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**RESOLUTION APPROVING OPERATING BUDGETS FOR THE SECTION 8 PROGRAMS (HOUSING CHOICE VOUCHER, MODERATE REHABILITATION AND MAINSTREAM VOUCHER PROGRAMS), KNOXVILLE’S HOUSING DEVELOPMENT CORPORATION, THE MANOR AND REDEVELOPMENT GENERAL PLANNING BUDGETS ..... 23**

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Date: May 28, 2009  
To: Board of Commissioners  
From: Alvin J. Nance, Executive Director/CEO  
Subject: Fiscal Year 2010 Operating Budgets

Enclosed are the approved Fiscal Year 2010 (July 1, 2009 - June 30, 2010) Operating Budgets for all KCDC programs.

The first resolution covers the main portion of KCDC's operations, namely the Low Rent Public Housing Program and the Central Office Cost Center. The Board certifies that the statements on HUD Form 52574 are true and accurate. The budget has been prepared to reflect all of the elements of these guidelines, and I certify to you that the Low Rent Public Housing and the Central Office Cost Center Budgets satisfy the listed statements.

Included in the second resolution are budgets for KCDC's Section 8 Programs (Housing Choice Voucher; Moderate Rehabilitation and the Mainstream Voucher Programs); Knoxville's Housing Development Corporation; The Manor; and Redevelopment General Planning. The enclosed resolution basically states that the financial plan for each program is consistent with KCDC's overall operating strategy and is fiscally responsible. Again, I certify to you that this is a true and accurate description of these proposed budgets.

The anticipated subsidy is based upon best available information regarding Congressional appropriations and HUD regulations under the Operating Fund Formula. The Section 8 Programs receive operating revenue through Housing Assistance Payments contracts previously executed with HUD. Program revenues to be collected from other sources (tenant rents, non-dwelling rents, parking receipts, etc.) are estimated in a generally conservative manner, as has been our budgeting pattern in the past. We will strive to hold expenses below our predictions.

If you have any questions, I would be happy to meet with you to discuss them.

AJN/AWC/TBP/jws

Board Resolution Approving the AMP Budgets  
PHA Board Resolution  
Approving Operating Budget

OMB No. 2577-0026 Approving  
(exp. 10/31/2009)

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
Real Estate Assessment Center (PIH-REAC)

Previous editions are obsolete form HUD-52574 (08/2005) Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Knoxville's Community Development 

PHA Code: TN003

PHA Fiscal Year Beginning: 7/1/2009

Board Resolution Number: 2009-

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

Operating Budgets (*for COCC and all Projects*) approved by Board resolution on:

5/28/2009

Operating Budget submitted to HUD, if applicable, on:

\_\_\_\_\_

Operating Budget revision approved by Board resolution on:

\_\_\_\_\_

Operating Budget revision submitted to HUD, if applicable, on:

\_\_\_\_\_

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(e) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.325.

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairman's Name: Juanita U. Cannon	Signature:	Date: May 28, 2009
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**EXECUTIVE SUMMARY  
PROPOSED 2010 BUDGET  
CONVENTIONAL PUBLIC HOUSING**

**CHANGES FROM FY09 TO FY10:**

**OVERALL TOTAL INCOME:** An increase of 10% is proposed for 2010 over 2009 figures due to an increase in estimated federal funding.

**OVERALL TOTAL EXPENSES** – An increase of 5% is proposed for 2010 over 2009 budget.

**ADMINISTRATIVE** – A 6% increase is proposed for 2010 over 2009 figures. A 5% COLA/Merit Pay increase has been proposed in these figures. Additional increases include legal fees due to the new proposed legal fee schedule, computer support related to asset management software, and management/bookkeeping fees based upon leasing projections.

**RESIDENT SERVICES** – A 3% decrease is proposed for 2010 over 2009 figures due to historical actuals.

**UTILITIES** – A 14% decrease is proposed for 2010 over 2009 figures primarily due to a reclassification of interest expense related to the energy performance lease-purchase agreement.

**ORDINARY MAINTENANCE/OPERATIONS** – A 5% increase is proposed for 2010 over 2009 figures. A 5% COLA/Merit Pay increase has been proposed in these figures. Other increases include additional property maintenance staff that has transferred from supportive maintenance, contracted services and maintenance fees for service.

**PROTECTIVE SERVICES** – No increase or decrease proposed for 2010 over 2009 figures.

**OTHER GENERAL EXPENSES** – A 21% increase is proposed for 2010 over 2009 figures primarily due to projected increases in PILOT, collection loss, and extraordinary maintenance items.

**NONROUTINE** – A 632% increase is proposed for 2010 over 2009 figures due to increased replacement and betterment needs.

**CFFP INTEREST EXPENSES** – Interest expenses for debt related to renovation work performed at Lonsdale Homes and Christenberry Heights: \$874,960

**OTHER INTEREST EXPENSE** – Interest expense for debt related to the energy performance contract (previously classified in “other utility expenses”): 440,240

**NET INCOME: \$2,413,800**

**EXECUTIVE SUMMARY  
PROPOSED 2010 BUDGET  
CONVENTIONAL PUBLIC HOUSING**

**CHANGES FROM FY09 TO FY10:**

**OPERATING SUBSIDY** – Subsidy is estimated at \$13,651,340 (11% increase from Fiscal Year 09 figure of \$12,244,010). This represents the direct payment from HUD based on the operating fund formula including add-ons, and is estimated at 88% of the formula calculation. Funding amounts will vary based upon final distribution.

**PROVISION FOR OPERATING RESERVE** – Shows KCDC taking \$2,413,800 to reserves.

Historical Reserve Information:

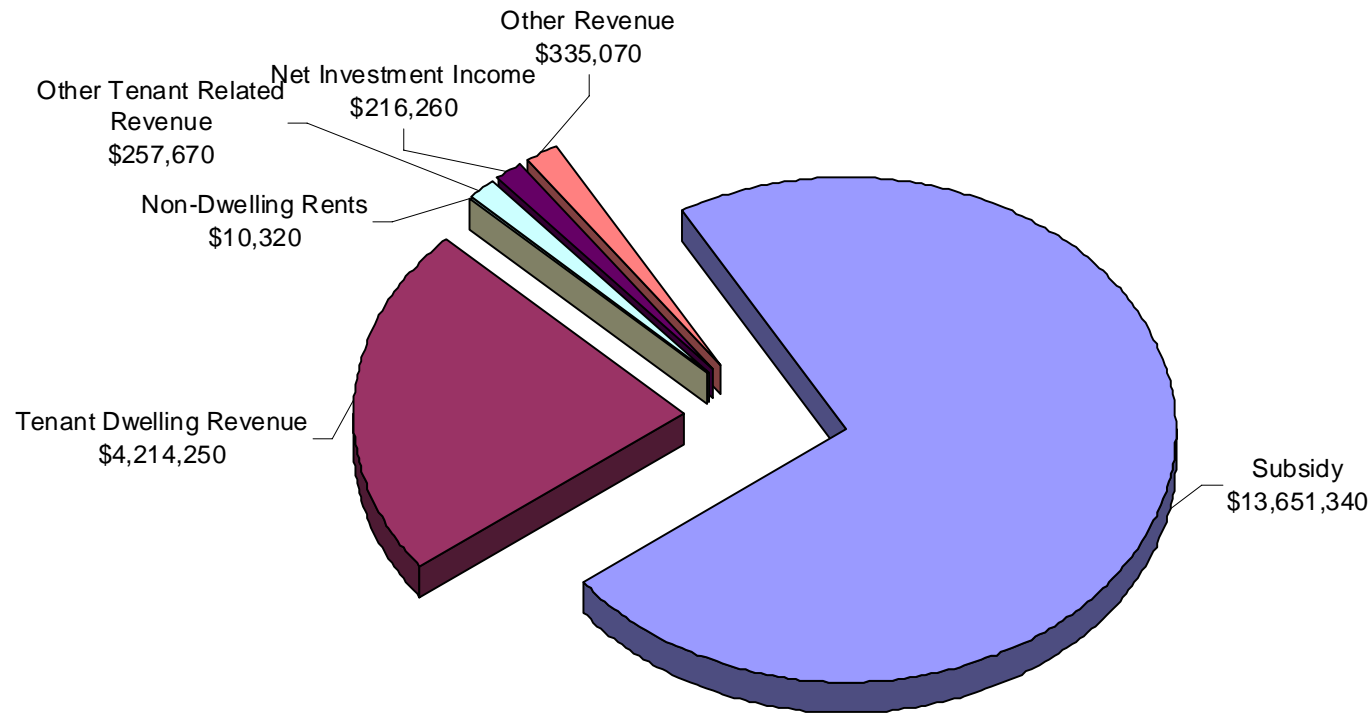
(Fiscal Year 2002 - KCDC Actual: \$48,871 to reserves)  
(Fiscal Year 2003 - KCDC Actual: \$1,438,617 to reserves)  
(Fiscal Year 2004 - KCDC Actual: \$354,797 to reserves)  
(Fiscal Year 2005 - KCDC Actual: \$1,147,611 to reserves)  
(Fiscal Year 2006- KCDC Actual: \$1,147,641 from reserves)  
(Fiscal Year 2007- KCDC Actual: \$583,564 from reserves)  
(Fiscal Year 2008- KCDC Actual: \$713,593 to reserves) (includes transfer to COCC-asset Management)

The Fiscal Year 2010 increase to reserves will adjust our reserve level to 240% of six months of total routine expenditures or 120% of total routine expenditures for the entire budgeted year.

Reserves as of June 30, 2008	13,561,022
Fiscal Year 2009 estimate increase to reserves	3,500,000
Reserves estimated at June 30, 2009	17,061,022
Fiscal Year 2010 Estimated increase to reserves	2,413,800
Reserves (estimated) as of June 30, 2010	19,474,822



