

FINANCE

Mission Statement

To provide fiscal leadership, integrity and superior financial services through prudent and efficient management of the City's financial affairs.

Services

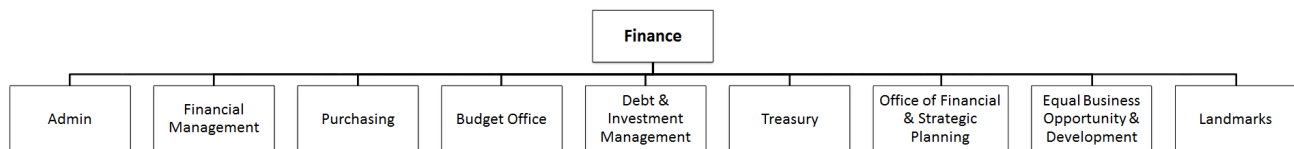
The City's financial responsibilities include timely, accurate and cost-effective preparation and maintenance of accounting records and financial reports; disbursement of payments to employees/retirees, vendors, contractors and others; procurement of materials, products and construction services in a fair, unbiased and equitable manner; development and management of accurate and timely operating and capital budgets; implementation of the City's performance-based budgeting and accountability initiative; investment of the City's cash and pension funds; debt management; and effective management of tax and other revenue collections.

Operating Budget

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	4,132,365	5,555,156	5,098,391	5,957,417
Materials and Supplies	1,207,472	1,310,324	1,631,992	1,521,629
Capital Outlay	0	1,000	0	1,000
Grants and Subsidies	2,149,447	1,980,000	2,475,000	3,489,300
Transfers Out	0	0	0	5,000
Total Expenditures	\$ 7,489,284	\$ 8,846,480	\$ 9,205,383	\$ 10,974,346
Program Revenues	\$ (1,975,418)	\$ (2,010,000)	\$ (2,547,785)	\$ (2,010,000)
Net Expenditures	\$ 5,513,867	\$ 6,836,480	\$ 6,657,598	\$ 8,964,346

Authorized Complement	91
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Organization Structure



Performance Highlights

- Increased the percentage of contracts going to certified minority and female contractors to 21.1%- a 68% increase from 2016
- Refunded 2011 outstanding Tourism Development Zone (TDZ) bonds removing certain restrictions and generating an \$8.7M present value savings
- Awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the 40th straight year
- Earned the GFOA Distinguished Budget Presentation Award for the 19th consecutive year
- Maintained AA bond rating and earned improved “outlook” from Moody’s and S&P
- Earned the National Procurement Institute’s (NPI) Achievement of Excellence in Procurement Award for the 4th consecutive year

Issues & Trends

The Office of Business Diversity and Compliance, which is housed in the Finance Division, is committed to aggressively facilitating the City's goal of public and private sector business procurement opportunities that reflect this diverse community. This is part of a broader data-driven approach to city government. The Division continues to pursue bond refinancing opportunities and use of the commercial paper program to minimize the City's cost of Debt. The Division also continues to encourage a culture of excellence by refining the internal division processes that will lead to effective, efficient and responsive services. The Information Technology Division reports into the Finance Division, which is designed to enhance efficiency, effectiveness and reporting across the enterprise.

Key Performance Indicators

FINANCIAL MANAGEMENT	FY16 ACTUAL	FY17 GOAL	FY17 ACTUAL*	FY18 GOAL	CATEGORY
Unassigned balance of 10% of General Fund Expenditures	100%	100%	100%	100%	Government
% of time monthly financial reporting completed by the 10th day of the following month	92%	92%	92%	100%	Government
% of all accurately submitted vendor payments processed within 5 business days	97%	95%	98%	98%	Government

PURCHASING	FY16 ACTUAL	FY17 GOAL	FY17 ACTUAL*	FY18 GOAL	CATEGORY
% of regular purchase orders completed within 30 days	90%	95%	93%	95%	Government
% of construction requisitions completed within 120 days	93%	95%	98%	95%	Government

BUDGET OFFICE	FY16 ACTUAL	FY17 GOAL	FY17 ACTUAL*	FY18 GOAL	CATEGORY
% of budget to actual variance reports completed within 10 business days after period closing	100%	100%	100%	100%	Government
Complete 1st and 2nd quarter Actuals within 45 days of quarterly closing	100%	100%	100%	100%	Government

