

# KCDC

Knoxville's Community Development Corporation

## Strategic Planning and Proposed Budget for Fiscal Year Ending June 30, 2016

For:

- Low Income Public Housing
- Section 8 Programs
- Central Office Cost Center
- Knoxville's Housing Development Corporation
- Redevelopment
- The Manor

KCDC  
KNOXVILLE'S  
COMMUNITY  
DEVELOPMENT  
CORPORATION



# Knoxville's Community Development Corporation



## FY 2016 Strategic Plan and Proposed Budget



# Housing Portfolio

Public Housing Total Units = 3,525

Potential RAD Units = 2,197

Austin Homes	129	Nature's Cove	95
Autumn Landing	102	Northgate Terrace	277
Cagle Terrace	274	Northridge Crossing	270
Five Points Infill Senior	20	Passport Homes and Residences*	61
Five Points Infill Family	17	The Residences At Eastport I	25
Isabella Towers	236	The Residences At Eastport II*	60
Lonsdale Homes	260	Taylor Homes/Lee Williams	317
Love Towers	249	Valley Oaks	48
Mechanicsville	26	The Verandas	42
Mechanicsville II	22	The Vista	175
Montgomery Village	380	Western Heights	440

\*Tax Credit Properties

# Housing Portfolio

## Section 8

- \$22.2M Current Annual Housing Assistance Payments (HAP) funding
- Supports approximately 3,500 units
- 3,848 units authorized from HUD
- Administrative Fee Funding based upon number of units leased

## Additional Tax Credit Units

- Passport Homes 22 Other Affordable Units (Section 8)

# A Clear Road Ahead

## FY2016 Strategic Plan



Knoxville's Community Development Corporation

# Agency Strategic Objectives

- Become the Premier Provider of Affordable Housing
    - Improve Public Housing stock
    - Improve resident retention
    - Maximize Section 8 Contract Authority
  - Improve Downtown and Surrounding Neighborhoods through Development Activities
    - Assist with COK's Redevelopment Plans
    - Assist/Promote development activities
  - Achieve Long-term Financial Control
    - Identify fixed vs. variable costs
    - Reduce identified substantial costs
    - Decrease dependency on HUD Subsidy
  - Improve Processes/Practices to Increase Efficiency
    - Achieve timely, accurate reporting
  - Advance Workforce Development and Performance
    - Improve employees Knowledge, Skills and Abilities (KSA's)
    - Recruit, select and retain the right people with right skills in right job
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# FY2016 Goals and Strategies

- Active participation on national, regional and state level and involvement to influence regulations positively affecting affordable housing
- Aggressively continue the revitalization of the Five Points Comprehensive Redevelopment Plan
  - **Phase 1: Begin construction of 90 units of elderly/disabled tax credit units**
  - **Additional Phases and tax credit applications depending on QAP**
  - **Demolition application for next phase**
- Complete the Rental Assistance Demonstration (RAD) conversion of Autumn Landing and Nature's Cove
  - **Rehabilitation based on capital needs assessment**
  - **Full conversion prior to June 30, 2016**



# FY2016 Goals and Strategies

- Analyze KCDC's total portfolio including financial and human resources to determine "the best interest of the property" on an individual basis
  - **RAD analysis of all properties and additional applications**
  - **Capital Funds Financing completed**
  - **Passport exit strategy and unwinding completed**
- Achievement of High Performer Status (PHAS and SEMAP)
- Website Update (inter/intranet)





# FY2016 Goals and Strategies

- Streamline processes for financial and human resources
  - **On line portals:**
    - **Applications**
    - **Resident**
    - **Landlord**
    - **Vendor**
  - **Paperless**
    - **Document Retention**
    - **E-docs**
    - **Central File Design**
    - **VISTA Recruitment Module**
    - **Work Order Process**



