
MEMORANDUM

DATE: April 10, 2008 Agenda Item # 68
TO: Metropolitan Planning Commission
FROM: Mark Donaldson, Executive Director
Dee Anne Reynolds, Finance Manager
SUBJECT: Fiscal Year 2008-09 Proposed Budget

Please consider for approval the proposed budget for Fiscal Year 2008-09. The proposed budget is preliminary until final resolution of City of Knoxville and Knox County budgets. The proposed budget reflects two major trends:

- Declining revenues from fees related to development services and transportation-related grants.
 - The decline in housing related activity shows up directly in our projected fee receipts. For the first time in recent memory we are estimating a decline in fee revenue.
 - State and Federal transportation-related funds that flow through the Transportation Planning Organization of the MPC show up dramatically in our budget. TPO related activities now account for nearly 50% of the total MPC budget and we are projecting significant cuts.
- We continue a pattern of augmenting a flat-lined general city and county budget commitment by using city and county department or other resources through contractual arrangements such as the Empowerment Zone work completed for City of Knoxville Community Development.

Revenue and expenditure assumptions supporting the \$4.7 million budget are summarized below.

Revenue Assumptions:

1. Fee receipts are estimated at \$491,000, to reflect a decline in development activity.
2. City and County allocations of \$900,000 has been requested from each, or about same as last year including contract work. In addition, \$145,000 is estimated for office space provided by City and County.
3. Transportation-related grant funding is estimated at \$2.19 million, or \$239,000 less than 2007-08 budget due to expected declines in state and federal spending and delays in implementing new contracts for KAT Action Plan, Scenic Byways, Complete Streets, and Jobs Access Reverse Commute/ New Freedom, as well as reflecting established grant programs closing out.

NOTE: MPC expects to pay about \$136,000 for required local match for all grants, but expects to receive \$283,000 for indirect charges reimbursed through grants.

Expenditure Assumptions:

4. A 3.5 percent increase is programmed for staff salaries of \$2.3 million with no additional positions. Benefits are estimated 2 percent lower for a total of \$603,472.
NOTE: Over \$600,000 of staff salaries and benefits are funded by grants.
5. Operating expenditures are projected 16 percent lower for total of \$514,000. Grant reimbursable expenditures other than direct salaries are projected 16 percent lower at \$1.3 million.
6. Fund balance withdrawals of \$101,604 will be required to balance the budget, including the purchase of IT small equipment and software, Sharepoint training, and a one time \$5,000 contribution to KGIS for their equipment reserve.
NOTE: Unrestricted fund balance at June 30, 2007 equals \$412,630 and is expected to be sufficient after the payments.

Staff Recommendation: Staff recommends approval.

MPC Executive Committee Recommendation: The Executive Committee met April 1, 2008, and recommends approval.

Attachment:

- MPC Fiscal Year 2008-09 Revenue & Expenditure Proposed Budget
- MPC Fiscal Year 2008-09 Line Item Expenditure Worksheet.

"For April 10, 2008 MPC Board Meeting"

Knoxville / Knox County Metropolitan Planning Commission Revenue and Expenditure Budget Projection For the Fiscal Year 2008 - 2009

Revenues and Other Funding Sources

Fees and Appropriation:

Application Fees	470,272	\$	463,690	\$	563,598	\$	569,110
TTCCA Fees	3,890		3,000		5,130		5,990
Telecommunication Towers	1,540		3,000		3,035		6,000
City of Knoxville	692,650		692,650		737,550		713,430
City of Knoxville / Parks					9,000		0
City of Knoxville / Cumberland Ave contract							
City of Knoxville / PNI Contract	66,000		45,000		45,000		50,000
City of Knoxville / MZE							
City of Knoxville / First Creek Stormwater							
Knox County	724,738		724,738		724,738		724,738
Knox County / Tech Corridor Funding							15,000
Knox County / TTCCA Master Plan			13,484		30,000		6,000
Knox County / Schools -Knox Co.			10,000		15,000		84,469
Knox County / Schools - PEPA Phase 2							
Knox County / Schools - Sullivan Co.							
Knox County / Schools - McMinn Co.							
Knox County / Parks					25,000		17,000
Knox County / MZE							
In-Kind Services	115,421		165,004		175,847		119,164
Sub-Total	2,074,511		2,132,566		2,339,898		2,310,901

