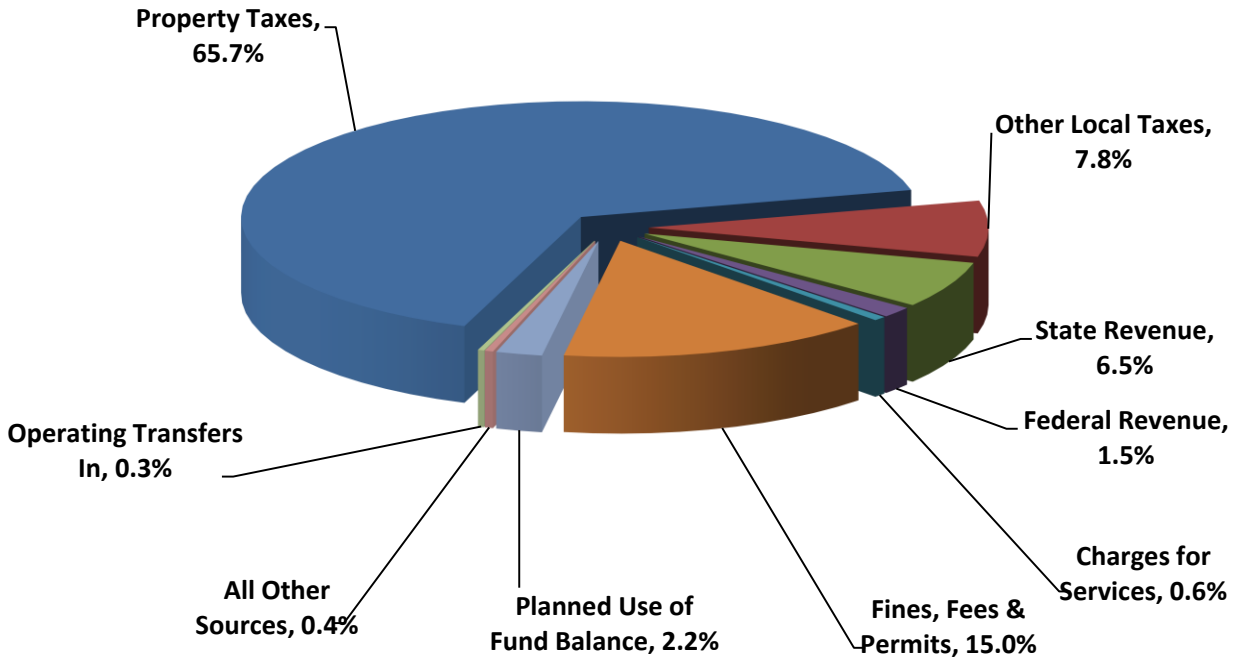
GENERAL FUND SUMMARY

FY 2021 PROPOSED BUDGET

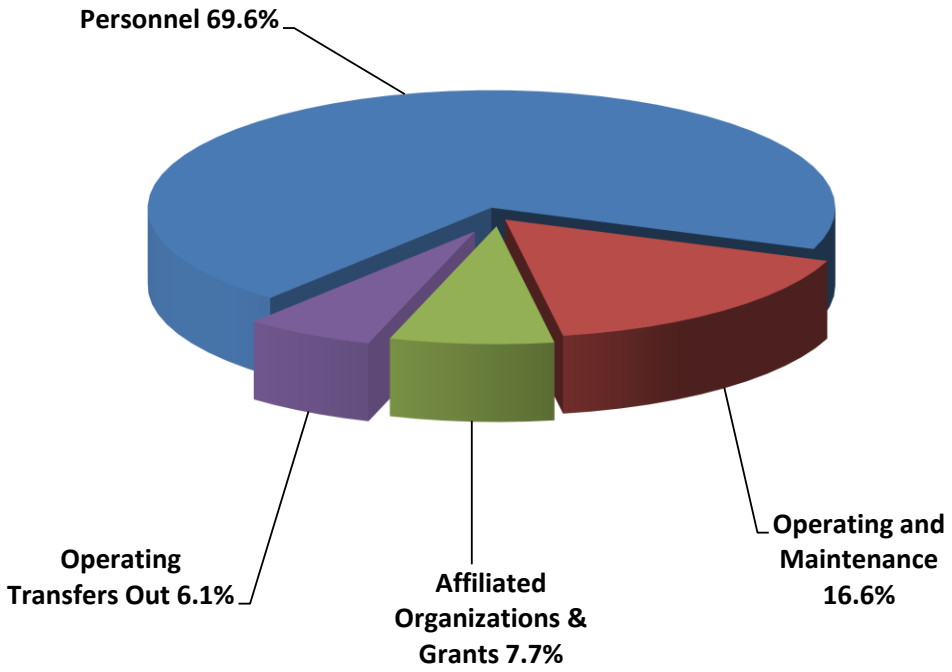
Where the Money Comes From….



SOURCES OF FUNDS:

	FY21 Adopted	FY20 Amended
Revenue:		
Property Taxes	$ 286,079,684	$ 288,746,885
Fines, Fees & Permits	65,413,301	67,448,000
Other Local Taxes	34,133,399	36,308,399
Intergovernmental-State	28,168,314	25,527,804
Intergovernmental-Federal	6,376,422	8,970,869
Charges for Services	2,697,703	2,970,443
Other Revenue/Interest Income	1,812,932	5,764,552
Subtotal	424,681,755	435,736,952
Other Sources:		
Planned Use of Fund Balance	9,583,759	7,961,181
Operating Transfers In	1,175,978	4,418,166
Other Financial Sources	100,000	100,000
Subtotal	10,859,738	12,479,347
Total Appropriation Sources	**$ 435,541,493**	**$ 448,216,299**

…..and Where the Money Goes



USE OF FUNDS:

	FY21 Adopted	FY20 Amended
Personnel	$ 303,049,048	$ 307,353,376
Operating and Maintenance *	72,468,464	77,983,670
Affiliated Organizations & Grants	33,569,777	37,592,257
Operating Transfers Out	26,454,204	25,286,996
Total Appropriation Uses	**$ 435,541,493**	**$ 448,216,299**

** Includes any spending contingencies, restrictions or cost savings from other sources*

Personnel expenses represent the largest use of funds for General Fund Operations

