

MEMORANDUM

Date: June 7, 2016
To: Planning Commissioners
From: Gerald Green, Executive Director
Subject: MPC FY 16 – 17 Proposed Budget

Attached for your consideration please find the proposed MPC FY 2016 – 2017 Budget. This budget has been recommended for approval by the MPC Executive Committee. The proposed budget is balanced, with proposed expenditures covered by the anticipated revenue. Revenues and expenditures of \$4,686,950.00 are identified in the proposed budget. This is an 11% decrease from the revenues and expenditures in the FY 2015 – 2016 budget, with the decrease due to reductions in grants received (primarily transportation planning grants). The proposed budget reflects an increase in funding provided to MPC by Knox County and the City of Knoxville, both of which provided funding at the requested amounts.

Highlights of the proposed budget include:

- The percentage of projected revenue provided by the different sources is:
 - Grants – 39%
 - City of Knoxville – 22%
 - Knox County – 15%
 - Fees – 14%
 - Contracts – 5%
 - Unrestricted fund reserves – 5%
- As in past budgets, the largest expenditure category is salaries. The proposed budget indicates a 10% increase in total salaries. This amount reflects a new position, as well as a 1.5% cost of living increase for all employees and funds for merit raises and salary market adjustments (increases to keep salaries for certain positions in the market range).
- The anticipated fee revenue line item reflects a 25% increase over the FY 15 – 16 budget, with a projected revenue of \$630,000. We feel this is realistic based upon fees received this year. As of April 30, 2016, fee revenue for this fiscal year was \$597,000.
- Funds for some expenditures would be taken from MPC's fund balance. These expenditures include a vehicle to replace an aged vehicle now used by MPC staff (\$30,000), updating of IT wiring (\$29,000), office equipment (\$31,000), unemployment insurance (\$20,000), and office renovation (\$89,000).
- An increase is proposed for travel and education expenditures. These funds will enable MPC staff and Commissioners to take advantage of opportunities for training and professional development, enabling us to improve our skills and knowledge.
- The proposed budget anticipates receiving funds from the City for the update of the City's zoning code. Most of the funds received would be passed through the agency to pay the consultant selected for the project. The City is still determining whether to pass through the funds or pay the consultant directly. Depending upon the decision made regarding this, the budget may need to be revised.

The proposed budget will enable MPC to carry out the duties and functions. Your consideration of the proposed budget is appreciated. This budget is recommended by the MPC Executive Committee as an accurate reflection of anticipated revenue and expenditures. If you have any questions, please feel free to contact me by email at gerald.green@knoxmpc.org or phone at 215-3758.