

FINANCE

Mission Statement

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

Organization Structure



Services

The City's financial responsibilities include timely, accurate, 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 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
EXPENDITURES				
Personnel Services	\$ 5,595,662	\$ 7,010,531	\$ 6,260,911	\$ 7,451,449
Materials and Supplies	2,055,429	1,867,813	2,023,498	2,428,526
Capital Outlay	2,332	1,000	1,277	0
Grants and Subsidies	8,993,139	5,189,300	7,786,071	5,189,300
Transfers Out	4,000	0	0	0
Misc Expense	0	0	75,024	0
Total Expenditures	\$ 16,650,560	\$ 14,068,645	\$ 16,146,780	\$ 15,069,275
Total Revenues	\$ (3,706,423)	\$ (3,535,000)	\$ (3,563,435)	\$ (3,551,950)
NET EXPENDITURES	\$ 12,944,137	\$ 10,533,645	\$ 12,583,346	\$ 11,517,325

Authorized Complement

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Performance Highlights

- Awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the 41st straight year
- Earned the GFOA Distinguished Budget Presentation Award for the 20th consecutive year
- Treasury implemented a new tax billing, payment, and inquiry process for taxpayers through the Payit901 app on their mobile device and online
- Matched over 6,300 senior taxpayers last year at an amount just under \$1 million through several assistance programs for low-income seniors and people with disabilities
- Assisted over 3,000 senior taxpayers last year in completing the required documentation to receive tax assistance
- Assisted over 800 seniors to take advantage of the quarterly payment program to pay their annual tax bill without charging late fees
- Received a rating upgrade from Fitch Ratings to AA from AA- and maintained Aa2 and AA ratings from Moody's Investors Service and S&P Global Ratings respectively

Issues & Trends

The Finance Division continues to encourage a culture of excellence by refining the internal division processes that will lead to effective, efficient, and responsive services.

In the Procurement Office a partnership has been established with the Government Performance Lab under Bloomberg Philanthropies "What Works Cities" initiative to obtain technical assistance to improve the planning and strategic management of high-priority procurements and contracts.

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.

Treasury started the planning and implementation of a new tax billing and collection system to replace the current tax system, which was implemented in 1996. The new tax system will include real time processing of payments, allowing the public and city management to view payments on the web just after processing. Payment and tracking of hotel/motel, Airbnb, franchise, and wholesale beer and alcohol taxes are some additional areas that will be included in the new system.

In addition, the Finance Division continues to pursue bond refinancing opportunities and use of the commercial paper program to minimize the City's cost of debt.

Key Performance Indicators

Performance Indicator	FY18 Actual	FY19 Goal	FY19 Actual*	FY20 Goal	Category
FINANCIAL MANAGEMENT					
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	99%	100%	100%	100%	Government
% of all accurately submitted vendor payments processed within 5 business days	99%	98%	65%	95%	Government
PROCUREMENT					
% of regular purchase orders completed within 30 days	92%	95%	Pending	95%	Government
% of construction requisitions completed within 120 days	99%	95%	Pending	95%	Government
BUDGET OFFICE					
% of budget to actual variance reports completed within 10 business days after period closing	92%	100%	92%	95%	Government
Complete 1st and 2nd quarter Actuals within 45 days of quarterly closing	100%	100%	100%	95%	Government
DEBT MANAGEMENT					
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 (comparable to 3 month Treasury bill rate)	100%	100%	100%	100%	Government
EQUAL BUSINESS OPPORTUNITY AND DEVELOPMENT					
# of contracts monitored for compliance	1650	1500	1500	1500	Government
% of City of Memphis spending with MWBE vendors	21%	22%	21%	21%	Government
BUSINESS DEVELOPMENT CENTER					
# of outreach events for MWBE vendors completed annually	50	50	72	50	Economy
# of certified MWBE vendors registered with the City of Memphis	498	450	600	500	Economy

* Some figures are approximate. In these cases, the reporting for FY19 was not complete before production of the budget book.