Grant Reimbursements:

Federal Government	487,097		391,897		509,792		487,467
CMAQ	13,590		19,589				
Origin / Destination Project Phase II	101,961						
Cades Cove Project	62,264		138,903		304,764		83,311
Cumberland Avenue							295,000
Urban Forestry Grants	13,715		14,300				
Smart Trips	73,252		110,294		156,395		134,332
FTA Section 5303 Special			45,062		6,604		15,810
I Walk Month					8,946		
KAT							
Regional Clean Air Coalition			2,136		7,630		54,977
TPO Bike Enhancement Program	900		20,448		17,086		2,096
Regional Transportation Planning Council			71,113		111,695		205,632
Regional Clean Fuels Coalition/ETFC					42,972		19,301
SmartFix40							
KAT Development Plan							
Urban Land Alloc.Plan - ULAM							

	approved		PENDING		PENDING		PENDING	
	1ST AMENDMENT FY07/08	2ND AMENDMENT FY07/08	Projected Original 2008-2009 Budget	CHANGES				
	\$ 517,727	\$ 467,727	\$ 470,000	2,273				
	3,500	6,000	6,000	0				
	6,000	22,500	15,000	(7,500)				
	713,430	713,430	825,000	111,570				
	0	0	0	0				
	100,000	100,000	-	(100,000)				
	50,000	50,000	75,000	25,000				
	50,000	32,374	-	(32,374)				
	724,738	744,738	894,000	149,262				
	6,000	6,000	6,000	0				
	5,000	-	-	0				
	59,165	59,165	-	(59,165)				
	50,000	55,000	-	(5,000)				
	50,000	-	-	0				
	50,000	-	-	0				
	50,000	32,374	-	(32,374)				
	180,000	145,000	145,000	0				
	2,565,566	2,434,308	2,436,000	1,692				
	795,000	795,000	744,638	(50,362)				
	-	-	-	0				
	-	-	-	0				
	162,000	162,000	127,000	(35,000)				
	-	-	-	0				
	171,000	171,000	167,500	(3,500)				
	51,000	51,000	-	(51,000)				
	-	-	-	0				
	-	-	-	0				
	-	21,500	21,500	0				
	10,000	10,000	10,000	0				
	371,000	371,000	269,000	(102,000)				
	60,000	60,000	-	(60,000)				
	279,000	-	-	0				
	107,500	107,500	275,000	167,500				
	125,000	125,000	20,000	(105,000)				

For April 10, 2008 MPC Board Meeting

Page 2 - Knoxville / Knox County Metropolitan Planning Commission FY08/09 Revenues and Expenditures Budget Projection