DEBT MANAGEMENT	FY16 ACTUAL	FY17 GOAL	FY17 ACTUAL*	FY18 GOAL	CATEGORY
Maintain the City's Bond rating at or above Moody: Aa2, S&P: AA	Moody: Aa2, S&P: AA	Moody: Aa2, S&P: AA	Moody: Aa2, S&P: AA	Moody: Aa2, S&P: AA	Government
Annual rate of return on investments (Exceed 3 month Treasury Bill rate)	100%	100%	100%	100%	Government

EQUAL BUSINESS OPPORTUNITY AND DEVELOPMENT	FY16 ACTUAL	FY17 GOAL	FY17 ACTUAL*	FY18 GOAL	CATEGORY
% of contracts monitored for compliance	New measure	Tracking	1050	1500	Government
# of outreach events for MWBE vendors completed annually	New measure	Tracking	55	50	Government
# of certified MWBE vendors registered with the City of Memphis	278	400	353	400	Government
% of City of Memphis spending with MWBE vendors	13.18%	16.50%	21.30%	22.50%	Government

* Some figures are approximate. In these cases, the reporting for FY17 was not complete before production of the budget book.

Finance Division Detail

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
PERSONNEL SERVICES				
Full-Time Salaries	3,183,090	4,623,340	3,760,951	5,170,494
Holiday Salary Full Time	173,060	0	198,775	0
Vacation Leave	167,741	0	219,546	0
Bonus Leave	29,447	0	27,420	0
Sick Leave	101,912	0	112,549	0
Overtime	9,333	11,500	22,159	11,500
Out of Rank Pay	6,519	0	2,504	0
Longevity Pay	48	0	48	0
Retirement Benefits	59,981	150,000	40,254	0
Pension	213,224	236,222	237,184	275,725
Social Security	13,544	0	12,197	0
Pension ARC Funding	337,080	453,467	453,467	433,180
Group Life Insurance	10,114	13,411	11,902	16,391
Unemployment	7,370	5,840	5,840	6,560
Medicare	53,568	63,420	64,603	71,923
Long Term Disability	10,490	12,535	11,969	14,358
Health Insurance - Basic	19,282	26,433	18,736	0
Health Insurance - Value PPO	0	0	20,505	30,933
Health Insurance - Premier	384,394	455,724	353,984	333,036
Other Post Employment Benefits	0	20,262	0	0
Benefits Adjustments	0	(20,260)	0	82,844
Health Insurance-Local Plus Plan	0	0	71,050	131,296
Salaries - Part Time/Temporary	218,449	432,335	217,267	267,856
On the Job Injury	3,805	4,260	11,350	4,260
Payroll Reserve	22,673	0	0	0
Attrition	0	(85,263)	0	(44,870)
Bonus Pay	0	0	72,200	0
Expense Recovery - Personnel	(892,757)	(848,069)	(848,069)	(848,069)
Total Personnel Services	\$ 4,132,365	\$ 5,555,156	\$ 5,098,391	\$ 5,957,417
MATERIALS AND SUPPLIES				
City Shop Charges	0	1,430	0	1,430
City Shop Fuel	0	344	0	344
Outside Computer Services	0	0	0	1,395
City Computer Svc Equipment	2,072	21,750	23,360	38,250
Data/Word Processing Equipment	0	200	0	200
Data/Word Process Software	13,810	0	0	0
Pers Computer Software	386	2,500	2,000	2,500

Finance Division Detail *(continued)*

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
City Telephone/Communications	12,314	19,280	15,235	23,280
Printing - Outside	86,971	135,275	215,346	133,075
Supplies - Outside	60,529	69,620	78,446	80,433
Food Expense	286	0	561	0
Document Reproduction - Outside	0	0	0	558
Clothing	260	0	0	0
Drafting/Photo Supplies	0	250	150	250
Outside Postage	141,082	136,188	134,590	137,188
Asphalt Products	7,923	0	0	0
Materials and Supplies	2,730	21,993	3,900	21,993
Miscellaneous Expense	4,696	6,575	20,950	6,575
Outside Equipment Repair/Maintenance	2,582	3,250	1,250	3,250
Internal Repairs and Maintenance	0	0	0	930
Advertising/Publication	59,859	64,300	61,000	66,677
Outside Phone/Communications	0	0	0	1,860
Janitorial Services	0	0	0	9,114
Security	962	4,000	4,000	26,785
Photography	0	150	0	150
Seminars/Training/Education	17,410	57,800	50,150	63,800
Fixed Charges	0	0	84	0
Misc Professional Services	818,900	797,800	1,107,465	843,660
Rewards and Recognition	442	0	0	0
Travel Expense	15,521	33,000	30,100	44,390
Unreported Travel	403	800	186	800
Mileage	0	1,000	1,000	1,000
Utilities	0	0	0	20,692
Insurance	0	11,994	11,494	34,345
Claims	0	0	24,000	20,000
Lawsuits	0	1,000	0	1,000
Dues/Memberships/Periodicals	9,264	8,500	6,650	16,010
Misc Services and Charges	4,083	3,325	7,074	11,695
Expense Recovery - M & S	(55,013)	(92,000)	(167,000)	(92,000)
Total Materials and Supplies	\$ 1,207,472	\$ 1,310,324	\$ 1,631,992	\$ 1,521,629
CAPITAL OUTLAY				
Furniture/Furnishings	0	1,000	0	1,000
Total Capital Outlay	\$ 0	\$ 1,000	\$ 0	\$ 1,000
GRANTS AND SUBSIDIES				
Planning & Development	0	0	0	1,500,000