# A Clear Road Ahead

## Questions



Knoxville's Community Development Corporation

# FY2016 Operating Budgets



# Operating Budget Process

- Collaborative process between Accounting Division, Program Staff and Management
- Accounting Division: Fixed Costs and some Variable Costs
  - Example: Wages, Interest, Insurance
- Program Staff: Variable Costs
  - Example: Administrative, Maintenance, Utilities, Non-routine
- Managerial Review
- Asset Management Model
  - Project-based accounting and budgeting, fee-for-service model
- HUD Board Resolution: Public Housing
- Other Board Resolutions: Central Office Cost Center (COCC), Section 8, Redevelopment, The Manor and KHDC (separate agenda)

# Public Housing Operating Program



# Public Housing Operating Subsidy Assumptions

- Subsidy is estimated at \$13,986,710
- Pro-ration was 85% for 2015 Formula
- Pro-ration estimate at 83% for 2016 Formula

# Public Housing Budget

Revenue	\$19,325,830
Expenses	\$20,636,850
Capital/Non-Routine	\$53,700
Net Income/(Loss)	(\$1,364,720)



**EXECUTIVE SUMMARY  
PROPOSED 2016 BUDGET  
CONVENTIONAL PUBLIC HOUSING**

**CHANGES FROM FY2015 TO FY2016**

**OVERALL TOTAL INCOME:** A decrease of 2% is proposed for 2016 over 2015 figures primarily due to a decrease in estimated federal subsidy funding (Prior year CY2014 included 89.2% eligibility; CY 2015 includes 85% eligibility and CY 2016 includes an 83% eligibility estimate).

**OVERALL TOTAL EXPENSES** – An increase of 4% is proposed for 2016 over 2015 budget.

**ADMINISTRATIVE** – A 5% increase is proposed for 2016 over 2015 figures primarily due to an increase in computer support needs, staff training, and telephone expenses related to our strategic plan objectives; compensated absences per historical data; and energy performance contract projected expenses per historical data.

**RESIDENT SERVICES** – A 3% increase is proposed for 2016 over 2015 figures primarily due to an increase in the projected cost of case management services provided at our elderly properties.

**UTILITIES** – A 5% increase is proposed for 2016 over 2015 figures primarily due to a combination of FY2015 historical data and projected increases primarily in water rates.

**ORDINARY MAINTENANCE/OPERATIONS** – A 4% increase is proposed for 2016 over 2015 figures primarily due to an increase in grounds, pest control and security monitoring contracts; electrical service needs; and fee for service needs in bulky debris, HVAC and plumbing.

**PROTECTIVE SERVICES** – No increase or decrease is proposed for 2016 over 2015 figures.

**OTHER GENERAL EXPENSES** – A 3% increase is proposed for 2016 over 2015 figures primarily due to an increase in Worker's Compensation insurance; an increase in PILOT from increased rent and utilities; and an increase in Collection Loss due to projected initial increase in receivables from changes in rent policy.

**NONROUTINE** – A 79% decrease is proposed for 2016 over 2015 figures due to a significant decrease in expenses for extraordinary maintenance, replacements and betterments and addition which are funded this year out of the Capital Fund budget.

**CFFP INTEREST EXPENSES** – Interest expenses for debt related to renovation work performed at Lonsdale Homes and Northridge Crossing: \$75,930.

**OTHER INTEREST EXPENSE** – Interest expense for debt related to the energy performance contract: \$357,720.

**NET LOSS: (\$1,364,720)**





**EXECUTIVE SUMMARY  
PROPOSED 2016 BUDGET  
CONVENTIONAL PUBLIC HOUSING (continued)**

**CHANGES FROM FY2015 TO FY2016**

**OPERATING SUBSIDY** – Subsidy is estimated at \$13,986,710. (4% decrease from Fiscal Year 2015 figure of \$14,595,750). This represents the direct payment from HUD based on the operating fund formula including add-ons, and includes 85% of the approved formula calculation for CY 2015 and 83% of the estimated formula calculation for CY2016. Funding amounts will vary based upon final distribution.