GENERAL FUND SUMMARY — Prime Account Summary

Account - Description	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Amended	FY21 Adopted
40 - Property Taxes	253,574,154	276,604,440	292,284,127	288,746,885	286,079,684
41 - Other Local Taxes	32,530,120	31,430,273	33,963,385	36,308,399	34,133,399
43 - Intergov Revenues-State of Tennessee	23,874,375	22,424,187	25,848,868	25,527,804	28,168,314
44 - Intergov Revenues-Federal & Local	7,650,925	9,963,935	6,608,185	8,970,869	6,376,422
45 - Charges for Services	2,752,322	2,335,215	2,517,001	2,970,443	2,697,703
46 - Fines, Fees & Permits	64,529,687	61,188,448	65,722,059	67,448,000	65,413,301
47 - Other Revenue	1,460,135	684,517	503,063	1,458,720	682,250
48 - Investment Income	1,098,719	2,190,484	3,450,415	4,305,832	1,130,682
TOTAL REVENUE	**387,470,436**	**406,821,499**	**430,897,104**	**435,736,952**	**424,681,755**
94 - Other Financial Sources & Uses	113,977	112,148	1,000	100,000	100,000
96 - Operating Transfers In	1,521,066	857,931	1,099,735	4,418,166	1,175,978
9990 - Carryforward For Encumbrances	-	-	-	1,686,788	-
9999 - Planned Fund Balance Decrease	-	-	-	6,274,393	9,583,759
TOTAL OTHER SOURCES	**1,635,043**	**970,079**	**1,100,735**	**12,479,347**	**10,859,738**
TOTAL SOURCES	**389,105,479**	**407,791,578**	**431,997,839**	**448,216,299**	**435,541,493**
51 - Salaries-Regular Pay	185,292,971	189,650,832	197,350,869	232,829,217	227,862,545
52 - Salaries-Other Compensation	16,072,889	20,558,497	24,064,020	16,227,936	16,636,902
55 - Fringe Benefits	71,916,798	79,200,247	80,939,905	89,469,054	85,983,157
56 - Vacancy Savings	-	-	-	(31,172,830)	(27,433,556)
TOTAL SALARIES	**273,282,657**	**289,409,576**	**302,354,794**	**307,353,376**	**303,049,048**
60 - Supplies & Materials	7,894,886	9,350,990	9,219,420	10,664,131	9,724,155
64 - Services & Other Expenses	9,594,063	9,799,584	10,840,837	13,290,585	11,185,823
66 - Professional & Contracted Services	31,716,015	32,232,667	35,793,450	37,998,348	36,793,566
67 - Rent, Utilities & Maintenance	14,587,034	15,150,457	15,609,396	17,277,292	17,205,577
68 - Interfund Services	(1,538,377)	(891,142)	1,081	(697,161)	(930,995)
70 - Capital Asset Acquistions	3,346,047	3,258,479	5,101,526	4,373,605	3,218,994
79 - Depreciation Expense	-	-	-	-	-
95 - Contingencies & Restrictions	-	-	-	(4,923,131)	(4,728,655)
TOTAL OPERATING	**65,599,668**	**68,901,037**	**76,565,710**	**77,983,670**	**72,468,464**
80 - Debt Service Expenditure	-	-	-	-	-
89 - Affiliated Organizations	30,178,843	30,441,104	31,701,606	31,869,777	32,269,777
90 - Grants	4,299,500	6,155,280	9,226,373	5,722,480	1,300,000
98 - Operating Transfers Out	15,735,000	16,527,693	22,241,145	25,286,996	26,454,204
9998 - Planned Fund Balance Increase	-	-	-	-	-
TOTAL OTHER USES	**50,213,343**	**53,124,078**	**63,169,124**	**62,879,253**	**60,023,981**
TOTAL USES	**389,095,668**	**411,434,690**	**442,089,628**	**448,216,299**	**435,541,493**
ACTUAL FUND BALANCE CHANGE	**9,811**	**(3,643,112)**	**(10,091,788)**	**-**	**-**

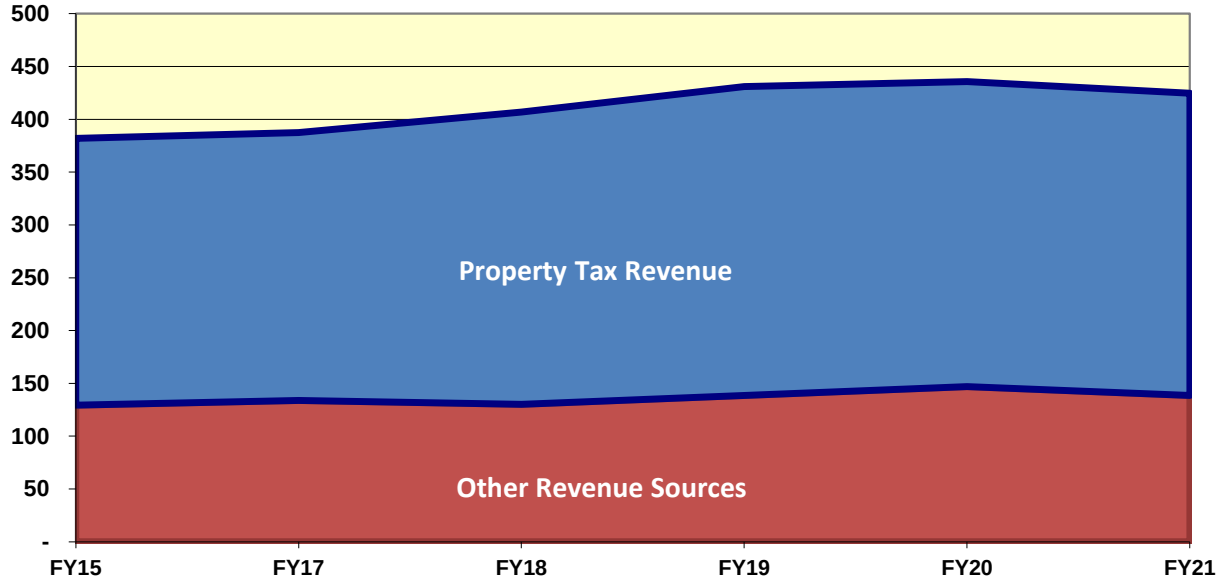
GENERAL FUND SUMMARY — Net Expenditures by Division