Finance Division Detail *(continued)*

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
RBC Training/Certification Program	79	0	0	4,650
EDGE	2,149,368	1,980,000	2,475,000	1,980,000
Contr Assist Prog/Bonding	0	0	0	4,650
Total Grants and Subsidies	\$ 2,149,447	\$ 1,980,000	\$ 2,475,000	\$ 3,489,300
TRANSFERS OUT				
Oper Tfr Out - Misc Grants Fund	0	0	0	5,000
Total Transfers Out	\$ 0	\$ 0	\$ 0	\$ 5,000
TOTAL PROGRAM EXPENDITURES	\$ 7,489,284	\$ 8,846,480	\$ 9,205,383	\$ 10,974,346
LOCAL TAXES				
Tourism Development Zone Local Sales	1,960,398	1,980,000	2,500,000	1,980,000
Total Local Taxes	\$ 1,960,398	\$ 1,980,000	\$ 2,500,000	\$ 1,980,000
OTHER REVENUES				
Rezoning Ordinance Publication Fees	4,650	10,000	4,600	10,000
Miscellaneous Income	0	0	2,685	0
Donated Revenue	0	0	22,500	0
Vendor Rebates	10,369	0	18,000	0
Commissions	0	20,000	0	20,000
Total Other Revenues	\$ 15,019	\$ 30,000	\$ 47,785	\$ 30,000
TOTAL PROGRAM REVENUES	\$ (1,975,418)	\$ (2,010,000)	\$ (2,547,785)	\$ (2,010,000)
NET EXPENDITURES	\$ 5,513,867	\$ 6,836,480	\$ 6,657,598	\$ 8,964,346

Administration

To provide leadership and direction to all Finance Division service centers and to coordinate all financial functions of the City. Also, to ensure all contracts and/or subcontractors awarded City-funded projects are in compliance with and adhering to the Prevailing Wage Ordinance adopted by the City.

Operating Budget

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	453,500	473,030	498,909	470,708
Materials and Supplies	33,146	39,843	31,288	62,694
Capital Outlay	0	1,000	0	1,000
Total Expenditures	\$ 486,646	\$ 513,873	\$ 530,197	\$ 534,402
Net Expenditures	\$ 486,646	\$ 513,873	\$ 530,197	\$ 534,402

Authorized Complement	5
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Financial Management

To ensure the integrity of the City's financial information by preparing and maintaining accurate accounting records, providing timely and accurate financial reports to City Division's management and staff, and preparing the Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting principles and legal requirements. Additionally, Records Management ensures that agendas and minutes of Council meetings are prepared and retained, and ordinances are published in accordance with legal requirements. This legal level includes Financial Accounting-Governmental Activities, Financial Accounting- Business Type Activities, Accounts Payable, Payroll and Records Management service centers.

Operating Budget

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	1,517,391	1,831,215	1,710,272	1,964,129
Materials and Supplies	395,607	299,550	272,206	276,350
Grants and Subsidies	79	0	0	0
Total Expenditures	\$ 1,913,077	\$ 2,130,765	\$ 1,982,478	\$ 2,240,479
Program Revenues	\$ (4,650)	\$ (10,000)	\$ (4,600)	\$ (10,000)
Net Expenditures	\$ 1,908,427	\$ 2,120,765	\$ 1,977,878	\$ 2,230,479

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Purchasing

To provide the most cost-effective method of procuring materials, products and construction services for the City of Memphis while adhering to the procurement laws of the State of Tennessee and the City of Memphis.