**PROVISION FOR OPERATING RESERVE** – Shows KCDC drawing (\$1,364,720) from reserves.

Historical Reserve Information:

(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:	\$827,034 to reserves)
(Fiscal Year 2009 - KCDC Actual:	\$4,032,919 to reserves)
(Fiscal Year 2010 - KCDC Actual:	\$4,346,336 to reserves)
(Fiscal Year 2011 - KCDC Actual:	\$3,511,799 to reserves)
(Fiscal Year 2012 - KCDC Actual:	\$1,385,846 to reserves)
(Fiscal Year 2013 - KCDC Actual:	\$4,668,275 from reserves)
(Fiscal Year 2014 - KCDC Actual:	\$904,294 from reserves)
(Fiscal Year 2015 - KCDC Estimate:	\$178,120 from reserves)

The Fiscal Year 2016 estimated draw from reserves will adjust our reserve level as follows:

Adjusted Reserves as of June 30, 2014 (*)	17,270,682
Fiscal Year 2015 estimated decrease to reserves	(178,120)
Fiscal Year 2015 principal note reduction	(1,499,781)
Adjusted Reserves estimated at June 30, 2015	15,592,781
Fiscal Year 2016 Estimated draw from reserves (3%)	(1,364,720)
Adjusted Reserves (estimated) as of June 30, 2016	14,228,061

(\*) Reserves are adjusted by 8,734,838 representing long term notes receivable due from limited partnerships.



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**PUBLIC HOUSING SUMMARY**  
**JULY 1, 2015 - JUNE 30, 2016**

REVENUE	
Dwelling Rentals:	
Gross Potential Rent	\$4,847,910
Vacancy Loss	(\$99,500)
Net Dwelling Rentals	\$4,748,410
Other Rental Income	\$321,480
Non-dwelling Rentals	\$11,860
Subsidy:	
Gross Subsidy	\$16,754,250
Subsidy Loss - Vacancy	(\$103,440)
Proration Loss (unfunded)	(\$2,664,100)
Net Subsidy	\$13,986,710
Investment Income	\$163,150
Other Income	\$94,220
<b>TOTAL REVENUE</b>	<b>\$19,325,830</b>

EXPENSES	
Administrative Salaries	\$1,714,310
Benefits	\$704,900
Compensated Absences	\$400,650
Legal	\$31,120
Staff Training	\$61,340
Travel	\$34,000
Audit	\$32,930
Telephone	\$183,230
Computer Support	\$129,800
Office Expenses	\$45,570
Advertising and Marketing	\$8,880
Management Fee	\$1,836,330
Bookkeeping Fee	\$311,390
Centralized Front-Line Service Fee (Administrative Fee)	\$646,720
Court Costs	\$89,380
Administrative Other	\$765,530
<b>Administrative</b>	<b>\$6,996,080</b>
Resident Services Salaries	\$80,620
Benefits (per actual %; varies by site)	\$25,880
Resident Participation	\$43,330
Resident Services Contracts	\$300,580
<b>Resident Services</b>	<b>\$450,410</b>
Gas	\$21,540
Electric	\$1,528,410
Water	\$600,370
Sewer	\$1,275,170
<b>Utilities</b>	<b>\$3,425,490</b>
Maintenance Salaries	\$1,559,060
Benefits	\$840,530
Maintenance Materials	\$798,630
Fee for Service: Bulky Debris Pickup	\$210,450
Fee for Service: HVAC	\$277,340
Fee for Service: Plumbing	\$561,310
Routine Contracts: Grounds/Landscaping	\$457,750
Routine Contracts: Vehicle Maintenance	\$41,260
Routine Contracts: Pest Control	\$115,190
Routine Contracts: Security Monitoring	\$76,820
Routine Contracts: Uniforms	\$15,060
Other Routine & Miscellaneous Contracts	\$1,903,960
Elevator Service	\$54,770
Electrical Service	\$66,500
Trash Removal	\$253,310
<b>Maintenance</b>	<b>\$7,231,940</b>

