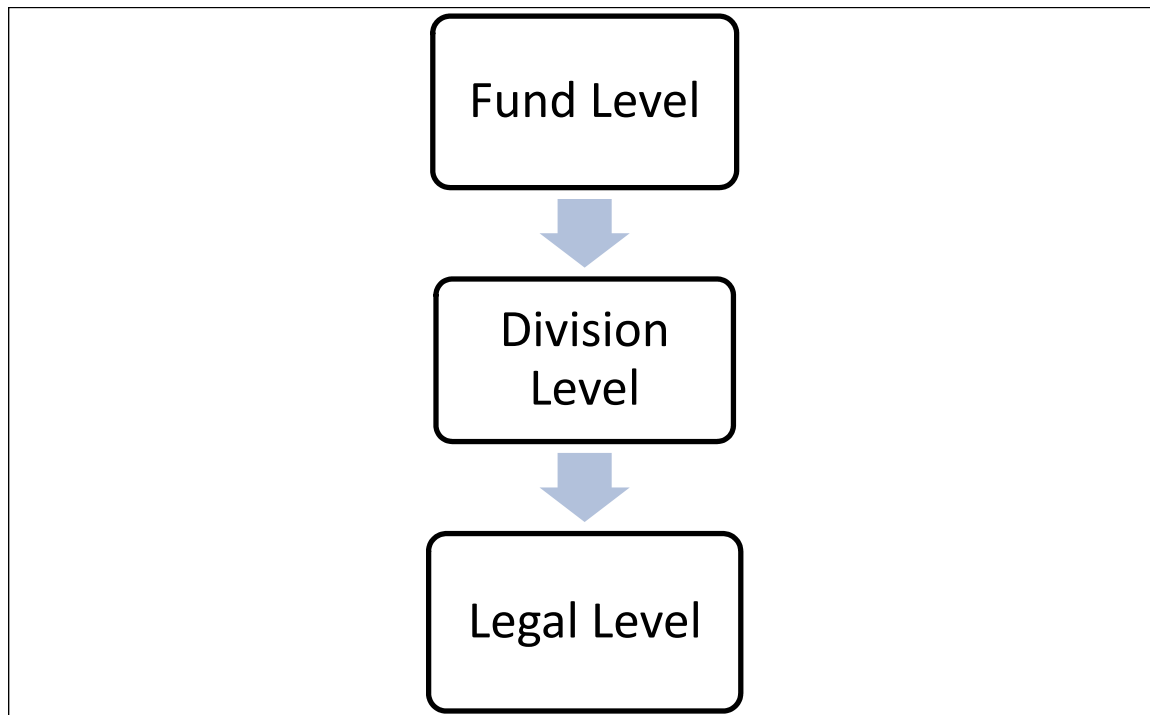


Format and Organization of this Book

As the Table of Contents demonstrates, this book divides budget information into **major sections** and **sub-sections**, all designated by tabs. The following is a brief description of each section.

Revenues and Expenses are presented in the context of **Funds** which is the highest grouping of financial information. The second level of information grouping is at the **Division** Level. These levels summarize to the Fund Level. The lowest level of information grouping is the **Legal** Level (program level). This grouping summarizes to the Division level.



The General Fund is the largest fund. The General Fund is used to account for the general operations and activities that provide services to the citizens. It provides the resources necessary to sustain the day-to-day activities and thus pays for all administrative and operating expenses. The primary sources of revenues are Ad Valorem Tax, Local Sales Tax, Licenses and Permits, and Fines and Forfeitures. The General Fund is the first fund section presented in this document. The major section titled Other Funds presents the Debt Fund, Enterprise Funds, Special Revenue Funds, and the Internal Service Funds.

Description of the Major Sections and Sub Sections

The **Introduction** section includes the Mayor’s Letter, followed by historical information about the City of Memphis, the Governmental Structure, and the City’s Organizational Chart.

HOW TO USE THIS BOOK

The **Budget Overview** section provides a summary of the budget and explains some of the factors behind the numbers presented. This section also identifies the City's Mission and Priorities and Performance Accountability Plan. The sub-sections describes the City's Budget Process and Policy, the All Funds Financial Summary and individual summaries of each Fund, the Tax History, the Operating Ordinance, the Authorized Positions and the Capital Improvement Program (CIP) Summary.

