



Memphis City Council Summary Sheet

- 1. Description of the Item (Resolution, Ordinance, etc.)**
Resolution to: Reduce the City of Memphis healthcare cost by eliminating medical premium subsidy to Post-65 Medicare retirees and replace with city-sponsored Medigap, Medicare Advantage and Part D coverage; eliminate medical premium subsidy for Pre-65 retirees and continue to subsidize Post-65 retirees with partial or no Medicare coverage and eligible surviving spouse and dependents of employees killed while in the line of duty. Proposed rates take into account a 57% increase for all retirees as well as "access only" premiums for Post-65 Medicare retirees and Pre-65 Medicare eligible retirees.
- 2. Initiating Party (e.g. Public Works, at request of City Council, etc.)**
Human Resources Division
- 3. State whether this is a change to an existing ordinance or resolution, if applicable.**
N/A
- 4. State whether this requires a new contract, or amends an existing contract, if applicable.**
N/A
- 5. State whether this requires an expenditure of funds/requires a budget amendment.**
This resolution does not require an expenditure of funds.



Resolution to: Reduce the City of Memphis healthcare cost by eliminating medical premium subsidy to Post-65 Medicare retirees and replace with city-sponsored Medigap, Medicare Advantage and Part D coverage; eliminate medical premium subsidy for Pre-65 retirees and continue to subsidize Post-65 retirees with partial or no Medicare coverage and eligible surviving spouse and dependents of employees killed while in the line of duty. Proposed rates take into account a 57% increase for all retirees as well as "access only" premiums for Post-65 Medicare retirees and Pre-65 Medicare eligible retirees.

WHEREAS, the Human Resources Division is responsible for administering and monitoring the results of the city's Healthcare and OPEB funds to ensure financial stability and completeness; and

WHEREAS, the premiums for the Basic and Premier PPO plans have not been increased since FY 2011 and for the past few years the healthcare fund's fund balance (equity) has been negative due to Plan revenues not being increased to match Plan expenses; and

WHEREAS, in FY 2013 the healthcare fund ended the year with a negative fund balance of \$2.685M; and

WHEREAS, the administration forecasted a deficit of \$11.5M for the FY 2014 budget; however, Council approved additional funding of only \$4.2M; and

WHEREAS, the Healthcare Fund, in accordance with the administration's original projections, is expected to have a deficit for FY14 of approximately \$11.4M for a combined fund deficit of approximately \$14M; and

WHEREAS, in order to comply with the State of Tennessee Comptroller's mandates to the City to ensure that none of the City's funds operate at a net deficit the Council approved a mid-year clean up, allocation of an additional \$7.4M to cover the projected FY 2014 Healthcare Fund expenses; and

WHEREAS, the fund still needed an additional transfer of \$3M to ensure that the cumulative deficit in the fund's balance would end the year at a zero or positive balance, the Council approved funding during the third quarter clean-up; and

WHEREAS, the City has actuarially determined that the unfunded OPEB liability is \$1.3B; and

WHEREAS, in order to substantially reduce the OPEB liability and generate savings on retiree medical to help fully fund retirees' Pension Plan, the medical premium subsidy to Post-65 Medicare retirees would be eliminated and replaced by a city-sponsored Medigap plan, Medicare Advantage option, and Medicare Part D coverage; and

WHEREAS, in addition, medical premium subsidy for Pre-65 Medicare eligible retirees would be eliminated, and

WHEREAS, medical premium subsidy for Post-65 retirees with partial or no Medicare coverage and eligible surviving spouses and dependents of employees killed while in the line of duty would continue; and,

NOW, THEREFORE, BE IT RESOLVED that City Council adopts the recommendations of the Human Resources Division and directs plan design changes as follows:

- The premium subsidy shall continue for the approximately 1110 Post-65 retirees with partial or no Medicare coverage and eligible surviving spouse and dependents of employees killed while in the line of duty.
- Elimination of the medical premium subsidy to Post-65 Medicare retirees and offer city-sponsored Medigap, Medicare Advantage and Part D coverage (with a subsidy of up to 25% of the total monthly premium cost for the additional Medicare coverage except any such subsidy shall not exceed an amount equal to the monthly medical premium paid by a Post-65 Medicare retiree as of June 30, 2014).
- Elimination of the medical premium subsidy for Pre-65 retirees.
- See proposed rates on Schedule B.