Contracts-City Police	<b>\$600,000</b>
<b>Protective Services</b>	<b>\$600,000</b>
Insurance: Property	\$263,120
Insurance: General Liability	\$100,520
Insurance: Fidelity	\$3,460
Insurance: Workers Compensation	\$95,340
Insurance: Other	\$23,470
PILOT	\$128,880
Bad Debt Expense (Collection Loss)	\$272,640
Other General Expense	\$209,060
Extraordinary Maintenance	\$21,000
<b>General Expenses</b>	<b>\$1,117,490</b>
Total Expenses, excl. Asset Management	<b>\$19,821,410</b>
Asset Management	<b>\$423,000</b>
Other:	
EPC Interest	\$337,510
CFFP Interest Expense	\$75,930
<b>TOTAL EXPENSES</b>	<b>\$20,657,850</b>
Cash Flow from Operations excluding Extraordinary Maintenance	<b>(\$1,311,020)</b>
Capital Expenses and Extraordinary Maintenance	<b>(\$53,700)</b>
<b>NET INCOME (LOSS)</b>	<b>(\$1,364,720)</b>
<b>RESERVES (ESTIMATED FY ENDING 6-30-15)</b>	<b>\$15,592,781</b>

# Section 8



# Section 8

## Tenant and Project-Based Rental Assistance

- Programs Include:
  - **Housing Choice Voucher (3,848 Authorized Units)**
  - **Project Based Vouchers (141 units; included in above totals)**
  - **Mainstream Vouchers (100 Units)**
  - **Moderate Rehab Programs (82 units)**
- Housing Assistance Payment (HAP) to private landlords (pass-thru) is not included as part of this operating budget

# Section 8

- Revenue includes:
  - **Earned Administrative Fees (3,830 units included in estimated funding; Proration of 78% for 2015 and estimated at 75% for 2016)**
  - **Fraud Recovery**
  - **Grants (Family Self-Sufficiency)**
  - **Investment Income**
  - **Other**
- Expenses include:
  - **Administrative**
  - **Resident Services**
  - **Maintenance**
  - **Insurance/Other**

# Section 8

Revenue	\$2,095,650
Expenses	\$2,250,660
Operating Transfer In	\$75,000
Net Income/(Loss)	(\$80,010)



**EXECUTIVE SUMMARY  
PROPOSED 2016 BUDGET  
SECTION 8**

**CHANGES FROM FY2015 TO FY2016**

**TOTAL REVENUE:** An increase of 8% is proposed for 2016 over 2015 figures primarily due to a projected increase in administrative fees earned.

**TOTAL EXPENSES:** An increase of 3% is proposed for 2016 over 2015 figures primarily due to an increase in compensated absences cost.

**NET LOSS:** Proposed at (\$155,010) with an operating transfer from Central Office Cost Center of \$ 75,000 resulting in a net loss of (\$80,010).

**RESERVES** all Section 8 programs:

FYE 2014: \$556,451 (\$342,104 HCV; \$191,346 Moderate Rehab; \$23,001 Mainstream Vouchers)

FYE 2015: (estimated): \$471,730 (\$253,178 HCV; \$193,537 Moderate Rehab; \$25,015 Mainstream Vouchers)





**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**SECTION 8 PROGRAMS**  
**JULY 1, 2015 - JUNE 30, 2016**

**REVENUE**

HUD PHA Grants: Administrative Fees	\$1,931,670
HUD PHA Grants: FSS and Homeownership Grant	\$91,060
Homeownership Closing Fees	\$1,000
Other Income	\$100
Investment Income	\$2,310
Audit Reimbursement Income	\$4,000
Fraud Recovery Income	\$65,000
Revenue Missed Appt Fee	\$510
<b>TOTAL REVENUE</b>	<b>\$2,095,650</b>