DIVISION/DEPARTMENT	FY17 ACTUAL	FY18 ACTUAL	FY19 ACTUAL	FY20 AMENDED	FY21 ADOPTED
MAYOR'S ADMINISTRATION:					
Administration & Finance	(245,662,747)	(264,345,656)	(272,747,328)	(288,737,747)	(289,379,830)
Information Technology	9,149,464	9,367,294	9,203,427	10,481,606	8,785,508
Planning & Development	359,233	401,359	370,210	400,892	391,671
Public Works	17,970,521	20,648,773	22,190,763	23,056,345	22,305,415
Health Services	22,597,570	26,163,910	29,128,507	28,781,215	27,455,142
Community Services	7,367,785	8,410,826	8,999,797	10,402,226	9,851,756
SUBTOTAL	**(188,218,174)**	**(199,353,495)**	**(202,854,625)**	**(215,615,462)**	**(220,590,338)**
SHERIFF:					
Sheriff Administration	20,540,370	21,812,899	25,294,760	21,207,005	20,373,484
Law Enforcement	64,240,824	69,200,019	71,106,226	75,654,909	80,530,883
Jail	73,620,266	79,495,337	82,440,031	80,020,767	79,645,942
SUBTOTAL	**158,401,459**	**170,508,255**	**178,841,017**	**176,882,680**	**180,550,308**
JUDICIAL:					
Chancery Court	(1,675,673)	(2,081,543)	(2,593,137)	(3,147,264)	(2,685,249)
Circuit Court	(138,261)	330,010	1,330,292	949,220	1,394,628
Criminal Court	1,824,287	4,097,969	906,404	1,312,906	1,907,679
General Sessions Court	6,289,644	7,551,136	6,757,032	7,846,812	7,914,283
Probate Court	621,560	660,614	612,249	803,373	718,886
Juvenile Court	12,837,589	13,457,596	13,880,336	14,480,361	13,975,370
Attorney General	10,224,439	11,061,803	11,747,946	11,724,009	11,327,745
Public Defender	7,286,526	9,137,314	7,389,200	9,086,876	8,541,530
Divorce Ref. / Jury Comm.	1,092,812	1,138,035	1,138,151	1,316,625	1,300,903
SUBTOTAL	**38,362,923**	**45,352,933**	**41,168,474**	**44,372,920**	**44,395,773**
OTHER ELECTED OFFICIALS:					
Legislative Operations	2,437,160	2,516,259	3,236,357	4,444,302	3,976,454
Equal Opportunity	706,675	942,955	1,166,744	1,765,991	1,243,442
Assessor	10,189,162	7,141,400	10,520,726	11,173,121	11,015,812
County Clerk	(6,452,201)	(6,404,464)	(6,665,346)	(6,254,096)	(6,435,179)
Register	(2,213,541)	(1,974,348)	(1,680,493)	(1,956,960)	(1,751,942)
Trustee	(17,265,923)	(17,748,407)	(17,948,971)	(16,860,191)	(17,190,565)
Election Commission	4,042,650	2,662,024	4,307,905	2,047,696	4,786,236
SUBTOTAL	**(8,556,019)**	**(12,864,581)**	**(7,063,078)**	**(5,640,138)**	**(4,355,743)**
TOTAL GENERAL FUND	**(9,811)**	**3,643,112**	**10,091,788**	**0**	**0**

Includes all Sources and Uses of Funds

REVENUE SOURCE	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Amended	FY21 Adopted
Property Taxes	253,574,154	276,604,440	292,284,127	288,746,885	286,079,684
% of Total	65.4%	68.0%	67.8%	66.3%	67.4%
Fines, Fees & Permits	64,529,687	61,188,448	65,722,059	67,448,000	65,413,301
% of Total	16.7%	15.0%	15.3%	15.5%	15.4%
Other Local Taxes	32,530,120	31,430,273	33,963,385	36,308,399	34,133,399
% of Total	8.4%	7.7%	7.9%	8.3%	8.0%
Intergovernmental-State	23,874,375	22,424,187	25,848,868	25,527,804	28,168,314
% of Total	6.2%	5.5%	6.0%	5.9%	6.6%
Intergovernmental-Fed&Local	7,650,925	9,963,935	6,608,185	8,970,869	6,376,422
% of Total	2.0%	2.4%	1.5%	2.1%	1.5%
Charges for Services	2,752,322	2,335,215	2,517,001	2,970,443	2,697,703
% of Total	0.7%	0.6%	0.6%	0.7%	0.6%
Other Revenue	1,460,135	684,517	503,063	1,458,720	682,250
% of Total	0.4%	0.2%	0.1%	0.3%	0.2%
Interest Income	1,098,719	2,190,484	3,450,415	4,305,832	1,130,682
% of Total	0.3%	0.5%	0.8%	1.0%	0.3%
Total General Fund Revenue	**387,470,436**	**406,821,499**	**430,897,104**	**435,736,952**	**424,681,755**
% Change from Prior Year	**0.4%**	**5.0%**	**5.9%**	**1.1%**	**-2.5%**
$ Change from Prior Year (Decrease)		**19,351,063**	**24,075,605**	**4,839,848**	**(11,055,197)**

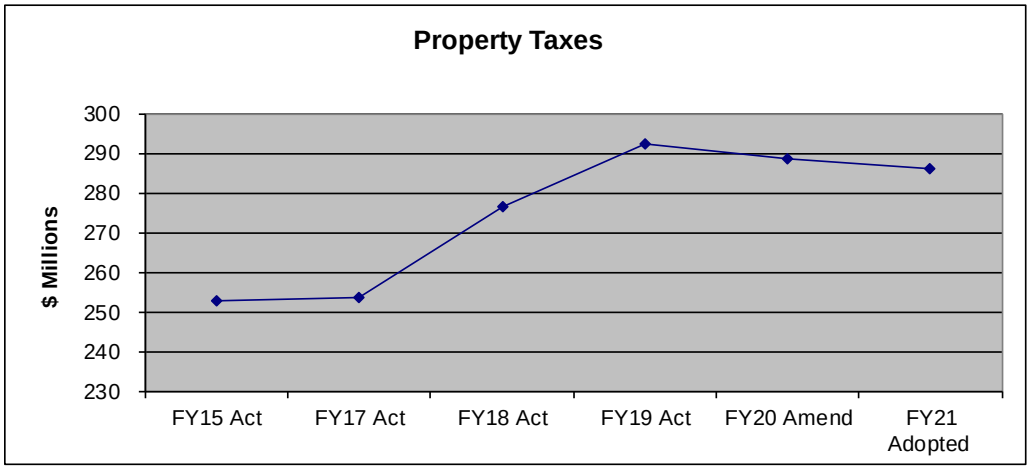
Property Tax Revenue vs All Other Sources
(General Fund, in millions)



