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## MEMORANDUM

**Date:** June 8, 2009  
**To:** Metropolitan Planning Commission Executive Committee  
**From:** Mark Donaldson, Executive Director  
Dee Anne Reynolds, Finance Manager  
**Subject:** **Fiscal Year 2009-10 Revenue and Expenditure Budget – Proposed**

Please consider for approval the proposed budget for Fiscal Year 2009-10. The proposed budget is based on approved City of Knoxville and Knox County budgets. Revenue and expenditure assumptions supporting the \$4.18 million budget are summarized below:

Revenue Assumptions:

1. Fee receipts are estimated at \$360,000, to reflect a significant decline in development activity.
2. City and County allocations of \$900,000 were originally requested, or about same as last year including contract work. However, approved budgets for City is short by \$30,000 and County is short by \$154,000. In addition, \$120,000 is estimated for office space provided by City and County.
3. Transportation –related grant funding is estimated at \$1.96 million, or about \$700,000 less than last year to reflect current funding levels. MPC expects to pay about \$130,000 for required local match for all grants, but expects to receive \$279,000 for indirect charges reimbursed through grants.
4. Additional revenue through contract work is being pursued with Jefferson County schools.

Expenditure Assumptions:

1. Salaries and benefits are programmed at \$2.7 million, a significant decrease of \$249,000 from last fiscal year reflecting steps implemented to address budget constraints. These include: no salary increases, a resignation of a Development Services planner; an open Transportation Planner position being filled by an internal transfer of staff; a voluntary program to temporarily reduce work hours and a voluntary program to encourage retirements. The voluntary programs project savings of \$166,000, including \$113,000 from two retirements and \$53,000 from six staff reducing work time. Employer provided health insurance premiums increased by \$20,000 over last year. Approximately \$621,000 of staff salaries and benefits are funded by grants.
2. Operating expenditures are projected two percent higher at \$460,000. Grant reimbursable expenditures other than direct salaries are projected 39 percent lower for a total of \$1.04 million.
3. Fund balance withdrawals project \$33,000 in computer and software purchases including a Groupwise server and Web server replacement from last year. Unrestricted net assets (fund balance) on June 30, 2008 were \$425,838 and are estimated to be reduced to \$281,000 by June 30, 2009 due to lower fee receipts and other revenues. The projected fund balance at June 30, 2010 could decrease to \$248,000, or about 6 percent of total annual expenditures.

Staff Recommendation: Staff recommends approval of the proposed budget.

MPC Executive Committee Recommendation: The Executive Committee will meet June 9, 2009 and will forward its recommendation to the full commission for consideration at the June 11, 2009 meeting.

Attachment: MPC Fiscal Year 2009-10 Revenue & Expenditure Proposed Budget and Line Item Expenditure Worksheet.

# "For Approval June 11, 2009 MPC Board Meeting"

## Knoxville / Knox County Metropolitan Planning Commission Revenue and Expenditure Projected Budget For the Fiscal Year 2009 - 2010

