

The Memphis City Administration develops a Five-Year Financial Plan for the General Fund. The Five Year Financial Plan is an indication of management's best assessment of future revenues, expenditures and operating results over the five-year forecast period.

The compilation and review of the Plan provides an opportunity to put current funding decisions in context with longer-term economic conditions while affording City management a realistic projection of the ongoing financial impact of policy decisions. The Plan also provides an opportunity to demonstrate to policy makers the likely impact of the short-term capital investment and financing decisions on the City's longer-term financial capacity.

Major goals of the Five-Year Financial Plan include the following:

- 1) To put the City's annual budget making process into a five-year planning horizon to facilitate prudent financial management.
- 2) To provide an environment for setting revenue and expenditure targets and for evaluating budget priorities in light of projected fiscal conditions.
- 3) To present a picture of the longer-term strategic financial issues facing the City, while highlighting funding priorities for budget planning.
- 4) To identify potential structural budget imbalances, surpluses or shortfalls.
- 5) To provide a useful framework for reviewing and refining the City's financial forecasts, as well as its financial management goals and priorities.

In preparing the Plan, the Budget Office takes into account historical experience, as well as the economic uncertainties underlying the revenue outlook and growth in expenditures during the five-year period. The City's key assumptions for revenues and expenditures are provided in the following paragraphs.

The revenue projections assume minimal growth in the two main revenue categories of local taxes and state taxes for the next four years with growth of approximately 1. Given the economic dependency of these two revenue categories, the current financial climate, which reflects unstable unemployment, and housing instability, effectively negate historical growth and collection trends for property and tax sale revenue. Consequently revenue projections presented are very conservative.

Expenditure projections represent expenditure growth for most expenditure categories only as identified by the respective operating divisions. Most expenditures are planned at baseline amounts of the FY 2015 budget unless there are known changes on the horizon. Expenditure projections also reflect the impact of known and proposed spending for personnel, or operating expenditures resulting from capital projects in the City's Five-Year Capital Improvement Plan. Personnel Expenditures, in general, are held at no growth as many employees are subject to bargaining unit agreements which will be negotiated at a future time.

Financial data in this section does not represent an approved financial plan, and it does not represent the final form of a financial plan that will be presented to the City Council for a future consideration. This section is intended to provide a high level look at projected revenues and expenditures for long range planning purposes. There are a number of financial decisions that could not be projected during the development of this data, including changes in the tax rate, the impact of grant awards, the use of technology and the impact of new service delivery strategies.

REVENUE AND EXPENDITURE SUMMARY

FIVE YEAR PROJECTION

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Revenues					
Local Taxes	413,749,012	417,886,502	422,065,367	426,286,021	430,548,881
State Taxes	55,425,000	56,500,000	56,500,000	57,000,000	57,000,000
Licenses and Permits	10,997,500	11,000,000	11,000,000	11,000,000	11,000,000
Fines and Forfeitures	13,575,000	13,600,000	13,600,000	13,600,000	13,600,000
Charges for Services	1,315,000	1,300,000	1,300,000	1,300,000	1,300,000
Use of Money and Property	335,000	300,000	300,000	300,000	300,000
Other Revenues	3,475,000	3,000,000	3,000,000	3,000,000	3,000,000
Transfer In	72,839,000	73,000,000	73,000,000	73,000,000	73,000,000
Total Revenues	571,710,512	576,586,502	580,765,367	585,486,021	589,748,881
Net Division Expenditures					
City Attorney	9,740,529	9,221,842	9,221,842	9,221,842	9,221,842
City Council	1,603,652	1,408,923	1,408,923	1,408,923	1,408,923
City Court Clerk	2,116,757	1,631,454	1,631,454	1,631,454	1,631,454
City Court Judges	641,525	588,642	588,642	588,642	588,642
City Engineer	8,488,945	7,253,421	7,253,421	7,253,421	7,253,421
Executive	5,959,996	5,308,527	5,308,527	5,308,527	5,308,527
Finance	5,229,607	4,171,076	4,171,076	4,171,076	4,171,076
Fire Services	141,977,809	121,917,247	124,234,232	130,108,109	130,108,109
General Services	21,298,371	18,640,557	18,640,557	18,640,557	18,640,557
Grants and Agencies	44,753,499	58,681,587	66,681,587	66,681,587	66,681,587
HCD	4,480,228	4,931,533	4,931,533	4,931,533	4,931,533
Human Resources	5,530,500	5,351,801	5,351,801	5,351,801	5,351,801
Information Systems	15,927,967	21,137,698	19,046,384	19,889,241	19,889,241
Parks and Neighborhoods	41,332,998	36,919,047	36,919,047	36,919,047	36,919,047
Polices Services	246,282,143	237,935,594	225,299,734	220,528,597	220,528,597
Public Works	16,264,576	13,944,869	13,944,866	13,944,866	13,944,866
Total Expenditures	571,629,102	549,043,818	544,633,626	546,579,223	546,579,223

Note: Revenues and Expenditures are highly volital. Projections beyond the current budget do not anticipate potential tax revisions or staffing changes that may occur in any fiscal year final budget.



Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	4,801,290	4,034,338	4,034,338	4,034,338	4,034,338
Materials and Supplies	4,939,238	5,187,504	5,187,504	5,187,504	5,187,504
Total Expenditures	9,740,529	9,221,842	9,221,842	9,221,842	9,221,842
Net Expenditures	9,740,529	9,221,842	9,221,842	9,221,842	9,221,842

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	1,511,162	1,261,973	1,261,973	1,261,973	1,261,973
Materials and Supplies	92,490	146,950	146,950	146,950	146,950
Total Expenditures	1,603,652	1,408,923	1,408,923	1,408,923	1,408,923
Net Expenditures	1,603,652	1,408,923	1,408,923	1,408,923	1,408,923

CITY COURT CLERK**FIVE YEAR PROJECTION**

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	3,382,678	2,841,306	2,841,306	2,841,306	2,841,306
Materials and Supplies	3,684,079	3,740,148	3,740,148	3,740,148	3,740,148
Capital Outlay	150,000	150,000	150,000	150,000	150,000
Total Expenditures	7,216,757	6,731,454	6,731,454	6,731,454	6,731,454
Program Revenues	(5,100,000)	(5,100,000)	(5,100,000)	(5,100,000)	(5,100,000)
Net Expenditures	2,116,757	1,631,454	1,631,454	1,631,454	1,631,454



CITY COURT JUDGES

FIVE YEAR PROJECTION

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	587,625	534,819	534,819	534,819	534,819
Materials and Supplies	53,900	53,823	53,823	53,823	53,823
Total Expenditures	641,525	588,642	588,642	588,642	588,642
Net Expenditures	641,525	588,642	588,642	588,642	588,642



CITY ENGINEERING**FIVE YEAR PROJECTION**

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	6,892,118	5,617,282	5,617,282	5,617,282	5,617,282
Materials and Supplies	2,293,590	2,358,902	2,358,902	2,358,902	2,358,902
Capital Outlay	44,000	0	0	0	0
Service Charges	18,000	36,000	36,000	36,000	36,000
Total Expenditures	9,247,708	8,012,184	8,012,184	8,012,184	8,012,184
Program Revenues	(758,763)	(758,763)	(758,763)	(758,763)	(758,763)
Net Expenditures	8,488,945	7,253,421	7,253,421	7,253,421	7,253,421



Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	3,280,005	2,494,475	2,494,475	2,494,475	2,494,475
Materials and Supplies	1,850,032	1,751,594	1,751,594	1,751,594	1,751,594
Grants and Subsidies	829,958	1,062,458	1,062,458	1,062,458	1,062,458
Total Expenditures	5,959,996	5,308,527	5,308,527	5,308,527	5,308,527
Net Expenditures	5,959,996	5,308,527	5,308,527	5,308,527	5,308,527

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	4,353,680	3,309,688	3,309,688	3,309,688	3,309,688
Materials and Supplies	884,927	870,388	870,388	870,388	870,388
Capital Outlay	1,000	1,000	1,000	1,000	1,000
Total Expenditures	5,239,607	4,181,076	4,181,076	4,181,076	4,181,076
Program Revenues	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Net Expenditures	5,229,607	4,171,076	4,171,076	4,171,076	4,171,076

FIRE SERVICES**FIVE YEAR PROJECTION**

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	147,740,067	125,399,903	128,692,552	132,472,105	132,472,105
Materials and Supplies	17,764,422	19,984,218	19,008,557	21,102,880	21,102,880
Capital Outlay	100,250	95,250	95,250	95,250	95,250
Total Expenditures	165,604,739	145,479,373	147,796,358	153,670,235	153,670,235
Program Revenues	(23,626,930)	(23,562,126)	(23,562,126)	(23,562,126)	(23,562,126)
Net Expenditures	141,977,809	121,917,247	124,234,232	130,108,109	130,108,109