Finance • Division Detail

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
PERSONNEL SERVICES				
Full-Time Salaries	\$ 4,157,468	\$ 5,887,769	\$ 4,439,757	\$ 6,088,204
Holiday Salary Full Time	227,894	0	282,810	0
Vacation Leave	220,723	0	234,589	0
Bonus Leave	37,126	0	40,395	0
Sick Leave	124,397	0	155,226	0
Overtime	19,999	11,500	9,548	5,000
Holiday Fire/Police	744	0	554	0
Out of Rank Pay	14,960	0	26,455	0
Longevity Pay	59	0	0	0
PTO Final Pay	46,224	15,000	115,988	15,000
Pension	261,474	125,694	284,554	352,982
Social Security	18,750	0	18,116	0
Pension ADC	433,180	711,286	580,069	554,198
Group Life Insurance	12,436	15,284	11,656	15,082
Unemployment	6,560	7,040	7,040	7,440
Medicare	71,275	86,848	79,576	85,827
Long Term Disability	15,877	15,448	16,020	16,943
Health Insurance - Basic	0	0	862	0
Health Insurance - Value PPO	12,889	0	0	0
Health Insurance - Premier	328,176	363,804	360,440	400,608
Benefits Adjustments	0	67,226	0	10,188
Health Insurance - Local Plus Plan	157,614	169,200	181,186	206,460
Salaries - Part-Time/Temporary	328,664	359,287	311,719	672,346
On-the-job injury	6,272	4,260	1,319	4,260
Bonus Pay	36,850	0	3,000	0
Expense Recovery - Personnel	(943,949)	(829,115)	(899,968)	(983,089)
Total Personnel Services	\$ 5,595,662	\$ 7,010,531	\$ 6,260,911	\$ 7,451,449
MATERIALS AND SUPPLIES				
City Shop Fuel	\$ 210	\$ 660	\$ 0	\$ 676
Outside Computer Services	504	1,395	1,000	8,500
City Computer Svc Equipment	32,462	53,550	26,343	44,400
Data/Word Processing Equipment	0	200	0	0
Pers Computer Software	5,004	6,000	295	14,200
City Telephone/Communications	0	0	1,715	0
Printing - Outside	69,997	71,325	42,686	56,150
Supplies - Outside	117,723	99,433	173,690	439,000
Food Expense	1,314	0	0	0
Document Reproduction - Outside	0	558	0	2,000
Clothing	800	0	104	0

Finance • Division Detail *(continued)*

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
Household Supplies	48,643	0	0	0
Drafting/Photo Supplies	0	250	0	250
Outside Postage	107,013	137,188	82,149	108,788
Materials and Supplies	5,894	10,050	4,655	9,500
Miscellaneous Expense	4,831	6,575	4,050	7,850
Outside Equipment Repair/Maintenance	0	3,250	0	0
Internal Repairs and Maintenance	0	930	0	1,000
Legal Services/Court Cost	0	0	0	5,000
Advertising/Publication	83,461	120,677	187,800	209,782
Outside Phone/Communications	11,589	25,140	7,683	22,330
Janitorial Services	5,500	0	10,286	10,000
Security	22,242	26,785	30,512	30,000
Photography	0	150	0	0
Weed Control/Chemical Service	1,095	0	585	500
Total Quality Management	0	0	160	0
Seminars/Training/Education	38,013	75,550	57,557	83,500
Misc Professional Services	1,,499,389	1,012,160	1,311,495	1,085,418
Travel Expense	30,316	60,136	60,646	80,964
Unreported Travel	3,706	0	0	0
Mileage	166	2,250	534	2,000
Utilities	15,007	0	15,000	0
Insurance	34,345	29,046	29,046	28,985
Claims	100	0	0	0
Lawsuits	4,000	1,000	0	1,000
Dues/Memberships/Periodicals	19,455	22,860	18,660	23,033
Rent	0	169,000	0	169,000
Misc Services and Charges	13,560	11,695	36,846	64,700
Expense Recovery - M & S	(120,912)	(80,000)	(80,000)	(80,000)
Total Materials and Supplies	\$ 2,055,427	\$ 1,867,813	\$ 2,023,498	\$ 2,428,526
CAPITAL OUTLAY				
Furniture/Furnishings	\$ 2,332	\$ 1,000	\$ 0	\$ 0
Equipment	0	0	1,277	0
Total Capital Outlay	\$ 2,332	\$ 1,000	\$ 1,277	\$ 0
GRANTS AND SUBSIDIES				
Planning & Development	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
RBC Training/Certification Program	0	4,650	0	4,650
EDGE	4,544,798	3,680,000	3,745,000	3,680,000
Tax Receivable Sale Vendor	2,945,038	0	2,541,071	0
Contr Assist Prog/Bonding	3,303	4,650	0	4,650

