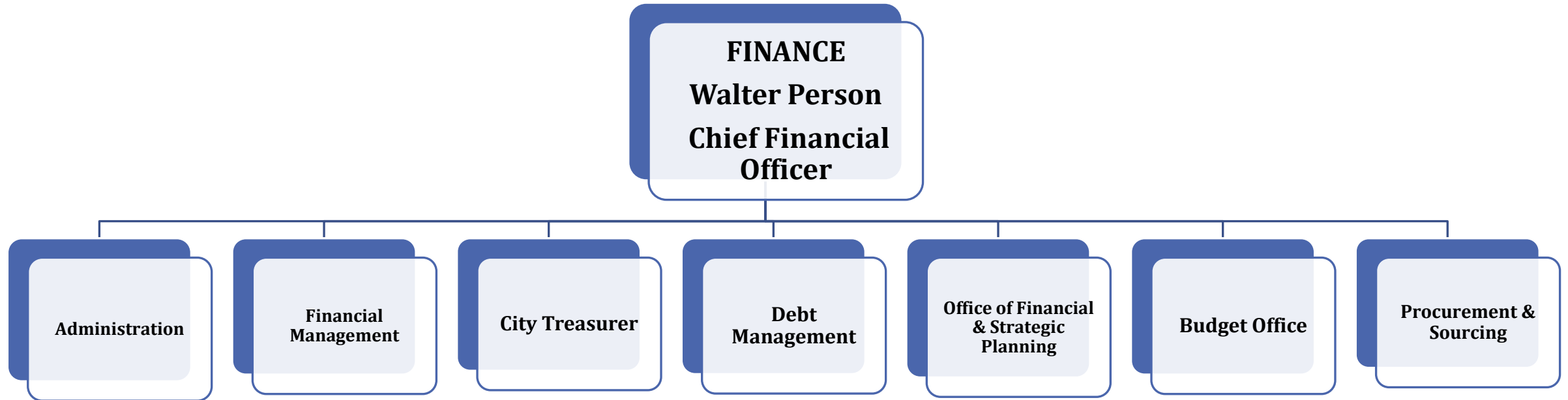
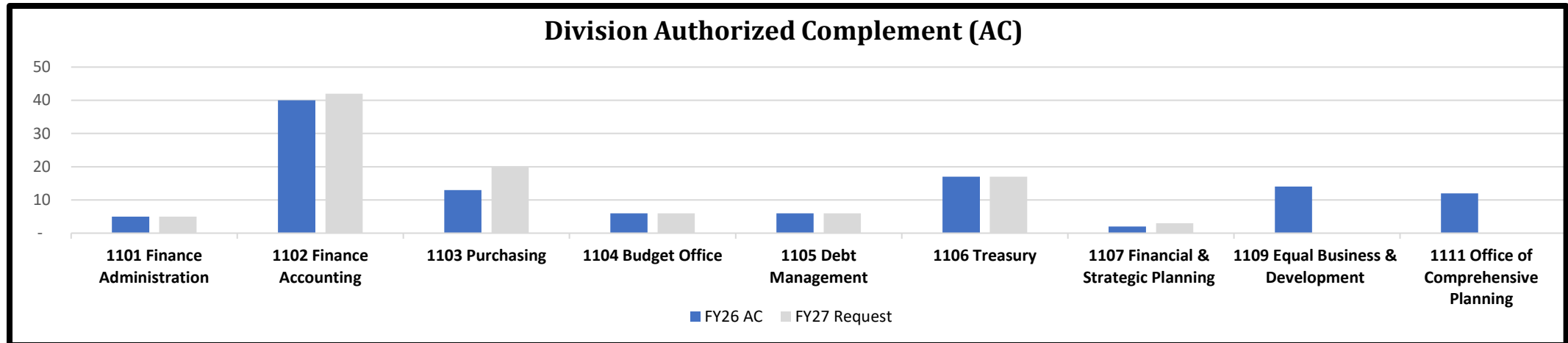


FY27 Budget: Finance

FY27 Budget Org Chart at Legal Level: Finance – Medium



FINANCE AUTHORIZED COMPLEMENT (AC)



Legal Level	FY26 AC	FY26 Council Approved Revisions	FY26 AC	FY27 Requested ISLs	FY27 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	2	42	-	42	5	-	2	-
1103 Purchasing & Sourcing	13	-	13	-	20	8	-	4	-
1104 Budget Office	6	-	6	-	6	-	-	-	-
1105 Debt/Investment Management	6	-	6	-	6	1	-	-	-
1106 Treasury	17	-	17	-	17	2	-	-	-
1107 Financial & Strategic Planning	2	1	3	-	3	-	-	-	-
1109 Equal Business & Development	14	-	14	-	-	-	-	-	-
1111 Office of Comprehensive Planning	12	-	12	-	-	-	-	-	-
Total	115	3	118	-	99	16	-	6	-

*Position(s) not funded by General Fund.