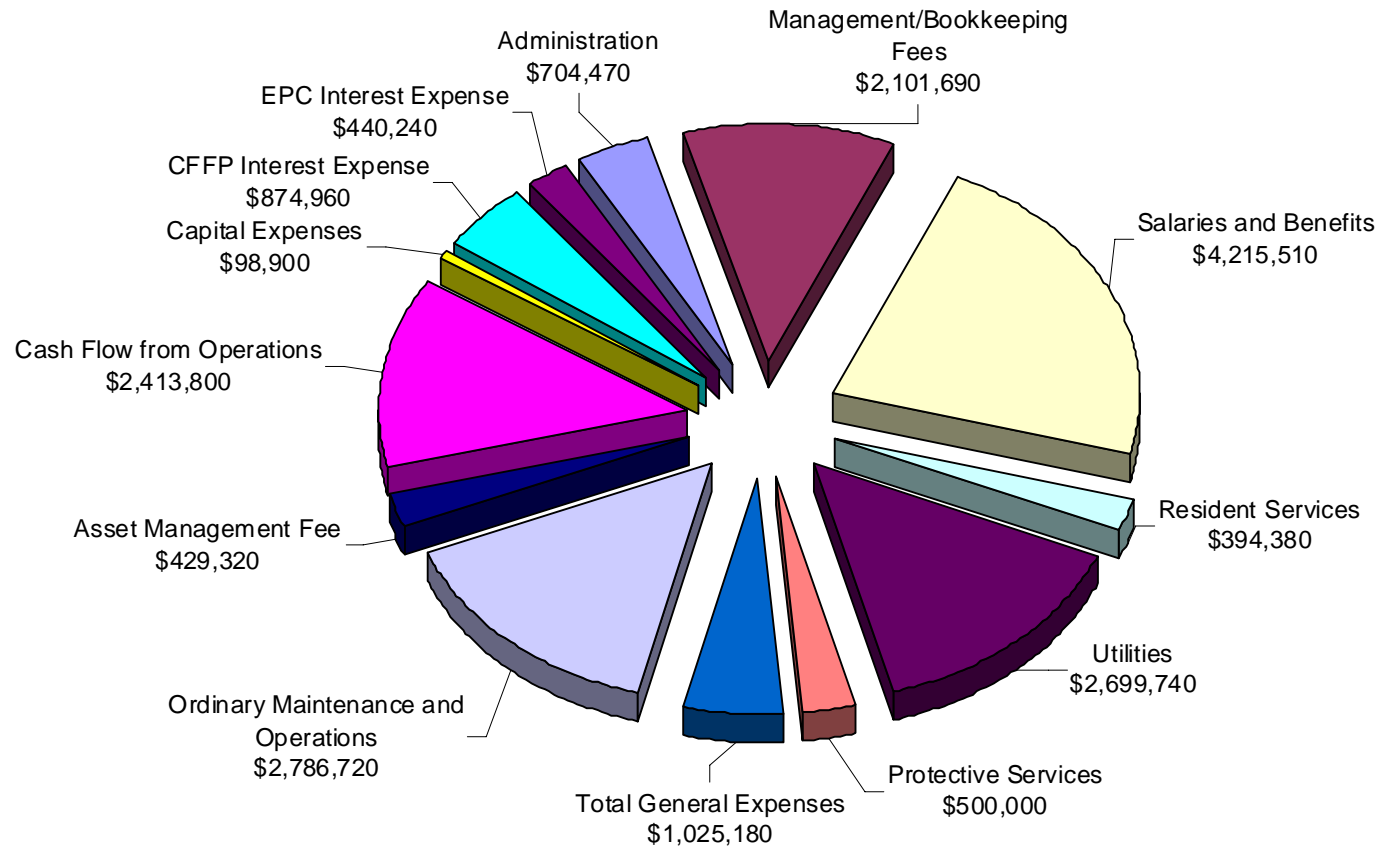
# Operating Budget



**Total Revenue FY 2010**  
**\$ 18,684,910**



# Operating Budget



**Total Expenses and Cash Flow  
FY 2010  
\$ 18,684,910**



Knoxville's Community Development Corporation  
Public Housing Site Budgets  
July 1, 2009 to June 30, 2010

	Western Heights (3-1/4)	Lonsdale /Mechanicsville (3-5/21/26/27)	Austin Homes (3-6)	Love Towers (3-7)	Taylor Homes (3-8)	Lee Williams (3-9)	Cagle Terrace (3-10)	Northgate Terrace (3-11)	Christenberry Heights (3-12)	Montgomery Village (3-13/14)	Isabella Towers (3-18)	Passport Homes (3-22)	Passport Residences (3-23)	The Vista (3-25)	The Verandas (3-28)
Family / Elderly	Family	Family	Family	Elderly	Family	Elderly	Elderly	Elderly	Family	Family	Elderly	Family	Family	Family	Elderly
Scattered Site	No	No	No	No	No	No	No	No	No	No	No	Yes	Yes	No	No
Mixed Finance	No	No	No	No	No	No	No	No	No	No	No	Yes	Yes	No	No
Age	1949	1959	1963	1966	1967	1967	1969	1969	1973	1972	1975	2001	2003	2003	2005
Recent or Current Renovation	Yes	Yes	No	No	No	No	No	No	Yes	Yes	No	No	No	No	No
APC Units at 6/30/09 (PDC + Non-Dwelling Conversion + new)	3,639	688	286	129	249	230	270	274	277	270	452	236	11	50	175
Projected APC Units at 6/30/2010 (Units: PDC + Non-Dwelling (+) conversion (+) new)	3,579	688	286	129	249	230	278	274	277	270	384	236	11	50	175
Average Bedroom Size	1.66	2.31	2.51	2.38	0.71	2.56	0.67	0.09	0.10	2.54	2.65	0.09	2.45	2.14	1.97
Number of Turnovers (12 mo period 7/08-6/09)	1,215	193	136	45	75	76	52	85	85	157	157	70	5	14	60
Average Occupancy % rate (adjusted) at (12 mo period 7/08-6/09)	98%	96%	99%	96%	100%	98%	99%	100%	99%	99%	98%	99%	99%	99%	98%
Projected FY 2010 Occupancy % rate	98%	98%	97%	97%	99%	97%	98%	100%	98%	98%	98%	99%	97%	98%	99%
Projected FY 2010 Unit Months Occupancy	38,244	5,580	3,297	1,452	2,952	2,640	3,248	3,240	3,216	3,149	3,420	2,784	128	588	2,052
Projected FY 2010 Unit Months Approved Non-Dwelling	324	36	12	48	12	24	36	24	36	24	60	12	0	0	0
Projected FY 2010 Unit Months Approved Employee Eligible	36	0	12	0	0	0	12	0	0	0	0	0	0	0	12
Projected FY 2010 Projected Unit Months Mod Vacancies	3,552	2,472	0	0	0	24	0	0	0	0	1,056	0	0	0	0

	Western Heights (3-1/4)	Lonsdale /Mechanicsville (3-5/21/26/27)	Austin Homes (3-6)	Love Towers (3-7)	Taylor Homes (3-8)	Lee Williams (3-9)	Cagle Terrace (3-10)	Northgate Terrace (3-11)	Christenberry Heights (3-12)	Montgomery Village (3-13/14)	Isabella Towers (3-18)	Passport Homes (3-22)	Passport Residences (3-23)	The Vista (3-25)	The Verandas (3-28)
Dwelling Rentals:															
Gross Potential Rent	4,267,770	47,650	294,060	68,650	641,380	(6,320)	375,520	603,970	717,790	581,910	124,590	395,530	0	0	337,860
Vacancy Loss	53,520	1,000	8,570	2,210	2,600	(140)	4,110	2,240	10,560	9,990	2,150	3,380	0	0	5,830
Net Dwelling Rentals	4,214,250	46,650	285,490	66,440	638,780	(6,180)	371,410	601,730	707,230	571,920	122,440	392,150	0	0	332,030
Other Rental Income	257,670	41,000	38,840	15,110	3,060	17,200	9,580	11,900	1,100	19,660	48,260	16,590	0	0	35,030
Excess Utilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-dwelling Rentals	10,320	0	0	0	0	0	0	0	0	0	10,320	0	0	0	0
Subsidy:															
Gross Subsidy	15,593,590	3,687,320	1,270,060	735,730	728,890	1,260,500	1,019,530	782,830	672,940	1,351,220	2,321,650	800,180	46,930	218,830	608,290
Subsidy Loss - Vacancy	(80,710)	(23,640)	(6,720)	(7,290)	(2,930)	(17,200)	0	(2,860)	(4,860)	(4,880)	(5,140)	(2,000)	0	0	(3,190)
Proration Loss (unfunded)	(1,861,540)	(439,640)	(151,600)	(87,410)	(87,120)	(149,200)	(122,350)	(93,590)	(80,170)	(161,560)	(277,980)	(95,780)	(5,630)	(26,260)	(72,610)
Net Subsidy	13,651,340	3,224,040	1,111,740	641,030	638,840	1,094,100	897,180	686,380	587,910	1,184,780	2,038,530	702,400	41,300	192,570	532,490
Capital Funding (1406)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Funding (1408)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Funding (1410)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer from Central Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investment Income	216,260	26,770	29,110	5,280	19,210	8,270	14,500	21,900	21,100	23,770	19,030	14,490	440	1,710	7,950
Other Income	335,070	140,180	0	0	19,120	0	17,630	14,590	0	0	9,400	8,770	12,990	112,390	2,730
Total Revenue	18,684,910	3,478,640	1,465,180	727,860	1,319,010	1,113,390	1,292,670	1,339,540	1,331,930	1,800,130	2,228,260	1,145,350	50,510	207,270	1,019,890

	Western Heights (3-1/4)	Lonsdale /Mechanicsville (3-5/21/26/27)	Austin Homes (3-6)	Love Towers (3-7)	Taylor Homes (3-8)	Lee Williams (3-9)	Cagle Terrace (3-10)	Northgate Terrace (3-11)	Christenberry Heights (3-12)	Montgomery Village (3-13/14)	Isabella Towers (3-18)	Passport Homes (3-22)	Passport Residences (3-23)	The Vista (3-25)	The Verandas (3-28)
Administrative Salaries	1,355,760	164,810	106,740	54,450	121,290	86,090	93,080	127,190	131,420	119,760	120,580	119,790	4,220	19,210	75,200
Benefits (per actual %, varies by site)	482,410	68,700	36,150	17,910	35,300	29,980	31,790	46,710	39,390	49,740	39,410	50,000	1,520	6,940	24,740
Compensated Absences	94,560	7,500	6,220	5,980	4,300	8,420	16,870	12,700	6,000	2,560	8,090	6,250	90	480	8,310
Legal	59,480	11,530	3,410	6,050	630	1,340	6,270	12,780	770	3,540	9,490	2,820	0	0	650
Staff Training	15,570	2,180	1,400	460	780	1,230	1,640	1,860	1,340	890	1,000	1,730	60	260	640
Travel	27,750	3,020	2,720	1,130	2,690	1,320	1,540	2,720	2,720	2,720	2,610	2,690	0	30	1,590
Audit	32,150	4,820	2,890	1,290	2,570	2,250	2,570	2,570	2,570	2,570	2,890	2,260	0	640	1,930
Telephone	77,990	9,360	5,870	3,690	6,230	4,090	5,020	9,420	7,390	7,150	7,330	5,400	220	1,160	4,840
Computer Support	27,700	3,820	5,970	780	1,270	1,440	1,610	1,220	2,390	2,500	2,850	1,470	240	700	1,220
Office Expenses	19,620	3,500	1,100	500	1,180	2,000	2,350	2,000	1,750	1,240	1,000	2,000	100	200	500
Advertising and Marketing	4,530	250	1,000	200	500	100	100	500	500	500	500	500	0	0	50
Management Fee	1,779,120	339,150	139,050	62,810	124,100	113,050	137,500	137,710	136,160	132,850	215,540	117,570	4,910	11,630	86,240
Bookkeeping Fee	322,570	60,750	24,910	11,250	22,230	20,250	24,630	24,570	24,390	23,800	40,140	21,060	960	4,410	15,480
CPM Management Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Centralized Front-Line Service Fee (Administrative Fee)	125,720	18,860	11,220	5,650	9,740	8,670	9,740	9,740	9,740	9,740	11,220	8,670	0	3,090	8,160
Court Costs	119,710	27,800	7,000	6,910	2,000	11,500	11,500	2,500	1,000	6,500	20,000	10,000	0	0	12,000
Administrative Other	194,250	6,190	9,880	960	2,440	2,990	2,870	2,920	3,160	7,430	3,150	1,190	38,990	110,070	1,900
Total Administrative	4,738,890	732,240	365,530	180,020	337,250	294,720	349,080	397,110	370,690	373,190	485,800	353,400	51,310	158,820	243,450