	2003-2004 Actual @ 6-30- 04 (AUDITED)	2004-2005 Actual @ 6-30- 05 (AUDITED)	2005-2006 Actual @ 6-30- 06 AUDITED	2006-2007 Actual @ 6-30- 07 AUDITED	approved 1ST AMENDMENT FY07/08	PENDING 2ND AMENDMENT FY07/08	PENDING Projected Original 2008- 2009 Budget	PENDING CHANGES
Grant Reimbursements cont'd:								
Scenic Byways	752,779	871,468	1,165,884	1,297,926	2,836,500	2,429,000	2,189,638	(239,362)
Complete Streets					15,000	16,100	-	(16,100)
Northshore / Kingston Pike	(134,720)	183,574	-	9,176	69,000	49,000	46,500	(2,500)
JARC / New Freedom	-	16,852	37,005	(52,886)	365	68,017	55,104	(12,913)
Sub-Total	<u>617,059</u>	<u>1,071,842</u>	<u>1,202,889</u>	<u>1,354,116</u>	<u>3,241,865</u>	<u>2,552,127</u>	<u>2,291,242</u>	<u>(950,625)</u>
Fund Balance Withdrawals:								
Vehicle purchase delay to October 2007								
IT purchases, Infotek records scan & M2E match								
To Balance Budget (Increase) / Decrease								
Sub-Total	<u>(134,720)</u>	<u>200,426</u>	<u>(60,944)</u>	<u>(43,710)</u>	<u>84,365</u>	<u>133,117</u>	<u>101,604</u>	<u>(31,513)</u>
Total Revenues and Other Funding Sources	<u>482,339</u>	<u>1,272,268</u>	<u>1,141,945</u>	<u>1,310,406</u>	<u>3,326,230</u>	<u>2,685,244</u>	<u>2,392,846</u>	<u>(833,614)</u>
Expenditures								
Non-Reimbursable:								
Salaries and Employee Benefits (1)	1,653,241	\$ 1,779,891	1,881,625	2,036,645	2,136,865	2,114,869	2,222,323	76,454
Contracted Services	186,529	199,170	192,137	182,656	284,000	274,000	218,000	(56,000)
Supplies and Materials	39,324	42,508	76,544	52,011	140,000	93,400	76,000	(17,400)
Other Charges	132,901	184,450	199,057	139,163	205,000	169,000	168,000	(1,000)
Capital Outlay	36,498	183,574	-	-	15,000	16,100	7,000	(9,100)
Grant related matching paid by MPC:								
Salaries and Employee Benefits (1)	79,527	78,753	76,417	80,336	92,078	92,078	90,816	(1,262)
Other Expenditures	13,170	-	9,587	8,731	57,000	57,000	44,504	(12,496)
Sub-Total	<u>2,141,192</u>	<u>2,468,346</u>	<u>2,435,371</u>	<u>2,499,546</u>	<u>2,929,947</u>	<u>2,847,447</u>	<u>2,826,643</u>	<u>(20,804)</u>
Grant Reimbursable:								
Salaries and Employee Benefits (1)	317,412	351,081	486,382	448,209	613,340	604,340	603,061	(1,279)
FHWA Other Expenditures	52,683	48,913	38,349	34,924	203,600	203,600	153,600	(50,000)
FTA Other Expenditures	-	-	-	-	4,538	4,538	4,538	0
O & D Other Expenditures	103,728	-	-	-	149,000	149,000	122,000	(27,000)
Cades Cove Other Expenditures	21,928	113,847	279,437	72,734	-	-	-	0
Cumberland Avenue Other Expenditures	-	-	295,000	-	-	-	-	0
Smart Trips Other Expenditures	55,629	96,153	122,333	65,105	91,000	91,000	67,500	(23,500)
FTA Section 5303 Special	-	41,220	83	91	49,500	49,500	-	(49,500)
I Walk Month	-	-	7,788	-	-	-	-	0
KAT	-	-	-	-	-	-	-	0
Regional Clean Air Coalition	-	-	4,122	52,412	-	21,500	21,500	0
TPO Bike Enhancement Program	-	21,113	17,561	2,250	10,000	10,000	10,000	0
Regional Transportation Planning Council	-	6,061	10,440	75,545	210,000	210,000	119,000	(91,000)
Regional Clean Fuels Coalition / ETGFC	-	57,726	42,972	19,301	60,000	60,000	-	(60,000)
SmartFix40	-	-	-	-	270,000	-	-	0
KAT Development Plan	-	-	-	-	107,500	107,500	269,400	161,900
Urban Land Alloc.Plan - ULAM	-	-	-	-	125,000	125,000	15,000	(110,000)
Scenic Byways	-	-	-	-	125,000	125,000	125,000	0
Complete Streets	-	-	-	-	53,000	53,000	55,000	2,000
Northshore / Kingston Pike	-	-	-	-	150,000	-	-	0
JARC / New Freedom	-	-	-	-	335,000	335,000	335,000	0
Sub-Total	<u>551,380</u>	<u>736,114</u>	<u>1,009,467</u>	<u>1,065,571</u>	<u>2,536,478</u>	<u>2,148,978</u>	<u>1,900,595</u>	<u>(248,379)</u>
Total Expenditures	<u>2,692,572</u>	<u>3,204,460</u>	<u>3,444,838</u>	<u>3,565,117</u>	<u>5,466,425</u>	<u>4,996,425</u>	<u>4,727,242</u>	<u>(269,183)</u>
Revenues and Other Funding Sources over (under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0

