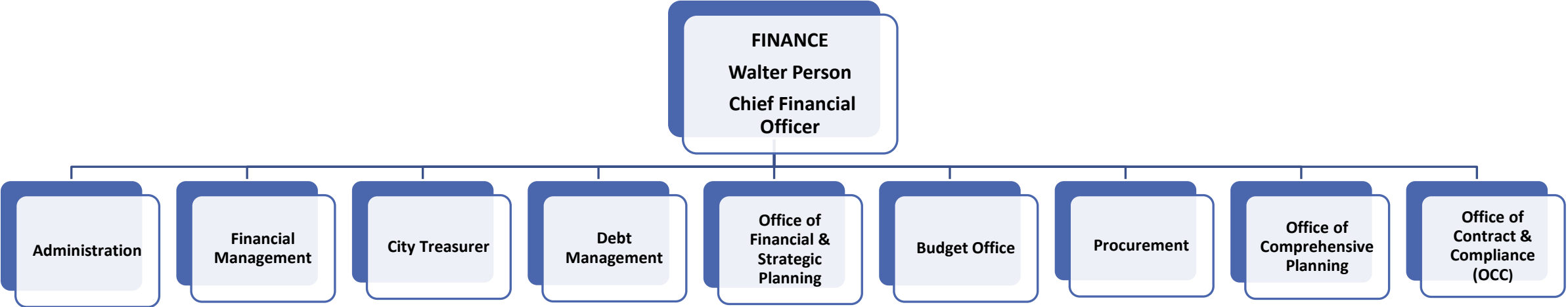
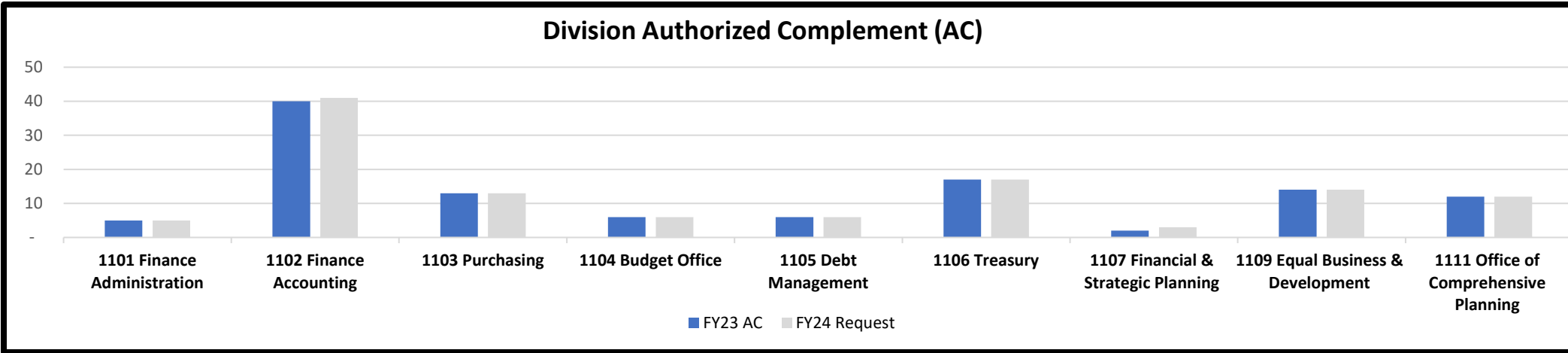


FY26 Budget: Finance

FY26 Budget Org Chart at Legal Level: FINANCE – MEDIUM



FINANCE AUTHORIZED COMPLEMENT (AC)



Legal Level	FY25 AC	FY25 Council Approved Revisions	FY25 AC	FY26 Requested ISLs	FY26 AC Request	Vacant Position(s)	Status of Vacant Position(s)		*Number of Grant Position(s)
							Posted	Filled	
1101 Finance Administration	5	-	5	-	5	-	-	-	-
1102 Finance Accounting	40	-	40	1	41	2	1	-	-
1103 Purchasing	13	-	13	-	13	2	1	-	-
1104 Budget Office	6	-	6	-	6	1	-	-	-
1105 Debt/Investment Management	6	-	6	-	6	1	-	-	-
1106 Treasury	17	-	17	-	17	2	1	-	-
1107 Financial & Strategic Planning	2	-	2	1	3	-	-	-	-
1109 Office of Contract & Compliance	14	-	14	-	14	4	1	-	-
1111 Office of Comprehensive Planning	12	-	12	-	12	4	1	-	-
Total	115	-	115	2	117	16	5	-	-

*Position(s) not funded by General Fund.