Finance • Division Detail *(continued)*

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
Professional Services	0	0	0	0
Total Grants and Subsidies	\$ 8,993,139	\$ 5,189,300	\$ 7,786,071	\$ 5,189,300
TRANSFERS OUT				
Oper Tfr Out - Misc Grants Fund	\$ 4,000	\$ 0	\$ 0	\$ 0
Total Transfers Out	\$ 4,000	\$ 0	\$ 0	\$ 0
MISC EXPENSE				
Prior Year Expense	\$ 0	\$ 0	\$ 75,024	\$ 0
Total Misc Expense	\$ 0	\$ 0	\$ 75,024	\$ 0
TOTAL EXPENDITURES	\$ 16,650,560	\$ 14,068,645	\$ 16,146,780	\$ 15,069,275
LOCAL TAXES				
Tourism Development Zone Local Sales	\$ 3,639,136	\$ 3,500,000	\$ 3,465,000	\$ 3,500,000
Total Local Taxes	\$ 3,639,136	\$ 3,500,000	\$ 3,465,000	\$ 3,500,000
OTHER REVENUES				
Rezoning Ordinance Publication Fees	\$ 6,175	\$ 10,000	\$ 4,300	\$ 10,000
Miscellaneous Income	17,156	0	16,000	16,950
Donated Revenue	16,294	25,000	41,000	25,000
Vendor Rebates	16,914	0	248	0
Recovery of Prior Year Expense	10,750	0	36,887	0
Total Other Revenues	\$ 67,288	\$ 35,000	\$ 98,435	\$ 51,950
TOTAL REVENUES	\$ (3,706,423)	\$ (3,535,000)	\$ (3,563,435)	\$ (3,551,950)
NET EXPENDITURES	\$ 12,944,137	\$ 10,533,645	\$ 12,583,346	\$ 11,517,325

Administration

Administration provides leadership and direction to all Finance Division service centers and coordinates all financial functions of the City. Administration also ensures that all contracts and/or subcontractors, that are awarded City-funded projects, are in compliance with and adhering to the Prevailing Wage Ordinance adopted by the City.

Operating Budget

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
EXPENDITURES				
Personnel Services	\$ 466,427	\$ 475,031	\$ 544,666	\$ 670,827
Materials and Supplies	25,252	61,281	60,615	167,226
Capital Outlay	2,332	1,000	0	0
Misc Expense	0	0	37,287	0
Total Expenditures	\$ 494,011	\$ 537,312	\$ 642,568	\$ 838,052
NET EXPENDITURES	\$ 494,011	\$ 537,312	\$ 642,568	\$ 838,052

Authorized Complement	6
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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 Divisions 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-Operational Activities, Accounts Payable, Records Management, and the Grants Compliance service centers.

Operating Budget

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
EXPENDITURES				
Personnel Services	\$ 1,713,760	\$ 2,395,733	\$ 2,122,192	\$ 2,462,810
Materials and Supplies	465,977	431,286	419,497	577,850
Capital Outlay	0	0	1,277	0
Misc Expense	0	0	400	0
Total Expenditures	\$ 2,179,736	\$ 2,827,019	\$ 2,543,366	\$ 3,040,661
Total Revenues	\$ (7,269)	\$ (10,000)	\$ (4,300)	\$ (10,000)
NET EXPENDITURES	\$ 2,172,467	\$ 2,817,019	\$ 2,539,066	\$ 3,030,661
Authorized Complement				40

Procurement

The Procurement Office proposes to be a strategic partner to the City that delivers outstanding procurement services while fostering collaborative relationships through fair and open competition of needed products and services and meeting the needs of customers while maintaining public trust.

Operating Budget

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
EXPENDITURES				
Personnel Services	\$ 664,298	\$ 693,694	\$ 517,910	\$ 888,827
Materials and Supplies	449,825	170,975	379,501	385,390
Misc Expense	0	0	200	0
Total Expenditures	\$ 1,114,123	\$ 864,669	\$ 897,611	\$ 1,274,217
Total Revenues	\$ (16,914)	\$ 0	\$ (248)	\$ 0
NET EXPENDITURES	\$ 1,097,209	\$ 864,669	\$ 897,363	\$ 1,274,217
Authorized Complement				13

Budget Office

The Budget Office seeks to maximize city resources by identifying cost-saving measures, monitoring financial trends, assisting 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 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
EXPENDITURES				
Personnel Services	\$ 531,329	\$ 576,124	\$ 494,923	\$ 548,667
Materials and Supplies	148,921	93,900	89,176	93,900
Misc Expense	0	0	37,037	0
Total Expenditures	\$ 680,250	\$ 670,024	\$ 621,136	\$ 642,567
Total Revenues	\$ 0	\$ 0	\$ (36,887)	\$ 0
NET EXPENDITURES	\$ 680,250	\$ 670,024	\$ 584,249	\$ 642,567
Authorized Complement				7

Debt 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 continuous 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 the investment of the City's defined benefit plan assets, defined contribution plan assets, and Other Post-Employment Benefits (OPEB) assets.