**CITY OF MEMPHIS
PROPOSED RATES FOR JANUARY 1, 2015**

Rates are set to "break-even" for FY 2015 and recover prior year deficits; Employee and Retiree will pay Current Rates for 6 months, New Rates for 6 months.

Current Rates 2014

	Post-65 Non-Medicare Retirees		Pre-65 Non-Medicare Retirees		Medicare Retirees	
	Basic	Premier	Basic	Premier	Basic	Premier
Single						
Employee	\$166	\$184	\$166	\$184	\$153	\$169
Employer	362	490	362	490	365	496
	\$528	\$674	\$528	\$674	\$518	\$665
Family						
Employee	\$348	\$365	\$348	\$365	\$320	\$334
Employer	592	970	592	970	602	994
	\$940	\$1,335	\$940	\$1,335	\$922	\$1,328

Proposed Rates 2014

	Post-65 Non-Medicare Retirees		Pre-65 Non-Medicare Retirees		Medicare Retirees	
	Basic	Premier	Basic	Premier	Basic	Premier
Single						
Employee	\$261	\$289	\$740	\$945	\$725	\$930
Employer	479	655	0	0	0	0
	\$740	\$944	\$740	\$945	\$725	\$930
Family						
Employee	\$548	\$574	\$1,317	\$1,871	\$1,291	\$1,859
Employer	769	1297	0	0	0	0
	\$1,317	\$1,871	\$1,317	\$1,871	\$1,291	\$1,859

Post-65 Medicare (A&B) Retirees

Proposed 2015 Current Plan Options

	Current (2014)	Current Total Retiree Premium (Medicare + Plan)	Proposed 2015 (Access Only)	Proposed Total Retiree Premium (Medicare + Plan)
Medicare Part A	\$0.00	-----	\$0.00	-----
Medicare Part B	\$104.90	-----	*\$104.90	-----
Premier Plan (Single)	\$168.57	\$273.47	\$930.00	\$1,034.90
Premier Plan (Family)	\$334.32	\$439.22	\$1,859.00	\$1,963.90
Basic Plan (Single)	\$152.56	\$257.46	\$725.00	\$829.90
Basic Plan (Family)	\$320.05	\$424.96	\$1,291.00	\$1,395.90

Post-65 Medicare (A&B) Retirees

2015 Proposed Medigap, Medicare Advantage and Part D Plans

	Plan F	Total (Medicare + Plan F + Part D)	Plan G	Total (Medicare + Plan G + Part D)	Plan N	Total (Medicare + Plan N + Part D)	RX Plan (Part D)	Medicare Advantage w/RX	Total (Medicare + Medicare Advantage)
Medicare A	\$0.00	-----	\$0.00	-----	\$0.00	-----	-----	\$0.00	-----
Medicare B	*\$104.90	-----	*\$104.90	-----	*\$104.90	-----	-----	*\$104.90	-----
Retiree Premium	\$203.86	\$498.76	\$185.89	\$480.79	\$158.92	\$453.82	**\$190.00	\$225.00	\$329.90
***Less 25% City Subsidy		(\$98.47)		(\$93.97)		(\$87.23)			(\$56.25)
Retiree Net Premium		\$400.29		\$386.82		\$366.59			\$273.65

*2014 Medicare Part B Premium – 2015 Premium not yet published

**Estimated cost of the group Part D Plan. Retiree will have coverage through the doughnut hole.

***The subsidy applies to the Plan F, Plan G, Plan N, MA and/or Part D Premium only. It does not include the Medicare Part B Premium. By providing a subsidy of 25% which is the minimum amount, Cigna can offer an Employer Group Waiver Option. An employer group waiver option allows for better choice, access, care delivery and cost. The value of a group policy far outweighs that of an Individual policy. Individuals will have the choice of multiple plans as noted allowing them to continue to see their current Doctors and Specialists and visit Hospitals they have been to previously. The cost is spread amongst the entire group allowing for better pricing as opposed to the Individual Market where one component of cost is age.

