M. The adjusted expense budget reflects a reduction in personnel from \$3.5M to \$3.1M. Discussion ensued around the 2024 revenue and expense projections.

Members *Atristain and Taylor* discussed and recommended monitoring of fundraising receipts during the first and second quarters of 2024. Member *Atristain* further commented that, to some extent, the Board reserve funds also serve as an emergency fund (with contingencies), which could help us leverage an impact on MPC's strategic plan. Member *Mann* emphasized the significance of having a contingency plan. He pointed out that the staff, committee, and board must recognize fundraising trends and concerns to help maintain and grow our strong position in the region.

Upon review and discussion of the revised 2024 budget, the Committee unanimously approved and recommended the 2024 budget to the Executive Committee and Board for approval. The Committee further approved and recommends in support of MPC's vision – 1) Staff shall prepare a contingency plan to address any negative variance in the realization of fundraising revenue in any quarter or cumulatively exceeding 5% of anticipated receipts commencing during the following quarter and staff shall submit its plan to the Audit & Finance Committee for review and approval in the first quarter of 2024, with the approved plan reported to the Executive Committee and the Board. 2) A special draw of \$115K from MPC's Investments, in addition to the standing Board approved Annual Transfer, is approved as a final investment in the implementation of the 2023 Strategic Plan.

The committee thanked *Gurley* for his work and expertise and thanked *Hightower* for her guidance and leadership.

- III. **Adjourn** – The meeting adjourned at 1:46 p.m.

**2023 Operating Budget  
Metropolitan Planning Council**

<b>REVENUE</b>	<b>2023 Budget</b>	<b>2023 Actuals</b>
<b>Fundraising</b>		
Corporate	1,502,250	888,748
Foundations	2,036,500	2,355,850
Individuals	737,232	182,992
Government	90,000	70,717
<b>Sub-Total: Fundraising</b>	<b>4,365,982</b>	<b>3,498,307</b>
<b>Other</b>		
2022 Spending Policy Allowance Carryover and Investment in Strategic Plan	783,000	783,000
Use of cash balance		
In-Kind Income	61,957	61,957
<b>Total Revenue</b>	<b>5,210,939</b>	<b>4,343,264</b>
<b>EXPENSE</b>	<b>2023 Budget</b>	<b>2023 Actuals</b>
Personnel	3,607,328	3,168,928
Contract Workers & Professional Fees	443,521	518,828
Publications, Web	182,474	65,876
Publication Postage / Mailing Service		
Events & Meetings	152,480	136,884
Travel	81,100	14,889
Other Program Costs	3,000	25,274
Occupancy Costs	408,260	408,000
Office Expenses	298,886	313,180
<b>Sub-Total: Operations Expense</b>	<b>5,177,049</b>	<b>4,651,859</b>
<b>Depreciation</b>	<b>65,000</b>	<b>53,727</b>
<b>A/R Write Off</b>		
<b>In-Kind Expense</b>		
<b>Total Expense</b>	<b>5,242,049</b>	<b>4,705,586</b>

**Balance Sheet  
Metropolitan Planning Council**

	<b>12/31/2022</b>	<b>12/31/2023</b>
<b>Net Assets</b>	14,868,802	15,355,420

# Metropolitan Planning Council

## Balance Sheet

As of December 31, 2023

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
10000 Checking - BMO Harris (5312)	187,160.04
10010 Bank of Amer On-Line Account	0.00
<b>Total Bank Accounts</b>	<b>\$187,160.04</b>
Accounts Receivable	
11025 Accounts Receivable - Regular	375,516.34
11050 Accts Rec - Grant Pledges	465,000.00
<b>Total Accounts Receivable</b>	<b>\$840,516.34</b>
Other Current Assets	
11600 Restricted Inv - Mesirow	4,591,467.39
11700 Unrestricted Inv - Mesirow	9,804,171.77
12000 Prepaids	0.00
12005 Security Deposits - Office	23,744.58
12100 Prepaid Insurance	5,578.00
12105 Prepaid Insurance - W/C	0.00
12110 Prepaid Expense - Health Ins.	35,150.40
12120 Prepaid Expense - Other	4,438.00
12125 Prepaid Expense - Club Dues	0.00
12130 Prepaid Exp - Ann Luncheon	0.00
12135 Prepaid Rent	0.00
12500 Payroll tax deposits refundable	0.00
<b>Total 12000 Prepaids</b>	<b>68,910.98</b>
12600 Other Receivable	0.00
13000 Undeposited Funds	4,750.00
<b>Total Other Current Assets</b>	<b>\$14,469,300.14</b>
<b>Total Current Assets</b>	<b>\$15,496,976.52</b>
Fixed Assets	
16000 Leasehold Improvements	397,151.48
16100 Office Furn., Fixtures & Equip	362,017.88
16400 Construction in Progress	0.00
16500 Accumulated Depreciation	-450,099.03
<b>Total Fixed Assets</b>	<b>\$309,070.33</b>
Other Assets	
16900 Right of Use Asset - MPC Office	2,096,351.00
<b>Total Other Assets</b>	<b>\$2,096,351.00</b>
<b>TOTAL ASSETS</b>	<b>\$17,902,397.85</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	127,646.78