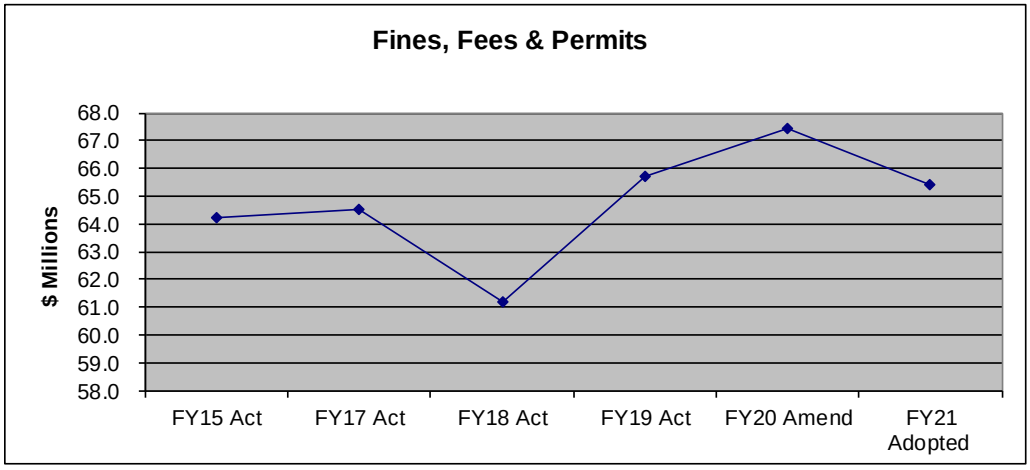
Property tax revenue has remained relatively stable as a percentage of total revenues that support General Fund operations.

GENERAL FUND REVENUE TRENDS AND ASSUMPTIONS

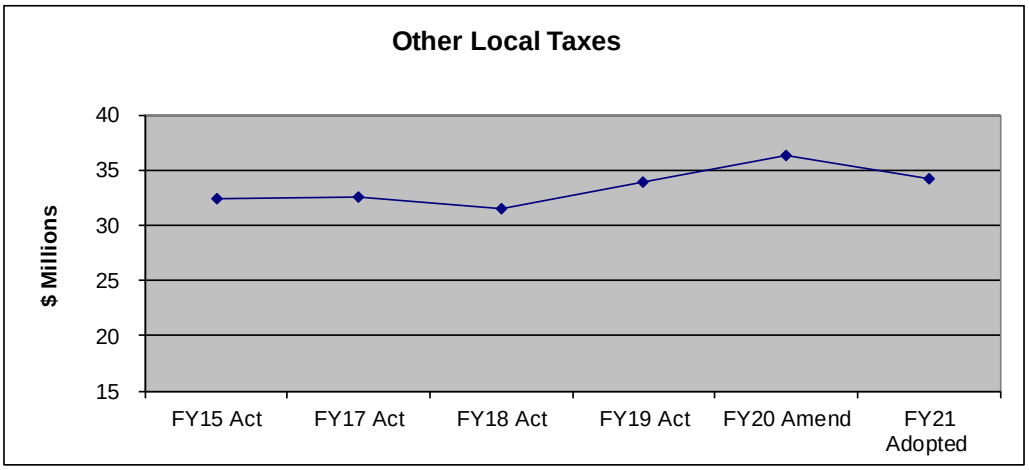
Property Tax Revenues continue to provide the primary source of operating funds for Shelby County, accounting for 67.4% of total General Fund revenues. Delinquent taxes represent only $6.5 million (or 1.5%) of total property tax collections. The current tax rate allocation to the General Fund in FY21 remains at $1.49 which is unchanged from the prior fiscal year. However, property tax revenue collections are projected to decline as result of current year collection trends, current assessed property values, along with the impact of the COVID-19 Pandemic.



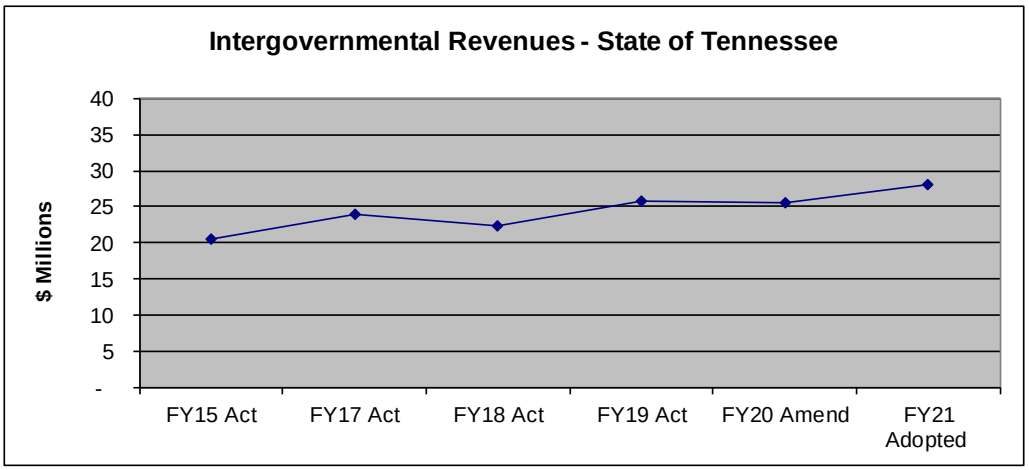
Fines, Fees & Permits represent the second largest source of General Fund income at 15.4% of total revenue. This category includes fees collected by the Courts and Other Elected Officials such as the County Clerk, Register and Trustee. The decrease in the FY21 budgeted amount reflects a transfer of computerization fees collected by various clerks of the County to Special Revenue Funds effective July 1, 2020.



Other Local Taxes account for about 8.0% of all General Fund revenue. The largest single revenue source in this category is from Business Taxes ($16.8 million). Also included are Interest/Penalty on Delinquent Taxes which is estimated to decrease as a result of improved tax collections.



Intergovernmental Revenue collected from the State of Tennessee accounts for 6.6% of all General Fund revenue. State revenue includes State of Tennessee reimbursements ($13.9 million), the TVA Replacement Tax ($7.5 million), bank excise tax ($2.5 million), cost reimbursements related to the Jail ($2.7 million) as well as various grant programs. Increased revenues are related to anticipated State reimbursement for COVID-19 pandemic response.



Intergovernmental Revenue - Federal & Local Sources contribute only 1.5% to the County General Fund. The largest contributor to this source is the Federal reimbursement for the Qualified School Construction Bond (QSCB) payments ($3.2 million). This revenue source is projected to decrease by $2.6 million primarily related to prior year reimbursements from the City of Memphis for its election.

Charges for Services, Other Revenue Sources and Interest Income account for less than 1.0% of all General Fund revenues. Most of this revenue is derived from Tenncare fees, Health Department Patient Services, the Inmate Phone System, the Edmund Orgill Golf Course and charges for internal print and mail services (previously recorded in an Internal Service Fund).