Operating Budget

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
EXPENDITURES				
Personnel Services	\$ 111,391	\$ 281,372	\$ 217,487	\$ 196,679
Materials and Supplies	22,591	26,775	27,032	31,650
Total Expenditures	\$ 133,983	\$ 308,147	\$ 244,519	\$ 228,329
NET EXPENDITURES	\$ 133,983	\$ 308,147	\$ 244,519	\$ 228,329

Authorized Complement	5
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City Treasurer

The City Treasurer maximizes tax and other miscellaneous revenue collections while providing effective and responsive customer service to the citizens of Memphis in all Treasury-related operations with optimal use of resources.

Operating Budget

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
EXPENDITURES				
Personnel Services	\$ 1,087,489	\$ 1,069,534	\$ 1,077,507	\$ 1,107,133
Materials and Supplies	310,020	377,500	358,832	395,000
Grants and Subsidies	7,489,836	3,680,000	6,286,071	3,680,000
Total Expenditures	\$ 8,887,345	\$ 5,127,035	\$ 7,722,410	\$ 5,182,133
Total Revenues	\$ (3,639,107)	\$ (3,500,000)	\$ (3,465,000)	\$ (3,500,000)
NET EXPENDITURES	\$ 5,248,238	\$ 1,627,035	\$ 4,257,410	\$ 1,682,133
Authorized Complement				17

Office of Financial & Strategic Planning

The Office of Financial and Strategic Planning monitors and evaluates existing revenue trends and the development of new revenue enhancement opportunities while supporting the development of strategic financial goals.

Operating Budget

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
EXPENDITURES				
Personnel Services	\$ 93,274	\$ 93,720	\$ 94,850	\$ 96,898
Materials and Supplies	124,031	100,500	110,997	100,500
Total Expenditures	\$ 217,305	\$ 194,220	\$ 205,847	\$ 197,398
NET EXPENDITURES	\$ 217,305	\$ 194,220	\$ 205,847	\$ 197,398

Authorized Complement	1
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Equal Business Opportunity & Development Program

The Office of Equal Business Opportunity & Development Program (EBODP) serves as the administrator for contract compliance activities for the City of Memphis and is the facilitator for programs like the Equal Business Opportunity Program, Small Business Enterprise Programs, and services rendered through the Business Development Center. The EBODP also serves as the facilitator for Title VI compliance and training. The purpose of the agency is to ensure that the legislative intent of the City's Ordinance 4288 et. Seq., which created the Minority and Women Business Enterprises (M/WBE) program, is carried out in all procurement activities and opportunities. This office serves as a catalyst through which small M/WBE can fully participate in the economic expansion of the Memphis business community. This office also facilitates the participation of public and private sector business entities in local M/WBE business development opportunities through the execution of inclusive economic development strategies.

Operating Budget

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
EXPENDITURES				
Personnel Services	\$ 709,259	\$ 1,042,766	\$ 827,799	\$ 977,586
Materials and Supplies	507,209	593,046	569,933	669,461
Grants and Subsidies	3,303	9,300	0	9,300
Total Expenditures	\$ 1,219,771	\$ 1,645,112	\$ 1,397,732	\$ 1,656,347
Total Revenues	\$ (23,359)	\$ (25,000)	\$ (41,000)	\$ (25,000)
NET EXPENDITURES	\$ 1,196,412	\$ 1,620,112	\$ 1,356,732	\$ 1,631,347
Authorized Complement				14

Office of Comprehensive Planning

The Office of Comprehensive Planning actively engages with the citizens of Memphis to develop strategies and implement programs that will enhance the quality of life for all Memphians.

Operating Budget

Category	FY 2018 Actual	FY 2019 Adopted	FY 2019 Forecast	FY 2020 Adopted
EXPENDITURES				
Personnel Services	\$ 218,435	\$ 382,558	\$ 363,576	\$ 502,022
Materials and Supplies	1,601	12,550	7,915	7,550
Grants and Subsidies	1,500,000	1,500,000	1,500,000	1,500,000
Transfers Out	4,000	0	0	0
Misc Expense	0	0	100	0
Total Expenditures	\$ 1,724,036	\$ 1,895,108	\$ 1,871,591	\$ 2,009,572
Total Revenues	\$ (19,775)	\$ 0	\$ (16,000)	\$ (16,950)
NET EXPENDITURES	\$ 1,704,261	\$ 1,895,108	\$ 1,855,591	\$ 1,992,622

Authorized Complement	7
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