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BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

PAID T.R.A.	
Chk #	2210
Amount	25.00
Rev'd By	TS
Date	4/11/08

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T.R.A. DOCKET ROOM

IN RE: )  
)  
PETITION OF KNOXVILLE-KNOX )  
COUNTY COMMUNITY ACTION )  
COMMITTEE ALLOCATION OF AN )  
N11 NUMBER (ABBREVIATED DIALING )  
CODE) )

TRA Docket No. 08-00055

### PETITION FOR ALLOCATION OF AN N11 NUMBER

Knoxville-Knox County Community Action Committee (CAC) respectfully submits this Petition for Allocation of an N11 Number pursuant to BellSouth Telecommunications, Inc. General Subscriber Services Tariff § A39 Abbreviated Dialing (the "Tariff").

### INTRODUCTION

1. Petitioner is a governmental consortium between the Knox County, Tennessee government and the government of the city of Knoxville. It is an organization devoted to the civil well-being of the citizens of the City of Knoxville and of the citizens of Knox County, and is exempt from any and all federal and state taxation. See Exhibit A.

2. Petitioner operates federal, state and locally funded programs that serve poor and disadvantaged people in Knox County, Tennessee. Created in 1964 by Knox County and the City of Knoxville pursuant to the Federal Economic Opportunity Act of 1964, CAC is governed by a 30-member Board of Directors. The Knoxville-Knox County CAC is one of the 1,000 agencies that make up the national Community Action Partnership (CAP). The CAP is the preeminent community building, human services delivery, and low-income advocacy

network in America.. For a detailed listing of the programs, services, and organizational structure of the Knoxville-Knox County CAC please refer to Exhibit B.

### **NUMBERING RESOURCE AS TO WHICH ALLOCATION IS SOUGHT**

3. Petitioner seeks allocation of the 211 abbreviated dialing code for Knox County, and all contiguous counties which include: Anderson, Blount, Jefferson, Grainger, Union, Roane, Sevier and Loudon (the "Proposed Coverage Area"), the coverage area presently being served by East Tennessee Information and Referral.

### **STANDARD FOR GRANT OF PETITION**

4. In its July 31, 2000 Order (the "FCC Order"), CC Docket No. 92-105, ¶ 2, the Federal Communications Commission (the "FCC") expressly reserved the 211 abbreviated dialing code for "community information and referral services."

5. Pursuant to the October 20, 1993 Order (the "TRA Order"), Docket No. 92-13892, issued by the Tennessee Public Service Commission, the following factors and criteria are used to select the most qualified applicant for an allocation of N11 number resources: (i) overall financial fitness, both historical and future; (ii) overall ability (technical ability and otherwise) and willingness to provide service on a permanent and continuous basis; (iii) ability and willingness to abide by Tennessee Regulatory Authority ("TRA") rules and policies; (iv) rates, services and collection practices to be utilized by petitioner in the provision of N11 service; (v) extent and duration of petitioner's service to the local community included in the N11 allocation; (vi) anticipated future uses by the community of the proposed service to be offered by the petitioner and the petitioner's overall experience providing information to the community

to be served; and (vii) the type of information services to be provided by petitioner through an abbreviated dialing code, and its relative value to the public and local community. In addition, a petitioner for allocation of N11 number resources must agree to abide by the terms, conditions and rates for N11 service, which shall not exceed those set forth in the applicable Tariff.

### **REASONS SUPPORTING ALLOCATION OF N11**

6. Petitioner seeks to utilize the 211 abbreviated dialing code for provision of community information and referral services, pursuant to the TRA Order and FCC Order.

7. Although, pursuant to TRA Docket No. 98-00554, the 211 abbreviated access code for the Knoxville metropolitan exchange had been assigned to National Telephone Enterprises for voice personal dating services, the subsequent FCC Order effectively recalls that assignment, reserving the 211 abbreviated access code for "community information and referral services." Such "community information and referral services" specifically are the type of services that Petitioner proposes to provide through the abbreviated access number. In 2000, the 211 code was assigned to Knoxville Information and Referral which later changed its name to East Tennessee Information and Referral.