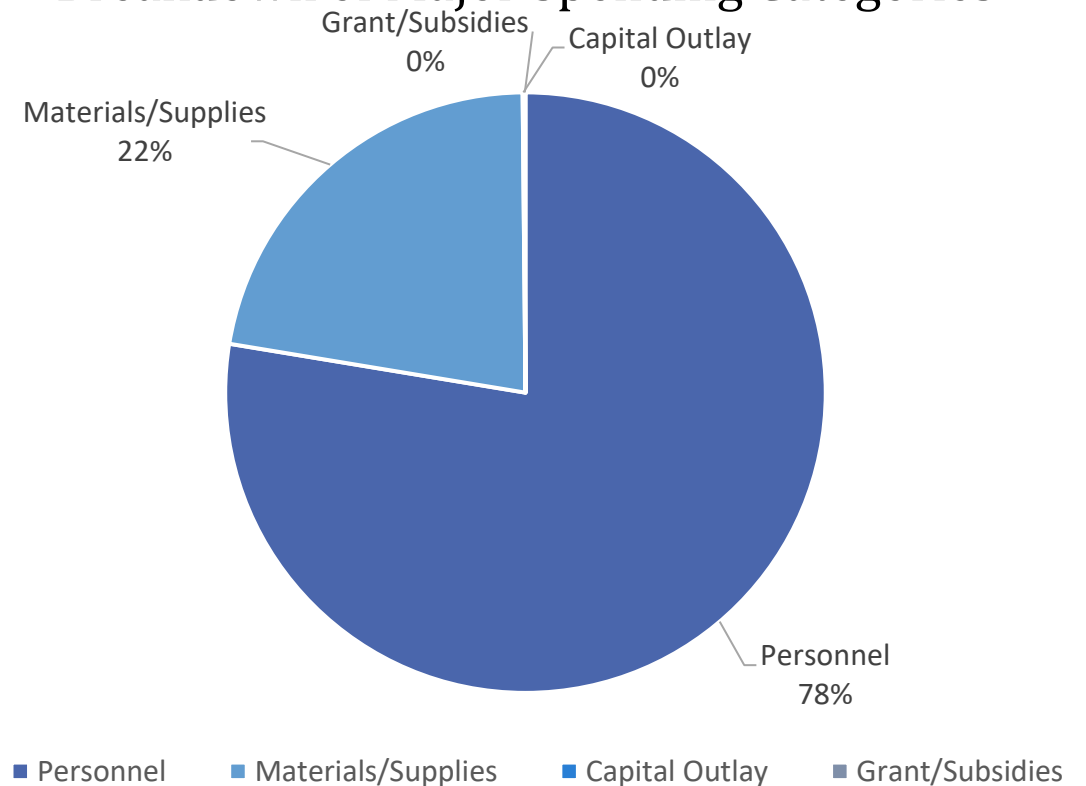
Budget Overview: Finance

Total Requested Budget for the upcoming year \$12,697,881

Key Budget Priorities

1. **Stability:** Safeguard essential services while preserving strong financial stewardship.
2. **Efficiency:** Achieve more with available resources through smarter, innovative approaches.
3. **Equity:** Ensure decisions are fair, transparent, and aligned with community value.

Breakdown of Major Spending Categories



Historical Budget Comparison (Adopted Budget): Finance

Category	FY22 Adopted Budget	FY23 Adopted Budget	FY24 Adopted Budget	FY25 Adopted Budget	FY26 Adopted Budget	FY26 Forecast	FY27 Proposed Budget
Personnel Expenses	8,265,787	9,242,108	9,507,875	10,200,826	10,835,249	10,861,770	9,962,008
Materials and Supplies	2,214,645	2,551,308	2,528,538	2,192,938	2,796,754	3,077,735	2,855,604
Capital Outlay	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Grants and Subsidies	3,309,300	3,309,300	3,309,300	3,309,300	2,334,300	3,039,819	9,300
Investment Fee	-	149,652	149,652	149,652	160,836	149,652	-
Total Expenditures	13,799,732	15,262,368	15,505,364	15,862,716	16,125,955	17,138,976	12,697,881
Total Revenues	48,000	48,000	4,505,000	2,030,000	255,000	255,000	290,000

Historical Budget Comparison (Year Total Actuals): Finance

Category	FY22 YearTotal Actuals	FY23 YearTotal Actuals	FY24 YearTotal Actuals	FY25 YearTotal Actuals	FY26 Q3 Actuals	FY26 Forecast	FY27 Proposed Budget
Personnel Expenses	7,563,041	7,736,998	8,317,402	8,975,413	6,768,592	10,861,770	9,962,008
Materials and Supplies	1,807,278	2,521,662	2,089,061	1,296,203	1,376,152	3,077,735	2,855,604
Capital Outlay	8,470	12,522	76,935	6,857	4,517	10,000	10,000
Grants and Subsidies	3,266,148	2,265,481	1,872,936	122,236	1,855,740	3,039,819	9,300
Investment Fees	-	155,582	149,567	160,836	98,046	149,652	-
Misc Expense	126,846	858,815	(236)	-	-	-	-
Total Expenditures	12,771,783	13,551,061	12,505,666	10,561,545	10,103,047	17,138,976	12,697,881
Total Revenues	61,440	101,780	3,346,793	314,023	372,239	255,000	290,000