Group insurance makes it possible for Retirees to have health insurance. No one is declined for coverage or "ridered" on group insurance plans. All pre-existing conditions are covered and a Group Waiver allows for better Medical Insurance coverage and most importantly there is no Coverage Gap as it applies to Rx coverage. Individual policies generally apply No Gap Coverage/ Donut Hole, which can be costly. Group policies provide coverage.

Service will be seamless - Retirees will move from their current plan to either a Medigap like Plan or a Medicare Advantage Plan. The transition will be simple as opposed to dealing with the change the Individual Market can bring. Customer Service Representatives will be available depending on product 24 hours/7 days per week or at a minimum 8 am to 8 pm in all Time Zones.

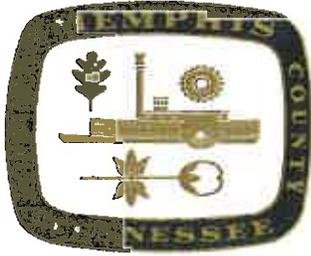
Price, Access To Care, Choice, Coverage and Service are significantly greater with a Group Waiver Product than an Individual Offering.

Medicare Part A – Covers Inpatient Hospital Facility charges

Medicare Part B – Covers Outpatient Hospital and physician charges

Medicare Part D – Covers Prescription (RX) Charges

Medicare Advantage (MA)– Covers both inpatient/outpatient charges, physician charges and if included, RX charges. Medicare Advantage acts as a replacement plan for Medicare Part A & B but the enrollee must have both parts of Medicare in order to enroll in a MA plan.



Memphis City Council Summary Sheet

1. Description of the Item (Resolution, Ordinance, etc.)

Resolution to reduce the City of Memphis healthcare cost by introducing a spousal carve-out.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

Human Resources Division

3. State whether this is a change to an existing ordinance or resolution, if applicable.

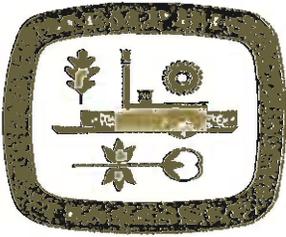
N/A

4. State whether this requires a new contract, or amends an existing contract, if applicable.

N/A

5. State whether this requires an expenditure of funds/requires a budget amendment.

This resolution does not require an expenditure of funds.



Resolution to: Reduce the City of Memphis healthcare cost by introducing a spousal carve-out.

WHEREAS, the Human Resources Division is responsible for administering and monitoring the results of the city's Healthcare and OPEB funds to ensure financial stability and completeness; and

WHEREAS, the premiums for the Basic and Premier PPO plans have not been increased since FY 2011 and for the past few years the healthcare fund's fund balance (equity) has been negative due to Plan revenues not being increased to match Plan expenses; and

WHEREAS, in FY 2013 the healthcare fund ended the year with a negative fund balance of \$2.685M; and

WHEREAS, the administration forecasted a deficit of \$11.5M for the FY 2014 budget; however, Council approved additional funding of only \$4.2M; and

WHEREAS, the Healthcare Fund, in accordance with the administration's original projections, is expected to have a deficit for FY14 of approximately \$11.4M for a combined fund deficit of approximately \$14M; and

WHEREAS, in order to comply with the State of Tennessee Comptroller's mandates to the City to ensure that none of the City's funds operate at a net deficit the Council approved a mid-year clean up, allocation of an additional \$7.4M to cover the projected FY 2014 Healthcare Fund expenses; and