8. Petitioner satisfies the criteria set forth in the TRA Order:

(a) **Overall Financial Fitness, Both Historical and Future.** CAC has been in existence now for 44 years. Its annual budget in recent years for the entire organization is about 30 million dollars. Based upon the last available audit of financials (2006), the organization has total assets of \$11,665,000 which includes cash and cash equivalents, short term investments, capital assets, accounts receivables and prepaid expenses. Total liabilities are \$8,181,000 leaving net assets of nearly \$3.5 million. Funding sources are 69% federal monies, 2.5% state, 19% private, 2% city and nearly 7% county funds. Some of the programs

of CAC are funded through the local United Way campaign. In speaking specifically of the funding for 211, presently all United Ways in the Proposed Service Area, are supporting 211 with their campaign proceeds. United Way support accounts for 75% of the annual revenue for 211. Other sources of funding in place come from local governments, corporations and individuals. The present board of directors for the East Tennessee Information and Referral organization will remain intact as an advisory board for 211 and will have primary responsibility for soliciting funding for the operations of 211. Presently, 211 is fully funded for 2008. Petitioner's 2006 annual report and proposed budget for the service for 2008 and 2009 are attached hereto as Exhibits C and D, respectively.

**(b) Overall Ability (Technical Ability and Otherwise) and Willingness to Provide Service on a Permanent and Continuous Basis.** If allocated an abbreviated dial code, Petitioner will provide 211 service on a permanent and continuous basis. To that end, Petitioner intends to maintain the existing relationship and contract that has existed between East Tennessee Information and Referral Inc, and Nashville's 211 service provider, Crisis Intervention Center, Inc. All call center functions for the proposed service in East Tennessee will remain in Nashville, providing for 5-day per week, 12 hours per day, abbreviated access number service coverage. The Crisis Intervention Center has a long-standing relationship with United Way to provide information and referral services for people in the Nashville area community. The Crisis Intervention Center has been serving Nashville since 1968. The Center's core services are 24-hour crisis counseling, suicide prevention and information referral by phone. The Center handles over 50,000 calls a year from people needing Information and Referral services or crisis counseling. The excellent service level that East Tennessee is receiving from the Crisis Intervention Center for 211 service would be difficult and expensive to replicate locally. There is no plan to create a new 211 call center in East Tennessee at this time. The Petitioner administers an *Office on Aging* department which provides a Senior

*Citizen Information and Referral Service (SCIRS).* The Petitioner is a member of the Alliance of Information and Referral System (AIRS) and has staff that is AIRS certified in data base management and information and referral assistance. The manager of SCIRS presently serves as a board member and officer for the Tennessee Alliance of Information and Referral Service (TNAIRS). Serving as the 211 designee for East Tennessee is consistent with the mission of the CAC organization.

**(c) Ability and Willingness to Abide by TRA Rules and Policies.** Petitioner will comply with all present and future rules promulgated by the TRA, including without limitation those applicable to abbreviated access dialing service. Petitioner, through its association with East Tennessee Information and Referral and through its active participation on the TNAIRS boards, has reviewed and is familiar with the applicable rules promulgated by the TRA, as well as the Tariff.

**(d) Rates, Services and Collection Practices to Be Utilized by Petitioner in the Provision of N11 Service.** As more particularly described in Paragraph 1, above, Petitioner is a not-for-profit entity committed to providing free community information and social service referral services to the population of the Proposed Coverage Area. Petitioner proposes to pay all charges incurred in connection with the assignment and utilization of the abbreviated access code and the costs of ongoing operation of the abbreviated access number service, other than any applicable user-generated charges resultant from access to the service by cellular phone.

**(e) Extent and Duration of Petitioner's Service to the Local Community Included in the N11 Allocation.** Since 1964, Petitioner has been committed to community service in the Knoxville area and has developed a close relationship with social service providers in the Proposed Coverage Area in a cooperative effort to enhance and improve the delivery of beneficial services to the community. The population served by the programs of CAC represents the most vulnerable members of the community and those most needing access to a

sound information and referral program like 211. CAC is one of the region's largest and longest standing not-for-profit social services organization in the East Tennessee region. Formed in 1964, Petitioner's mission is *"Helping people help themselves by promoting self-sufficiency and independent living for low income families, seniors, and other vulnerable people through caring and efficient delivery of needed services and the development of effective partnerships at all levels."* As it relates directly to the dissemination of information and referral, CAC has for decades edited and secured funding for 50,000 copies of the Senior Services Directory and annually provides information and referral information to 7,000+ individuals. . For the past two years, East Tennessee Information and Referral has contracted with CAC for 211 database management and to update the database content of the website, [www.211easttn.org](http://www.211easttn.org).

