

REVENUE AND EXPENDITURE SUMMARY

FIVE YEAR PROJECTION

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 no growth in the two main revenue categories of sales and property taxes for the next two years with growth of 1-2% beginning in the third year. Given the economic dependency of these two revenue categories, the current financial climate, which reflects rising 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 2013 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.

UNALLOCATED REVENUE

FIVE YEAR PROJECTION

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Revenues					
Contributed from Fund Balance	19,571,990	0	0	0	0
Local Taxes	425,357,522	423,854,558	430,815,450	434,851,171	438,932,431
State Taxes	53,845,114	54,403,478	54,968,616	55,540,620	56,164,841
Licenses and Permits	10,035,658	10,055,272	10,074,929	10,494,630	10,515,177
Fines and Forfeitures	13,161,600	12,311,070	12,669,640	12,932,232	13,204,303
Charges for Services	1,712,400	1,712,400	1,712,400	1,712,400	1,712,400
Use of Money and Property	467,151	461,271	455,509	449,861	444,327
Other Revenues	3,241,911	3,241,911	3,241,911	3,241,911	3,241,911
Transfers In	76,305,897	76,613,897	75,897,057	76,217,500	76,544,352
Total Revenues	<u>603,699,243</u>	<u>582,653,857</u>	<u>589,835,512</u>	<u>595,440,325</u>	<u>600,759,742</u>
Net Division Expenditures					
Executive	5,017,227	4,521,990	4,486,990	4,486,990	4,486,990
Finance	4,755,458	4,812,346	4,812,346	4,812,346	4,810,846
Fire Services	131,277,816	139,661,706	140,512,044	140,824,931	141,942,031
Police Services	232,609,495	235,597,447	235,061,197	235,061,197	235,061,197
Parks and Neighborhoods	34,555,088	34,334,429	34,389,433	34,395,165	34,394,437
Public Works	23,206,382	26,094,039	26,597,509	27,097,817	27,594,534
Human Resources	7,179,978	6,332,696	6,332,696	6,332,696	6,332,696
General Services	20,111,051	20,170,114	20,170,114	20,170,114	2,017,114
HCD	4,590,943	4,498,571	4,590,568	4,041,434	4,132,046
City Attorney	9,681,056	10,693,086	10,693,086	10,693,086	10,693,086
Grants and Agencies	103,046,681	64,211,499	64,211,499	64,211,499	64,211,499
City Engineer	7,549,122	7,716,361	7,719,631	7,722,631	7,725,361
Information Systems	14,665,670	16,977,137	1,771,275	19,062,300	18,402,519
City Council	1,495,186	1,495,186	1,495,186	1,495,186	1,495,186
City Court Judges	600,737	602,738	603,778	604,834	605,912
City Court Clerk	3,357,353	3,734,848	3,784,848	3,834,848	3,884,848
Total Expenditures	<u>603,699,243</u>	<u>581,454,193</u>	<u>567,232,200</u>	<u>584,847,074</u>	<u>567,790,302</u>



Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	2,894,019	2,468,928	2,468,928	2,468,928	2,468,928
Materials & Supplies	1,264,068	1,164,294	1,129,294	1,129,294	1,129,294
Grants & subsidies	859,140	888,768	888,768	888,768	888,768
Gross Expenditure	5,017,227	4,521,990	4,486,990	4,486,990	4,486,990
Total Expenditures	5,017,227	4,521,990	4,486,990	4,486,990	4,486,990
Program Revenue	0	0	0	0	0
Net Expenditures	5,017,227	4,521,990	4,486,990	4,486,990	4,486,990