WHEREAS, the fund still needed an additional transfer of \$3M to ensure that the cumulative deficit in the fund's balance would end the year at a zero or positive balance, the Council approved funding during the third quarter clean-up; and

WHEREAS, to reduce the projected health care claims in FY 2015 the Human Resources Division is recommending a spousal carve-out; and

WHEREAS, the City has actuarially determined that the spousal carve-out will reduce health care claims by approximately \$3M in savings to the Health Care Fund; and

NOW, THEREFORE, BE IT RESOLVED that City Council adopts the recommendation of the Human Resources Division and directs a plan design change as follows:

- Spouses of plan participants shall be excluded (carved out) of coverage from any family plan coverage if the Plan participant's spouse has access to any other health insurance coverage from his/her employer, prior employer.



Memphis City Council Summary Sheet

1. Description of the Item (Resolution, Ordinance, etc.)

Resolution to: Adjust total premium rates for the Active population by group and by plan by 57% to ensure the HC fund revenues cover projected expenses for FY15 and recover prior year deficits.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

The Human Resources Division is the initiating party of this resolution.

3. State whether this is a change to an existing ordinance or resolution, if applicable.

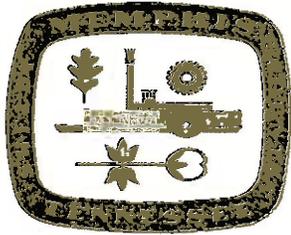
N/A

4. State whether this requires a new contract, or amends an existing contract, if applicable.

N/A

5. State whether this requires an expenditure of funds/requires a budget amendment.

The resolution does require an expenditure of funds.



Resolution to: Adjust total premium rates for the Active population by group and by plan by 57% to ensure the HCF fund revenues cover projected expenses for FY15 and recover prior year deficits.

WHEREAS, the Human Resources Division is responsible for administering and monitoring the results of the city's Healthcare and OPEB funds to ensure financial stability and completeness; and

WHEREAS, the premiums for the Basic and Premier PPO plans have not been increased since FY 2011 and for the past few years the healthcare fund's fund balance (equity) has been negative due to Plan revenues not being increased to match Plan expenses; and

WHEREAS, in FY 2013 the healthcare fund ended the year with a negative fund balance of \$2.685M; and

WHEREAS, the administration forecasted a deficit of \$11.5M for the FY 2014 budget; however, Council approved additional funding of only \$4.2M; and

WHEREAS, the Healthcare Fund, in accordance with the administration's original projections, is expected to have a deficit for FY14 of approximately \$11.4M for a combined fund deficit of approximately \$14M; and

WHEREAS, in order to comply with the State of Tennessee Comptroller's mandates to the City to ensure that none of the City's funds operate at a net deficit the Council approved a mid-year clean up, allocation of an additional \$7.4M to cover the projected FY 2014 Healthcare Fund expenses; and

WHEREAS, the fund still needed an additional transfer of \$3M to ensure that the cumulative deficit in the fund's balance would end the year at a zero or positive balance, the Council approved funding during the third quarter clean-up; and

WHEREAS, to ensure that no projected deficit will exist in FY 2015 and to recover the employee and retiree share of prior year deficits, the Human Resources Division is recommending premium rates be increased by group and by plan starting January 1, 2015; and

NOW, THEREFORE, BE IT RESOLVED that City Council adopts the recommendations of the Human Resources Division and directs premium rate increases for the Active population by group and by plan by 57% to be set as contained on Schedule A.

**CITY OF MEMPHIS
PROPOSED RATES FOR JANUARY 1, 2015**

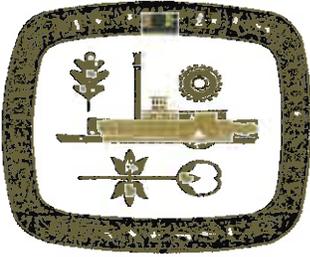
Rates are set to "break-even" for FY 2015 and recover prior year deficits; Employee and Retiree will pay Current Rates for 6 months, New Rates for 6 months.