	Western Heights (3-1/4)	Lonsdale /Mechanicsville (3-5/21/26/27)	Austin Homes (3-6)	Love Towers (3-7)	Taylor Homes (3-8)	Lee Williams (3-9)	Cagle Terrace (3-10)	Northgate Terrace (3-11)	Christenberry Heights (3-12)	Montgomery Village (3-13/14)	Isabella Towers (3-18)	Passport Homes (3-22)	Passport Residences (3-23)	The Vista (3-25)	The Verandas (3-28)
Resident Services Salaries	209,200	25,950	15,570	6,920	13,840	12,110	50,030	13,840	13,840	13,840	15,570	12,110	0	3,460	10,380
Benefits (per actual %, varies by site)	57,510	6,980	4,190	1,850	3,700	3,240	14,790	3,710	3,710	3,710	4,200	3,250	0	920	2,790
Resident Services Materials	730	0	0	0	0	0	0	0	0	0	0	730	0	0	0
Resident Participation	74,610	12,850	4,250	2,950	6,200	5,350	6,500	6,750	6,800	3,350	7,780	5,830	140	1,250	4,080
Resident Services Contracts	319,040	27,580	8,610	970	46,880	21,670	15,890	49,880	50,380	25,980	25,200	45,190	0	190	520
Total Resident Services	661,090	73,360	32,620	12,690	70,620	42,370	87,210	74,180	74,730	46,880	52,750	67,110	140	5,820	17,770

	Western Heights (3-1/4)	Lonsdale /Mechanicsville (3-5/21/26/27)	Austin Homes (3-6)	Love Towers (3-7)	Taylor Homes (3-8)	Lee Williams (3-9)	Cagle Terrace (3-10)	Northgate Terrace (3-11)	Christenberry Heights (3-12)	Montgomery Village (3-13/14)	Isabella Towers (3-18)	Passport Homes (3-22)	Passport Residences (3-23)	The Vista (3-25)	The Verandas (3-28)
Gas	53,540	9,160	810	6,670	0	4,970	3,140	0	0	28,790	0	0	0	0	0
Electric	1,410,290	85,190	45,180	12,050	215,910	24,820	276,710	185,020	201,790	59,880	58,440	212,450	0	0	29,180
Water	361,180	73,670	7,360	18,350	15,080	19,300	22,650	14,880	16,470	29,600	92,600	23,900	0	0	21,880
Sewer	874,730	161,240	13,020	42,650	28,640	50,940	59,800	28,960	31,410	72,290	257,610	50,770	0	0	49,710
Total Utilities	2,699,740	349,260	66,370	79,720	259,630	100,030	362,300	228,860	249,670	190,360	408,650	287,120	0	0	100,770



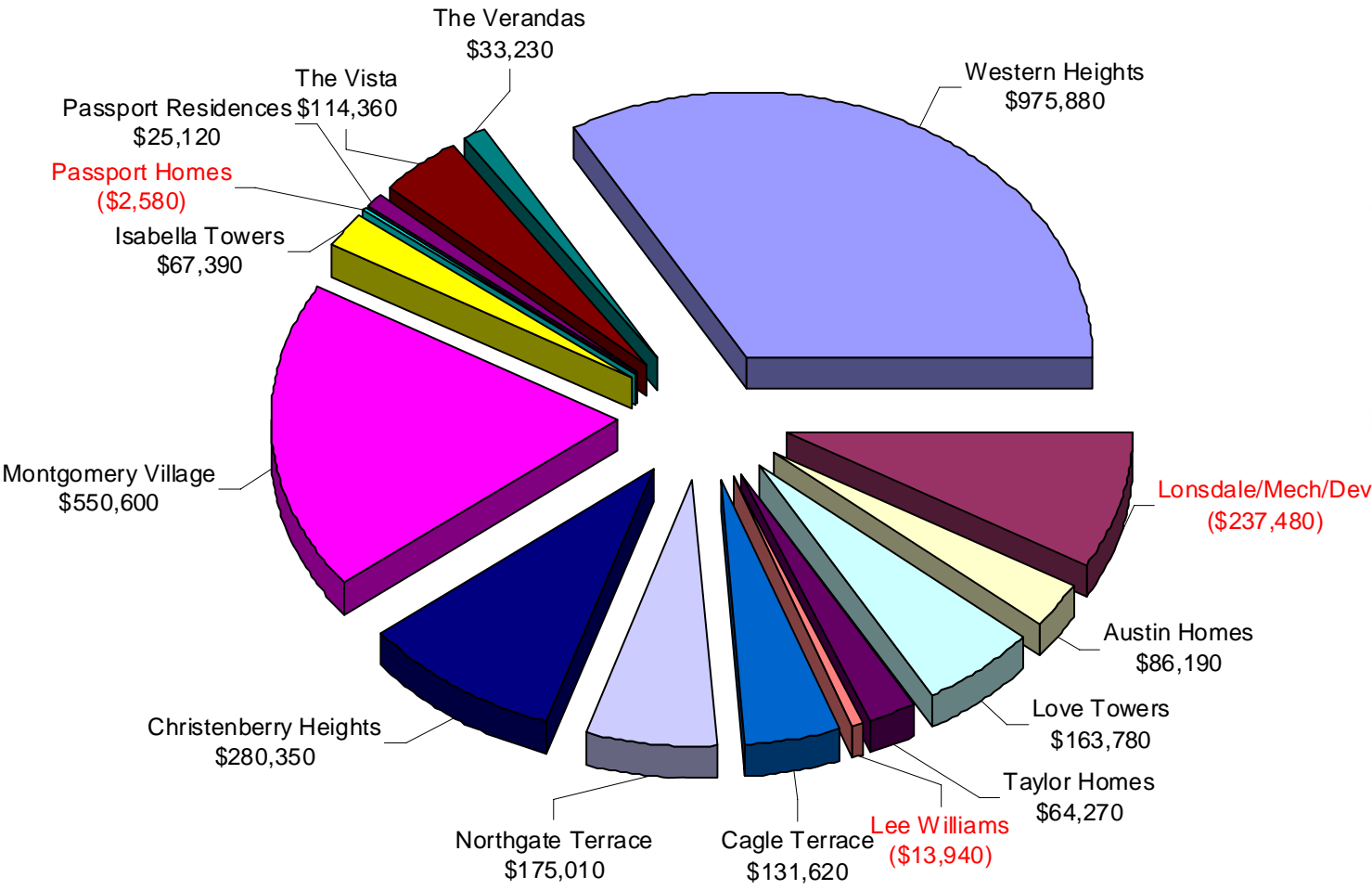
Knoxville's Community Development Corporation  
Public Housing Site Budgets  
July 1, 2009 to June 30, 2010