**(f) Anticipated Future Uses by the Community of the Proposed Service to Be Offered by the Petitioner and the Petitioner's Overall Experience Providing Information to the Community to Be Served.** Petitioner has a long history of providing information to the metropolitan Knoxville community. Each year CAC's Office on Aging publishes a "Senior Services Directory" that provides descriptive information about the area's programs and services offered for the senior population. Each year nearly 50,000 copies of this resource are distributed. Additionally, through its SCIRS program, more than 7,000 persons annually are assisted with information and referrals to appropriate local resources. Moreover, Petitioner anticipates that its ongoing strong relationship with social services and community information concerns will continue. Because the availability of a uniform telephone access number for community information and social services would significantly reduce confusion or frustration regarding the number, type and amount thereof available in the Proposed Coverage Area, while enhancing the likelihood that people in need of assistance will be directed to those specific services that would be most appropriate for and responsive to their needs, it is anticipated that a

significant number of East Tennesseans will utilize the abbreviated access code system proposed by Petitioner. Presently 211 call volume in the Proposed Coverage Area ranges from 1,100 – 1,700 calls per month. It is anticipated that call volume will continue to increase with and increase in public awareness and understanding of 211.

**(g) The Type of Information Services to Be Provided by Petitioner Through an Abbreviated Dialing Code, and its Relative Value to the Public and Local Community.**

Through the abbreviated access number service, Petitioner would serve the population of the Proposed Coverage Area, providing free information regarding community service organizations and referral guidance to individuals seeking social services and other assistance. A single, easy to access, and comprehensive resource, such as the proposed service to be offered by Petitioner through the 211 abbreviated access number, would tend to reduce any confusion or lack of information among citizens of the Proposed Coverage Area concerning the availability of social and community services from the hundreds of community service organizations located therein. Thus, through the institution of Petitioner's abbreviated access number service, individuals in need of social or community service would have access to an effectively increased amount of social services, and which would be made available on a more uniform basis. Collectively attached hereto as Exhibits E, respectively, are supporting letters from key stakeholders including the mayor of Knoxville and the major supporters of 211 in the area.

**(h) Agreement to Abide by Terms, Conditions and Rates for N11 Service.**

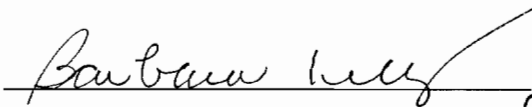
Petitioner agrees to abide fully by the terms, conditions and rates for N11 service set by the TRA and embodied in the Tariff. As described above in Paragraph 8(d), Petitioner expects to bear all costs of operating the N11 service, other than cellular phone connection and time charges. Therefore Petitioner's N11 rates would not exceed those set forth in the applicable Tariff.

**CONCLUSION**

9. Petitioner respectfully requests that the TRA allocate the 211 abbreviated dialing code for the Proposed Coverage Area and that the TRA grant such other relief as it deems necessary and proper.

Respectfully submitted,

Date: March 23, 2008

  
A handwritten signature in cursive script, appearing to read "Barbara Kelly", is written over a horizontal line. To the right of the signature, the letters "BOK" are handwritten.

Barbara Kelly  
Executive Director  
Knoxville-Knox County Community Action Committee  
P.O. Box 51650  
2247 Western Avenue  
Knoxville, TN 37950 - 1650  
(865) 546-3500



EXHIBIT A

Dale C. Workman  
Knox County Law Director



Michael S. Ruble  
Michael W. Moyers  
Deputy Law Director

Room 612, City-County Building  
400 Main Avenue  
Knoxville, Tennessee 37902  
615/521-2327

MEMORANDUM

TO: WHOM IT MAY CONCERN  
FROM: MICHAEL W. MOYERS, DEPUTY LAW DIRECTOR  
DATE: APRIL 3, 1989  
RE: TAX EXEMPT STATUS OF THE CAC