GENERAL SERVICES**FIVE YEAR PROJECTION**

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	13,699,881	11,747,338	11,747,338	11,747,338	11,747,338
Materials and Supplies	8,237,834	7,532,563	7,532,563	7,532,563	7,532,563
Capital Outlay	35,000	35,000	35,000	35,000	35,000
Total Expenditures	21,972,715	19,314,901	19,314,901	19,314,901	19,314,901
Program Revenues	(674,344)	(674,344)	(674,344)	(674,344)	(674,344)
Net Expenditures	21,298,371	18,640,557	18,640,557	18,640,557	18,640,557



GRANTS & AGENCIES**FIVE YEAR PROJECTION**

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	184,214	261,178	261,178	261,178	261,178
Materials and Supplies	9,150	9,150	9,150	9,150	9,150
Grants and Subsidies	43,614,305	36,856,429	36,856,429	36,856,429	36,856,429
Transfers Out	2,763,330	23,372,330	31,372,330	31,372,330	31,372,330
Total Expenditures	46,570,999	60,499,087	68,499,087	68,499,087	68,499,087
Program Revenues	(1,817,500)	(1,817,500)	(1,817,500)	(1,817,500)	(1,817,500)
Net Expenditures	44,753,499	58,681,587	66,681,587	66,681,587	66,681,587



Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	294,518	245,823	245,823	245,823	245,823
Materials and Supplies	177,506	177,506	177,506	177,506	177,506
Grants and Subsidies	4,008,204	4,508,204	4,508,204	4,508,204	4,508,204
Total Expenditures	4,480,228	4,931,533	4,931,533	4,931,533	4,931,533
Net Expenditures	4,480,228	4,931,533	4,931,533	4,931,533	4,931,533

HUMAN RESOURCES

FIVE YEAR PROJECTION

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	4,195,565	4,016,866	4,016,866	4,016,866	4,016,866
Materials and Supplies	1,334,935	1,334,935	1,334,935	1,334,935	1,334,935
Total Expenditures	5,530,499	5,351,801	5,351,801	5,351,801	5,351,801
Net Expenditures	5,530,499	5,351,801	5,351,801	5,351,801	5,351,801



INFORMATION SERVICES**FIVE YEAR PROJECTION**

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	1,677,889	1,573,670	1,573,670	1,573,670	1,573,670
Materials and Supplies	14,320,078	19,635,428	17,545,543	18,389,856	18,389,856
Total Expenditures	15,997,967	21,209,098	19,119,212	19,963,526	19,963,526
Program Revenues	(70,000)	(71,400)	(72,828)	(74,285)	(74,285)
Net Expenditures	15,927,967	21,137,698	19,046,384	19,889,241	19,889,241



PARKS & NEIGHBORHOODS**FIVE YEAR PROJECTION**

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	29,635,712	25,486,312	25,486,312	25,486,312	25,486,312
Materials and Supplies	19,269,764	19,120,838	19,120,838	19,120,838	19,120,838
Grants and Subsidies	819,218	819,218	819,218	819,218	819,218
Inventory	342,839	342,839	342,839	342,839	342,839
Service Charges	59,656	119,312	119,312	119,312	119,312
Transfers Out	357,468	350,431	350,431	350,431	350,431
Total Expenditures	50,454,830	46,179,294	46,179,294	46,179,294	46,179,294
Program Revenues	(9,121,832)	(9,260,247)	(9,260,247)	(9,260,247)	(9,260,247)
Net Expenditures	41,332,998	36,919,047	36,919,047	36,919,047	36,919,047



POLICE SERVICES**FIVE YEAR PROJECTION**

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	217,840,873	196,931,001	196,931,001	196,931,001	196,931,001
Materials and Supplies	26,820,665	39,336,408	26,736,408	26,736,408	26,736,408
Transfers Out	4,759,419	4,806,997	4,771,137	0	0
Total Expenditures	249,420,955	241,074,406	228,438,546	223,667,409	223,667,409
Program Revenues	(3,138,812)	(3,138,812)	(3,138,812)	(3,138,812)	(3,138,812)
Net Expenditures	246,282,143	237,935,594	225,299,734	220,528,597	220,528,597



PUBLIC WORKS**FIVE YEAR PROJECTION**

Category	FY 2015 Adopted	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected
Personnel Services	10,405,556	8,167,657	8,167,654	8,167,654	8,167,654
Materials and Supplies	7,628,879	7,424,071	7,424,071	7,424,071	7,424,071
Capital Outlay	120,000	243,000	243,000	243,000	243,000
Total Expenditures	18,154,435	15,834,728	15,834,725	15,834,725	15,834,725
Program Revenues	(1,889,859)	(1,889,859)	(1,889,859)	(1,889,859)	(1,889,859)
Net Expenditures	16,264,576	13,944,869	13,944,866	13,944,866	13,944,866