	Totals, Low-Rent	Western Heights (3-14)	Lensdale /Mechanicsville (3-5/21/26/27)	Austin Homes (3-6)	Love Towers (3-7)	Taylor Homes (3-8)	Lee Williams (3-9)	Cagle Terrace (3-10)	Northgate Terrace (3-11)	Christenberry Heights (3-12)	Montgomery Village (3-13/14)	Isabella Towers (3-18)	Passport Homes (3-22)	Passport Residencies (3-23)	The Vista (3-25)	The Verandas (3-28)
Maintenance Salaries	1,492,580	330,320	147,160	81,660	69,470	128,280	150,580	71,760	57,940	102,390	166,450	57,330	0	0	112,780	16,460
Benefits (per actual %; varies by site)	523,490	112,500	49,160	25,400	18,330	47,810	56,150	18,630	28,020	27,760	67,780	30,370	0	0	34,880	6,700
Maintenance Materials	550,460	87,080	98,740	29,200	29,610	59,150	35,980	33,080	38,960	53,650	45,030	17,180	0	0	20,770	2,030
Specialized Maintenance: Pest Control (materials)	4,380	710	170	170	610	100	100	460	100	460	490	580	0	0	330	100
Specialized Maintenance: Vacant/Occupied Painting (materials)	4,100	400	130	370	290	500	180	530	410	320	470	210	0	0	90	200
Specialized Maintenance: Concrete Sidewalks (materials)	11,980	1,980	3,410	680	560	2,230	1,180	0	160	0	0	0	0	0	1,780	0
Specialized Maintenance: HVAC (materials)	24,070	830	5,410	1,290	1,560	80	800	0	770	6,420	0	2,760	0	0	4,150	0
Specialized Maintenance: Plumbing (materials)	27,850	6,690	3,230	2,980	80	120	1,710	1,030	600	4,820	3,800	0	0	0	2,790	0
Specialized Maintenance: Grounds (materials)	28,120	10,250	1,660	190	10,030	70	680	1,030	0	0	0	0	0	0	4,210	0
Maintenance Contracts	210,230	24,500	31,400	15,730	6,610	6,390	9,060	18,790	4,380	12,000	17,000	10,590	0	0	52,280	1,500
Specialized Maintenance: Grounds	360,940	126,050	60,130	15,750	3,750	33,450	8,890	6,660	8,190	28,920	30,830	2,460	0	0	33,620	2,240
Specialized Maintenance: Vehicle Maintenance	51,400	9,500	11,620	3,340	0	4,620	5,360	0	0	6,000	5,690	0	0	0	4,490	780
Specialized Maintenance: Welding	15,300	1,000	4,500	300	500	1,500	1,500	1,000	500	500	2,000	1,000	0	0	500	500
Specialized Maintenance: Exterior Painting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Specialized Maintenance: Pest Control (fees for service)	112,550	11,750	10,190	5,340	14,500	7,720	6,130	7,860	7,020	9,420	10,400	12,050	0	0	8,440	1,730
Specialized Maintenance: Vacant/Occupied Painting (fees for service)	420,150	88,170	30,070	18,190	31,410	41,140	21,910	30,600	31,570	27,940	39,440	21,330	0	0	36,300	2,080
Specialized Maintenance: Concrete Sidewalks (fees for service)	140,180	0	20,610	11,240	5,490	45,140	12,100	2,090	6,550	2,860	12,390	2,500	0	0	18,200	1,010
Specialized Maintenance: HVAC (fees for service)	112,390	7,000	16,180	0	17,240	11,560	5,950	4,460	5,550	26,100	7,630	9,670	0	0	0	1,050
Specialized Maintenance: Plumbing (fees for service)	323,160	107,170	20,560	18,930	4,680	25,420	11,130	20,500	19,210	20,630	41,500	9,840	0	0	22,670	920
Specialized Maintenance: Bulky Debris Pickup (fees for service)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Specialized Maintenance: Pest Control (contracted costs)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Specialized Maintenance: Vacant/Occupied Painting (contracted costs)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Specialized Maintenance: Concrete Sidewalks (contracted costs)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Specialized Maintenance: HVAC (contracted costs)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Specialized Maintenance: Plumbing (contracted costs)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Specialized Maintenance: Bulky Debris Pickup (contracted costs)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Elevator Service	124,670	0	0	0	34,940	0	0	41,590	26,720	0	0	18,800	0	0	0	2,620
Electrical Service	16,580	500	500	1,080	1,000	500	500	1,500	1,000	500	500	500	0	0	8,000	500
Trash Removal	248,210	54,990	20,990	14,990	10,220	22,040	25,070	6,620	5,740	23,430	36,750	8,320	0	0	18,140	910
<b>Total Maintenance</b>	<b>4,802,790</b>	<b>981,390</b>	<b>535,820</b>	<b>246,830</b>	<b>260,880</b>	<b>437,820</b>	<b>354,960</b>	<b>268,190</b>	<b>243,390</b>	<b>354,120</b>	<b>488,150</b>	<b>205,490</b>	<b>0</b>	<b>0</b>	<b>384,420</b>	<b>41,330</b>
Security Labor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Materials	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Contracts	500,000	75,000	45,000	20,000	40,000	35,000	40,000	40,000	40,000	40,000	45,000	35,000	0	10,000	30,000	5,000
<b>Total Protective Services</b>	<b>500,000</b>	<b>75,000</b>	<b>45,000</b>	<b>20,000</b>	<b>40,000</b>	<b>35,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	<b>45,000</b>	<b>35,000</b>	<b>0</b>	<b>10,000</b>	<b>30,000</b>	<b>5,000</b>
Insurance:																
Property	152,130	26,310	11,220	4,960	14,970	8,890	10,540	11,170	16,620	10,640	17,340	11,050	0	0	6,810	1,610
General Liability	107,830	20,540	8,620	4,120	7,420	7,030	8,240	8,280	8,250	8,130	13,540	7,090	0	0	5,320	1,250
Fidelity	15,860	2,520	1,520	600	1,130	1,000	1,250	1,230	1,160	1,410	1,870	1,090	30	120	780	150
Workers Compensation	81,000	12,000	7,550	3,280	5,710	6,620	8,030	6,030	5,630	5,650	8,430	5,050	290	1,390	4,510	830
Other	13,270	3,110	1,310	580	530	980	1,150	390	590	1,310	1,940	390	0	0	800	190
PILOT	222,300	0	21,910	0	37,920	0	910	37,290	45,760	38,160	0	10,500	0	0	23,130	6,720
Bad Debt Expense (Collection Loss)	344,800	63,940	21,870	28,490	2,230	30,280	16,440	17,140	3,920	17,140	59,370	23,130	0	0	58,360	2,490
Other General Expense	6,990	700	700	290	700	320	380	700	700	700	640	700	0	0	410	50
Extraordinary Maintenance	81,000	0	0	6,000	20,000	20,000	5,000	0	21,500	7,500	0	0	0	0	1,000	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total General Expenses</b>	<b>1,025,180</b>	<b>129,120</b>	<b>74,700</b>	<b>48,320</b>	<b>90,610</b>	<b>75,120</b>	<b>51,940</b>	<b>82,230</b>	<b>104,130</b>	<b>90,640</b>	<b>103,130</b>	<b>59,000</b>	<b>320</b>	<b>1,510</b>	<b>101,120</b>	<b>13,290</b>
<b>Total Expenses, excl. Asset Management</b>	<b>14,427,690</b>	<b>2,340,370</b>	<b>1,120,040</b>	<b>587,580</b>	<b>1,058,990</b>	<b>985,060</b>	<b>1,245,490</b>	<b>1,090,570</b>	<b>1,082,610</b>	<b>1,095,190</b>	<b>1,583,480</b>	<b>1,007,120</b>	<b>51,770</b>	<b>176,150</b>	<b>877,530</b>	<b>125,740</b>
Asset Management	429,320	82,560	34,320	15,480	29,880	27,600	33,200	32,880	33,240	32,400	46,080	28,320	1,320	6,000	21,000	5,040
Other: Energy Perf Contract	440,240	57,830	14,920	38,610	46,360	31,460	20,920	79,470	38,070	22,210	46,600	42,520	0	0	0	1,270
CRFP Interest Expense	874,960	0	524,980	0	0	0	0	0	0	349,880	0	0	0	0	0	0
<b>Total Expenses</b>	<b>16,172,210</b>	<b>2,480,760</b>	<b>1,694,260</b>	<b>641,670</b>	<b>1,135,230</b>	<b>1,044,120</b>	<b>1,299,610</b>	<b>1,202,920</b>	<b>1,153,920</b>	<b>1,499,780</b>	<b>1,676,160</b>	<b>1,077,960</b>	<b>53,090</b>	<b>182,150</b>	<b>898,530</b>	<b>132,050</b>
Cash Flow from Operations	2,512,700	997,880	(229,080)	86,190	183,780	69,270	(6,940)	136,620	178,010	300,350	552,100	67,390	(2,580)	25,120	121,360	33,230
Transfers between AMPs	0	(92,920)	237,480	(8,210)	(15,590)	(6,120)	13,940	(12,530)	(16,660)	(26,890)	(52,420)	(6,420)	2,580	(2,390)	(10,890)	(3,160)
Capital Expenses	98,900	22,000	8,400	0	20,000	5,000	7,000	5,000	3,000	20,000	1,500	0	0	0	7,000	0
<b>Net per Budget Statement</b>	<b>2,413,800</b>	<b>882,960</b>	<b>0</b>	<b>77,980</b>	<b>148,190</b>	<b>58,150</b>	<b>0</b>	<b>119,090</b>	<b>158,350</b>	<b>253,660</b>	<b>498,180</b>	<b>60,970</b>	<b>0</b>	<b>22,730</b>	<b>103,470</b>	<b>30,070</b>

# Public Housing Operating Program



Net Income (Loss) by Property



**Total Net Income (Loss) FY 2010 \$ 2,413,800**



**FY 2010  
Non-Routine Budget**

**Extraordinary Maintenance**

<b>Description</b>	<b>Project</b>	<b># of Units</b>	<b>Estimated Cost</b>
Clean around guttering/Parking Lot Repair	3-6	N/A	\$ 6,000.00
Containment wall/Parking Lot Repair/Replace Fire Pump	3-7	N/A	\$20,000.00
Repair Abatement Units/Replace guttering	3-8	N/A	\$20,000.00
Repair Guttering	3-9	N/A	\$ 5,000.00
Repair Garage Door/Parking Lot Repair/Repair Patio Door/Replace Exterior Doors	3-11	N/A	\$21,500.00
Remove Asbestos—15 units	3-12	N/A	\$ 7,500.00
Parking Lot Repair	3-25	N/A	\$ 1,000.00
<b>TOTAL</b>			<b>\$81,000.00</b>

**Betterments and Additions**

<b>Description</b>	<b>Project</b>	<b># of Units</b>	<b>Item Cost</b>	<b>Estimated Cost</b>
Sign/Roof repair & windows	3-12	N/A	\$ 10,000.00	\$ 10,000.00
Repair Roof/Parking Lot	3-25	N/A	\$ 7,000.00	\$ 7,000.00
<b>TOTAL</b>				<b>\$ 17,000.00</b>



## Replacements

Description	Project	# of Units	Item Cost	Estimated Cost
MAD-VAC	3-1	1	\$ 22,000.00	\$ 22,000.00
Dumpsters	3-5	6	\$ 8,400.00	\$ 8,400.00
Hardcover awning-lobby furniture	3-7	1	\$ 20,000.00	\$ 20,000.00
Ranges	3-8	15	\$ 5,000.00	\$ 5,000.00
Ranges	3-9	20	\$ 7,000.00	\$ 7,000.00
Security Cameras	3-10	10	\$ 5,000.00	\$ 5,000.00
Dumpsters	3-11	2	\$ 1,500.00	\$ 3,000.00
Mule	3-12	1	\$ 10,000.00	\$ 10,000.00
Dumpster	3-13	1	\$ 1,500.00	\$ 1,500.00
<b>TOTAL</b>				<b>\$ 81,900.00</b>

**Total cost for Extraordinary Maintenance and Replacements:     \$179,900.00**

**EXECUTIVE SUMMARY  
PROPOSED 2010 BUDGET  
THE CENTRAL OFFICE COST CENTER**

**CHANGES FROM FY09 TO FY10:**

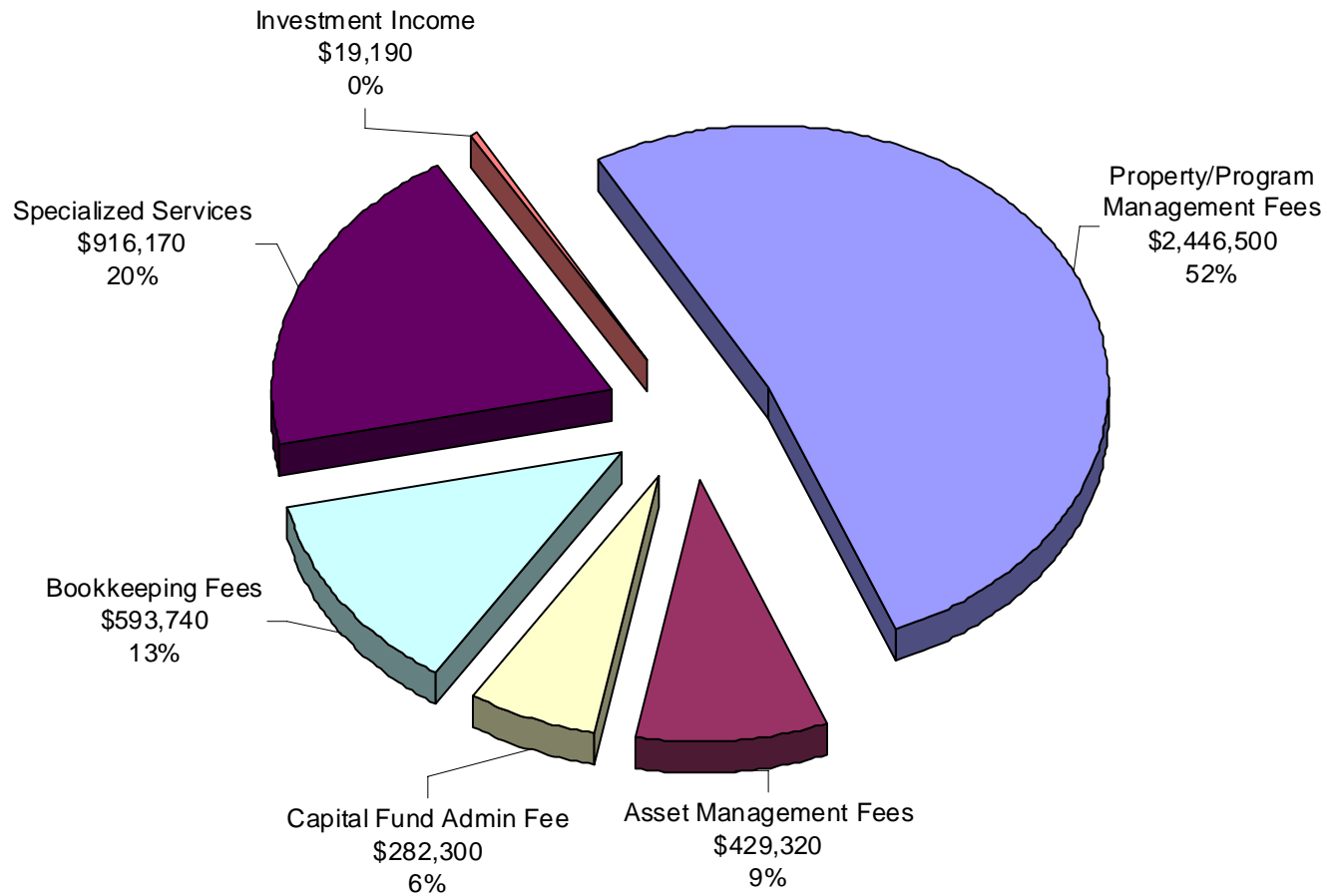
**CENTRAL OFFICE COST CENTER:**

**TOTAL REVENUE:** A decrease of 2% is proposed for 2010 over 2009 figures. This decrease is due to a projected decrease in fees for service that are the result of business model changes.