FINANCE**FIVE YEAR PROJECTION**

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	3,816,514	3,828,821	3,828,821	3,828,821	3,828,821
Materials & Supplies	948,944	990,525	990,525	990,525	989,025
Capital Outlay	0	3,000	3,000	3,000	3,000
Other revenues	10,000	10,000	10,000	10,000	10,000
Gross Expenditure	4,765,458	4,822,346	4,822,346	4,822,346	4,820,846
Total Expenditures	4,765,458	4,822,346	4,822,346	4,822,346	4,820,846
Program Revenue	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Net Expenditures	4,755,458	4,812,346	4,812,346	4,812,346	4,810,846



FIRE SERVICES

FIVE YEAR PROJECTION

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	137,288,427	144,719,849	144,775,173	144,578,209	145,170,152
Materials & Supplies	16,539,449	16,770,471	17,556,508	18,057,113	18,572,747
Capital Outlay	0	721,446	730,423	739,669	749,192
Charges for services	18,700,000	18,700,000	18,700,000	18,700,000	18,700,000
Intergovernmental revenues	3,630,060	3,630,060	3,630,060	3,630,060	3,630,060
Other revenues	220,000	220,000	220,000	220,000	220,000
Gross Expenditure	153,827,876	162,211,766	163,062,104	163,374,991	164,492,091
Total Expenditures	153,827,876	162,211,766	163,062,104	163,374,991	164,492,091
Program Revenue	(22,550,060)	(22,550,060)	(22,550,060)	(22,550,060)	(22,550,060)
Net Expenditures	131,277,816	139,661,706	140,512,044	140,824,931	141,942,031



POLICE SERVICES

FIVE YEAR PROJECTION

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	208,608,582	211,410,926	211,857,244	211,857,244	211,857,244
Materials & Supplies	24,945,326	25,423,390	25,420,390	25,420,390	25,420,390
Capital Outlay	0	55,000	55,000	55,000	55,000
Transfers out	3,762,824	2,522,368	1,542,800	1,542,800	1,542,800
Fines & forfeitures	118,500	118,500	118,500	118,500	118,500
Charges for services	2,978,134	2,978,134	2,978,134	2,978,134	2,978,134
Federal grants	117,197	117,197	117,197	117,197	117,197
Other revenues	1,493,406	600,406	600,406	600,406	600,406
Gross Expenditure	237,316,732	239,411,684	238,875,434	238,875,434	238,875,434
Total Expenditures	237,316,732	239,411,684	238,875,434	238,875,434	238,875,434
Program Revenue	(4,707,237)	(3,814,237)	(3,814,237)	(3,814,237)	(3,814,237)
Net Expenditures	232,609,495	235,597,447	235,061,197	235,061,197	235,061,197



PARKS & NEIGHBORHOODS

FIVE YEAR PROJECTION

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	25,307,445	25,080,977	25,080,977	25,080,977	25,080,977
Materials & Supplies	16,930,793	16,072,505	16,077,509	16,083,241	16,082,513
Capital Outlay	0	53,000	53,000	53,000	53,000
Grants & subsidies	669,218	1,109,266	1,159,266	1,159,266	1,159,266
Inventory	38,350	58,350	58,350	58,350	58,350
Transfers out	352,556	352,556	352,556	352,556	352,556
Licenses & permits	358,533	358,533	358,533	358,533	358,533
Fines & forfeitures	500,000	500,000	500,000	500,000	500,000
Charges for services	6,062,307	5,666,083	5,666,083	5,666,083	5,666,083
Other revenues	1,822,434	1,867,609	1,867,609	1,867,609	1,867,609
Gross Expenditure	43,298,362	42,726,654	42,781,658	42,787,390	42,786,662
Total Expenditures	43,298,362	42,726,654	42,781,658	42,787,390	42,786,662
Program Revenue	(8,743,274)	(8,392,225)	(8,392,225)	(8,392,225)	(8,392,225)
Net Expenditures	34,555,088	34,334,429	34,389,433	34,395,165	34,394,437