**EXPENSES**

Administrative Salaries	\$487,810
Administrative Benefits	\$220,880
Compensated Absences	\$75,810
Legal Fees	\$200
Training	\$9,440
Travel	\$11,680
Audit	\$46,800
Telephone	\$27,800
Computer Support	\$37,140
Office Supplies and Furnishings	\$8,580
Printing and Duplication	\$10,730
Postage	\$26,000
Advertising and Marketing	\$600
Publications	\$670
Other Administrative Expenses	\$17,340
Inspection Costs	\$179,220
Management Fees	\$551,570
Bookkeeping Fees	\$344,730
<b>Administrative Expense</b>	<b>\$2,057,000</b>
FSS/Homeownership Salary	\$74,110
FSS/Homeownership Benefits	\$46,610
<b>Tenant Services Expenses</b>	<b>\$120,720</b>
<b>Utilities</b>	<b>\$0</b>
Maintenance Salaries	\$0
Maintenance Benefits	\$0
Materials	\$450
Contract Costs	\$3,000
<b>Maintenance</b>	<b>\$3,450</b>
Insurance: Property	\$10
Insurance: General Liability	\$12,480
Insurance: Fidelity	\$4,020
Insurance: Workers Compensation	\$2,190
Insurance: Other	\$4,380
<b>Insurance</b>	<b>\$23,080</b>
Collection Losses	\$29,370
Other Portability Admin Expense	\$17,040
HAP - HCV Port-in	
	\$46,410
<b>TOTAL EXPENSES</b>	<b>\$2,250,660</b>
<b>Net Income Before Operating Transfer To Section 8</b>	<b>(\$155,010)</b>
<b>Operating Transfer from Central Office Cost Center</b>	<b>\$75,000</b>
<b>NET INCOME (LOSS)</b>	<b>(\$80,010)</b>
<b>RESERVES (ESTIMATED FY ENDING 6-30-15)</b>	<b>\$471,730</b>

# Central Office Cost Center



# Central Office Cost Center

- Agency overhead broken down into divisions:
  - Executive Management
  - Accounting
  - Human Resources
  - Information Systems
  - Purchasing
  - Housing Management
  - Supportive Maintenance

# Central Office Cost Center

- Revenues include:
  - Property Management and Bookkeeping Fees
  - Asset Management Fees
  - Fees for Service
  - Excess Energy Savings
  - Investment Income
- Expenses include:
  - Administrative
  - Maintenance
  - Utilities
  - Insurance

# Central Office Cost Center

Revenue	\$4,917,240
Expenses	\$4,621,230
Operating Transfer Out	(\$75,000)
Net Income/(Loss)	\$221,010



**EXECUTIVE SUMMARY  
PROPOSED 2016 BUDGET  
CENTRAL OFFICE COST CENTER  
CHANGES FROM FY2015 TO FY2016**

**TOTAL REVENUE:** A decrease of 5% is proposed for 2016 over 2015 figures. This decrease is primarily due to a decrease in the fee for services because of the elimination of Unit Painting under the Supportive Maintenance Department.

**TOTAL EXPENSES:** A decrease of 9% is proposed for 2016 over 2015 figures. This decrease is primarily due to a projected decrease in compensated absences, computer support and maintenance salaries and benefits.

**NET INCOME:** Proposed at \$296,010 with a projected operating transfer to the Section 8 program of (\$75,000) resulting in net income of \$221,010.

Cost Center operates as a self-sufficient business activity.

**RESERVES:**

FYE 2014: \$5,096,881

FYE 2015: (estimated): \$5,674,394



**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**CENTRAL OFFICE COST CENTER (SUMMARY)**  
**JULY 1, 2015 - JUNE 30, 2016**

**REVENUE**

Public Housing Management Fees	\$1,836,330
Public Housing Bookkeeping Fees	\$311,390
Public Housing Asset Management Fee	\$423,000
Other Program Management Fees	\$52,060
Housing Choice Voucher Program Management Fees	\$551,570
Housing Choice Voucher Program Bookkeeping Fees	\$344,730
Capital Fund Administrative Fee	\$200,000
Fee For Specialized Service - HVAC	\$201,750
Fee For Specialized Service - Plumbing	\$500,710
Fee For Specialized Service - Bulky Debris Pickup	\$194,420
Interest Income	\$21,540
Gain/Loss Disposition of Assets	\$1,000
Other Income	\$278,740
<b>TOTAL REVENUE</b>	<b>\$4,917,240</b>