Operating Budget

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	626,207	649,283	546,671	659,305
Materials and Supplies	189,539	161,975	151,222	161,975
Total Expenditures	\$ 815,746	\$ 811,258	\$ 697,894	\$ 821,280
Program Revenues	\$ (10,369)	\$ 0	\$ (18,000)	\$ 0
Net Expenditures	\$ 805,377	\$ 811,258	\$ 679,894	\$ 821,280

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Budget Office

The Budget Office seeks to maximize City resources by identifying cost-saving measures, monitoring financial trends, assisting the divisions in developing their budgets and evaluating budget performance throughout the year. In addition, the Budget Office publishes the City's annual operating and capital budgets, which play a vital role in communicating to the citizens of Memphis the uses of their tax dollars.

Operating Budget

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	419,401	524,346	519,031	566,185
Materials and Supplies	91,544	74,100	106,350	77,900
Total Expenditures	\$ 510,944	\$ 598,446	\$ 625,381	\$ 644,085
Net Expenditures	\$ 510,944	\$ 598,446	\$ 625,381	\$ 644,085

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Debt & Investment Management

Debt Management manages relationships with bond rating agencies and other bond market participants, manages the issuance of the City's bonds and debt related instruments, prepares and monitors scheduled debt payments, administers compliance with federal arbitrage rules and continual disclosure requirements, prepares and distributes financial reports and statistical data for use by internal and external customers, and prepares invoices relating to loan agreements with other agencies, authorities, and divisions.

Investment Management is responsible for actively managing the City's cash to obtain the maximum return possible within the parameters of the City's investment policy. Investment Management is also responsible for overseeing investment of the City's defined benefit plan assets, defined contribution assets, and Other Post-Employment Benefits (OPEB) assets.

Operating Budget

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	140,105	215,234	198,624	187,992
Materials and Supplies	11,902	16,775	37,800	36,775
Total Expenditures	\$ 152,008	\$ 232,009	\$ 236,424	\$ 224,767
Net Expenditures	\$ 152,008	\$ 232,009	\$ 236,424	\$ 224,767
Authorized Complement				4

City Treasurer

To maximize tax and other miscellaneous revenue collections, while providing effective and responsive customer services to the citizens of Memphis in all Treasury-related operations with optimal use of resources.

Operating Budget

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	880,069	932,523	874,382	958,954
Materials and Supplies	385,274	352,000	355,346	351,500
Grants and Subsidies	2,149,368	1,980,000	2,475,000	1,980,000
Total Expenditures	\$ 3,414,710	\$ 3,264,523	\$ 3,704,728	\$ 3,290,454
Program Revenues	\$ (1,960,398)	\$ (2,000,000)	\$ (2,500,000)	\$ (2,000,000)
Net Expenditures	\$ 1,454,312	\$ 1,264,523	\$ 1,204,728	\$ 1,290,454

Authorized Complement	17
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Office of Financial & Strategic Planning

To monitor and evaluate existing revenue trends and the development of new revenue enhancement opportunities, while supporting the development of strategic financial goals.

Operating Budget

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	95,692	97,214	100,831	172,773
Materials and Supplies	98,637	100,500	105,053	100,500
Total Expenditures	\$ 194,329	\$ 197,714	\$ 205,884	\$ 273,273
Net Expenditures	\$ 194,329	\$ 197,714	\$ 205,884	\$ 273,273

Authorized Complement	2
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Equal Business Opportunity & Development Program

The Office of Business Opportunity & Compliance (BOC) serves as the support agency and administrative arm to the Minority and Women Business Enterprise Participation Program. The purpose of the agency is to ensure that the legislative intent of the City's Ordinance 4288 et. Seq., which created the M/WBE program, is carried out in all procurement activities and opportunities. This office will serve as a catalyst through which Minority and Women Business Enterprises can fully participate in the economic expansion of the Memphis business community. This office will facilitate participation of public and private sector business entities in local M/WBE development through direct/indirect procurement opportunities.

Operating Budget

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	0	637,617	493,527	772,626
Materials and Supplies	1,600	258,031	566,526	446,385
Grants and Subsidies	0	0	0	9,300
Total Expenditures	\$ 1,600	\$ 895,648	\$ 1,060,053	\$ 1,228,311
Program Revenues	\$ 0	\$ 0	\$ (22,500)	\$ 0
Net Expenditures	\$ 1,600	\$ 895,648	\$ 1,037,553	\$ 1,228,311
Authorized Complement				12

Landmarks

The Landmarks Commission was established to ensure preservation of structures that are of historic value to Memphis. The purpose is to preserve significant resources, enhance community pride and foster civic beauty, and ensure compatibility within designated historic districts.