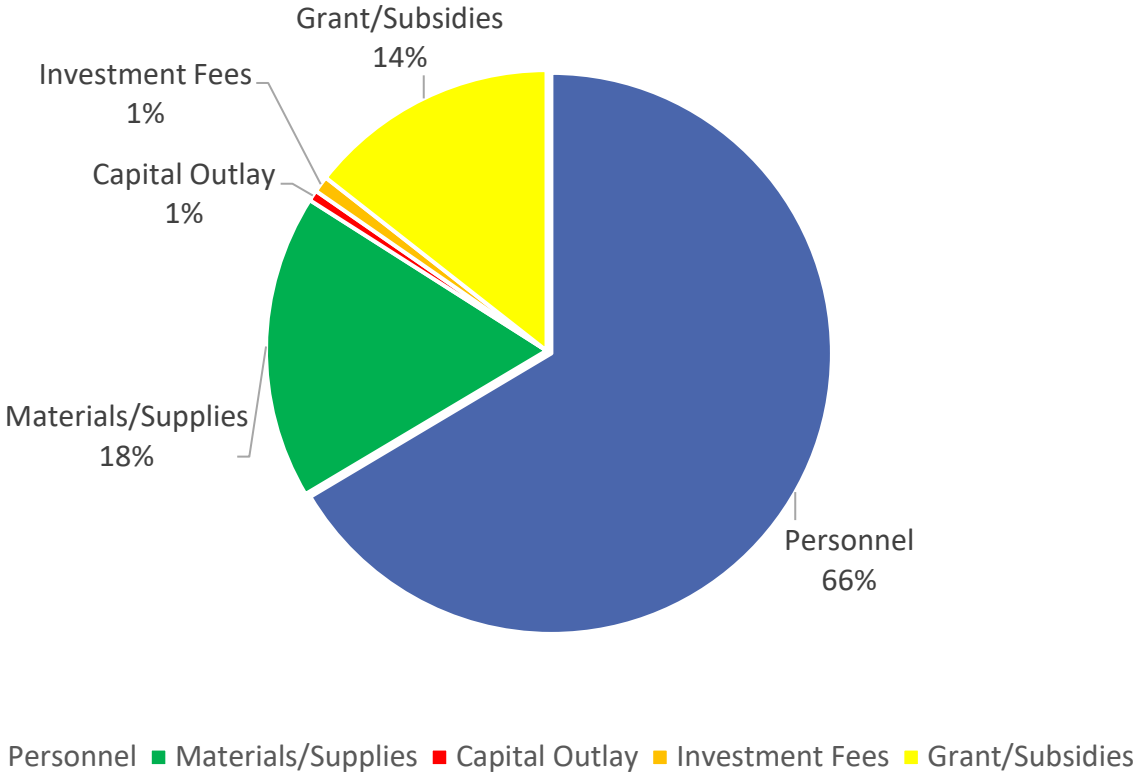
Budget Overview: FINANCE

Total Requested Budget for the upcoming year is \$15,862,716

Key Budget Priorities

- 1. Stability: Protect core services and maintain our financial integrity.
- 2. Efficiency: Do more with less through innovation and smart resource use.
- 3. Equity: Make sure our decisions are fair, transparent, and centered on public value.

Breakdown of Major Spending Categories



Historical Budget Comparison: Finance

Category	FY21 Adopted Budget	FY22 Adopted Budget	FY23 Adopted Budget	FY24 Adopted Budget	FY25 Adopted Budget	FY25 Forecast	FY26 Proposed
Personnel Expenses	8,268,154	8,265,787	9,242,108	9,507,875	10,200,826	9,450,458	10,572,009
Materials and Supplies	2,132,162	2,214,645	2,551,308	2,528,538	2,192,938	2,323,880	2,796,754
Capital Outlay	-	10,000	10,000	10,000	10,000	50,928	10,000
Grant and Subsidies	3,309,300	3,309,300	3,309,300	3,309,300	3,309,300	1,509,300	2,334,300
Investment Fee	-	-	149,652	149,652	149,652	149,652	149,652
Total Expenditures	13,709,617	13,799,732	15,262,368	15,505,364	15,862,716	13,484,218	15,862,716
Total Revenues	48,000	48,000	48,000	4,505,000	2,030,000	255,000	255,000