**EXPENSES**

Administrative Salaries	\$2,120,910
Administrative Benefits	\$715,030
Compensated Absences	\$235,330
Legal Fees	\$38,360
Training	\$102,630
Travel	\$72,710
Audit	\$3,580
Computer Support	\$174,730
Telephone	\$97,810
Office Supplies and Furnishings	\$17,800
Advertising and Marketing	\$1,200
Other Administrative Expenses	\$180,530
<b>Administrative Expense</b>	<b>\$3,760,620</b>
Water	\$9,420
Electricity	\$49,210
Gas	\$18,070
Sewer	\$3,800
Other Utilities Expense	
<b>Utilities</b>	<b>\$80,500</b>
Maintenance Salaries	\$364,130
Maintenance Benefits	\$170,010
Materials	\$43,280
Garbage and Trash Disposal	\$2,550
Contract Costs	\$156,440
<b>Maintenance</b>	<b>\$736,410</b>
Insurance : Property	\$5,330
Insurance: General Liability	\$120
Insurance: Fidelity	\$0
Insurance: Workers Compensation	\$30,240
Insurance: Other	\$8,010
<b>General Expense</b>	<b>\$43,700</b>
<b>Other General Expense</b>	<b>\$0</b>
<b>TOTAL EXPENSES</b>	<b>\$4,621,230</b>
<b>Net Income Before Operating Transfer To Section 8</b>	<b>\$296,010</b>
<b>Operating Transfer to Section 8</b>	<b>(\$75,000)</b>
<b>NET INCOME (LOSS)</b>	<b>\$221,010</b>
<b>RESERVES (ESTIMATED FY ENDING 6-30-15)</b>	<b>\$5,674,394</b>

# Knoxville's Housing Development Corporation (KHDC)





# Knoxville's Housing Development Corporation (KHDC)

- Subsidiary corporation created for entrepreneurial development activities
- Primary non-federal funding source
- Revenue includes:
  - **Ownership and lease of non-dwelling and dwelling properties:**
    - **Dollar General Store**
    - **Head Start Building**
    - **22 Dwelling Units from Passport Homes LP**
  - **Tax Increment Financing Revenue (TIF from prior HOPE VI project)**
  - **Investment and Other Income**
- Expenses include:
  - **Administrative**
  - **Maintenance**
  - **Utilities**
  - **Interest Expense**
  - **Insurance**

# Knoxville's Housing Development Corporation (KHDC)

Revenue	\$625,710
Expenses	\$293,410
Operating Transfer Out	(\$ 75,000)
Net Income/(Loss)	\$257,300



**EXECUTIVE SUMMARY  
PROPOSED 2016 BUDGET  
KNOXVILLE'S HOUSING DEVELOPMENT CORPORATION**

**CHANGES FROM FY2015 TO FY2016**

**TOTAL REVENUE:** A decrease of 20% is proposed for 2016 over 2015 figures primarily due to the dwelling income expected with anticipated purchase of Regency Apartments in FY 2015 which did not occur.

**TOTAL EXPENSES:** A decrease of 35% is proposed for 2016 over 2015 figures primarily due to the expenses expected with anticipated purchase of Regency Apartments in FY 2015 which did not occur.

**NET INCOME:** Proposed at \$332,300 with operating transfer of (\$75,000) for Five Points for a total of \$257,300 to reserves.