Fund Balance is a term used to express equity - the excess of what the County owns (assets) over what the County owes (liabilities) for a single fund. A healthy fund balance is important to financial planning and budgeting for the following reasons:

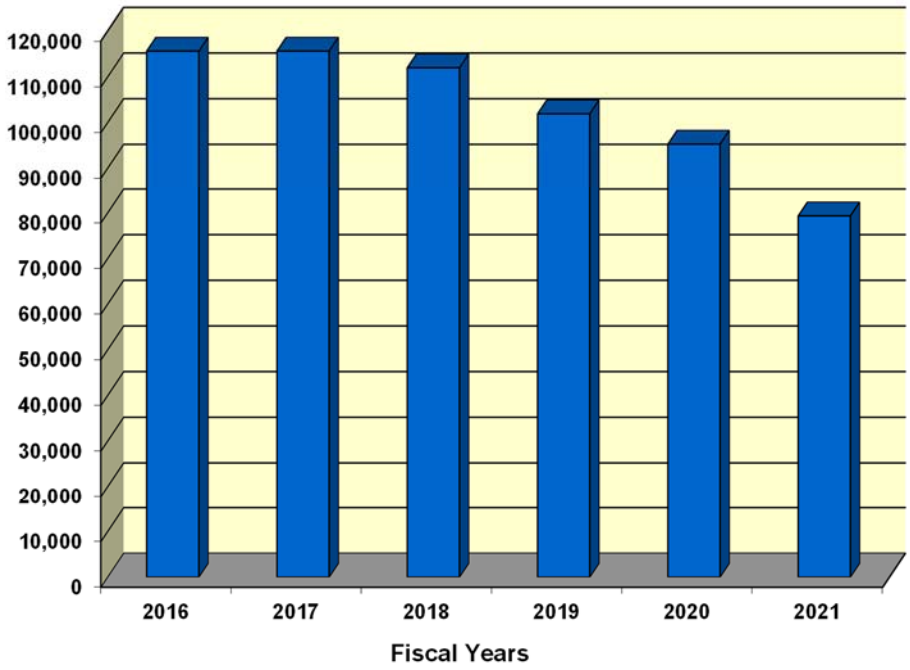
- To provide funds for unforeseen expenses or emergencies
- To ensure sufficient cash flow within the property tax collection cycle
- To demonstrate financial stability for higher bond ratings and lower cost of debt

Shelby County's General Fund balance as a percentage of revenue has gradually decreased over the last several years as a result of reduction of the County's tax rate in fiscal years 2018 and 2019. The reduction in fiscal year 2020 is a result of decreased reimbursements from the State of Tennessee related to prison expenditures and loss of revenue related to the COVID-19 pandemic.

Summary of General Fund Balance

Fiscal Years 2016 - 2021[1] at June 30

(in thousands)



($ in thousands)	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Projection	2021 Budget
Beginning Fund Balance at July 1	108,744	115,597	115,606	111,963	101,871	95,223
Revenue/Sources of Funds	387,500	387,470	406,822	431,998	415,964	425,958
Uses of Funds	-380,647	-387,461	-410,465	-442,090	-422,613	-435,541
Net Operations	6,853	9	-3,643	-10,092	-6,649	-9,584
Ending Fund Balance at June 30[2]	115,597	115,606	111,963	101,871	95,223	85,639
Unassigned Ending Fund Balance[2]	105,793	109,850	100,490	92,476	88,876	79,293
Unassigned as a % of Revenue	27%	28%	25%	21%	21%	19%

[1] *Projected FY 2021 Fund Balance.*

[2] *Unassigned balance allows for carryforwards to next year.*

GENERAL FUND SUMMARY — Five Year Projections

Acct Description	FY21 Adopted	FY22 Projected	FY23 Projected	FY24 Projected	FY25 Projected
Assumptions:					
Property Tax % Increase-Current	-0.50%	2.50%	2.25%	2.00%	1.50%
Salary Increase	0.00%	1.00%	1.50%	2.00%	1.50%
Pension % of Salaries (5102)	22.10%	22.10%	22.10%	22.10%	22.10%
OPEB % of Salaries (5102)	1.16%	1.16%	1.16%	1.16%	1.16%
Health Insurance % Increase	0.00%	0.00%	1.00%	1.50%	1.50%
Operating and Maint % Increase	-2.54%	1.00%	1.00%	1.00%	1.00%
Property Tax Rate	1.49	1.49	1.49	1.49	1.49
Penny Value	$ 1,929,000	$ 1,980,000	$ 2,020,000	$ 2,060,000	$ 2,090,000
40 - Property Taxes	(286,079,684)	(301,553,000)	(307,513,000)	(313,473,000)	(317,943,000)
41 - Other Local Taxes	(34,133,399)	(34,133,399)	(34,133,399)	(34,133,399)	(34,133,399)
43 - State Revenues	(28,168,314)	(28,168,314)	(28,168,314)	(28,168,314)	(28,168,314)
44 - Federal & Local Revenues	(6,376,422)	(5,876,422)	(5,876,422)	(5,376,422)	(5,876,422)
45 - Charges for Services	(2,697,703)	(2,697,703)	(2,697,703)	(2,697,703)	(2,697,703)
46 - Fines, Fees & Permits	(65,413,301)	(65,413,301)	(65,413,301)	(66,413,301)	(66,663,301)
47 - Other Revenue	(682,250)	(682,250)	(682,250)	(682,250)	(682,250)
48 - Investment Income	(1,130,682)	(1,030,682)	(980,682)	(1,180,682)	(1,280,682)
Revenue	**(424,681,755)**	**(439,555,071)**	**(445,465,071)**	**(452,125,071)**	**(457,445,071)**
51 - Salaries-Regular Pay	227,862,545	229,668,106	233,409,532	237,531,595	241,390,973
52 - Salaries-Other Compensation	16,636,902	16,763,765	16,955,962	17,216,068	17,415,049
5510 - Retirement Benefits - County	48,742,908	49,230,337	49,968,792	50,968,168	51,732,690
5511 - OPEB Benefits	2,558,451	2,584,036	2,622,796	2,675,252	2,715,381
554x - Group Health Insurance	27,230,482	27,230,481	27,502,786	27,915,329	28,334,059
55xx - Other Fringe Benefits	7,451,317	7,521,924	7,627,847	7,771,197	7,880,859
56 - Salary Restriction	(27,433,556)	(27,628,530)	(28,035,181)	(28,524,205)	(28,963,857)
Salaries & Fringe Benefits	**303,049,048**	**305,370,118**	**310,052,534**	**315,553,403**	**320,505,154**
60 - Supplies & Materials	9,724,155	9,821,395	9,919,608	10,018,806	10,118,993
64 - Services & Other Expenses	11,185,823	11,297,680	11,410,656	11,524,761	11,640,009
66 - Prof & Contracted Svcs	36,793,566	37,446,987	38,115,507	38,799,533	39,499,486
67 - Rent, Utilities & Maintenance	17,205,577	17,377,632	17,551,408	17,726,922	17,904,191
68 - Interfund Services	(930,995)	(940,304)	(949,707)	(959,203)	(968,796)
70 - Capital Asset Acquistions	3,218,994	3,251,184	3,283,695	3,316,532	3,349,698
Operating & Maintenance	**77,197,120**	**78,254,574**	**79,331,167**	**80,427,351**	**81,543,581**
Affiliated Organizations	**32,269,777**	**32,269,777**	**32,269,777**	**32,269,777**	**32,269,777**
Grants	**1,300,000**	**2,600,000**	**2,600,000**	**2,600,000**	**2,600,000**
Contingencies & Restrictions	**(4,728,655)**	**(4,728,655)**	**(4,728,655)**	**(4,728,655)**	**(4,728,655)**
Other Financing Sources	**(100,000)**	**(100,000)**	**(100,000)**	**(100,000)**	**(100,000)**
Expenditures	**408,987,289**	**413,665,814**	**419,424,822**	**426,021,876**	**432,089,857**
Net Transfers	**25,278,225**	**25,278,225**	**25,278,225**	**25,278,225**	**25,278,225**
Use of Fund Balance	**(9,583,759)**	**(0)**	**(0)**	**(0)**	**(0)**
PROJECTED DEFICIT/(SURPLUS)	**$ -**	**$ (611,032)**	**$ (762,024)**	**$ (824,970)**	**$ (76,989)**
Change from Prior Year		**$ (611,032)**	**$ (150,992)**	**$ (62,946)**	**$ 747,981**