	2005-2006 Actual @ 6- 30-06 AUDITED	2006-2007 Actual @ 6-30- 07 AUDITED	2007-2008 Actual @ 6-30- 08 AUDITED	Approved 5-14-09 2nd Amended Budget FY08/09	Pending approval FY09/10 Projected Budget (see Notes 1 & 2)	CHANGES
<b>Revenues and Other Funding Sources</b>						
<b>Fees and Appropriations:</b>						
Fees and Charges:						
Application Fees	\$ 568,728	\$ 575,100	\$ 474,180	\$ 386,000	\$ 360,000	(26,000)
Telecommunication Towers	3,035	6,000	15,000	15,000	15,000	0
City of Knoxville	737,550	713,430	713,430	763,430	800,000	36,570
City of Knox / Parks	9,000	-	6,000	-	-	0
City of Knox / Cumberland Ave contract	-	-	50,000	50,000	-	(50,000)
City of Knox / PNI Contract	45,000	50,000	50,000	100,000	70,000	(30,000)
City of Knox / MZE	-	-	32,374	-	-	0
City of Knox / First Creek Stormwater	-	15,000	-	-	-	0
Knox County	724,738	724,738	743,244	894,000	740,000	(154,000)
Knox County / Tech Corridor Funding	6,000	6,000	6,000	6,000	6,000	0
Knox County / TTCDA Master Plan	30,000	-	-	-	-	0
Knox County / Parks	25,000	17,000	-	-	-	0
Knox County / MZE	-	-	32,374	-	-	0
Contract / The Development Corporation of Knox County	-	-	-	-	17,000	17,000
Contracts / PEFA - Knox Co.	15,000	59,469	29,582	29,583	-	(29,583)
Contracts / PEFA - Loudon Co.	-	25,000	-	-	-	0
Contracts / PEFA - Sullivan Co.	-	-	57,300	-	-	0
Contracts / PEFA - Jefferson Co. pending	-	-	-	-	60,000	60,000
In-Kind Services	175,847	119,164	119,164	120,000	120,000	0
<b>Sub-Total</b>	<b>2,339,898</b>	<b>2,310,901</b>	<b>2,328,648</b>	<b>2,364,013</b>	<b>2,188,000</b>	<b>(176,013)</b>
<b>Grant Reimbursements:</b>						
FHWA / FTA	509,792	487,467	570,053	801,000	771,000	(30,000)
Cades Cove Project	304,764	83,311	59,018	90,000	-	(90,000)
Cumberland Avenue	-	295,000	-	-	-	0
Urban Forestry Grants	-	-	-	25,000	25,000	0
Smart Trips	156,395	134,332	132,673	167,500	130,000	(37,500)
FTA Section 5303 Special	6,604	15,810	-	-	-	0
I Walk Month	8,946	-	-	-	-	0
Regional Clean Air Coalition	7,630	54,977	3,620	9,500	-	(9,500)
TPO Bike Enhancement Program	17,086	2,096	6,467	14,974	10,000	(4,974)
Regional Transportation Planning Council	111,695	205,632	367,173	297,000	83,000	(214,000)
Regional Clean Fuels Coalition/ETCFC	42,972	19,301	60,000	-	-	0
KAT Development Plan	-	-	8,157	275,000	-	(275,000)
Urban Land Alloc.Plan - ULAM	-	-	108,496	15,000	-	(15,000)
Scenic Byways	-	-	-	125,000	125,000	0
Complete Streets	-	-	242	75,000	-	(75,000)
JARC	-	-	4,890	431,000	400,000	(31,000)
New Freedom	-	-	-	319,000	420,000	101,000
<b>Sub-Total</b>	<b>1,165,884</b>	<b>1,297,926</b>	<b>1,320,789</b>	<b>2,644,974</b>	<b>1,964,000</b>	<b>(680,974)</b>
<b>Fund Balance Withdrawals:</b>						
Vehicle purchase	-	-	16,053	-	-	0
IT purchases	-	9,176	30,714	40,000	33,000	(7,000)
To Balance Budget (Increase) / Decrease	37,005 (97,949)	(52,886)	(2,941)	77,487	140	(77,347)
<b>Sub-Total</b>	<b>(60,944)</b>	<b>(43,710)</b>	<b>43,826</b>	<b>117,487</b>	<b>33,140</b>	<b>(84,347)</b>
<b>Total Revenues and Other Funding Sources</b>	<b>3,444,838</b>	<b>3,565,117</b>	<b>3,693,263</b>	<b>5,126,474</b>	<b>4,185,140</b>	<b>(941,334)</b>
<b>Expenditures</b>						
<b>Non-Reimbursable:</b>						
Salaries and Employee Benefits	1,881,629	2,036,649	2,095,639	2,200,497	1,934,140	(266,357)
Contracted Services	192,137	182,656	251,005	229,000	244,000	15,000
Supplies and Materials	76,544	52,011	73,065	68,000	63,000	(5,000)
Other Charges	199,057	139,163	138,951	143,000	140,000	(3,000)
Capital Outlay	-	-	16,053	13,000	13,000	0
Grant related matching paid by MPC:						
Salaries and Employee Benefits	76,417	80,336	88,566	94,728	112,000	17,272
Other Expenditures	9,587	8,731	9,964	56,250	17,500	(38,750)
<b>Sub-Total</b>	<b>2,435,371</b>	<b>2,499,546</b>	<b>2,673,243</b>	<b>2,804,475</b>	<b>2,523,640</b>	<b>(280,835)</b>
<b>Grant Reimbursable:</b>						
Salaries and Employee Benefits	486,382	448,209	501,538	620,975	621,000	25
FHWA Other Expenditures	38,349	34,924	39,856	200,800	68,000	(132,800)
FTA Other Expenditures	-	-	-	4,050	4,500	450
Cades Cove Other Expenditures	279,437	72,734	55,331	85,000	-	(85,000)
Cumberland Avenue Other Expenditures	-	295,000	-	-	-	0
Smart Trips Other Expenditures	122,333	65,105	52,862	70,300	42,000	(28,300)
FTA Section 5303 Special	83	91	-	-	-	0
I Walk Month	7,788	-	-	-	-	0
Regional Clean Air Coalition	4,122	52,412	3,620	9,500	-	(9,500)
TPO Bike Enhancement Program	17,561	2,250	6,523	14,974	10,000	(4,974)
Regional Transportation Planning Council	10,440	75,545	208,983	123,000	10,000	(113,000)
Regional Clean Fuels Coalition / ETCFC	42,972	19,301	60,000	-	-	0
KAT Development Plan	-	-	7,993	269,400	-	(269,400)
Urban Land Alloc.Plan - ULAM	-	-	83,314	15,000	-	(15,000)
Scenic Byways	-	-	-	125,000	125,000	0
Complete Streets	-	-	-	75,000	-	(75,000)
JARC	-	-	-	390,000	400,000	10,000
New Freedom	-	-	-	319,000	381,000	62,000
<b>Sub-Total</b>	<b>1,009,467</b>	<b>1,065,571</b>	<b>1,020,020</b>	<b>2,321,999</b>	<b>1,661,500</b>	<b>(660,499)</b>
<b>Total Expenditures</b>	<b>3,444,838</b>	<b>3,565,117</b>	<b>3,693,263</b>	<b>5,126,474</b>	<b>4,185,140</b>	<b>(941,334)</b>
<b>Revenues and Other Funding Sources over (under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0</b>

