

MEMORANDUM



Agenda Item # 55

Date: May 31, 2017
To: Metropolitan Planning Commission
From: Gerald Green, Executive Director
Subject: MPC Fiscal Year 2017-2018 Budget

MPC's proposed budget for Fiscal Year 2017 - 2018 is provided for your approval. MPC staff has developed a balanced budget, with revenues and expenditures each identified at \$5,520,650. The total budget amount represents a 19.6% increase over the 2016 - 2017 budget. A significant portion of this increase is accounted for by a 48% increase in grant reimbursements, which will increase from \$1,814,500 to \$2,323,650. Most of the funds received as grant reimbursements are pass-through funds from state and federal transportation agencies that are provided to fund transportation projects in the area. Appropriations from the two local governments served by MPC are an important source of revenue for the agency. Knox County provided all requested funds; the City of Knoxville provided the requested basic operating funds but did not provide funds for the management of the zoning code update.

Highlights of the budget include:

- Total appropriations from Knoxville and Knox County increased 5.4% over the FY 2016 - 2017 budget and account for 33.4% of total projected revenues. The City of Knoxville's appropriation is 20% of total revenues and Knox County's is 13.4%.
- Fee revenue is projected to increase 3.7% in the new Fiscal Year and will account for 12% of total projected revenue.
- Grant reimbursements, which as noted are anticipated to increase 28%, will account for 42% of projected revenue.
- In expenditures, total salaries are projected to decrease 4.2%
- Expenditures for medical insurance are projected to decrease 8.5%, based upon trends this year (due to employees being covered on spouse's insurance, spouse not covered by MPC insurance, and related factors).
- The projected office renovation is funded at the PBA estimated cost of \$400,000, with the money for this coming from MPC's fund balance.
- Expenditures for Commissioner food and training will increase 66.7%, from \$12,000 to \$20,000.
- Expenditures for office supplies and minor equipment are projected to increase 63%, with much of this related to the proposed office renovation.
- A 100% increase in expenditures for insurance is projected, with most of this cost related to liability insurance.
- Expenditures for the Section 5310 Transit Capital/Operating funds is projected to increase 61.5%, balancing the projected revenue increase for this program.

The proposed budget has been approved by the MPC Executive Committee and the approval of the full Commission is requested. The budget is based upon careful review of budget trends during the past year and accurately reflects anticipated revenues and expenditures.

Please let me know if you have any questions.

**Knoxville - Knox County MPC Proposed
FY 2018 Draft Budget**

REVENUES AND OTHER FUNDING SOURCES	
REVENUES	Proposed
Appropriations	
City of Knoxville	\$1,106,650
Knox County	\$742,000
Total Local Appropriations	\$1,848,650
Fees	
Application Fees	\$654,000
Cell Tower Fees	\$12,000
Total Fees	\$666,000
Contracts	
Knox County Schools - PEFA	\$7,500
City of Knoxville Zoning Code Update	\$168,000
Total Contracts	\$175,500
Grant Reimbursements	
TPO - FHWA/FTA	\$1,025,000
TPO - Smart Trips	\$248,000
TPO - Bike Enhancement Program	\$10,000
TPO - Section 5310 Administration	\$40,000
TPO- Section 5310 Capital/operating	\$1,000,000
Total Grant Reimbursements	\$2,323,000
From Unrestricted Fund Reserves	
SURDNA	\$2,500
Other Unrestricted fund balance	\$505,000
Total Unrestricted Fund Reserves	\$507,500
TOTAL REVENUES AND SOURCES	\$5,520,650

EXPENDITURES	
EXPENDITURES	Proposed
Salaries	
Full Time Staff	\$2,151,867
Contingency for Sick/Retirement Payout <i>Fund Balance</i>	\$20,000
Temporary Employees	\$15,000
Salary Merit/Market Pool	\$40,000
Total Salaries	\$2,226,867
Benefits	
Social Security (7.65%)	\$170,355
Standard Retirement Match (6%)	\$133,612
Voluntary Retirement Match (.0248%)	\$60,125
Medical Insurance	\$339,460
Life Insurance	\$5,000
Auto Allowance	\$6,000
KAT Bus Passes	\$1,000
Other Benefits/Allowances	\$4,600
Total Benefits	\$720,153
Contracted Services	
Legal Services	\$46,250
Public Notices	\$24,000
Other Advertising	\$2,000
Audit	\$26,000
KGIS ESRI Fee contract	\$26,500
Equipment Rent, Repair, Maintenance	\$48,000
Vehicle Repair, Maintenance	\$2,000
IT Contracts	\$25,000
Office Remodel - <i>fund balance \$400,000</i>	\$400,000
ET Index Update	\$28,000
Cell Tower Consultant Services	\$12,000
Daily Operations Services	\$15,000
Travel and Education	\$26,000
Contracts w/Other Agencies	\$2,000
Total Contracted Services	\$682,750

EXPENDITURES (Continued)	
Supplies and Materials	
Food and Commissioner Training	\$20,000
Utilities and Fuel	\$2,000
IT Wiring update - <i>fund balance</i>	\$30,000
Office Supplies/Minor Equipment - <i>fund balance 55,000</i>	\$65,000
Vehicle Repair, Maintenance	\$1,500
Library/Education Materials	\$6,000
Vehicle Replacement <i>fund balance</i>	\$30,000
Other Materials (Signs)	\$3,500
Total Supplies and Materials	\$158,000
Other Charges (Insurance and Banking)	
Workers Comp. Insurance	\$7,000
Unemployment Insurance <i>fund balance</i>	\$20,000
Insurance	\$60,000
Trustee Commission (Banking)	\$9,000
Total Insurance and Banking Charges	\$96,000
Other Charges (To Knox County for Space and Central Services)	
Space Cost	\$35,318
Financial Services	\$40,000
Central Services	\$47,562
Total to Knox County	\$122,880
Grant and Contract Related Expenditures	
TPO - FHWA/FTA	\$183,000
TPO - Smart Trips	\$93,000
TPO - Bike Enhancement Program	\$10,000
TPO - Section 5310 Transit Capital/Operating	\$1,000,000
City of Knoxville Zoning Code Update	\$168,000
Local Match Requirements	\$60,000
Total Grant Related Expenditures	\$1,514,000
TOTAL EXPENDITURES	\$5,520,650