PUBLIC WORKS**FIVE YEAR PROJECTION**

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	8,634,757	9,275,151	9,287,160	9,289,908	9,294,768
Materials & Supplies	16,411,484	18,298,196	18,789,586	19,287,072	19,778,853
Capital Outlay	0	155,387	155,458	155,532	155,608
Local taxes	398,000	398,000	398,000	398,000	398,000
State grant	1,441,859	1,236,695	1,236,695	1,236,695	1,236,695
Gross Expenditure	25,046,241	27,728,734	28,232,204	28,732,512	29,229,229
Total Expenditures	25,046,241	27,728,734	28,232,204	28,732,512	29,229,229
Program Revenue	(1,839,859)	(1,634,695)	(1,634,695)	(1,634,695)	(1,634,695)
Net Expenditures	23,206,382	26,094,039	26,597,509	27,097,817	27,594,534



HUMAN RESOURCES

FIVE YEAR PROJECTION

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	3,795,887	3,461,416	3,461,416	3,461,416	3,461,416
Materials & Supplies	3,384,091	2,871,280	2,871,280	2,871,280	2,871,280
Gross Expenditure	7,179,978	6,332,696	6,332,696	6,332,696	6,332,696
Total Expenditures	7,179,978	6,332,696	6,332,696	6,332,696	6,332,696
Program Revenue	0	0	0	0	0
Net Expenditures	7,179,978	6,332,696	6,332,696	6,332,696	6,332,696



GENERAL SERVICES**FIVE YEAR PROJECTION**

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	14,581,556	14,707,643	14,707,643	14,707,643	14,707,643
Materials & Supplies	7,883,145	8,791,191	8,791,191	8,791,191	8,791,191
Capital Outlay	0	24,930	24,930	24,930	24,930
Local taxes	444,842	444,842	444,842	444,842	444,842
Charges for services	1,797,436	2,797,436	2,797,436	2,797,436	2,797,436
State grant	111,372	111,372	111,372	111,372	111,372
Gross Expenditure	22,464,701	23,523,764	23,523,764	23,523,764	23,523,764
Total Expenditures	22,464,701	23,523,764	23,523,764	23,523,764	23,523,764
Program Revenue	(2,353,650)	(3,353,650)	(3,353,650)	(3,353,650)	(3,353,650)
Net Expenditures	20,111,051	20,170,114	20,170,114	20,170,114	20,170,114



Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	261,180	262,347	262,347	262,347	262,347
Materials & Supplies	183,988	192,428	192,428	192,428	193,024
Grants & subsidies	4,145,775	4,043,796	4,135,793	3,586,659	3,676,675
Gross Expenditure	4,590,943	4,498,571	4,590,568	4,041,434	4,132,046
Total Expenditures	4,590,943	4,498,571	4,590,568	4,041,434	4,132,046
Program Revenue	0	0	0	0	0
Net Expenditures	4,590,943	4,498,571	4,590,568	4,041,434	4,132,046

GRANTS & AGENCIES**FIVE YEAR PROJECTION**

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	170,017	170,233	170,233	170,233	170,233
Materials & Supplies	9,150	9,150	9,150	9,150	9,150
Grants & subsidies	45,461,684	63,476,286	63,476,286	63,476,286	63,476,286
Transfers out	59,122,330	2,372,330	2,372,330	2,372,330	2,372,330
State taxes (local share)	1,815,000	1,815,000	1,815,000	1,815,000	1,815,000
Other revenues	1,500	1,500	1,500	1,500	1,500
Gross Expenditure	104,763,181	66,027,999	66,027,999	66,027,999	66,027,999
Total Expenditures	104,763,181	66,027,999	66,027,999	66,027,999	66,027,999
Program Revenue	(1,816,500)	(1,816,500)	(1,816,500)	(1,816,500)	(1,816,500)
Net Expenditures	102,946,681	64,211,499	64,211,499	64,211,499	64,211,499

