

■ operating budget

Operating Budget

| Category | FY 2011 Actual | FY 2012 Adopted | FY 2012 Forecast | FY 2013 Adopted |
|---------------------------|--------------------|--------------------|---------------------|--------------------|
| Personnel Services | 430,264,908 | 413,994,774 | 416,828,619 | 422,574,401 |
| Materials & Supplies | 84,186,644 | 108,184,395 | 111,811,606 | 111,392,308 |
| Capital Outlay | 98,661 | 961,235 | 898,676 | 0 |
| Grants & subsidies | 71,606,977 | 76,083,148 | 68,131,671 | 51,135,817 |
| Inventory | 1,905,663 | 225,300 | 305,498 | 38,350 |
| Investment Fees | 0 | 0 | 51,767 | 0 |
| Miscellaneous Expense | 1,999,503 | 0 | 0 | 0 |
| Transfers Out | 66,722,205 | 62,016,408 | 84,120,762 | 63,337,710 |
| Gross Expenditures | 656,784,561 | 661,465,260 | 682,148,599 | 648,478,586 |

■ issues & trends

The FY 2013 Operating Expense Budget provides for core services delivery and our public safety initiatives. Our budgeted expenses For FY 2013 are \$648.5 million. This is a decrease from the forecast of \$23.6 million or 3.5%. Our expenses include a cost of \$52.7 million that will be transferred to the education fund for Memphis City Schools (MCS). Transfers out show a reduction of \$20.7 million largely due to a reduced transfer for MCS because we put in place a .10 cent funding stream for the balance of required MCS funding. The budget overview discusses this in more detail.

The category of grants and subsidies also shows a marked reduction of \$16.9 million or 25%. We will pay pensioner's insurance from our OPEB fund for FY 2013. In the past pensioners insurance has been paid as part of our operating expense from the general fund revenues.

As an expense control measure we did not budget for capitals outlay in FY 2013 therefore this is a 100% reduction from the forecast of \$898k. Material and Supply cost did increase by 9% to cover the expected cost of operations of some costs that are outside of our control such as fuel.

SUMMARY

GENERAL FUND SUMMARY OF EXPENDITURES

| Description | FY 2011 Actual | FY 2012 Adopted | FY 2012 Forecast | FY 2013 Adopted |
|----------------------------|--------------------|--------------------|---------------------|--------------------|
| <i>Expenditures</i> | | | | |
| City Attorney | 14,977,775 | 13,126,549 | 14,070,674 | 9,681,056 |
| City Council | 1,572,479 | 1,537,715 | 1,416,773 | 1,495,186 |
| City Court Clerk | 4,675,119 | 4,678,784 | 4,838,796 | 4,757,353 |
| City Engineer | 5,980,932 | 7,373,615 | 7,825,036 | 8,307,885 |
| City Court Judges | 605,928 | 609,486 | 559,775 | 600,737 |
| Community Enhancement | 7,387,137 | 8,296,096 | 8,319,084 | 0 |
| Executive | 6,389,385 | 5,200,442 | 4,829,694 | 5,017,227 |
| Finance | 5,195,267 | 4,919,560 | 4,988,957 | 4,765,458 |
| Fire Services | 159,963,743 | 152,489,577 | 154,712,440 | 153,827,876 |
| General Services | 12,927,554 | 11,303,983 | 13,995,070 | 22,464,701 |
| Grants and Agencies | 126,741,917 | 126,632,111 | * 143,707,945 | 104,863,181 |
| HCD | 4,498,303 | 5,824,548 | 3,263,019 | 4,590,943 |
| Human Resources | 3,363,971 | 6,829,696 | 7,563,175 | 7,179,978 |
| Information Systems | 17,789,406 | 17,209,462 | 17,432,181 | 15,265,670 |
| Parks and Neighborhoods | 28,283,570 | 26,730,274 | 27,561,022 | 43,298,362 |
| Police Services | 227,458,991 | 226,199,000 | 229,056,700 | 237,316,732 |
| Public Services | 22,652,460 | 24,324,655 | 19,916,651 | 0 |
| Public Works | 6,320,624 | 18,179,707 | 18,091,607 | 25,046,241 |
| Total Expenditures | 656,784,561 | 661,465,260 | 682,148,599 | 648,478,586 |

* Includes \$52,208 in unallocated expenses.