Current Rates 2014

	Active Employees		
	Basic	Premier	Value PPO
Single			
Employee	\$162	\$176	\$84
Employer	297	342	324
	\$459	\$518	\$408
Family			
Employee	\$344	\$355	\$295
Employer	587	835	643
	\$931	\$1,190	\$938

Proposed Rates 2014

	Active Employees		
	Basic	Premier	Value PPO
Single			
Employee	\$255	\$277	\$132
Employer	391	451	442
	\$646	\$728	\$574
Family			
Employee	\$541	\$559	\$464
Employer	768	1,115	855
	\$1,309	\$1,674	\$1,319



Memphis City Council Summary Sheet

1. Description of the Item (Resolution, Ordinance, etc.)

Resolution to reduce the City of Memphis healthcare cost by increasing the smoker's surcharge.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

Human Resources Division

3. State whether this is a change to an existing ordinance or resolution, if applicable.

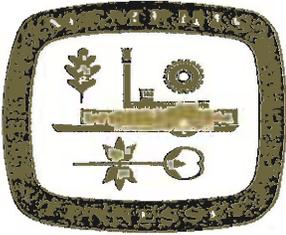
N/A

4. State whether this requires a new contract, or amends an existing contract, if applicable.

N/A

5. State whether this requires an expenditure of funds/requires a budget amendment.

This resolution does not require an expenditure of funds.



Resolution to: Reduce the City of Memphis healthcare cost by increasing the tobacco surcharge.

WHEREAS, the Human Resources Division is responsible for administering and monitoring the results of the city's Healthcare and OPEB funds to ensure financial stability and completeness; and

WHEREAS, the premiums for the Basic and Premier PPO plans have not been increased since FY 2011 and for the past few years the healthcare fund's fund balance (equity) has been negative due to Plan revenues not being increased to match Plan expenses; and

WHEREAS, in FY 2013 the healthcare fund ended the year with a negative fund balance of \$2.685M; and

WHEREAS, the administration forecasted a deficit of \$11.5M for the FY 2014 budget; however, Council approved additional funding of only \$4.2M; and

WHEREAS, the Healthcare Fund, in accordance with the administration's original projections, is expected to have a deficit for FY14 of approximately \$11.4M for a combined fund deficit of approximately \$14M; and

WHEREAS, in order to comply with the State of Tennessee Comptroller's mandates to the City to ensure that none of the City's funds operate at a net deficit the Council approved a mid-year clean up, allocation of an additional \$7.4M to cover the projected FY 2014 Healthcare Fund expenses; and

WHEREAS, the fund still needed an additional transfer of \$3M to ensure that the cumulative deficit in the fund's balance would end the year at a zero or positive balance, the Council approved funding during the third quarter clean-up; and

WHEREAS, to reduce the projected health care claims in FY 2015 the Human Resources Division is recommending an increase in the smoker surcharge from \$50 per month per family to \$120 per month per family; and,

WHEREAS, the City has actuarially determined that the increase in the smoker surcharge will increase the Plan's revenue by approximately \$700K and/or decrease health care claim which arise as a result of the adverse effects of smoking; and,

NOW, THEREFORE, BE IT RESOLVED that City Council adopts the recommendation of the Human Resources Division and directs a plan change as follows:

- The smoker surcharge shall be increased from \$50 per month to \$120 per month per family. This smoker surcharge shall include the use of any nicotine product.



RESOLUTION AUTHORIZING THE CORRECTION OF REALTY TAX ASSESSMENT FOR PARCEL 093-300-479Z (FORMERLY D93-300-479Z), MEMPHIS, TENNESSEE.