Key Budget Drivers: Finance

Budget Drivers: Key factors driving the budget change requests

- The FY27 budget request reflects a \$4.4M (26%) reduction from the FY26 forecast, primarily driven by the removal of **one-time grant-funded initiatives** and **non-recurring expenditures**.
- Personnel costs decline modestly due to a structural change (service center transition to Executive) and vacancy savings, while Materials & Supplies reflect targeted cost containment with continued investment in critical services.
- Overall, the FY27 request aligns with a stabilization strategy, prioritizing core operations.

Qualitative/Quantitative Outcomes: Finance - Medium

Programs/Projects above 10% of Material & Supplies Budget

No Single Program Exceeds 10% — Spend Is Managed at the Portfolio Level

While no individual vendor or project exceeds 10% of the Materials & Supplies budget, expenditures are strategically concentrated within key categories, particularly professional services. This structure allows Finance to maintain operational stability while absorbing increased cost pressures.

Despite budget pressures, the following programs remain fully supported:

- Property Tax Relief Program
- Property Tax Freeze Program (Seniors)
- Quarterly Payment Plan

These programs are critical to maintaining housing stability and financial accessibility for thousands of Memphis households.

Performance Metrics: Finance

Service Center	Metric	FY22	FY23	FY24	FY25	FY26
Financial Management	Monthly financial reporting by the 10 th day of the following month (%)	100%	100%	100%	100%	100%
Purchasing & Sourcing	Construction requisitions completed within 120 days (%)	95%	95%	95%	100%	100%
Budget Office	Submit Operating Budget Ordinance to the State within 15 days of the approved adopted budget	Yes	No	Yes	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

Proposed New or Budding Initiatives for FY27: Finance

New or Budding Initiative: Enterprise Asset Management

Budget Allocation:

- **Annual Software Subscription:** \$1.0M – \$1.2M
(Includes: Parks, Public Works, Facilities, Fleet + expanded citywide access)
- **One-Time Implementation & Training:** \$500K – \$700K
- **Total FY27 Investment (Year 1):** ~\$1.5M – \$1.9M

Includes:

- Enterprise Asset Management platform *(citywide expansion)*
- Expert Services *(training, optimization, ongoing support)*

Proposed New or Budding Initiatives for FY27: Finance

Timeline

- **Q1 FY27:** Procurement, contract execution, project kickoff
- **Q2 FY27:** System configuration, data integration (Facilities & Fleet + onboarding new domains)
- **Q3 FY27:** Pilot rollout (expanded departments), staff training, workflow standardization
- **Q4 FY27:** Full enterprise rollout, dashboards, capital planning integration

Scope Expansion (New Domains)

- Stormwater (drainage, culverts, pump stations)
- Transportation (roads, signage, striping, intersections)
- Wastewater Collection & Treatment
- Walkability (sidewalks, ADA, trails)
- Signals (traffic systems, lighting, detection)

Result: Transition to a **single, citywide system of record for all assets**

Proposed New or Budding Initiatives for FY27: Finance

Expected Outcomes

- Centralized citywide asset inventory and condition tracking
- Shift from reactive maintenance → preventative & predictive maintenance
- Improved capital improvement planning (CIP) using lifecycle and cost data
- Standardized workflows across departments (*eliminates silos*)
- Real-time dashboards for data-driven decision-making

Proposed New or Budding Initiatives for FY27: Finance

Current State



Disconnected systems
Limited visibility
Reactive maintenance
Manual reporting

Future State



Centralized system
Real-time visibility
Predictive maintenance
Automated dashboards

Operational Improvements



55% ↑ tasks
50% ↓ inspections
33% ↑ efficiency
Streamlined workflows

Financial Impact



Data-driven planning
Reduced repair costs
Lifecycle optimization
Better budget alignment

Community Impact



Faster response
Reliable infrastructure
More transparency
Expanded service capacity

Challenges and Risks : Finance

The Finance Division's FY27 budget incorporates **intentional reductions in non-essential spending** to align with citywide fiscal constraints. As a result, the current request reflects a *lean operating baseline*.

Further reductions would require trade-offs that directly impact core financial operations and service delivery, including:

Delays in filling critical vacancies, limiting the Division's capacity to meet operational demands and support citywide initiatives.

Reduced part-time staffing flexibility, particularly within Treasury during peak tax collection periods, increasing operational strain and service risk.

Deferral or underfunding of essential system costs, including the ClearGov financial software renewal, which supports budgeting, reporting, and transparency.