Footnote 1 - 1st draft budget reviewed by MPC Exec. Committee 5-14-09 showing a fund balance withdrawal of approx. \$153,000; postponed to revise for Voluntary Reduction program:

Footnote 2 - This revised budget reflects a balanced budget due to various changes listed below.

Revenue changes: Increase fees to \$30k per month; Decrease from City \$30,000; decrease from County \$154,000; increase new Knox Dev.Corp contract.; carry over Tree grant \$25k;

add pending Jefferson Co. school contract;

Expenditures : No salary increases; unfilled Dev.Srv.planner I position; 2 Dev.Srv. Incentive retirements; and 6 staff on Voluntary Temporary Work Hour Reduction programs.

Other expenses: delete Excellence award speaker fee; increase KPMG Single Audit fee for grants by \$11,500 and pay for last year

# "For approval June 11, 2009 MPC Meeting "

Submitted for informational purposes only. Expenditures subject to line item transfers:

## Knoxville/Knox County Metropolitan Planning Commission FY 09/10 Projected Budget - Line Item Expenditures

MPC Unit #9200110	FY05-06 Actual (audited)	FY06-07 Actual (audited)	Actual FY07-08 (audited)	Approved 5-14-09	Pending Approval	CHANGES	
				2nd Amended FY08-09 Budget	FY09-10 Projected Budget		
<b>Salaries and Benefits:</b>							
9110	Salaries (no increase for Oct. 2009)	2,003,378	2,065,770	2,112,733	2,284,228	2,080,632	(203,596)
9120	Temporary Pay (interns)	0	21,427	15,392	20,000	0	(20,000)
9210	Social Security	138,128	141,738	155,526	172,295	154,656	(17,639)
9220	Local Retirement	116,544	120,964	124,296	132,627	121,299	(11,328)
9220-0040	Voluntary Retirement	0	0	47,529	59,259	43,672	(15,587)
9230	Medical Insurance	178,307	205,017	218,741	232,560	252,240	19,680
9235	Life Insurance	3,247	3,978	4,571	6,731	6,141	(590)
9250	Auto Allowance (includes KAT Bus Passes)	5,196	5,300	6,476	7,500	7,500	0
9290	Other Benefits Allowances	0	1,000	479	1,000	1,000	0
	Unemployment Compensation	0	0	0	0	0	0
	Relocation Allowance	1,002	0	0	0	0	0
	Sub-Total Salaries and Benefits	2,445,802	2,565,194	2,685,743	2,916,200	2,667,140	(249,060)
	Less: Grant reimbursable portion of Salaries	(486,382)	(448,209)	(590,104)	(620,975)	(621,000)	(25)
	Sub-Total Non-Reimbursable Salaries and Ben	1,959,420	2,116,985	2,095,639	2,295,225	2,046,140	(249,085)
<b>Other Expenditures:</b>							
9310	Legal Services (Attorney, Legal Notices & Court Cc	69,525	70,818	71,210	73,000	73,000	0
9320	Other Professional Services (Advertising, Audit Sei	3,350	5,965	9,402	19,000	29,000	10,000
9325	Rent Repair & Maint (Op. Lease, Usage, Repair, Ma	41,121	39,261	40,631	51,000	56,000	5,000
9335	Communications (Internet, phone service)	20,058	25,072	26,770	27,000	27,000	0
9200120-9340	Telecom Towers - Other Srv. Consultants	3,000	6,000	15,000	15,000	15,000	0
9340	Other Services (Consultant, Freight, Postage, Prin	27,336	20,195	20,498	22,000	21,000	(1,000)
9370	Travel, Training & Dues	13,775	12,657	10,157	14,000	12,000	(2,000)
9360	Contracts w/ Other Agencies	13,972	2,688	57,337	8,000	11,000	3,000