Whereas, Memphis City Charter Section 753, authorizes the Memphis City Council to dispose of and cancel double and illegal assessments of taxes assessed for or in favor of the City of Memphis; and

Whereas, parcel number 093-300-479Z (formerly D93-300-479Z) was allowed by its owner to be used for school purposes by the Capleville School until 2013 when said school burned down and due to its school usage, said property should have been exempted by the Shelby County Assessor for property tax purposes up through 2012; and

Whereas, both assessments and City property taxes are currently showing due pursuant to the attached bill as of June 11, 2014, for 2004 through 2011 due to the incorrect assessments by the Shelby County Assessor which have been acknowledged. No balance is due for 2012 and the 2013 assessment and taxes are correct; and

Whereas, any property assessments for 2004 through 2012 were erroneous and should be reduced to zero for 2004 through 2012 since the property should have been treated as exempt due to its school purposes; and

Whereas, despite acknowledging the error, the Shelby County Assessor advises that their policy is not to make corrections more than two years old; and

Whereas, the City of Memphis Treasurer's Office also duly acknowledges this error which has resulted in the owners of the subject property being wrongfully assessed and wrongfully receiving tax bills; and

Whereas, in accordance with the provisions of the Memphis City Charter as previously cited herein, the Memphis City Council has express codified power to correct the acknowledged assessment error on this City of Memphis property thus correcting the wrongful tax billing.

NOW, THEREFORE, BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF MEMPHIS, that Parcel ID number 093-300-479Z (formerly D93-300-479Z), Memphis, Shelby County, Tennessee receive an official and proper zero realty assessment due to exemption for property tax years 2004 through 2012 in order to rectify the aforementioned errors.

BE IT FURTHER RESOLVED, that the Mayor be, and is hereby authorized to execute any and all necessary documents in connection with the City's proper notation of a zero realty assessment due to exemption for the subject property.



Memphis City Council Summary Sheet

- 1. Description of the Item (Resolution, Ordinance, etc.)**
A Resolution to dispose of surplus property with a value exceeding \$10,000
- 2. Initiating Party (e.g. Public Works, at request of City Council, etc.)**
The Finance Division is the initiating party of this resolution.
- 3. State whether this is a change to an existing ordinance or resolution, if applicable.**
There is no change to an existing ordinance or resolution.
- 4. State whether this requires a new contract, or amends an existing contract, if applicable.**
The resolution does not require a new contract, or amends an existing contract.
- 5. State whether this requires an expenditure of funds/requires a budget amendment.**
The resolution does require an expenditure of funds.



A Resolution to approve the disposal of surplus property with a value exceeding \$10,000.00.

WHEREAS, City Code Section 2-18-1 and 2-18-2 (formerly 2-301 and 2-302 respectively) provide for condemnation and sale of unfit personal property belonging to the City of Memphis, with each Division Director forwarding a listing of surplus property to the Purchasing Agent, who shall dispose of same, provided the value does not exceed \$500; and

WHEREAS, it was resolved by the Council of the City of Memphis on July 05, 2011 that any tangible personal/surplus property with an estimated value of \$10,000 or more shall require approval of the City Council; and

WHEREAS, the Purchasing Agent request authorization to dispose of surplus property with a value exceeding \$10,000 for surplus sales for fiscal year 2015.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the City Purchasing Agent is hereby authorized to dispose of all tangible personal/surplus property with a value of \$10,000 or more including motor vehicles that have been declared surplus and unfit by the various Divisions upon the following conditions.

1. Proper certification from various Divisions.
2. The property is sold in accordance with City Code

BE IT FURTHER RESOLVED, by the Council of the City of Memphis that any declared tangible personal/surplus property with an estimated value of \$10,000 or more is hereby approved for surplus sale during FY 2015:



Memphis City Council Summary Sheet

1. Description of the Item (Resolution, Ordinance, etc.)

A Resolution authorizing grant anticipation interfund loan to Workforce Investment Act fund not to exceed \$4,000,000.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

The Finance Division is the initiating party of this resolution.