**RESERVES:**

FYE 2014: \$7,359,372

FYE 2015: (estimated): \$7,103,574



**KNOXVILLE'S HOUSING DEVELOPMENT CORPORATION**  
**JULY 1, 2015 - JUNE 30, 2016**

REVENUE	KHDC	HEADSTART	DOLLAR GENERAL	PASSPORT SEC 8	TOTAL
Tenant and Non-Dwelling Rental Income	\$0	\$162,930	\$30,000	\$62,630	\$255,560
Investment Income	34,380	0	0	30	\$34,410
Tax Increment Revenue	335,710	0	0	0	\$335,710
Other Income	30	0	0	0	\$30
<b>TOTAL REVENUE</b>	<b>\$370,120</b>	<b>\$162,930</b>	<b>\$30,000</b>	<b>\$62,660</b>	<b>\$625,710</b>

  

EXPENSES	KHDC	HEADSTART	DOLLAR GENERAL	PASSPORT SEC 8	TOTAL
Administrative Salaries	12,910	0	0	6,020	\$18,930
Employee Benefits - Administrative	2,400	0	0	1,230	\$3,630
Other Operating - Administrative	58,050	70	0	18,680	\$76,800
Management Fees	0	0	0	0	\$0
Travel	0	0	0	0	\$0
Utilities	0	0	0	1,280	\$1,280
Ordinary Maintenance and Operations	20,420	9,860	13,290	23,710	\$67,280
PILOT	0	0	0	0	\$0
Insurance	130	350	500	6,730	\$7,710
Collection Loss	0	0	0	1,500	\$1,500
Interest Expense	48,460	53,660	0	14,160	\$116,280
Other General	0	0	0	0	\$0
<b>TOTAL EXPENSES</b>	<b>\$142,370</b>	<b>\$63,940</b>	<b>\$13,790</b>	<b>\$73,310</b>	<b>\$293,410</b>
<b>NET INCOME (LOSS) Before Operating Transfer</b>	<b>\$227,750</b>	<b>\$98,990</b>	<b>\$16,210</b>	<b>(\$10,650)</b>	<b>\$332,300</b>
Operating Transfer Five Points	(\$75,000)	\$0	\$0	\$0	(\$75,000)
<b>NET INCOME (LOSS)</b>	<b>\$152,750</b>	<b>\$98,990</b>	<b>\$16,210</b>	<b>(\$10,650)</b>	<b>\$257,300</b>
<b>RESERVES (ESTIMATED FY ENDING 6-30-15)</b>				<b>\$</b>	<b><u>7,103,574</u></b>

# Redevelopment



# Redevelopment

- Redevelopment agent for local government and public entities
- All direct billable projects are handled as a pass-thru and are not part of this operating budget
- Revenue includes:
  - **Tax Increment Financing (TIF) fees from Knox County**
  - **Other Fees (i.e., other TIF deals)**
  - **Billable Overhead**
  - **Leased Parking Lot Revenue**
  - **Investment Income**
- Expenses include:
  - **Administrative Overhead**
  - **Maintenance**
  - **Utilities**
  - **Insurance**

# Redevelopment

Revenue	\$139,510
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Expenses	\$139,510
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Net Income/(Loss)	\$0
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**EXECUTIVE SUMMARY  
PROPOSED 2016 BUDGET  
REDEVELOPMENT**

**CHANGES FROM FY2015 TO FY2016**

**TOTAL REVENUE:** A decrease of 6% is proposed for 2016 over 2015 figures primarily due to a decrease in TIF fees earned by the program.

**TOTAL EXPENSES:** An increase of 31% is proposed for 2016 over 2015 figures primarily due to anticipated hiring of a new VP of Redevelopment and various increases and decreases among the detailed line items.

**NET INCOME:** Proposed at \$ -0-.

**RESERVES:**

FYE 2014: \$2,288,142 (includes \$347,060 assets held for sale and \$592,139 in LT notes receivable)

FYE 2015: (estimated): \$2,301,318





**KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**  
**REDEVELOPMENT GENERAL PLANNING**  
**JULY 1, 2015 - JUNE 30, 2016**

**REVENUE**

Funds from Leased Parking Lots	\$66,150
Investment Income	\$60
Overhead Fees	\$70,000
Developer Fees	\$3,300