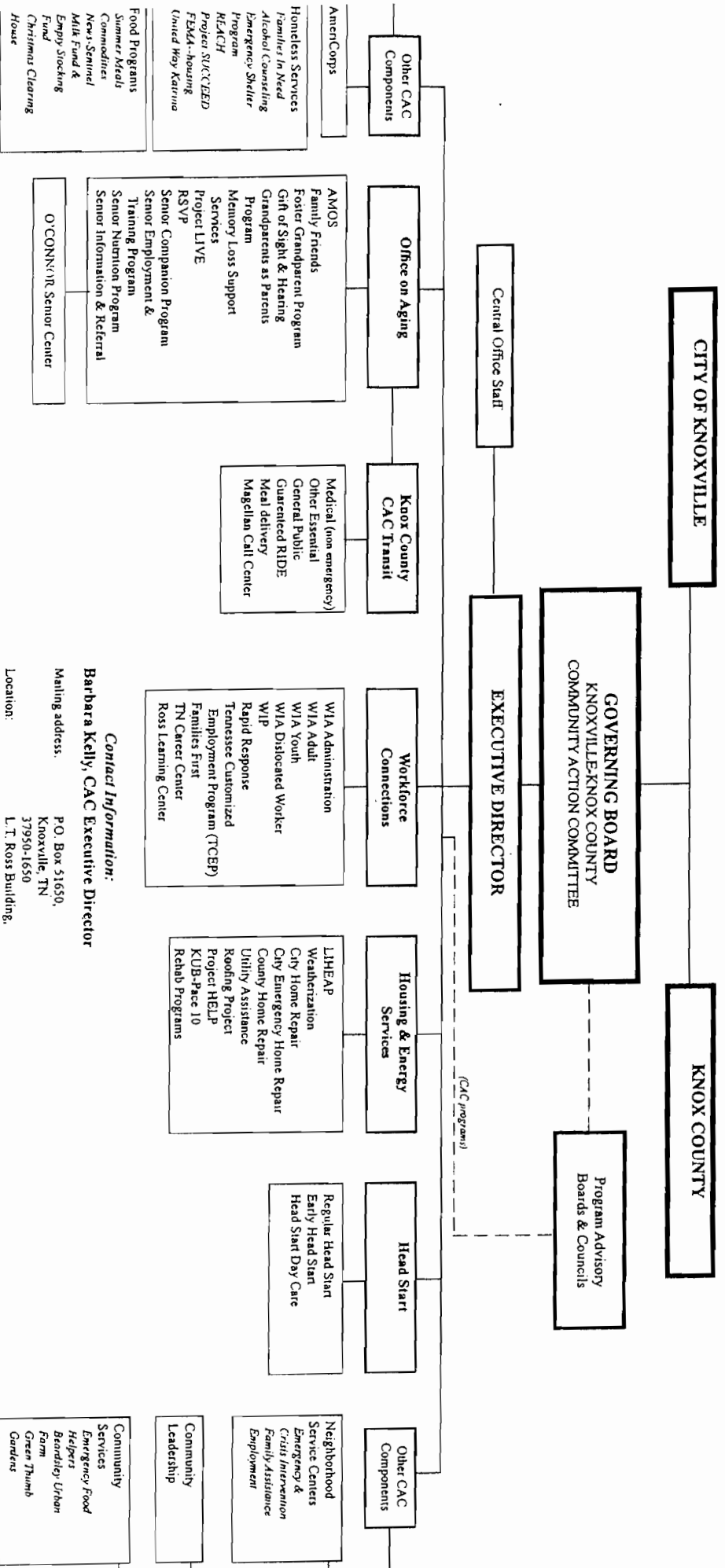
The Community Action Committee (CAC) is a governmental consortium between the Knox County, Tennessee government and the government of the City of Knoxville. It is an organization devoted to the civil well-being of the citizens of the City of Knoxville and of the citizens of Knox County, Tennessee, and is exempt from any and all federal and state taxation.

Any questions concerning the CAC's tax exempt status may be directed to this office.

MWM:nem

# EXHIBIT B

## KNOXVILLE-KNOX COUNTY COMMUNITY ACTION COMMITTEE Organizational Chart 2006



**Contact Information:**  
**Barbara Kelly, CAC Executive Director**

Mailing address:

P.O. Box 51650,  
Knoxville, TN  
37950-1650

Location:

2247 Western Avenue,  
L.T. Ross Building,  
Knoxville, TN

Phone:

(865) 546-3500

Fax:

(865) 546-0832

Email:

barbara.kelly@knoxcac.org

Website:

www.knoxcac.org

*"Community Action: Helping People. Changing Lives."*



CERTIFIED PUBLIC ACCOUNTANTS

Pershing Yoakley & Associates, P.C.  
One Perkins Place, 525 Portland Street  
Knoxville, TN 37919

(p) (865) 673-0844 (f) (865) 673-0173  
(w) www.pyapc.com

INDEPENDENT AUDITOR'S REPORT ON BASIC FINANCIAL  
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF  
EXPENDITURES OF STATE AND FEDERAL AWARDS

To the Board of Directors  
Knoxville-Knox County Community Action Committee  
Knox County, Tennessee

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Knoxville-Knox County Community Action Committee, as of and for the year ended June 30, 2006 which collectively comprise the Knoxville-Knox County Community Action Committee's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of Knoxville-Knox County Community Action Committee's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Knoxville-Knox County Community Action Committee as of June 30, 2006 and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 3 through 7 and 34 and 35 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2007 on our consideration of Knoxville-Knox County Community Action Committee's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Knoxville-Knox County Community Action Committee's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it. The accompanying schedule of expenditures of state and federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The schedule of expenditures of state and federal awards has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Perishing Youngky & Associates, P.C.*