Operating Budget

Category	FY 2016 Actual	FY 2017 Adopted	FY 2017 Forecast	FY 2018 Adopted
Personnel Services	0	194,695	156,144	204,744
Materials and Supplies	224	7,550	6,200	7,550
Grants and Subsidies	0	0	0	1,500,000
Transfers Out	0	0	0	5,000
Total Expenditures	\$ 224	\$ 202,245	\$ 162,344	\$ 1,717,295
Program Revenues	\$ 0	\$ 0	\$ (2,685)	\$ 0
Net Expenditures	\$ 224	\$ 202,245	\$ 159,659	\$ 1,717,295

Authorized Complement	3
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Finance • Authorized Complement

FINANCE • AUTHORIZED COMPLEMENT

Position Title	Authorized Positions	Position Title	Authorized Positions
ADMINISTRATION		SPEC CUST SVC ADMIN	1
ASST EXECUTIVE	1	SUPER BUDGET	1
ASST OFFICE	1	Total Budget Office	7
CHIEF FINANCIAL OFFICER	1	DEBT MANAGEMENT	
DIRECTOR FINANCE DEPUTY	1	ANALYST INVESTMENT SR	1
MGR PREVAILING WAGE PROJECT	1	COORD DEBT	1
Total Administration	5	DIRECTOR FINANCE DEPUTY	1
FINANCIAL MANAGEMENT		MGR INVESTMENT	1
ACCOUNTANT	8	Total Debt Management	4
ACCOUNTANT ASSOCIATE A	4	CITY TREASURER	
ANALYST FINANCIAL ACCOUNTING	3	ANALYST APPLICATION	1
ANALYST GRANT ACCOUNTING	1	ANALYST RNT	1
ANALYST PAYROLL	1	SPEC TAXPAYER SVCS	7
ASST COUNCIL RECORDS	2	SPEC TAXPAYER SVCS SR	3
COMPTROLLER	1	SUPER TREASURY TAX SVCS	3
COMPTROLLER ACCOUNTING DEPUTY	2	TREASURER	1
COMPTROLLER ACCOUNTS PAYABLE DEPUTY	1	TREASURER ASST	1
COMPTROLLER PAYROLL DEPUTY	1	Total City Treasurer	17
COMPTROLLER RECORDS MGMT DEPUTY	1	OFFICE OF FINANCIAL & STRATEGIC PLANNING	
COORD PENSION PAYROLL	1	MGR REVENUE	1
SPEC PAYROLL	2	MGR PLNG STRATEGIC INT	1
SUPER ACCOUNTS PAYABLE	1	Total Office of Financial & Strategic Planning	2
SUPER PAYROLL	1	EQUAL BUSINESS OPPORTUNITY & DEVELOPMENT PROGRAM	
TECH DOCUMENT	1	ANALYST CONTRACT COMPLIANCE	2
Total Financial Management	31	ANALYST, BUSINESS DEV CERIFICATION	1
PURCHASING		ANALYST BUSINESS DEV CERTIFICATION	1
AGENT PURCHASING	1	ASST ADMINISTRATIVE MORE	1
AGENT PURCHASING ADMIN ASST	1	ASST EXECUTIVE	1
AGENT PURCHASING ASST	1	COORD BUSINESS SERVICES	1
ANALYST CONTRACT	4	COORD BUSINESS SVCS	1
ANALYST CONTRACT SR	1	COORD BUSINESS SVCS SR	1
COORD FIXED ASSET	1	COORD BUSINESS DEV LENDING	1
SPEC PURCHASING SR	1	DIRECTOR MWBE DEPUTY	1
Total Purchasing	10	SPECIALIST COMPLIANCE (RESTRUCTURE)	1
BUDGET OFFICE		Total Equal Business Opportunity & Development Program	12
ANALYST FINANCIAL CIP SR	1		
ANALYST FINANCIAL SR	3		
MGR RES MGMT BUDGET	1		

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Position Title	Authorized Positions	Position Title	Authorized Positions
LANDMARKS			
PLANNER MUNICIPAL	2		
PLANNER PRINCIPAL	1		
Total Landmarks	3		
<u>TOTAL Finance</u>	<u>91</u>		