Key Budget Drivers: FINANCE

Explanation of Changes or Positive Statement of Neutral Budget

- In FY25, the Treasury department implemented a new system called “Catalis”. This system will improve our accounting and budgeting practices by interfacing with Oracle daily rather than bi-weekly, improve our processing time by enhancing our reconciliation methods, and lastly, citizens can now make payments (with a bill) at various locations such as Kroger, Cash Saver, Superlo Foods and Gordin’s Butcher Shoppes.
- Launched a Finance Dashboard which allows “real-time” visibility of our Financials. This dashboard also assist us with our Strategic Planning and Forecasting.
- Implemented a new financial software (Clear-Gov) used to develop our Operating and CIP Budget Books. We also plan to use this software to develop our yearly Annual Financial Report.
- We are now in the process of implementing a Debt Management Dashboard will provide a view of the City’s debt obligations along with allowing for monitoring, analysis, and management of the City’s debt.

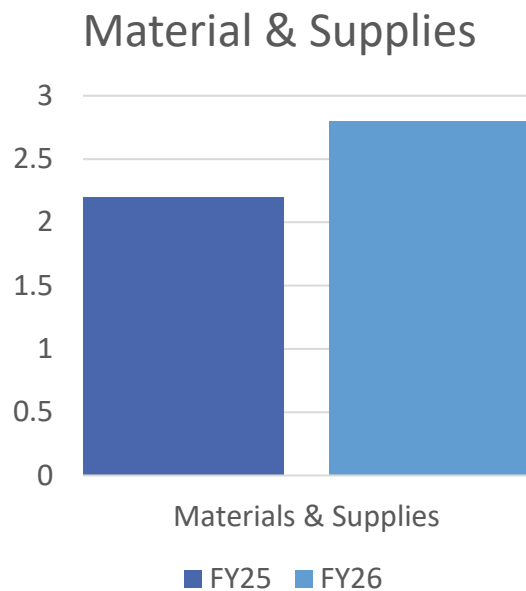
• **Rewards/Accomplishments:**

- Received the “Distinguished Budget Award” from the Government Finance Officers Association for our FY25 Adopted Budget Book
- The NIGP “The Institute for Public Procurement”, recognized our Procurement department for provided 25 years of Outstanding Services.

Qualitative/Quantitative Outcomes: **FINANCE** - Medium

Programs/Projects above 10% of Material & Supplies Budget

This Budget funds the expense the Finance Division will need for our software and system initiative in FY26.



Performance Metrics: FINANCE

Key Performance Indicators that will be used to measure success:

Service Center	Metric	FY21	FY22	FY23	FY24	FY25
Financial Management	Monthly financial reporting completed by the 10th day of the following month(%)	100%	100%	100%	100%	100%
PURCHASING	Construction requisitions completed within 120 days (%)	95%	95%	95%	95%	100%
BUDGET OFFICE	Submit Operating Budget Ordinance to the State within 15 days of the approved adopted budget.	Yes	Yes	NO	Yes	Yes
DEBT MANAGEMENT	Maintain the City's Bond rating at or above Moody: Aa2, S&P: AA	Moody's Aa2 S&P: AA	Moody's Aa2 S&P: AA	Moody's Aa2 S&P: AA	Moody's Aa2 S&P: AA	Moody's Aa2 S&P: AA

TAX RELIEF PROGRAM: FINANCE

Tax Relief programs are existing, however, the State of TN and Memphis City Council approved an increased to the tax freeze income limit to \$61,920 which will qualify many more citizens for this program. The State of Tennessee determines the applicable documents to qualify citizens for tax relief programs.

Budget Allocation: The income limit increase will not immediately impact the budget because the citizens will continue to pay the same amount in taxes as long as they qualify.

Timeline: July 1, 2025

Expected Outcomes: Treasury is expecting an additional 1,143 households to participants in the tax freeze program based upon the increased income limit from \$47,810 to \$61,920.

Impact: The increase in the tax freeze income limit will hold the tax obligation the same for senior citizens so future changes to the tax rate will not impact them.

<u>Program</u>	<u>Participants</u>	<u>Budget Impact</u>
Tax Relief	7,397	\$ 1,193,696
Tax Freeze	5,469	\$ 549,583

Challenges and Risks: FINANCE

The Finance Division has presented a neutral budget for FY26. If this budget is reduced, the impact will be:

- Unable to fill vacant positions.
- Unable to hire our part-time employees who are essential to the Treasury department during tax season.
- Unable to fund the expense for the renewal of the financial software with Clear Gov.