Knoxville, Tennessee  
May 11, 2007

## Knoxville-Knox County Community Action Committee (CAC)

2247 Western Avenue at the L.T. Ross Building

Mailing address: P.O. Box 51650

Knoxville, TN 37950-1650

Phone: (865) 546-3500 Fax: (865) 546-0832

### Management's Discussion and Analysis

This section of the Knoxville-Knox County Community Action Committee's (CAC) annual audited financial statement is a narrative discussion and analysis by management of the financial activities of CAC for the fiscal year ended June 30, 2006. The section is part of the presentation of financial information as required by the Governmental Accounting Standards Board (GASB). It has been prepared by management to be read in conjunction with the financial statements and footnotes that follow the section. Comparative information with fiscal year 2005 is presented below.

<b>Financial Summary</b>	<b><u>05/06</u></b>	<b><u>04/05</u></b>
CAC total assets	\$11,664,963	\$10,269,467
Total assets include the following:		
Cash and Cash Equivalents	1,732,078	--
Short-term investments	313,710	307,145
Capital assets (net of accumulated depreciation)	4,037,794	3,919,345
Accounts receivable	5,463,622	5,926,007
Prepaid expenses	117,759	116,970
CAC's total liabilities	\$8,181,736	\$6,942,138
CAC assets exceed liabilities by (net assets)	\$3,483,227	\$3,327,329
Net assets include the following:		
Invested in capital assets	2,010,794	1,798,345
Restricted for equipment and other purposes	343,206	334,095
Unrestricted net assets	1,129,227	1,194,889
CAC has an ending fund balance of	\$1,472,433	\$1,528,984
CAC's total revenues are	\$30,483,200	\$28,191,401
Total revenues include the following:		
In-kind contributions	2,348,259	2,304,848
Federal and State governments	20,253,426	18,063,916
Local governments	2,472,114	2,587,401
Other local revenue	5,400,271	5,226,313
Interest earned	9,130	8,923
CAC's total expenses amounted to	\$30,327,302	\$28,772,316
Total expenses include the following:		
Administrative	1,020,649	1,152,880
Salaries and Benefits	11,824,728	12,743,177
Supplies	1,935,124	1,638,234
Rent and Occupancy	252,499	268,862
Travel	403,568	309,960
Other	15,103,183	12,437,536
Capital Outlays, Net of Depreciation changes	(118,449)	312,667
Principal Reduction	(94,000)	(91,000)
The change in net assets is	\$ 155,898	\$ (580,915)

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KNOXVILLE - KNOX COUNTY COMMUNITY ACTION COMMITTEE

STATEMENT OF NET ASSETS

June 30, 2006

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	TOTAL GOVERNMENTAL ACTIVITIES
<hr/>	
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,732,078
Short-term Investments	313,710
Accounts Receivable	5,463,622
Prepaid Expenses	117,759
Capital Assets, Net of Accumulated Depreciation	4,037,794
	<hr/>
TOTAL ASSETS	11,664,963
	<hr/>
<b>LIABILITIES</b>	
Accounts Payable and Accrued Liabilities	1,839,829
Unearned Revenue	512,206
Advances from Other Governments	2,500,000
Other Cash Advances	866,977
Compensated Absences Payable	435,724
Long-term Obligations:	
Due in Less than One Year	97,000
Due in More than One Year	1,930,000
	<hr/>
TOTAL LIABILITIES	8,181,736
	<hr/>
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	2,010,794
Restricted for:	
Equipment	16,115
Other Purposes	327,091
Net Assets - Unrestricted	1,129,227
	<hr/>
TOTAL NET ASSETS	\$ 3,483,227
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*The Notes to Financial Statements are an integral part of this statement.*

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**KNOXVILLE - KNOX COUNTY COMMUNITY ACTION COMMITTEE**

**STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2006

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FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE	
		OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
Governmental Activities:			
Program	\$ 29,235,387	\$ 30,474,070	\$ 1,238,683
Administrative	1,020,649	-	(1,020,649)
Interest Expense	71,266	-	(71,266)
Total Primary Government	<u>\$ 30,327,302</u>	<u>\$ 30,474,070</u>	<u>146,768</u>
General Revenue:			
Interest Income			<u>9,130</u>
Change in Net Assets			155,898
Net Assets, July 1, 2005			<u>3,327,329</u>
Net Assets, June 30, 2006			<u>\$ 3,483,227</u>