3. State whether this is a change to an existing ordinance or resolution, if applicable.

There is no change to an existing ordinance or resolution.

4. State whether this requires a new contract, or amends an existing contract, if applicable.

The resolution does not require a new contract, or amends an existing contract.

5. State whether this requires an expenditure of funds/requires a budget amendment.

The resolution does require an expenditure of funds.

RESOLUTION AUTHORIZING GRANT ANTICIPATION
INTERFUND LOAN TO WORKFORCE INVESTMENT ACT FUND NOT TO EXCEED
\$4,000,000

WHEREAS, the Workforce Investment Network (“WIN”) annually receives grants from the State of Tennessee Department of Labor and Workforce Development pursuant to the Workforce Investment Act of 1998 (WIA);

WHEREAS, WIN received an allotment of grants for its 2014-2015 Program Year totaling \$8,389,564 for its Adult Program, Youth Program, and Dislocated Worker Program as provided in the attached Exhibit A (the “Grants”) and may receive an additional allotment of grants (e.g., Incumbent Worker Training Program, incentive funds, etc.);

WHEREAS, such programs provide employment and training services and other activities pursuant to the WIA to assist individuals who have barriers to employment throughout the City of Memphis, Shelby County and Fayette County (the “Project”);

WHEREAS, the Council of the City finds that it is advantageous to the City to pay costs of the Project in advance of the receipt of Grant funds;

WHEREAS, under the provisions of Parts 1, 2, 4 and 7 of Title 9, Chapter 21, Tennessee Code Annotated, local governments in Tennessee are authorized to issue and sell interest-bearing grant anticipation notes upon the approval of the State Comptroller of the Treasury or the Comptroller’s designee;

WHEREAS, under the provisions of Section 9-21-408, Tennessee Code Annotated, local governments in Tennessee are authorized to make interfund loans in accordance with procedures for issuance of grant anticipation notes in Part 7 of Title 9, Chapter 21, Tennessee Code Annotated; and

WHEREAS, the Council of the City finds that it is advantageous to the City to authorize an interfund loan from the General Fund to the Workforce Investment Act Fund, by issuance of grant anticipation notes, to provide funds for the Project in anticipation of the receipt of Grant funds;

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Memphis, Tennessee, as follows:

Section 1. For the purpose of providing funds for the Project in anticipation of the receipt of Grant funds, the City is hereby authorized to issue grant anticipation notes in a principal amount not to exceed Four Million Dollars (\$4,000,000) (the “Notes”) to evidence an interfund loan from the General Fund to the Workforce Investment Act Fund in the same amount as the principal amount of the Notes, upon the approval of the State Comptroller of the Treasury or the Comptroller’s designee, in accordance with the procedures for issuance of grant anticipation notes in Part 7 of Title 9, Chapter 21, and Section 9-21-408, Tennessee Code Annotated. The Notes shall be designated 2014 Grant Anticipation Interfund Loan Notes, Series A (Workforce

Investment Act Fund); shall be dated as of the date of issuance; and shall bear interest at a rate of zero percent (0%) per annum.

Section 2. The Notes shall mature not later than three (3) years after the date of issuance and shall pay interest at maturity or, with respect to any principal portion of the Notes redeemed prior to maturity, upon such redemption, in each case calculated on the basis of a 30-day month and a 360-day year.

Section 3. The Notes shall be subject to redemption prior to maturity at the option of the City at any time, in whole or in part from time to time by lot, upon payment of the principal amount to be redeemed, together with accrued interest to the date of redemption, without the necessity of prior notice.

Section 4. The principal of and interest on the Notes shall be payable by internal funds transfer from proceeds of the Grants and any other moneys of the City lawfully available therefor other than ad valorem taxes.