**TOTAL EXPENSES:** An increase of less than 1% is proposed for 2010 over 2009 figures. This increase is primarily due to an increase in administrative expenses related to the proposed new legal fee schedule and computer support expenses that were previously funded from our Capital Fund program.

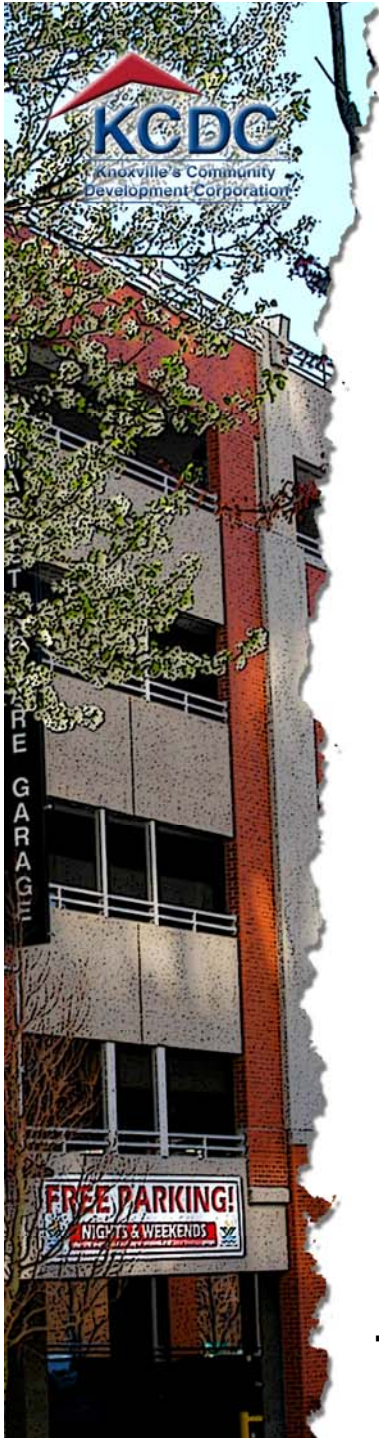
**NET INCOME:** Proposed at -0-. Cost Center operates as a self-sufficient business activity.

# Central Office Cost Center Budget

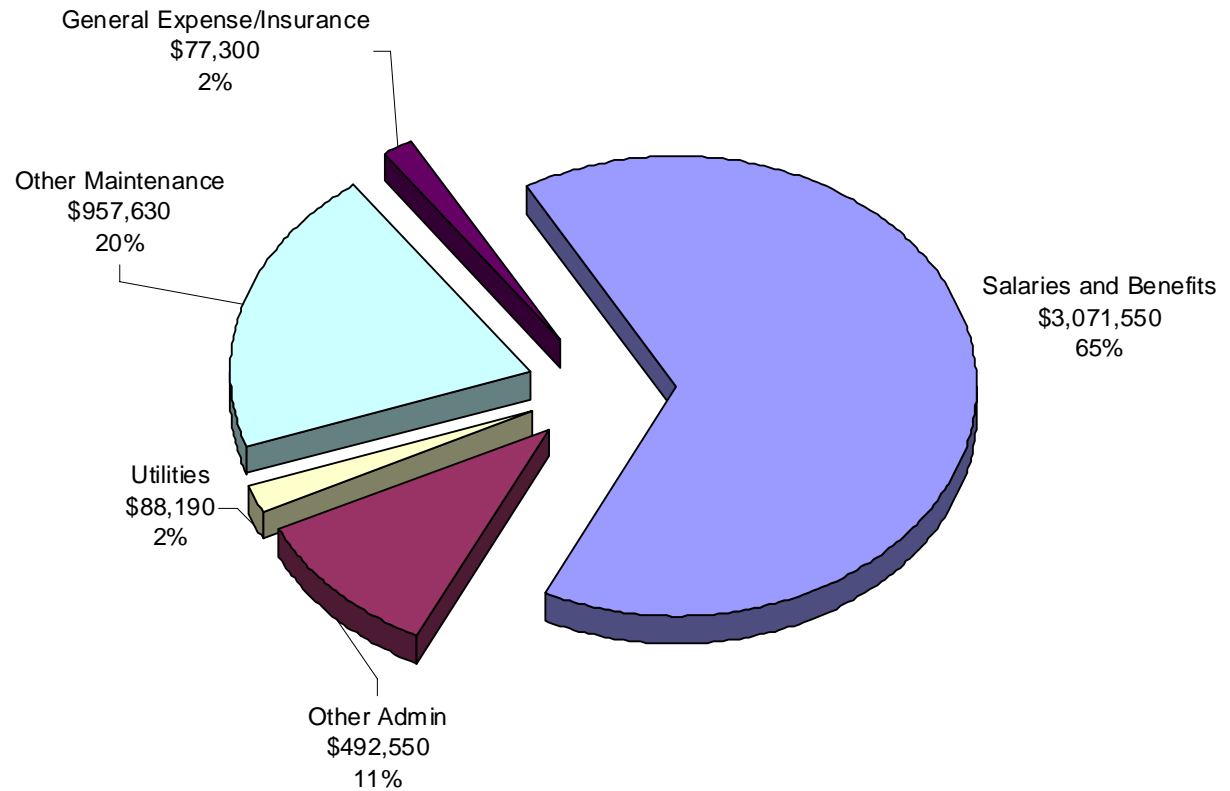


**Total Revenue FY 2010 \$ 4,687,220**





# Central Office Cost Center Budget



**Total Expenses FY 2010 \$ 4,687,220**

**Total Net Income (Loss) 0**



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**CENTRAL OFFICE COST CENTER**  
**JULY 1, 2009 - JUNE 30, 2010**

**REVENUE**

Public Housing Management Fees	1,778,760
Public Housing Bookkeeping Fees	322,570
Public Housing Asset Management Fee	429,320
Other Program Management Fees	239,770
Other Program Bookkeeping Fees	3,690
Housing Choice Voucher Program Management Fees	427,970
Housing Choice Voucher Program Bookkeeping Fees	267,480
Capital Fund Administrative Fee	282,300
Fee For Specialized Service - Pest Control	112,550
Fee For Specialized Service - Interior Painting	453,570
Fee For Specialized Service - HVAC	0
Fee For Specialized Service - Plumbing	350,050
Fee For Specialized Service - Concrete Sidewalks	0
Fee For Specialized Service - Bulky Debris Pickup	0
Interest Income	19,190

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<b>TOTAL REVENUE</b>	<b>\$</b>	<b>4,687,220</b>
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**EXPENSES**

Administrative Salaries	2,269,700
Administrative Benefits: General	705,820
Compensated Absences	96,030
Legal Fees	43,130
Staff Training	29,700
Travel / Meetings	114,750
Audit	3,590
Computer Support	80,650
Telephone	49,230
Office Supplies and Furnishings	25,760
Advertising and Marketing	2,250
Other Administrative Expenses (Sundry)	143,490

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<b>Total Administrative Expense</b>	<b>\$</b>	<b>3,564,100</b>
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Water	7,890
Electricity	46,600
Gas	31,140
Sewer	2,560
Other utilities expense	-

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<b>Total Utilities</b>	<b>\$</b>	<b>88,190</b>
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Maintenance Salaries	518,270
Maintenance Benefits: General	220,750
Materials	108,410
Garbage and Trash Disposal	3,080
Contract Costs	107,120

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<b>Total Maintenance</b>	<b>\$</b>	<b>957,630</b>
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Insurance : Property	3,600
Insurance: General Liability	120
Insurance: Fidelity	3,290
Insurance: Worker's Compensation	61,340
Insurance: Other	8,950

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<b>Total General Expense</b>	<b>\$</b>	<b>77,300</b>
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<b>Total Other General Expense</b>	<b>\$</b>	<b>-</b>
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<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>4,687,220</b>
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<b>Net Income Before Operating Transfer to Public Housing Operations</b>	<b>\$</b>	<b>-</b>
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<b>Operating Transfer to Public Housing Operations</b>	<b>\$</b>	<b>-</b>
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<b>Net Income</b>	<b>\$</b>	<b>-</b>
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<b>Replacement Reserve</b>	<b>\$</b>	<b>-</b>
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<b>NET INCOME, NET OF RESERVES</b>	<b>\$</b>	<b>-</b>
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**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**CENTRAL OFFICE COST CENTER**  
**(204 Housing Administration)**  
**JULY 1, 2009 - JUNE 30, 2010**

**REVENUE**

Public Housing Management Fees	675,930
Public Housing Bookkeeping Fees	122,580
Public Housing Asset Management Fee	163,140
Other Program Management Fees	91,110
Other Program Bookkeeping Fees	1,400
Housing Choice Voucher Program Management Fees	162,620
Housing Choice Voucher Program Bookkeeping Fees	101,640
Capital Fund Administrative Fee	107,270
Fee For Specialized Service - Pest Control	112,550
Fee For Specialized Service - Interior Painting	453,570
Fee For Specialized Service - HVAC	0
Fee For Specialized Service - Plumbing	350,050
Fee For Specialized Service - Concrete Sidewalks	0
Fee For Specialized Service - Bulky Debris Pickup	0
Interest Income	0

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<b>TOTAL REVENUE</b>	<b>\$ 2,341,860</b>
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**EXPENSES**

Administrative Salaries	485,720
Administrative Benefits: General	158,330
Compensated Absences	37,780
Legal Fees	21,910
Staff Training	9,070
Travel / Meetings	30,360
Audit	0
Computer Support	1,660
Telephone	15,330
Office Supplies and Furnishings	4,380
Advertising and Marketing	500
Other Administrative Expenses (Sundry)	20,660

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<b>Total Administrative Expense</b>	<b>\$ 785,700</b>
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Water	3,020
Electricity	13,500
Gas	19,890
Sewer	1,300
Other utilities expense	0

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<b>Total Utilities</b>	<b>\$ 37,710</b>
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Maintenance Salaries	515,200
Maintenance Benefits: General	219,610
Materials	105,500
Garbage and Trash Disposal	1,490
Contract Costs	53,930

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<b>Total Maintenance</b>	<b>\$ 895,730</b>
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Insurance : Property	1,550
Insurance: General Liability	60
Insurance: Fidelity	1,320
Insurance: Worker's Compensation	43,790
Insurance: Other	7,730