*The Notes to Financial Statements are an integral part of this statement.*

**KNOXVILLE - KNOX COUNTY COMMUNITY ACTION COMMITTEE**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

June 30, 2006

	<b>SPECIAL REVENUE FUNDS</b>		
	<b>CONDUCT AND ADMINISTRATION FUND</b>	<b>CONSORTIUM FUND</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,732,078	\$ -	\$ 1,732,078
Short-term Investments	313,710	-	313,710
Accounts Receivable	4,524,577	939,045	5,463,622
Due From Other Funds	352,115	-	352,115
Prepaid Expenses	114,845	2,914	117,759
<b>TOTAL ASSETS</b>	<b>\$ 7,037,325</b>	<b>\$ 941,959</b>	<b>\$ 7,979,284</b>
<b>LIABILITIES &amp; FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable & Accrued Liabilities	\$ 1,379,629	\$ 460,200	\$ 1,839,829
Due To Other Funds	-	352,115	352,115
Deferred Revenue	421,919	90,287	512,206
Advances from Other Governments	2,500,000	-	2,500,000
Other Cash Advances	866,977	-	866,977
Compensated Absences Payable	396,367	39,357	435,724
<b>TOTAL LIABILITIES</b>	<b>5,564,892</b>	<b>941,959</b>	<b>6,506,851</b>
<b>Fund Balances:</b>			
Reserved	343,206	-	343,206
Unreserved:			
Undesignated	1,129,227	-	1,129,227
<b>TOTAL FUND BALANCES</b>	<b>1,472,433</b>	<b>-</b>	<b>1,472,433</b>
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b>\$ 7,037,325</b>	<b>\$ 941,959</b>	<b>\$ 7,979,284</b>

*The Notes to Financial Statements are an integral part of this statement.*



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**KNOXVILLE - KNOX COUNTY COMMUNITY ACTION COMMITTEE**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET ASSETS**

June 30, 2006

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Amounts reported for governmental activities in the statement of net assets are different because:

Ending Fund Balance - Governmental Funds	\$ 1,472,433
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	4,037,794
Long-term liabilities, consisting of notes payable are not due and payable in the current period and therefore are not reported in the funds.	(2,027,000)
Net Assets of Governmental Activities	<u>\$ 3,483,227</u>

*The Notes to Financial Statements are an integral part of this statement.*

**KNOXVILLE - KNOX COUNTY COMMUNITY ACTION COMMITTEE**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

For The Year Ended June 30, 2006

	<b>SPECIAL REVENUE FUNDS</b>		
	<b>CONDUCT AND ADMINISTRATION FUND</b>	<b>CONSORTIUM FUND</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
<b>Revenues</b>			
In-Kind Contributions	\$ 2,348,259	\$ -	\$ 2,348,259
Other Local Revenues	5,399,796	475	5,400,271
State & Federal Governments	18,442,109	1,811,317	20,253,426
Other Governments and Citizen Groups	2,472,114	-	2,472,114
Interest Earned	9,130	-	9,130
<b>Total Revenues</b>	<b>28,671,408</b>	<b>1,811,792</b>	<b>30,483,200</b>
<b>Expenditures</b>			
Program Expenses:			
Salaries and Benefits	11,547,670	277,058	11,824,728
Supplies	1,918,758	16,366	1,935,124
Rent and Occupancy	209,703	42,796	252,499
Travel	395,124	8,444	403,568
Other	13,826,512	1,276,671	15,103,183
Administrative Expenses	830,192	190,457	1,020,649
<b>Total Expenditures</b>	<b>28,727,959</b>	<b>1,811,792</b>	<b>30,539,751</b>
<b>Deficiency of Revenues Under Expenditures</b>	<b>(56,551)</b>	<b>-</b>	<b>(56,551)</b>
<b>Fund Balances, July 1</b>	<b>1,528,984</b>	<b>-</b>	<b>1,528,984</b>
<b>Fund Balances, June 30</b>	<b>\$ 1,472,433</b>	<b>\$ -</b>	<b>\$ 1,472,433</b>

*The Notes to Financial Statements are an integral part of this statement.*

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**KNOXVILLE - KNOX COUNTY COMMUNITY ACTION COMMITTEE**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2006