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<b>TOTAL REVENUE</b>	<b>\$139,510</b>
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**EXPENSES**

Administrative Salaries *	\$41,070
Administrative Benefits	\$16,290
Compensated Absences	\$16,710
Legal Fees	\$20
Training	\$0
Travel	\$320
Audit	\$400
Telephone	\$2,680
Office Supplies and Furnishings	\$0
Other Administrative Expenses	\$2,960
Administrative - Management Fee	\$52,060
Maintenance	\$4,690
Utilities	\$1,510
Insurance	\$800
Other General Expense	\$0

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<b>TOTAL EXPENSES</b>	<b>\$139,510</b>
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<b>NET INCOME (LOSS)</b>	<b>\$0</b>
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<b>RESERVES (ESTIMATED FY ENDING 6-30-15)</b>	<b>\$2,301,318</b>
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**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.

# The Manor



# The Manor

- 28 year old supportive living facility located in Northgate Terrace
- 40 available units to eligible residents
- Revenue includes:
  - **\$515 Service Fee**
    - **Resident paid, some scholarships based upon need**
    - **Fee coverage includes wellness checks, meals, light housekeeping, laundry and personal response system**
  - **Investment Income**
  - **Donations**
- Expenses include:
  - **Administrative**
  - **Resident services**
  - **Maintenance**
  - **Insurance**

# The Manor

Revenue	\$258,470
Expenses	\$313,440
Net Income/(Loss)	(\$54,970)



**EXECUTIVE SUMMARY  
PROPOSED 2016 BUDGET  
THE MANOR**

**CHANGES FROM FY2015 TO FY2016**

**THE MANOR:**

**TOTAL REVENUE:** An increase of 2% is proposed for 2016 over 2015 figures primarily due to an increase in other income from donations.

**TOTAL EXPENSES:** An increase of 10% is proposed for 2016 over 2015 figures primarily due to increase in compensated absences, telephone, computer services, salaries and benefits. While financially challenging, this program serves an important need in our community and we are committed to development of a fund raising strategy to continue operations.

**NET LOSS:** Proposed at (\$54,970)

**RESERVES:**

FYE 2014: \$191,934

FYE 2015: (estimated): \$147,259



# KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

## THE MANOR

JULY 1, 2015 - JUNE 30, 2016

### REVENUE

Service Fees (Manor Fees) (40 units)	\$247,200
Scholarship Loss	(\$5,580)
Interest on Investments	\$810
Other Income	\$16,040
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<b>TOTAL REVENUE</b>	<b>\$258,470</b>

### EXPENSES

Administrative Salaries	\$6,000
Administrative Benefits	\$2,660
Compensated Absences	\$22,950
Legal Fees	\$0
Staff Training	\$60
Travel	\$360
Audit	\$0
Computer Service	\$2,090
Telephone	\$3,630
Office Supplies and Furnishings	\$420
Advertising and Marketing	\$300
Other Administrative Expenses	\$1,100
<b>Administrative Expense</b>	<b>\$39,570</b>
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Salaries	\$69,960
Benefits	\$27,540
Tenant Services	\$85,780
Food Costs	\$89,480
<b>Resident Services</b>	<b>\$272,760</b>
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<b>Utilities</b>	<b>\$0</b>
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Maintenance Salaries	\$0
Maintenance Benefits: General	\$0
Materials	\$730
Contract Costs	\$10
<b>Maintenance</b>	<b>\$740</b>
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Insurance : Property	\$0
Insurance: General Liability	\$0
Insurance: Fidelity	\$0
Insurance: Workers Compensation	\$280
Insurance: Other	\$90
<b>General Expense</b>	<b>\$370</b>
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<b>Other General Expense</b>	<b>\$0</b>
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<b>TOTAL EXPENSES</b>	<b>\$313,440</b>
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<b>NET INCOME (LOSS)</b>	<b>(\$54,970)</b>
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<b>RESERVES (ESTIMATED FY ENDING 6-30-15)</b>	<b>\$147,259</b>

# QUESTIONS