A projection of General Fund revenue and expenditures is prepared annually as the first step in the budget process to forecast expected trends through the next five years. Initial projections are updated as necessary throughout the year to incorporate new information or major changes in assumptions. Long term projections allow the Administration and County Commission to make current decisions with a more informed awareness of the future impact of those decisions.

Assumptions included in the five year projections are listed below. Specific rates and amounts are shown in the schedule provided on the previous page.

- **Property tax revenue** in FY21 is budgeted to decline by 0.50% with details for the decline outlined in the previous section. In FY22, property taxes are projected to grow at 2.5% with the next reappraisal and decline 0.50% annually, according to the normal appraisal cycle. Realty values in Shelby County have stabilized with the economic recovery and currently show a more positive trend. Collection of delinquent taxes is expected to remain flat or decline for the next several years as the current collection rates continue at a high level. Because property taxes are the county's primary revenue source and the foundation for an accurate budget forecast, the Trustee and the Assessor provide extensive input for these projections each year.
- **Property tax rate** for FY21 reflects the current allocation of $1.47 to the General Fund as adopted in FY20.
- **Other revenues** have been projected at current collection levels with adjustments for trending patterns. The impact of reimbursements for election cycles and reappraisals is also reflected in the appropriate years. A conservative but realistic approach to revenue forecasting has proven to be an effective predictor for future trends. Due to legal restrictions imposed by the State, the County does not have viable options for significant sources of new revenue.
- **Salary increase for employees** average 1.0% over the five-year period based on funding available in each year. Actual increases will vary based upon the federal Cost of Living Adjustment (COLA), Consumer Price Index (CPI) and other factors. Providing adequate employee compensation to attract and retain a productive workforce remains a high priority for Shelby County.
- **Pension expense** as a percentage of salaries is based on the most recent actuary report and the levels projected by year in that report. Actual costs will vary with the primary factor impacting the rate being that actual return on investments versus the 7.0% assumed annual rate of return. This return assumption may need to be adjusted in the future as market conditions evolve.
- **OPEB expense** will continue to decline annually based on actuarial reports. Changes to post employment benefit plans implemented in prior years have allowed the County to contain the growth of these expenses.
- **Health insurance** coverage is expected to increase by about 1% annually, with some uncertainty about the future status of the Affordable Care Act and insurance markets. The County has effectively managed this escalating cost factor through changes to benefit plans and cost-sharing with employees.
- **Operating and maintenance** expenses have been inflated by 1% annually, primarily to allow for increases in major contractual obligations for services and technology. The County has implemented various efficiency measures and purchasing strategies to control rising costs of information technology, telephones, printing, and vehicle repairs.

Actual revenue collections and expenditures are also forecasted on a monthly basis throughout the current fiscal year to ensure budget compliance and sufficient cash flow availability. Fund Balance policies have been adopted as guidance for maintaining adequate fund balance levels and making budget decisions concerning the use of fund balance and to establish strategies for replenishing or reducing the fund balance to target ranges. The General Fund does not absorb discontinued grant programs or cost increases from other funds.

Personnel costs account for 69.6% of all General Fund expenditures. That factor makes Position Control the most significant single element for cost containment. Shelby County has implemented and maintained over the past decade several strategic efforts to control the impact of salaries and escalating fringe benefits, including:

1. **Workforce growth** has been controlled over time through planned elimination of vacant positions and careful review of any additions. Between 2004 and 2012 a steady annual decline in funded positions was a significant factor in the County's financial stability through the recession. Since then, FTE increases have been necessary, primarily to support core functions of public safety, judicial operations, and health services. However, staffing levels remain below pre-recession levels. The increases include:

   - 2017 – Addition of 9 positions for Attorney General to manage caseload with 5 positions for the Public Defender per 75% match. General Sessions added 8 positions due to the implementation of the Driver Assistance Program and increased caseloads in Veteran's court and Criminal Court. 4 positions were added in Legislative Ops for the MWBE/LOSB program.
   - 2018 – Net addition of 16 positions for Sheriff, 9 positions for Health programs (2 repurposed from Register), and 6 positions for the Attorney General. 4 positions were added for County Clerk which was offset by a decrease of 2 positions in the Register's office. 2 positions added for Public Defender per 75% match. 1 position added in Public Works, Election Commission, and Community Services, and 1 position transferred from Drug Court to General Sessions Judges. Information Technology reduced by 1 position.
   - 2019 – Addition of 30 positions for Sheriff patrol, 6 positions for Health programs, 5 positions for the Attorney General, 2 positions for Legislative Operations, and 1 position in Community Services with a reduction of 2 positions in the Trustee's office and a partial position in Planning & Development that was moved to Codes Enforcement. 3 positions for Register were added in FY19 via resolution effective for a partial year and the full impact of the addition is seen in FY20.
   - 2020 – Addition of 2 positions for Circuit Court, 5 positions for Criminal Court, 2.5 positions for General Sessions Court, 1 position for Probate Court, 4.8 positions for Juvenile Court Judge, 1 position for Juvenile Court Clerk, 2 positions for the Attorney General, 0.5 position for the Public Defender, 3 positions were added to County Clerk, and a net of 2.5 additions in the Register. There were 6 positions transferred from the Assessor to Information Technology; 1 position was transferred from Support Services to Roads and Bridges; and, 1 position in Jail Services was moved to Sheriff's Administration.
   - 2021 – Elimination of 48 positions through attrition including 3 positions in the County Attorney, 3 positions in Administration and Finance, 3 positions in Human Resources, 4 positions in Information Technology Services, 2 positions in Public Works, 9 positions in Health Services, 17 positions in Judicial, and 7 positions in Other Elected Officials. There were 33 positions added to the Sheriff related to de-annexation.