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Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances - Governmental Funds	\$ (56,551)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net outlays for capital assets (\$772,276) exceeded net depreciation expense (\$653,827) in the current period.	118,449
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is reflected as an expenditure in the governmental funds, whereas the payment reduces long-term liabilities in the statement of net assets. Debt principal reductions in the current fiscal year were (\$94,000).	94,000
Change in Net Assets of Governmental Activities	<u>\$ 155,898</u>

*The Notes to Financial Statements are an integral part of this statement.*

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KNOXVILLE - KNOX COUNTY COMMUNITY ACTION COMMITTEE

STATEMENT OF FIDUCIARY NET ASSETS

FIDUCIARY FUND

June 30, 2006

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	<u>AGENCY FUND</u>
Cash and Cash Equivalents	<u>\$ 397,115</u>
TOTAL ASSETS	<u><u>\$ 397,115</u></u>
Accounts Payable and Accrued Liabilities	<u>\$ 397,115</u>
TOTAL LIABILITIES	<u><u>\$ 397,115</u></u>

*The Notes to Financial Statements are an integral part of this statement.*

# EXHIBIT D

## EAST TENNESSEE 211 PROJECTED BUDGET JANUARY 1 - DECEMBER 31, 2008

EXPENSES		REVENUE
SALARIES		
MANAGER @ 8 HOURS/WEEK	\$6,838	UNITED WAY OF GREATER KNOXVILL
RESOURCE SPECIALIST @ 25 HRS/W	\$11,386	BLOUNT COUNTY UNITED WAY
TOTAL SALARIES	\$18,224	ANDERSON COUNTY UNITED WAY
		SEVIER COUNTY UNITED WAY
FRINGE BENEFITS	\$3,987	SEVIER COUNTY GOVERNMENT
TRAVEL - 350 MI/MO @ \$.46/MILE	\$1,932	LOUDON COUNTY UNITED WAY
OUT OF AREA	\$1,000	UNION COUNTY UNITED WAY
MISCELLANEOUS - SUPPLIES, ETC.	\$1,200	ROANE COUNTY UNITED WAY
CAC ADMINISTRATION	2551	JEFFERSON COUNTY UNITED WAY
		GRAINGER COUNTY UNITED WAY
NASHVILLE CONTRACT	\$78,000	PILOT OIL
WATTS LINE	\$4,800	COVENANT HEALTH
SOFTWARE LICENSE	\$1,000	NISSUS CORP
WEB ACCESS	\$5,000	KNOX COUNTY HEALTH DEPT.
		SHAEFFER INSURANCE
		ANDERSON COUNTY GOVT
		BB&T BANK
		GARY YOUNG
		CARRY FORWARD FROM 2007
TOTAL EXPENSES	\$117,694	
		TOTAL REVENUE
		\$117,694

## EXHIBIT D

### EAST TENNESSEE 211 PROJECTED BUDGET JANUARY 1 - DECEMBER 31, 2009

EXPENSES		REVENUE
SALARIES		
MANAGER @ 8 HOURS/WEEK	\$7,043	UNITED WAY OF GREATER KNOXVILL
RESOURCE SPECIALIST @ 25 HRS/W	\$11,728	BLOUNT COUNTY UNITED WAY
TOTAL SALARIES	\$18,771	ANDERSON COUNTY UNITED WAY
		SEVIER COUNTY UNITED WAY
FRINGE BENEFITS	\$4,107	SEVIER COUNTY GOVERNMENT
TRAVEL - 350 MI/MO @ \$.46/MILE	\$1,932	LOUDON COUNTY UNITED WAY
OUT OF AREA	\$1,000	UNION COUNTY UNITED WAY
MISCELLANEOUS - SUPPLIES, ETC.	\$1,200	ROANE COUNTY UNITED WAY
CAC ADMINISTRATION	2628	JEFFERSON COUNTY UNITED WAY
		GRAINGER COUNTY UNITED WAY
NASHVILLE CONTRACT	\$78,000	KNOX COUNTY HEALTH DEPT.
WATTS LINE	\$5,300	ANDERSON COUNTY GOVT
SOFTWARE LICENSE	\$1,000	
WEB ACCESS	\$5,000	
TOTAL EXPENSES	\$118,938	TO BE RAISED BY ADVISORY BRD
		\$22,000



January 8, 2008

Kathy Hatfield  
Director of Client Services  
Child & Family, Inc.  
901 E. Summit Hill Dr.  
Knoxville, TN 37915

Dear Ms. Hatfield,

The City of Knoxville strongly supports the plan to consolidate your organization's 211 East Tennessee Information and Referral Line into the Knoxville-Knox County Community Action Committee.

I believe that this will improve what is already a wonderful information referral service available to citizens in our city, in Knox County and across East Tennessee.