The **General Fund Revenue** section of the book includes a summary of the General Fund revenues and a detailed listing of all unallocated revenues. Unallocated revenues are revenues that are for the general use of the City of Memphis and not specifically earned through the direct efforts of a City Division.

The **General Fund Expenditures** section of the book includes a summary of the General Fund expenditures. The sub sections in this group section provides the information at the **Division Level** and the **Legal Levels**. All Divisions included in this book have a uniform format. Each Division's budget provides the reader with supplemental information, not only about the Division's budget, but also about its mission, goals and performance toward providing the best services possible for citizens. Further information pertaining to the Division is presented at the legal level or program level. The City of Memphis' General Fund Budget is approved, by ordinance, at the Legal Level; therefore each Division will have one or more legal levels.

The information at the **Division Level**:

Comparative Financial Plan - This financial spreadsheet compares previous fiscal year expenditures and revenues against the current year adopted budget.

Mission – A mission statement is a clear, concise statement of purpose that guides the action of the division and captures the essence of the Division's goals and philosophies.

Structure – The organization chart shows the Legal Level entities within the Division.

Services – This section list the activities provided by the Division and required by the public. Some of these are public safety, parks and recreation, public works and court.

Performance Highlights – Performance highlights summarize the accomplishments achieved, changes made, and new programs implemented between FY2014 and FY2015 budgets.

Strategic Goals – As Divisions present their budget for the upcoming year, it is important that decision-makers understand the long-term goals and the strategic issues facing the Division.



The information at the **Legal Level**:

Comparative Financial Plan - This financial spreadsheet compares previous fiscal year expenditures and revenues against the current year adopted budget.

Key Performance Indicators (KPIs) – KPIs are types of performance measurements. The City uses KPIs as a way to assess the performances of the division and its legal level to evaluate the success of a particular activity or program.

The **Other Funds** section includes funds other than the General Fund. These Funds are self-balancing set of accounts, segregated for specific purposes in accordance with laws and regulations or special restrictions and limitations. Other Funds are accounting entities with their own assets, liabilities, equity, revenues, and expenditures, for certain specific activities to accomplish definite objectives. These funds provide major support for the City's operation and are listed below.

Debt Service Fund – This fund accounts for the periodic deposits of revenue and loan payments to assure the timely availability of sufficient moneys for the payment of the City's general obligation debt and other related debt and costs.

Enterprise Fund – The Sewer Fund and the Storm Water Fund represents the City's Enterprise Funds which provide services to the public on a user charge basis.

Internal Service Fund – This fund provides services to other divisions of the City on a cost reimbursement basis. Included in the Internal Service Funds are:

Health Insurance Fund - accounts for the City's self-insurance for health benefits for City employees and their dependents.

Other Post-Employment Benefits (OPEB) Fund – accounts for the City's payment of healthcare benefits to retirees and their families.

Unemployment Fund – accounts for unemployment compensation deposited into the City's self-insured plan.

Fleet Management Fund – accounts for the maintenance and repair of all City vehicles and equipment.

Special Revenue Fund – These funds are required to account for the use of revenue earmarked by law for a particular and restricted purpose. Included in the Special Revenue Funds are:

Solid Waste Management Fund- accounts for the delivery of timely and environmentally responsible solid waste disposal services.

Metro Alarm Fund – Fund accounts for the financial resources enforcing an ordinance for the proper use of alarms and reducing false alarms.

HOW TO USE THIS BOOK

Martin Luther King Park Improvement Fund – Maintains the MLK Park.

Office of Planning and Development Fund – Fund programs that results in thriving and livable neighborhoods, safe and efficient buildings, and enhanced economic development opportunities.

Hotel/Motel Fund- Funds to support the convention center and tourism.

Municipal State Street Aid – State funds to support the state's system of streets, roads and bridges. Funds represent the local share of tax on motor fuel.

New Memphis Arena- Funds to retire debt of the FedEx forum.

Drug Enforcement Fund – Funds from seized properties that support the drug enforcement cost.

The **Strategic Planning** section details the City's Four-Year Financial Plan for the General Fund. This is merely a projection and it does not represent what will be adopted and approved by Council for that year. Budgets are approved one year at a time.

The **Appendix** section provides statistical information and includes the Community Profile and Glossary.