2. **Average annual salary increases** have been limited to only 1.5% over the past 10 years. Employees have been provided with an increase in 7 of the past 10 years, as shown below:

	Increase	Stipend	Date			Increase	Stipend	Date
FY21	-		7/1/20		FY16	1.7%		7/1/15
FY20	See Note (1) Below		1/1/20		FY15	3.0%		7/1/14
FY19	3.0%		7/1/18		FY14	-	-	-
FY18	3.0%		7/1/17		FY13	1.0%		7/1/12
FY17	2.0%		7/1/16		FY12	-	$650	1/1/12

(1) A general salary increase of $3.0 million, including benefits, was included in the FY 2020 adopted budget. (The cost across all funds is $3.6 million.) The increase, effective January 1, 2020, provides all public safety employees with a 2.5% general increase and all non-public safety employees with a 1.5% general increase.

3. **Position control procedures** require that any salary increase requests for equity or approved reclassifications must be funded from reductions to other budgeted positions or funds reserved for this purpose. This policy ensures that the base budget does not grow at a rate that exceeds any approved general annual increases. A **Hiring Oversight Committee** reviews all requests to fill vacant positions or to reclassify positions with a resulting salary increase.

4. **Limitations to benefits** offered for retirement and health coverage have been evaluated on an annual basis, with some reductions applied to newly hired employees. Existing employees contribute more to specified pension plans and share the cost of health coverage rate increases.

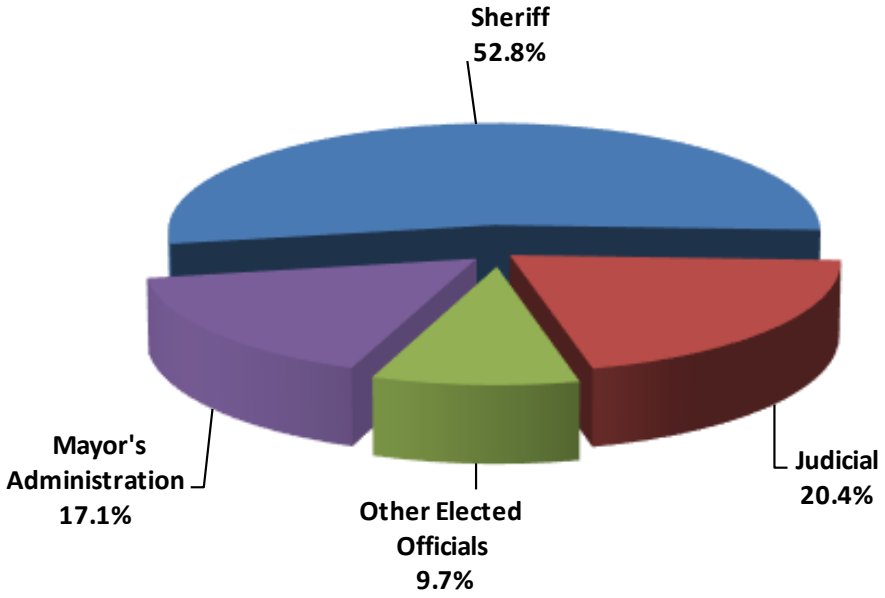
Significant challenges exist to the ongoing containment of personnel costs, including:

1. **Escalating costs** for health insurance, pensions and other post-employment benefits continue to be a concern. Compliance with the Affordable Care Act has had an impact on both the cost of health care programs and flexibility in the use of temporary labor. In FY 21 health costs for active employees are flat and actuarially determined contributions for retiree health declined.

2. **Increases for cost of living (COLA) adjustments and competitive market salary rates** are necessary to attract and retain productive employees.

3. **Feasibility of staffing reductions** is limited by the need to provide the required services at a level the citizens expect. Because public safety remains a high priority for Shelby County, reductions in this area are unpopular. With over 50% of all General Fund employees allocated to the Sheriff, options for reductions in other areas are limited.

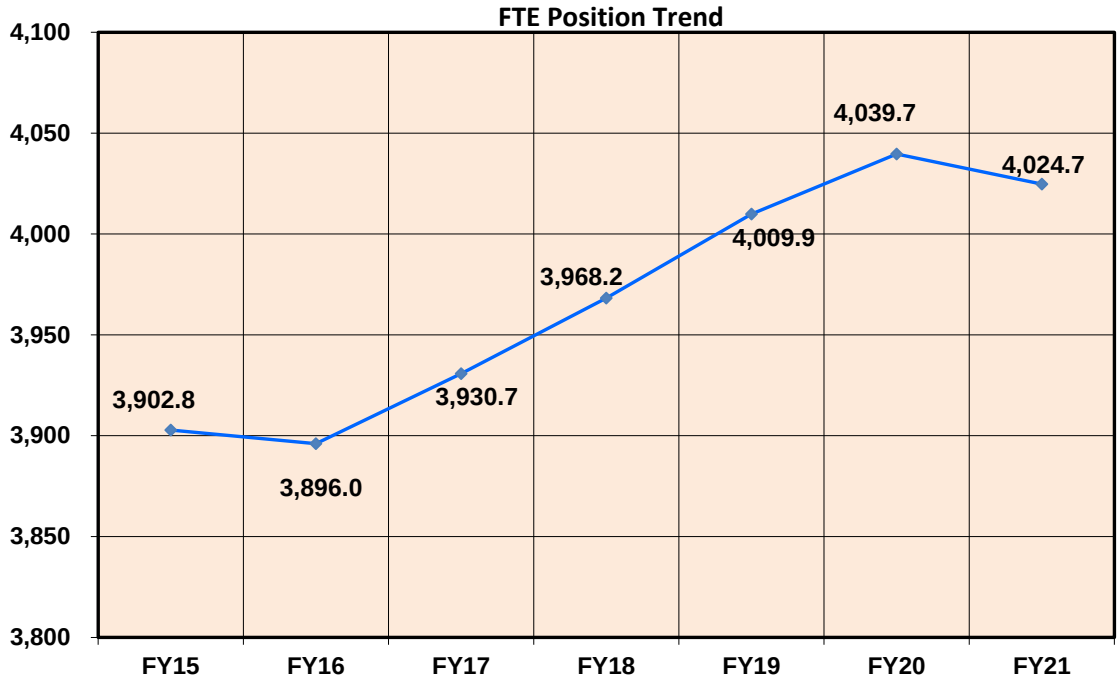
General Fund Positions



Criminal Justice functions (including the Sheriff and Courts) account for 73.9% of all General Fund positions.