	Total Contracted Services	192,137	182,656	251,005	229,000	244,000	15,000
9405	Food	10,838	10,509	9,238	11,000	10,000	(1,000)
9415	Utilities & Fuel	4,121	3,815	4,610	4,000	5,000	1,000
9420	Office Supplies/Sm.Equip (suppl.,sm.equip,softwa	55,819	28,898	52,461	43,000	40,000	(3,000)
9440	Repair ( Vehicles tires,tube)	407	529	616	1,000	1,000	0
9450	Education Materials (books, periodicals)	3,423	5,289	4,811	5,500	5,000	(500)
9460	Other (Signage, uniforms)	1,936	2,971	1,329	3,500	2,000	(1,500)
	Total Supplies, Materials & Equipment	76,544	52,011	73,065	68,000	63,000	(5,000)
9905	Insurance( Building & Contents & Vehicle)	917	601	1,539	1,200	1,700	500
9910	Workers Compensation Insurance	15,672	13,522	13,179	15,400	14,000	(1,400)
9925	Trustee Commission (banking services)	5,812	5,876	5,069	6,100	5,100	(1,000)
9935	Space Costs (city/co.office space)	175,847	119,164	119,164	120,000	119,200	(800)
9950	Other (Corporate Surety Insurance)	809	0	0	300	0	(300)
	Total Other Expenses	199,057	139,163	138,951	143,000	140,000	(3,000)
9640	Machinery, Equipment & Furniture (over \$5k capit	0	0	0	13,000	13,000	0
9650	Vehicles (over \$5k capital)	0	0	16,053	0	0	0
	Total Capital Outlay	0	0	16,053	13,000	13,000	0
<b>Grant related Other Expenditures:</b>							
Grantor:							
9200210	FHWA / FTA	38,349	34,924	39,856	204,850	72,500	(132,350)
9200130	Cades Cove Phase II	279,437	72,734	55,331	85,000	0	(85,000)
9200188	Cumberland Avenue	0	295,000	0	0	0	0
9200150	Smart Trips	122,333	65,105	52,862	70,300	42,000	(28,300)
9200187	FTA Section 5303 Special	83	91	0	0	0	0
	I Walk Month	7,788	0	0	0	0	0
9200180	Regional Clean Air Coalition	4,122	52,412	3,620	9,500	0	(9,500)
9200180	TPO Bike Enhancement Program	17,561	2,250	6,523	14,974	10,000	(4,974)
9200185	Reg. Transp.Planning Council	10,440	75,545	208,983	123,000	10,000	(113,000)
9200215	Regional Clean Fuels Coalition/ ETCFC	42,972	19,301	60,000	0	0	0
9200194	KAT Development Plan	0	0	7,993	269,400	0	(269,400)
9200196	Urban Land Alloc Plan - ULAM	0	0	83,314	15,000	0	(15,000)
9200198	Scenic Byways	0	0	0	125,000	125,000	0
9200202	Complete Streets	0	0	0	75,000	0	(75,000)
9200206	JARC	0	0	0	390,000	400,000	10,000
9200208	New Freedom	0	0	0	319,000	381,000	62,000
	Multi	9,587	8,731	9,964	56,250	17,500	(38,750)
	Sub-Total Other Expenditures (Note 2)	1,000,410	999,923	1,007,520	2,210,274	1,518,000	(692,274)
	Less: Grant reimbursable portion of Other Expeni	(523,085)	(617,362)	(518,482)	(1,701,024)	(1,040,500)	660,524
	Sub-Total Non-Reimbursable Other Expenditures	477,325	382,561	489,038	509,250	477,500	(31,750)
	<b>Total Salaries, Benefits, and Other Expenditure:</b>	3,446,212	3,565,117	3,693,263	5,126,474	4,185,140	(941,334)
	<b>Total Non-Reimbursable Salaries, Benefits, and Other Expenditures</b>	2,436,745	2,499,546	2,584,677	2,804,475	2,523,640	(280,835)
	Note 1: Includes required match for grant related	76,417	80,336	88,566	94,728	112,000	17,272
	Note 2: Indirect charges to be reimbursed throug	186,611	201,694	253,849	291,858	279,000	(12,858)