The 211 line is dedicated to referring people who need help to the right place at the right time and it will only get better as a result of this move.

This is a fiscally sound decision and I believe that the 211 referral services would be an excellent addition to the Knoxville-Knox County CAC's umbrella of services.

Please feel free to contact me if I can be of any assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Haslam", is written over the word "Sincerely,".

Bill Haslam



Kathy Hatfield  
Child and Family, Tennessee

Kathy. As you know, I have been watching the success of 211 here in East Tennessee since my board term ended in 2004. I have been very excited about the progress you, Gary Young, Charlie Gray, and the rest of the board have made in providing information and referral service to citizens in our region. I have been made aware of your plans to consolidate within CAC. I believe this is a logical step in creating efficiencies within our non-profit agencies and a fiscally prudent decision on the part of your board. CAC's organization structure is well suited to oversee a program of this nature. If I can be any help to you whatsoever during this transition time, please let me know.

Russ Jensen  
Director, 311 Knoxville



1301 Hannah Avenue  
Knoxville, TN 37921  
865-523-9131  
865-522-7312 fax  
www.unitedwayknox.org



United Way  
of Greater Knoxville

December 17, 2007

Tennessee Regulatory Authority  
Attention: Ms. Sharla Dillon  
460 James Robertson Parkway  
Nashville, TN 37209

Dear TRA Members:

United Way of Greater Knoxville has supported the East Tennessee Information and Referral (2-1-1) effort since the inception of the organization. We also have a strong partnership with the Community Action Committee (CAC) and we are very supportive of the planned consolidation of the East Tennessee Information and Referral service and the CAC.

We believe the information and referral service for the East Tennessee region will be well served with the proposed plan. Since we have supported the 2-1-1 initiative with promotional consideration and funding over the history of the organization; last year 2-1-1 received \$45,200 from United Way of Greater Knoxville. We would expect to continue our relationship going forward including funding.

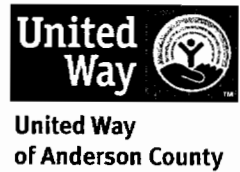
We look forward to the continuation of a quality information and referral service for the citizens of our region and to our continued partnership with 2-1-1.

Sincerely,

A handwritten signature in black ink that reads "Ben Landers".

Ben Landers  
President & CEO

161 Robertsville Road  
Post Office Box 4158  
Oak Ridge, Tennessee 37831-4158  
tel 865.483.8431  
fax 865.483.8572  
uwayac@bellsouth.net  
www.unitedwayandersoncounty.org



December 18, 2007

Tennessee Regulatory Authority  
Ms. Sharla Dillon  
460 James Robertson Parkway  
Nashville, TN 37209

Re: East TN Information and Referral Funding

In January 2006, the Board of Directors of United Way of Anderson County reviewed a funding proposal by East TN Information and Referral for 211 services in Anderson County. The UWAC Board of Directors voted to fund 211 services at \$9,750. In January 2007, the Board voted continued funding in the 2007 calendar year at that same level.

In November 2007, the Board heard of the plans to transfer management of our 211 services and voiced no concerns. At the December Executive Committee meeting, the Executive Committee stated the UWAC Board will review a proposal for 211 services at the January 2008 meeting. If there are no substantive changes in the proposal, the Executive Committee will recommend approval for 2008 funding.

Should you have any questions regarding this matter, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Morrow". The signature is written in a cursive, flowing style.

Rick Morrow, Executive Director  
United Way of Anderson County  
865-483-8431  
uwayac@bellsouth.net

1615 E. Broadway Avenue  
Maryville, TN 37804  
Tel 865.982.2251  
Fax 865.981.4084  
[www.unitedwayblount.org](http://www.unitedwayblount.org)



United Way  
of Blount County

December 14, 2007

Ms. Kathy Hatfield  
East Tennessee Information and Referral  
901 E. Summitt Hill Drive  
Knoxville, TN 37915

Dear Ms. Hatfield:

United Way of Blount County has given financial and volunteer support to 2-1-1 for the past 3 years. We are aware of and support the consolidation of East Tennessee Information and Referral (211) with the Knoxville Community Action Committee. Under the new administration, we will continue our financial support and look forward to the benefits of this new organization.

If you have any questions concerning our commitment of continuing support, please get in touch with me at 865- 982-2251 or email me at [sdavis@unitedwayblount.org](mailto:sdavis@unitedwayblount.org).

Sincerely,

A handwritten signature in cursive script that reads "Sandra Davis".

Sandra Davis  
President/CEO