General Fund FTE Changes

DIVISION	FY15	FY16	FY17	FY18	FY19	FY20	FY21	20-21 Change
MAYOR'S ADMINISTRATION:								
Administration & Finance	187.5	180.5	173.4	174.4	177.6	165.6	161.2	(4.5)
Information Technology	85.0	87.0	84.0	83.0	85.0	91.0	85.0	(6.0)
Planning & Development	5.0	5.0	4.0	4.0	3.4	3.4	3.4	-
Public Works	143.0	142.0	161.0	162.0	162.0	161.0	159.0	(2.0)
Health Services	146.5	146.0	148.1	157.1	162.1	162.1	154.1	(8.0)
Community Services	96.0	94.0	95.0	96.0	97.0	102.0	103.0	1.0
TOTAL	**663.0**	**654.5**	**665.5**	**676.5**	**687.2**	**685.2**	**665.7**	**(19.5)**
SHERIFF:								
Sheriff Administration	190.0	191.0	186.0	183.0	183.0	183.0	177.0	(6.0)
Law Enforcement	690.3	691.0	731.0	776.0	805.0	816.0	849.0	33.0
Jail	1,097.0	1,083.0	1,155.0	1,129.0	1,127.0	1,126.0	1,125.0	(1.0)
TOTAL	**1,977.3**	**1,965.0**	**2,072.0**	**2,088.0**	**2,115.0**	**2,125.0**	**2,151.0**	**26.0**
JUDICIAL	**881.5**	**892.0**	**806.2**	**814.7**	**818.7**	**838.0**	**823.5**	**(14.5)**
OTHER ELECTED OFFICIALS	**381.0**	**384.5**	**387.0**	**389.0**	**389.0**	**391.5**	**384.5**	**(7.0)**
TOTAL FTE - GENERAL FUND	**3,902.8**	**3,896.0**	**3,930.7**	**3,968.2**	**4,009.9**	**4,039.7**	**4,024.7**	**(15.0)**
Change from prior year		**(6.8)**	**34.7**	**37.5**	**41.7**	**29.8**	**(15.0)**	
Cumulative Change since FY15		**(6.8)**	**27.9**	**65.4**	**107.1**	**136.9**	**121.9**	



The FTE Position count declined slightly between fiscal years 2015 and 2016. Since 2016, a net total of 137 positions have been added, primarily to support core functions of public safety, judicial operations, and health. There was a net reduction of 15 positions in the FY21 budget.

GENERAL FUND SUMMARY FY21 FTE Additions and Reductions

Division/Position Descriptions	FTE	Total Cost [1]
MAYOR'S ADMINISTRATION		
Administration & Finance		
Budget Administrator	(1.0)	$ (147,299)
Accountant A	(1.0)	(95,256)
Total Administration & Finance	(2.0)	(242,555)
County Attorney		
Legal Assistant Paralegal	(1.0)	(63,089)
Legal Secretary	(1.0)	(38,964)
Attorney P/T	(0.5)	(103,836)
Total County Attorney	(2.5)	(205,890)
Health Services		
Physician	(1.0)	(200,938)
Chief Epidemiologist	(1.0)	(96,903)
Supervisor Nurse Practitioner	(1.0)	(120,690)
Public Health Nurse	(2.0)	(150,700)
Clinical Nurse Monitor	(1.0)	(85,042)
Executive Secretary	(1.0)	(66,191)
Clerical Specialist	(1.0)	(83,112)
Total Health Services	(8.0)	(803,576)
Information Technology		
ITS Deputy Administrator	(1.0)	(161,722)
Customer Support Technician I	(1.0)	(57,182)
Office System Technician	(1.0)	(61,224)
Systems Administrator II	(1.0)	(98,320)
Total Information Technology	(4.0)	(378,448)
Public Works		
Crew Leader II	(1.0)	(51,981)
Engineer B	(1.0)	(90,000)
Total Public Works	(2.0)	(141,980)
Net FTE Change - Mayor's Administration	**(18.5)**	**$ (1,772,450)**
SHERIFF		
Sheriff Law Enforcement Patrol	26.0	$ 1,945,586
JUDICIAL/COURTS		
Attorney General		
Assistant District Attorney	(1.0)	$ (90,896)
Legal Assistant Paralegal	(1.0)	(66,538)
Criminal Secretary	(1.0)	(54,576)
Digital Evidence Analyst	(1.0)	(54,659)
Total Attorney General	(4.0)	(266,668)
Criminal Court		
Principal Court Clerk	(1.0)	(54,923)
General Sessions Court		
Executive Secretary - *Environmental Court*	(1.0)	(69,984)
Manager B - *Clerk Civil Court*	(1.0)	(83,898)
Principal Court Clerk - *Clerk Criminal Court*	(1.0)	(51,718)
Total General Sessions Court	(3.0)	(205,600)
Juvenile Court Clerk		
Deputy Court Clerk	(2.0)	(91,997)
Juvenile Court Judge		
Administrative Technician	(1.0)	(56,269)
Juvenile Services Counselor II	(2.0)	(109,310)
Total Juvenile Court Judge	(3.0)	(165,579)
Public Defender		
Assistant Public Defender	(2.5)	(384,137)
Net FTE Change - Judicial/Courts	**(15.5)**	**$ (1,168,904)**
ELECTED OFFICIALS		
Assessor		
Clerical Specialist	(1.0)	$ (51,253)
Human Resources Assistant	(1.0)	(51,787)
Systems Analyst I	(1.0)	(97,745)
Total Assessor	(3.0)	(200,785)
Legislative Operations		
Research Analyst	(1.0)	(63,899)
Trustee		
Accountant B	(1.0)	(69,445)
Lead Cashier	(1.0)	(43,538)
Master Records Specialist	(1.0)	(49,104)
Total Trustee	(3.0)	(162,087)
Net FTE Change - Elected Officials	**(7.0)**	**$ (426,771)**
Total FTE Changes to General Fund	**(15.0)**	**$ (1,422,539)**

[1] *Salary and benefits*

THE SEAL OF SHELBY COUNTY TENNESSEE
XVI
AGRICULTURE
COMMERCE
NOVEMBER 24, 1819