Note 1 - assume 3.5% average salary increase Oct. 2008

Grant Unit #	Grant related Other Expenditures:	FY04/05 Actual (audited)	FY05-06 Actual (audited)	FY06-07 Actual (audited)	PENDING		PENDING		PENDING	
					1ST Amended FY07-08 Budget	2ND Amended FY07-08 Budget	Projected FY08-09 Budget	CHANGES		
9200210	Grantfor: FHWA / FTA	39,130	38,349	34,924	208,138	208,138	158,138	(50,000)		
9200130	Cades Cove Phase II	113,847	279,437	72,734	149,000	149,000	122,000	(27,000)		
9200186	Cumberland Avenue	0	0	295,000	0	0	0	0		
9200150	Smart Trips	96,153	122,333	65,105	91,000	91,000	67,500	(23,500)		
9200187	FTA Section 5303 Special	41,220	83	91	49,500	49,500	0	(49,500)		
	1Walk Month	0	7,788	0	0	0	0	0		
	KAT	0	0	0	0	0	0	0		
9200180	Regional Clean Air Coalition	0	4,122	52,412	21,500	21,500	21,500	0		
9200160	TPO Bike Enhancement Program	21,113	17,561	2,250	10,000	10,000	10,000	0		
9200185	Reg. Transp.Planning Council	6,061	10,440	75,545	210,000	210,000	119,000	(91,000)		
9200215	Regional Clean Fuels Coalition/ ETCFC	57,726	42,972	19,301	60,000	60,000	0	(60,000)		
9200192	SmartFix40 (Cancelled)	0	0	0	270,000	270,000	0	0		
9200194	KAT Development Plan	0	0	0	107,500	107,500	269,400	161,900		
9200196	Urban Land Alloc Plan - ULAM	0	0	0	125,000	125,000	15,000	(110,000)		
9200198	Scenic Byways	0	0	0	53,000	53,000	55,000	2,000		
9200198	Complete Streets	0	0	0	150,000	150,000	0	0		
9200202	Northshore / Kingston Pike (cancelled)	0	0	0	335,000	335,000	335,000	0		
9200204	JARC / New Freedom	0	0	0	0	0	0	0		
9200206		0	0	0	0	0	0	0		
multi	Matching:	9,783	9,587	8,731	57,000	57,000	44,504	(12,496)		
	FHWA/ FTA; KAT Dev.Plan (FTA 5303)	994,734	1,000,410	999,923	2,644,138	2,154,138	1,811,042	(343,096)		
	Sub-Total Other Expenditures (Note 2)	(375,250)	(523,085)	(617,362)	(1,608,138)	(1,209,638)	(1,297,538)	(87,900)		
	Less: Grant reimbursable portion of Other Expenditures	619,484	477,325	382,561	1,036,000	944,500	513,504	(430,996)		
	Sub-Total Non-Reimbursable Other Expenditures	3,204,460	3,446,212	3,565,117	5,486,425	4,996,425	4,727,242	(269,183)		
	Total Salaries, Benefits, and Other Expenditure:	2,478,125	2,436,745	2,499,546	3,264,947	3,182,447	2,826,643	(355,804)		
	Total Non-Reimbursable Salaries, Benefits and Other Expenditures	78,753	76,417	80,336	92,078	92,078	90,816	(1,262)		
	Note 1: Includes required match for grant related salaries &	140,432	186,611	201,694	276,003	276,003	283,439	7,436		
	Note 2: Indirect charges to be reimbursed through grants									