# Metropolitan Planning Council

## Balance Sheet

As of December 31, 2023

	TOTAL
<b>Total Accounts Payable</b>	<b>\$127,646.78</b>
Credit Cards	
20100 American Express	46,075.67
20105 BMO Mastercard	13,477.26
<b>Total Credit Cards</b>	<b>\$59,552.93</b>
Other Current Liabilities	
20030 A/P - Accrued Expenses	0.00
21000 Accrued Liability - FIT	0.00
21050 Accrued Bonuses	0.00
21100 Accrued Liability - FICA&Med	0.00
21200 Accrued Liability - SIT	0.00
21300 Accrued Liability - 401k & Loan	0.00
21400 W/H Health Care Flex Plan	4,299.09
21410 W/H Dependant Care Flex Plan	10,323.32
21500 W/H Wage Garnishments	0.00
21600 Accrued Reimbursements	0.00
22200 Deferred Revenue	0.00
23100 Accrued Vacation	40,192.51
23500 Accrued Rent	0.00
29900 Lease Liability - LT portion	2,052,883.00
29910 Lease Liability - Short Term portion	252,080.61
Illinois Department of Revenue Payable	0.00
Out Of Scope Agency Payable	0.00
<b>Total Other Current Liabilities</b>	<b>\$2,359,778.53</b>
<b>Total Current Liabilities</b>	<b>\$2,546,978.24</b>
<b>Total Liabilities</b>	<b>\$2,546,978.24</b>
Equity	
3100 Retained Earnings	0.00
31000 Unrestricted Net Assets	0.00
30000 Fund Balance - Unrestricted	0.00
30110 Undesignated	3,278,778.07
31100 Board Des. Reserve Principal	5,954,970.52
<b>Total 31000 Unrestricted Net Assets</b>	<b>9,233,748.59</b>
33000 Restricted Net Assets	
30100 Board Designated Reserve Fund	0.00
32100 Temp Rest Program Fund Balances	1,388,571.00
32110 Unapp Endowment Earnings	2,027,933.00
33100 Endowment Principal	2,022,754.66
<b>Total 33000 Restricted Net Assets</b>	<b>5,439,258.66</b>
35000 *Unrestricted Net Assets	0.00
Net Income	682,412.36
<b>Total Equity</b>	<b>\$15,355,419.61</b>

# Metropolitan Planning Council

## Balance Sheet

As of December 31, 2023

	TOTAL
TOTAL LIABILITIES AND EQUITY	\$17,902,397.85

March 6, 2024 Budget Memo

**Revenue:** – The budgeted revenue for 2023 was \$5,210,939. While 2023 is not completely closed now, the current actuals sit at \$ 4,343,264. A breakdown of the revenue is listed below:

Foundation \$2.36M (+16% vs Budget)

Individual \$183K (-75% vs Budget)

Corporate \$889K (-40% vs Budget)

Government \$71K (-21% vs Budget)

Spending Allowance Transfer and investment in Strategic Plan \$783K (Equal to Budget)

In 2023 MPC's contributions from foundations has continued to grow. With the increased work surrounding "Change Labs" as well as the buildout of the MPC Institute we anticipate an increase in Foundation support for the organization. MPC has been invited to apply for additional foundation funding opportunities from the Robert Wood Johnson Foundation that will increase its support in 2024. The recognition from a large national funder is an amazing accomplishment. We have stewarded the foundation for over a year, and we are extremely excited about the potential opportunity.

Individual and corporate giving to MPC are revenue streams that have dropped significantly since the return to office. As the year ended, we forecasted that we would be short on both line items. There are still some outstanding pledges from the Annual Event that we are working to get before the books close completely for 2023. For 2024 we took a more conservative approach for these budget categories.

For government funding, the invoicing from the city is complete. There was a timing issue with the balance of payments for DOH which delayed the receipt of these funds until February. Essentially, we bill for reimbursement, and due to the timing in which DOH reviewed our final invoices, our insurance coverage renewed necessitating an insurance certification from the city before the final invoices could be processed.

Fundraising for the 90<sup>th</sup> Anniversary event is already in full swing with a total of \$215K currently pledged from Crown, BMO, Wintrust, and ITW.

## Operational Expenses

In 2024 the breakdown of expenses by category are the following:

2024 Program Expenses: \$3,587,225

2024 Administrative Expenses: \$432,302

2024 Development Expenses: \$722,651

After discussions with Committee for more than a year, MPC has successfully



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secured a line of credit through Wintrust to account to help with cashflow throughout the year, while allowing the endowment to continue to rebound. Currently, MPC has two openings on the Marcomm/Development team that we are using internal capacity to fill. There are no immediate plans to fill these open positions as the work has been restructured and distributed throughout that team. Should the 5% contingency plan be needed, we would immediately look at the permanent structure of these open roles and adjust as necessary.

**2024 Operating Budget  
Metropolitan Planning Council**

<b>REVENUE</b>	<b>2024 Budget</b>
<b>Fundraising</b>	
Corporate	995,410
Foundations	2,380,410
Individuals	385,410
Government	260,000
<b>Sub-Total: Fundraising</b>	<b>4,021,230</b>
<b>Other</b>	
Transfer from Investment Portfolio	485,000
Investment in Strategic Plan	115,000
In Kind Revenue	90,000
<b>Total Revenue</b>	<b>4,711,230</b>
<b>EXPENSE</b>	<b>2024 Budget</b>
Personnel	3,335,827
Contract Workers & Professional Fees	319,975
Software/Publications / Media / Subscription fees	159,067
Events & Meetings	207,150
Travel & Conferences	72,750
Other Program Costs	1,500
Occupancy Costs	408,260
Office Expenses	206,701
<b>Sub-Total: Operations Expense</b>	<b>4,711,230</b>
<b>Total Expense</b>	<b>4,711,230</b>