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<b>Total General Expense</b>	<b>\$ 54,450</b>
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<b>Total Other General Expense</b>	<b>\$ -</b>
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<b>TOTAL EXPENSES</b>	<b>\$ 1,773,590</b>
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<b>Net Income Before Operating Transfer to Public Housing Operations</b>	<b>\$ 568,270</b>
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<b>Operating Transfer to Public Housing Operations</b>	<b>\$ -</b>
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<b>Net Income</b>	<b>\$ 568,270</b>
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<b>Replacement Reserve</b>	<b>\$ -</b>
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<b>NET INCOME, NET OF RESERVES</b>	<b>\$ 568,270</b>
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**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**CENTRAL OFFICE COST CENTER**  
**(205 Executive Management)**  
**JULY 1, 2009 - JUNE 30, 2010**

REVENUE		
Public Housing Management Fees		480,260
Public Housing Bookkeeping Fees		87,090
Public Housing Asset Management Fee		115,910
Other Program Management Fees		64,730
Other Program Bookkeeping Fees		1,000
Housing Choice Voucher Program Management Fees		115,550
Housing Choice Voucher Program Bookkeeping Fees		72,220
Capital Fund Administrative Fee		76,220
Fee For Specialized Service - Pest Control		0
Fee For Specialized Service - Interior Painting		0
Fee For Specialized Service - HVAC		0
Fee For Specialized Service - Plumbing		0
Fee For Specialized Service - Concrete Sidewalks		0
Fee For Specialized Service - Bulky Debris Pickup		0
Interest Income		19,190
<b>TOTAL REVENUE</b>		<b>\$ 1,032,170</b>
EXPENSES		
Administrative Salaries		765,210
Administrative Benefits: General		188,730
Compensated Absences		44,560
Legal Fees		20,640
Staff Training		2,770
Travel / Meetings		57,190
Audit		3,590
Computer Support		6,040
Telephone		13,180
Office Supplies and Furnishings		10,000
Advertising and Marketing		500
Other Administrative Expenses (Sundry)		99,880
<b>Total Administrative Expense</b>		<b>\$ 1,212,290</b>
Water		2,370
Electricity		17,670
Gas		0
Sewer		720
Other utilities expense		0
<b>Total Utilities</b>		<b>\$ 20,760</b>
Maintenance Salaries		3,070
Maintenance Benefits: General		1,140
Materials		1,830
Garbage and Trash Disposal		1,590
Contract Costs		44,870
<b>Total Maintenance</b>		<b>\$ 52,500</b>
Insurance : Property		1,610
Insurance: General Liability		30
Insurance: Fidelity		910
Insurance: Worker's Compensation		7,090
Insurance: Other		60
<b>Total General Expense</b>		<b>\$ 9,700</b>
<b>Total Other General Expense</b>		<b>\$ -</b>
<b>TOTAL EXPENSES</b>		<b>\$ 1,295,250</b>
<b>Net Income Before Operating Transfer to Public Housing Operations</b>		<b>\$ (263,080)</b>
<b>Operating Transfer to Public Housing Operations</b>		<b>\$ -</b>
<b>Net Income</b>		<b>\$ (263,080)</b>
<b>Replacement Reserve</b>		<b>\$ -</b>
<b>NET INCOME, NET OF RESERVES</b>		<b>\$ (263,080)</b>



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**CENTRAL OFFICE COST CENTER**  
**(206 Human Resources)**  
**JULY 1, 2009 - JUNE 30, 2010**

REVENUE		
Public Housing Management Fees		106,730
Public Housing Bookkeeping Fees		19,350
Public Housing Asset Management Fee		25,760
Other Program Management Fees		14,390
Other Program Bookkeeping Fees		220
Housing Choice Voucher Program Management Fees		25,680
Housing Choice Voucher Program Bookkeeping Fees		16,050
Capital Fund Administrative Fee		16,940
Fee For Specialized Service - Pest Control		0
Fee For Specialized Service - Interior Painting		0
Fee For Specialized Service - HVAC		0
Fee For Specialized Service - Plumbing		0
Fee For Specialized Service - Concrete Sidewalks		0
Fee For Specialized Service - Bulky Debris Pickup		0
Interest Income		0
<b>TOTAL REVENUE</b>		<b>\$ 225,120</b>
EXPENSES		
Administrative Salaries		167,130
Administrative Benefits: General		68,860
Compensated Absences		120
Legal Fees		580
Staff Training		6,140
Travel / Meetings		3,980
Audit		0
Computer Support		4,830
Telephone		2,920
Office Supplies and Furnishings		790
Advertising and Marketing		250
Other Administrative Expenses (Sundry)		6,780
<b>Total Administrative Expense</b>		<b>\$ 262,380</b>
Water		290
Electricity		2,260
Gas		0
Sewer		90
Other utilities expense		0
<b>Total Utilities</b>		<b>\$ 2,640</b>
Maintenance Salaries		0
Maintenance Benefits: General		0
Materials		0
Garbage and Trash Disposal		0
Contract Costs		610
<b>Total Maintenance</b>		<b>\$ 610</b>
Insurance : Property		0
Insurance: General Liability		0
Insurance: Fidelity		170
Insurance: Worker's Compensation		1,580
Insurance: Other		0
<b>Total General Expense</b>		<b>\$ 1,750</b>
<b>Total Other General Expense</b>		<b>\$ -</b>
<b>TOTAL EXPENSES</b>		<b>\$ 267,380</b>
<b>Net Income Before Operating Transfer to Public Housing Operations</b>	<b>\$</b>	<b>(42,260)</b>
<b>Operating Transfer to Public Housing Operations</b>	<b>\$</b>	<b>-</b>
<b>Net Income</b>	<b>\$</b>	<b>(42,260)</b>
<b>Replacement Reserve</b>	<b>\$</b>	<b>-</b>
<b>NET INCOME, NET OF RESERVES</b>		<b>\$ (42,260)</b>



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**CENTRAL OFFICE COST CENTER**  
**(207 Accounting Department)**  
**JULY 1, 2009 - JUNE 30, 2010**

<b>REVENUE</b>		
Public Housing Management Fees		266,810
Public Housing Bookkeeping Fees		48,390
Public Housing Asset Management Fee		64,400
Other Program Management Fees		35,970
Other Program Bookkeeping Fees		550
Housing Choice Voucher Program Management Fees		64,200
Housing Choice Voucher Program Bookkeeping Fees		40,120
Capital Fund Administrative Fee		42,350
Fee For Specialized Service - Pest Control		0
Fee For Specialized Service - Interior Painting		0
Fee For Specialized Service - HVAC		0
Fee For Specialized Service - Plumbing		0
Fee For Specialized Service - Concrete Sidewalks		0
Fee For Specialized Service - Bulky Debris Pickup		0
Interest Income		0
<b>TOTAL REVENUE</b>		<b>\$ 562,790</b>
<b>EXPENSES</b>		
Administrative Salaries		426,790
Administrative Benefits: General		149,380
Compensated Absences		4,220
Legal Fees		0
Staff Training		6,270
Travel / Meetings		12,750
Audit		0
Computer Support		55,180
Telephone		3,730
Office Supplies and Furnishings		5,920
Advertising and Marketing		1,000
Other Administrative Expenses (Sundry)		7,060
<b>Total Administrative Expense</b>		<b>\$ 672,300</b>
Water		1,460
Electricity		6,040
Gas		0
Sewer		230
Other utilities expense		0
<b>Total Utilities</b>		<b>\$ 7,730</b>
Maintenance Salaries		0
Maintenance Benefits: General		0
Materials		0
Garbage and Trash Disposal		0
Contract Costs		670
<b>Total Maintenance</b>		<b>\$ 670</b>
Insurance : Property		0
Insurance: General Liability		0
Insurance: Fidelity		410
Insurance: Worker's Compensation		2,640
Insurance: Other		0
<b>Total General Expense</b>		<b>\$ 3,050</b>
<b>Total Other General Expense</b>		<b>\$ -</b>
<b>TOTAL EXPENSES</b>		<b>\$ 683,750</b>
<b>Net Income Before Operating Transfer to Public Housing Operations</b>		<b>\$ (120,960)</b>
<b>Operating Transfer to Public Housing Operations</b>		<b>\$ -</b>
<b>Net Income</b>		<b>\$ (120,960)</b>
<b>Replacement Reserve</b>		<b>\$ -</b>
<b>NET INCOME, NET OF RESERVES</b>		<b>\$ (120,960)</b>



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION  
CENTRAL OFFICE COST CENTER  
(208 Purchasing Department)  
JULY 1, 2009 - JUNE 30, 2010**

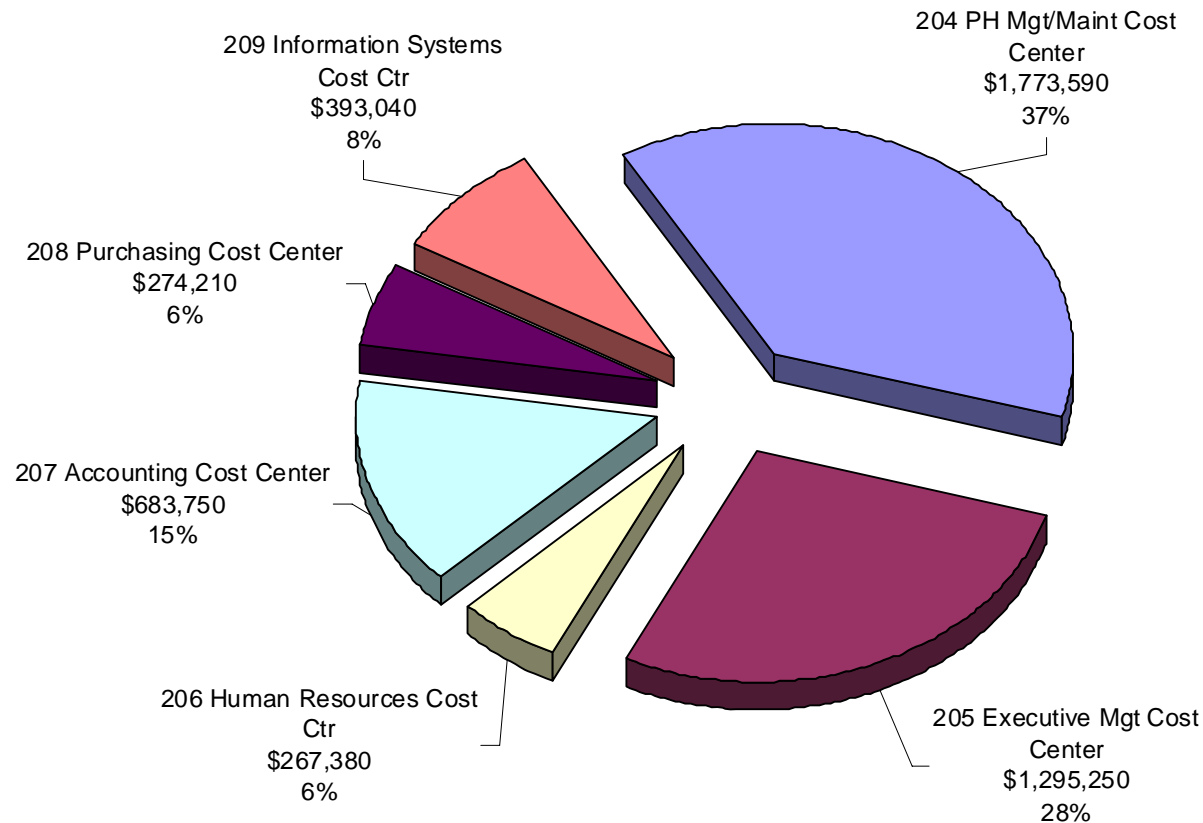
REVENUE		
Public Housing Management Fees		106,730
Public Housing Bookkeeping Fees		19,350
Public Housing Asset Management Fee		25,760
Other Program Management Fees		14,390
Other Program Bookkeeping Fees		220
Housing Choice Voucher Program Management Fees		25,680
Housing Choice Voucher Program Bookkeeping Fees		16,050
Capital Fund Administrative Fee		16,940
Fee For Specialized Service - Pest Control		0
Fee For Specialized Service - Interior Painting		0
Fee For Specialized Service - HVAC		0
Fee For Specialized Service - Plumbing		0
Fee For Specialized Service - Concrete Sidewalks		0
Fee For Specialized Service - Bulky Debris Pickup		0
Interest Income		0
<b>TOTAL REVENUE</b>		<b>\$ 225,120</b>
EXPENSES		
Administrative Salaries		168,090
Administrative Benefits: General		56,820
Compensated Absences		4,180
Legal Fees		0
Staff Training		1,320
Travel / Meetings		5,460
Audit		0
Computer Support		1,450
Telephone		2,650
Office Supplies and Furnishings		1,000
Advertising and Marketing		0
Other Administrative Expenses (Sundry)		3,770
<b>Total Administrative Expense</b>		<b>\$ 244,740</b>
Water		510
Electricity		3,770
Gas		11,250
Sewer		150
Other utilities expense		0
<b>Total Utilities</b>		<b>\$ 15,680</b>
Maintenance Salaries		0
Maintenance Benefits: General		0
Materials		1,080
Garbage and Trash Disposal		0
Contract Costs		7,040
<b>Total Maintenance</b>		<b>\$ 8,120</b>
Insurance : Property		440
Insurance: General Liability		30
Insurance: Fidelity		220
Insurance: Worker's Compensation		3,820
Insurance: Other		1,160
<b>Total General Expense</b>		<b>\$ 5,670</b>
<b>Total Other General Expense</b>		<b>\$ -</b>
<b>TOTAL EXPENSES</b>		<b>\$ 274,210</b>
<b>Net Income Before Operating Transfer to Public Housing Operations</b>		<b>\$ (49,090)</b>
<b>Operating Transfer to Public Housing Operations</b>		<b>\$ -</b>
<b>Net Income</b>		<b>\$ (49,090)</b>
<b>Replacement Reserve</b>		<b>\$ -</b>
<b>NET INCOME, NET OF RESERVES</b>		<b>\$ (49,090)</b>