CITY ATTORNEY**FIVE YEAR PROJECTION**

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	4,309,140	4,318,615	4,318,615	4,318,615	4,318,615
Materials & Supplies	5,371,916	6,374,471	6,374,471	6,374,471	6,374,471
Gross Expenditure	9,681,056	10,693,086	10,693,086	10,693,086	10,693,086
Total Expenditures	9,681,056	10,693,086	10,693,086	10,693,086	10,693,086
Program Revenue	0	0	0	0	0
Net Expenditures	9,681,056	10,693,086	10,693,086	10,693,086	10,693,086



CITY ENGINEERING

FIVE YEAR PROJECTION

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	6,563,428	6,586,030	6,586,030	6,586,030	6,586,030
Materials & Supplies	1,744,457	1,857,894	1,861,164	1,864,164	1,866,894
Capital Outlay	0	31,200	31,200	31,200	31,200
Licenses & permits	88,000	88,000	88,000	88,000	88,000
Charges for services	561,400	561,400	561,400	561,400	561,400
State grant	95,000	95,000	95,000	95,000	95,000
Other revenues	14,363	14,363	14,363	14,363	14,363
Gross Expenditure	8,307,885	8,475,124	8,478,394	8,481,394	8,484,124
Total Expenditures	8,307,885	8,475,124	8,478,394	8,481,394	8,484,124
Program Revenue	(758,763)	(758,763)	(758,763)	(758,763)	(758,763)
Net Expenditures	7,549,122	7,716,361	7,719,631	7,722,631	7,725,361



INFORMATION SERVICES**FIVE YEAR PROJECTION**

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	1,463,220	1,457,482	1,457,482	1,457,482	1,457,482
Materials & Supplies	13,802,450	15,621,655	16,427,833	18,231,139	17,583,884
Intergovernmental revenues	500,000	0	510,000	520,200	530,604
Other revenues	100,000	102,000	104,040	106,121	108,243
Gross Expenditure	15,265,670	17,079,137	17,885,315	19,688,621	19,041,366
Total Expenditures	15,265,670	17,079,137	17,885,315	19,688,621	19,041,366
Program Revenue	(600,000)	(102,000)	(614,040)	(626,321)	(638,847)
Net Expenditures	14,665,670	16,977,137	17,271,275	19,062,300	18,402,519



Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	1,332,581	1,332,581	1,332,581	1,332,581	1,332,581
Materials & Supplies	162,605	162,605	162,605	162,605	162,605
Gross Expenditure	1,495,186	1,495,186	1,495,186	1,495,186	1,495,186
Total Expenditures	1,495,186	1,495,186	1,495,186	1,495,186	1,495,186
Program Revenue	0	0	0	0	0
Net Expenditures	1,495,186	1,495,186	1,495,186	1,495,186	1,495,186

CITY COURT JUDGES**FIVE YEAR PROJECTION**

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	549,914	550,899	550,899	550,899	550,899
Materials & Supplies	50,823	51,839	52,879	53,935	55,013
Gross Expenditure	600,737	602,738	603,778	604,834	605,912
Total Expenditures	600,737	602,738	603,778	604,834	605,912
Program Revenue	0	0	0	0	0
Net Expenditures	600,737	602,738	603,778	604,834	605,912



CITY COURT CLERK**FIVE YEAR PROJECTION**

Category	FY 2013 Adopted	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected
Personnel Services	2,997,734	3,169,510	3,169,510	3,169,510	3,169,510
Materials & Supplies	1,759,619	1,915,338	1,915,338	1,915,338	1,915,338
Fines & forfeitures	1,400,000	1,350,000	1,300,000	1,250,000	1,200,000
Gross Expenditure	4,757,353	5,084,848	5,084,848	5,084,848	5,084,848
Total Expenditures	4,757,353	5,084,848	5,084,848	5,084,848	5,084,848
Program Revenue	(1,400,000)	(1,350,000)	(1,300,000)	(1,250,000)	(1,200,000)
Net Expenditures	3,357,353	3,734,848	3,784,848	3,834,848	3,884,848