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**CENTRAL OFFICE COST CENTER**  
**(209 Information Systems)**  
**JULY 1, 2009 - JUNE 30, 2010**

<b>REVENUE</b>		
Public Housing Management Fees		142,300
Public Housing Bookkeeping Fees		25,810
Public Housing Asset Management Fee		34,350
Other Program Management Fees		19,180
Other Program Bookkeeping Fees		300
Housing Choice Voucher Program Management Fees		34,240
Housing Choice Voucher Program Bookkeeping Fees		21,400
Capital Fund Administrative Fee		22,580
Fee For Specialized Service - Pest Control		0
Fee For Specialized Service - Interior Painting		0
Fee For Specialized Service - HVAC		0
Fee For Specialized Service - Plumbing		0
Fee For Specialized Service - Concrete Sidewalks		0
Fee For Specialized Service - Bulky Debris Pickup		0
Interest Income		0
<hr/>		
<b>TOTAL REVENUE</b>	<b>\$</b>	<b>300,160</b>
<b>EXPENSES</b>		
Administrative Salaries		256,760
Administrative Benefits: General		83,700
Compensated Absences		5,170
Legal Fees		0
Staff Training		4,130
Travel / Meetings		5,010
Audit		0
Computer Support		11,490
Telephone		11,420
Office Supplies and Furnishings		3,670
Advertising and Marketing		0
Other Administrative Expenses (Sundry)		5,340
<b>Total Administrative Expense</b>	<b>\$</b>	<b>386,690</b>
Water		240
Electricity		3,360
Gas		0
Sewer		70
Other utilities expense		0
<b>Total Utilities</b>	<b>\$</b>	<b>3,670</b>
Maintenance Salaries		0
Maintenance Benefits: General		0
Materials		0
Garbage and Trash Disposal		0
Contract Costs		0
<b>Total Maintenance</b>	<b>\$</b>	<b>-</b>
Insurance : Property		0
Insurance: General Liability		0
Insurance: Fidelity		260
Insurance: Worker's Compensation		2,420
Insurance: Other		0
<b>Total General Expense</b>	<b>\$</b>	<b>2,680</b>
<b>Total Other General Expense</b>	<b>\$</b>	<b>-</b>
<hr/>		
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>393,040</b>
<b>Net Income Before Operating Transfer to Public Housing Operations</b>	<b>\$</b>	<b>(92,880)</b>
<b>Operating Transfer to Public Housing Operations</b>	<b>\$</b>	<b>-</b>
<b>Net Income</b>	<b>\$</b>	<b>(92,880)</b>
<b>Replacement Reserve</b>	<b>\$</b>	<b>-</b>
<hr/>		
<b>NET INCOME, NET OF RESERVES</b>	<b>\$</b>	<b>(92,880)</b>

# Central Office Cost Center Budget by Department



**Total Expenses FY 2010 \$4,687,220**



**RESOLUTION NO. 2009-**

**RESOLUTION APPROVING OPERATING BUDGETS FOR  
THE SECTION 8 PROGRAMS (HOUSING CHOICE VOUCHER, MODERATE REHABILITATION,  
AND MAINSTREAM VOUCHER PROGRAMS),  
KNOXVILLE'S HOUSING DEVELOPMENT CORPORATION,  
THE MANOR, AND REDEVELOPMENT GENERAL PLANNING  
FOR THE FISCAL YEAR JULY 1, 2009 THROUGH JUNE 30, 2010**

WHEREAS the Operating Budgets for the Section 8 Programs (Housing Choice Voucher, Moderate Rehabilitation, and the Mainstream Voucher Programs) , Knoxville's Housing Development Corporation, The Manor, and Redevelopment General Planning are not subject to annual approval by the Department of Housing and Urban Development; and

WHEREAS the annual budgets for the above referenced project, programs, and departments are directly dependent upon existing contractual relationships or upon contractual relationships that may yet be negotiated during any given fiscal year; and

WHEREAS the above referenced budgets have been prepared based upon anticipated revenues from existing contractual relationships between Knoxville's Community Development Corporation and other second parties; and

WHEREAS in the opinion of the Board of Commissioners, the financial plan for each program is consistent with KCDC's overall operating strategy and is fiscally responsible.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION:

THAT the Operating Budgets for the Section 8 Programs (Housing Choice Voucher, Moderate Rehabilitation, and the Mainstream Voucher Programs), Knoxville's Housing Development Corporation, The Manor, and Redevelopment General Planning are hereby approved and adopted for the fiscal year July 1, 2009 through June 30, 2010.

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Juanita U. Cannon, Chairman

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May 28, 2009

**EXECUTIVE SUMMARY  
PROPOSED 2010 BUDGET  
OTHER KCDC OPERATING PROGRAMS**

**CHANGES FROM FY09 TO FY10:**

**SECTION 8 PROGRAMS (VOUCHERS AND MODERATE REHABILITATION):**

TOTAL REVENUE: An increase of 11% is proposed for 2010 over 2009 figures due to an increase in the administrative fees related to both leasing projections and funding.

TOTAL EXPENSES: An increase of 8% is proposed for 2010 over 2009 figures due to an increase in overhead costs (management/bookkeeping fees) attributable to leasing projections and additional administrative expenses attributable to the proposed COLA/Merit Pay increase and required screenings related to leasing.

NET INCOME: Proposed at \$40,680.

**KNOXVILLE'S HOUSING DEVELOPMENT CORPORATION:**

TOTAL REVENUE: An increase of 16% is proposed for 2010 over 2009 figures. The increase is primarily due an increase in projected investment income and yield and an increased in projected tax increment revenues.

TOTAL EXPENSES: A 6% decrease is proposed for 2010 over 2009 figures. The decrease is primarily due to a decrease in projected other administrative expenses and a decrease in overhead costs (management fees).

NET INCOME: Proposed at \$228,760

**THE MANOR:**

TOTAL REVENUE: A decrease of 5% is proposed for 2010 over 2009 figures. The decrease is primarily due to the reduced fees from scholarship residents.

TOTAL EXPENSES: An increase of 4% is proposed for 2010 over 2009 figures. This increase is primarily due to an increase in projected food costs.

NET LOSS: Proposed at (\$ 21,200).

**REDEVELOPMENT:**

TOTAL REVENUE: A decrease of 14% is proposed for 2010 over 2009 figures. This decrease is due to a decrease in projected project/TIF revenues.

TOTAL EXPENSES: An increase of 4% is proposed for 2010 over 2009 figures. This increase is primarily due to an increase in overhead costs (management fees).

NET LOSS: Proposed at (\$66,700).



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**SECTION 8 PROGRAMS**  
**JULY 1, 2009 - JUNE 30, 2010**

**REVENUE**

HUD PHA Grants: Administrative Fees	\$1,605,180
HUD PHA Grants: FSS and Homeownership Grant	\$90,020
Homeownership Closing Fees	2,000
Other Income	0
Investment Income	13,000
Audit Reimbursement Income	\$6,500

**TOTAL REVENUE** **\$1,716,700**

**EXPENSES**

Administrative Salaries	\$380,860
Administrative Benefits	\$153,350
Compensated Absences	\$8,120
Legal Fees	\$0
Staff Training	\$2,310
Travel	\$8,030
Audit	\$29,540
Telephone	\$11,260
Computer Support	\$25,780
Office Supplies and Furnishings	\$3,000
Printing and Duplication	\$11,000
Postage	\$13,500
Advertising and Marketing	\$0
Publications	\$650
Other Administrative Expenses	\$20,750
Inspection Costs	\$194,000
Management Fees	\$427,980
Bookkeeping Fees	\$267,480
<b>Administrative Expense</b>	<b>1,557,610</b>

FSS/Homeownership Salary	\$62,090
FSS/Homeownership Benefits	\$17,010
<b>Tenant Services Expenses</b>	<b>\$79,100</b>

Water	\$0
Electricity	\$0
Gas	\$0
Sewer	\$0
Other utilities expense	\$0
<b>Utilities</b>	<b>\$0</b>

Maintenance Salaries	\$0
Maintenance Benefits: General	\$0
Materials	\$5,000
Garbage and Trash Disposal	\$0
Contract Costs	\$3,500
<b>Maintenance</b>	<b>\$8,500</b>

Insurance : Property	\$30
Insurance: General Liability	\$10,720
Insurance: Fidelity	\$5,260
Insurance: Worker's Compensation	\$4,850
Insurance: Other	\$580
<b>General Expense</b>	<b>\$21,440</b>

**Other General Expense Portability Fees** **\$9,370**

**TOTAL EXPENSES** **\$1,676,020**

**NET INCOME (LOSS)** **\$40,680**



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**KNOXVILLE'S HOUSING DEVELOPMENT CORPORATION**  
 JULY 1, 2009 - JUNE 30, 2010

REVENUE	KHDC	KHDC DUPLEXES	STATE OFFICE BUILDING	CHRISTENBERRY HEAD START	TOTAL
Tenant and Non-Dwelling Rental Income	\$32,400	\$108,920	\$395,800	\$162,920	\$700,040
Vacancy Loss	0	(4,860)	0	0	(\$4,860)
Investment Income	350,000	0	0	0	\$350,000
Tax Increment Revenue	277,800	0	0	0	\$277,800
<b>TOTAL REVENUE</b>	<b>\$660,200</b>	<b>\$104,060</b>	<b>\$395,800</b>	<b>\$162,920</b>	<b>\$1,322,980</b>

EXPENSES	KHDC	KHDC DUPLEXES	STATE OFFICE BUILDING	CHRISTENBERRY HEAD START	TOTAL
Administrative Salaries	\$46,190	\$19,210	\$1,000	\$0	\$66,400
Employee Benefits - Administrative	12,930	6,920	250	0	\$20,100
Other Operating - Administrative	413,860	13,880	25,000	0	\$452,740
Front Line Centralized Services	0	580	0	0	\$580
Management Fees	168,840	0	0	0	\$168,840
Pay for Performance	0	0	0	0	\$0
Travel	0	0	0	0	\$0
Utilities	0	1,470	0	0	\$1,470
Ordinary Maintenance and Operations	20,800	27,720	50,000	5,000	\$103,520
PILOT	0	10,060	0	0	\$10,060
Insurance	6,940	2,340	4,230	360	\$13,870
Collection Loss	0	500	0	0	\$500
Interest Expense	86,140	0	79,200	70,800	\$236,140
Other General	0	0	0	0	\$0
<b>TOTAL EXPENSES</b>	<b>\$755,700</b>	<b>\$82,680</b>	<b>\$159,680</b>	<b>\$76,160</b>	<b>\$1,074,220</b>
<b>NET INCOME (LOSS)</b>	<b>(\$95,500)</b>	<b>\$21,380</b>	<b>\$236,120</b>	<b>\$86,760</b>	<b>\$248,760</b>

OPERATING TRANSFERS	KHDC	KHDC DUPLEXES	STATE OFFICE BUILDING	CHRISTENBERRY HEAD START	TOTAL
General Partner contributions to Limited Partnerships per agreement	20,000	\$0	\$0	\$0	\$20,000
<b>TOTAL OPERATING TRANSFERS</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,000</b>
<b>INCOME (LOSS) AFTER TRANSFERS</b>	<b>(115,500)</b>	<b>21,380</b>	<b>236,120</b>	<b>86,760</b>	<b>228,760</b>
<b>TRANSFER FROM RESERVES</b>					
<b>NET DIFFERENCE</b>					<b>\$228,760</b>



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**THE MANOR**  
**JULY 1, 2009 - JUNE 30, 2010**

REVENUE	
	<b>FY 2010 BUDGET</b>
Service Fees (Manor Fees) 39 units leased	231,660
Scholarship Loss - 9 tenants	(22,300)
Interest on Investments	10,000
Other Income	500
<b>TOTAL REVENUE</b>	
	<b>219,860</b>
EXPENSES	
Administrative Salaries	32,750
Administrative Benefits: General	11,430
Compensated Absences	1,690
Legal Fees	0
Staff Training	240
Travel / Meetings	100
Audit	0
Computer Service	500
Telephone	2,170
Office Supplies and Furnishings	300
Advertising and Marketing	300
Other Administrative Expenses (Sundry)	900
Administrative - Management Fees	5,900
Administrative - Bookkeeping Fees	3,690
Tenant Services	89,020
Food Costs	91,410
<b>Administrative Expense</b>	
	<b>240,400</b>
Water	0
Electricity	0
Gas	0
Sewer	0
Other utilities expense	0
<b>Utilities</b>	
	<b>0</b>
Maintenance Salaries	0
Maintenance Benefits: General	0
Materials	0
Garbage and Trash Disposal	0
Contract Costs	190
<b>Maintenance</b>	
	<b>190</b>
Insurance : Property	0
Insurance: General Liability	0
Insurance: Fidelity	160
Insurance: Worker's Compensation	310
Insurance: Other	0
<b>General Expense</b>	
	<b>470</b>
<b>Other General Expense</b>	
	<b>0</b>
<b>TOTAL EXPENSES</b>	
	<b>241,060</b>
<b>Net Income Before Operating Transfer to PH Operations</b>	
	<b>(21,200)</b>
<b>Operating Transfer to Public Housing Operations</b>	
	<b>0</b>
<b>Net Income</b>	
	<b>(21,200)</b>
<b>Replacement Reserve</b>	
	<b>0</b>
<b>NET INCOME, NET OF RESERVES</b>	
	<b>(21,200)</b>



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**REDEVELOPMENT GENERAL PLANNING**  
**JULY 1, 2009 - JUNE 30, 2010**

<b>REVENUE</b>	
Funds from Leased Property	\$57,600
Investment Income	20,630
Reserves	107,120
Project and TIF Fee Revenues	142,720
<hr/>	
<b>TOTAL REVENUE</b>	<b>\$328,070</b>
<hr/>	
<b>EXPENSES</b>	
Administrative Salaries	\$235,930
Employee Benefits - Administrative	43,190
Compensated Absences	17,460
Legal Expense	1,000
Training	500
Travel	2,600
Audit	580
Telephone	3,050
Office Supplies	300
Other Operating - Administrative	10,000
Administrative - Management Fee	65,030
Ordinary Maintenance and Operations: Materials	500
Ordinary Maintenance and Operations: Contract Costs	9,260
Utilities	1,570
Insurance	3,800
Other General Expense	0
<hr/>	
<b>TOTAL EXPENSES</b>	<b>\$394,770</b>
<hr/>	
<b>NET INCOME (LOSS)</b>	<b>(\$66,700)</b>

Note: The Redevelopment Program is a self-sustaining activity. All operating revenues for project administration are guaranteed by specific project activities. Departmental and agency redevelopment activities are supplemented, as required, from General Planning funds.

\* Salaries shown in this Budget represent an estimate of all direct salary charges.

**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION  
SUMMARY OF SCHEDULE OF ALL POSITIONS AND SALARIES  
FISCAL YEAR 2010**

	NO. OF EMPLOYEES	CURRENT FY 2009	PROPOSED FY 2010
<b><u>Cost Pools:</u></b>			
Executive Management	9.00	691,350	725,900
Accounting	10.00	460,230	484,000
Data Processing	4.00	244,550	256,760
Purchasing	4.00	160,110	168,090
Human Resources	3.00	159,190	167,130
Section 8	13.00	421,910	442,950
Subtotal	43.00	2,137,340	2,244,830
<b><u>Conventional Public Housing:</u></b>			
Public Housing Management Administration	8.00	436,720	458,510
Public Housing Resident Services	4.00	164,790	173,010
Supportive Maintenance	17.00	609,470	639,370
Western Heights	14.00	472,150	495,130
Austin Homes	3.36	129,760	136,120
The Vista	4.64	179,190	187,970
Passport Homes	0.29	9,560	9,780
Passport Residencies	1.32	43,560	44,570
Lonsdale Homes and Mechanicsville	7.32	246,140	253,900
Love Towers	5.00	181,900	190,760
Taylor Homes	6.06	204,360	214,370
Lee Williams	6.94	266,770	279,860
Cagle Terrace	5.00	189,740	198,950
Northgate Terrace	5.00	180,590	189,360
Christenberry Heights	6.00	211,840	222,150
Montgomery Village	7.74	273,960	287,020
The Verandas	0.76	27,100	28,390
Isabella Towers	5.00	168,910	177,120
Subtotal	107.43	3,996,510	4,186,340
Development	4.00	262,330	254,730
KHDC	0.57	18,810	19,210
<b><u>Resident Services:</u></b>			
The Manor	1.00	31,200	32,750
Subtotal	1.00	31,200	32,750
<b>GRAND TOTALS</b>	<b>156.00</b>	<b>6,446,190</b>	<b>6,737,860</b>

Positions as identified do not exceed 100% of any individual employee's time.



## **KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**

### **GENERAL INFORMATION**

Knoxville's Community Development Corporation (KCDC) was chartered in 1936 as a public housing and redevelopment authority. As a political subdivision of the State of Tennessee, KCDC is charged with the responsibility of applying for and administering public housing and redevelopment projects for the City of Knoxville. KCDC is governed by a seven-person Board of Commissioners appointed for staggered terms by the Mayor of the City. One resident Commissioner serves a two-year term; the other six members serve five-year terms. The Board appoints an Executive Director (President/Chief Executive Officer) who is charged with the day-to-day operations of the Corporation, and with Board approval, the development of operating policies and practices consistent with applicable federal, state, and local rules and regulations. In May 2009, KCDC employed 159 employees in all phases of its administration, housing, resident services, and redevelopment activities. Total operating budget for all operating programs during the upcoming fiscal year is budgeted at \$26.9 million.

Public housing is by far the largest and oldest activity carried out by the Agency and is the backbone of KCDC's service within the City of Knoxville. An Annual Contributions Contract (ACC) with the Department of Housing and Urban Development (HUD) governs the public housing operations. As long as the general provisions and regulations of the contract are followed, such as resident selection, HUD guarantees annual payments sufficient to pay principal and interest on all outstanding housing debts. Additional assistance is also available to subsidize day-to-day operations.

KCDC administers and operates housing developments at different sites for families and elderly clients. Public housing comprises the majority of the units (3,639).

The Section 8 Voucher/Moderate Rehabilitation Housing Program estimates authorization for 3,023 units based on the amount of housing assistance payments available.

KCDC's services are not limited to providing shelter. Resident Services fulfill KCDC's mission by addressing the Agency's commitment " . . . to promote and encourage, through education and other forms of constructive assistance, self-help programs which will assist in the development of resident self-sufficiency . . ."

KCDC, through "The Manor", also provides independent living with supportive services with 41 elderly units.

The welfare of individual residents and of the communities in which they live is intricately bound together. When services help individual residents improve their lives, conditions in the community improve. Likewise, programs that promote changes in what a public housing community expects of its members influence the behavior of those members.

The KCDC Redevelopment Department provides services of a different nature. The goal of the Redevelopment Department is to help fulfill KCDC's mission by addressing the Agency's commitment " . . . to improve the safety, health, morals, and welfare of the community by undertaking and promoting and cooperating with private developers and other governmental entities in the development of appropriate redevelopment and revitalization."

The department administers approximately \$1 million dollars annually in redevelopment activity. Staff implements downtown and neighborhood revitalization projects and assists the City of Knoxville, Knox County, and community agencies and organizations with land acquisition, and relocation and site management.

In its role as redevelopment agent for the City of Knoxville, the department has spearheaded fifteen (16) center city redevelopment projects, five (6) neighborhood redevelopment projects, including the Knoxville South Waterfront and the Downtown North/I-275 Corridor Redevelopment and Urban Renewal Areas.

Please check our web page at [www.kcdc.org](http://www.kcdc.org) for additional information.