Section 5. The Notes shall be executed in the name of the City and bear the manual signature of the Mayor of the City and the manual signature of the City Comptroller, with the City seal impressed or reproduced thereon or affixed thereto.

Section 6. The Notes shall not be transferable or assignable.

Section 7. Proceeds of the Notes shall be transferred from the General Fund to the Workforce Investment Act Fund and shall be paid out for Project purposes.

Section 8. The Notes may be extended or renewed as permitted by law.

Section 9. The Notes shall be in substantially the form attached hereto and shall recite that the Notes are issued pursuant to parts 1, 2, 4 and 7 of Title 9, Chapter 21, and Section 9-21-408, Tennessee Code Annotated.

Section 10. The Notes shall be issued only after the receipt of the written approval of the State Comptroller of the Treasury or the Comptroller's designee for the sale of the Notes and the loan of funds from the General Fund to the Workforce Investment Act Fund.

Section 11. After the sale of the Notes, and for each year that any of the notes are outstanding, the City shall prepare an annual budget in a form consistent with accepted governmental standards and as approved by the Comptroller of the Treasury or Comptroller's Designee (the "Director".) The budget shall be kept balanced during the life of the notes. The annual budget shall be submitted to the Director immediately upon its adoption; however, it shall not become the official budget for the fiscal year until such budget is approved by the Comptroller of the Treasury or Comptroller's Designee in accordance with Title 9, Chapter 21, Tennessee Code Annotated (the "Statutes".) If the Comptroller of the Treasury or Comptroller's Designee determines that the budget does not comply with the Statutes, City Council shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes, or as directed by the Comptroller of the Treasury or Comptroller's Designee.

Section 12. All orders or resolutions in conflict with this Resolution are hereby repealed insofar as such conflict exists and this Resolution shall become effective immediately upon its passage.

FORM OF NOTE

**UNITED STATES OF AMERICA
STATE OF TENNESSEE
CITY OF MEMPHIS
2014 GRANT ANTICIPATION INTERFUND LOAN
NOTE, SERIES A (WORKFORCE INVESTMENT ACT FUND)**

The City of Memphis, Tennessee (the "City") hereby promises to pay the General Fund of the City, from the Workforce Investment Act Fund of the City, on _____, 20___, unless this Note shall have been called for previous redemption and payment of the redemption price shall have been duly made or provided for, the principal amount of \$_____, and to pay interest on such principal amount at maturity or, with respect to any principal portion of this Note redeemed prior to maturity, upon such redemption, at the rate of 0% per annum calculated on the basis of a 30-day month and a 360-day year, by internal City transfer.

This Note is one of a duly authorized series of notes (herein referred to as the "Notes") of the aggregate principal amount of four million dollars (\$4,000,000) of like date and tenor herewith, except for number and denomination, and is issued for the purpose of making a loan from the General Fund of the City to the Workforce Investment Act Fund of the City to provide funds for a project in anticipation of the receipt of grant funds allocable to that project, under and pursuant to and in full compliance with the Constitution and statutes of the State of Tennessee, including Parts 1, 2, 4 and 7 of Title 9, Chapter 21, and Section 9-21-408, Tennessee Code Annotated, and a resolution duly adopted by the Council of the City on June 17, 2014.

The Notes are subject to redemption prior to maturity at the option of the City at any time, in whole or in part from time to time by lot, upon payment of the principal amount to be redeemed, together with accrued interest to date of redemption, without the necessity of prior notice.

The Notes shall be payable from proceeds of such grants and any other moneys of the City lawfully available therefor other than ad valorem taxes.

This Note shall not be transferred or assigned.

It is hereby certified, recited and declared that all acts, conditions and things required to have happened, to exist and to have been performed precedent to and in the issuance of this Note and the series of which it is one, do exist, have happened and have been performed in regular and due time, form and manner as required by law, and that this Note and the Notes of the series of which this Note is one do not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, the City, by its Council, has caused this Note to be executed by the manual or facsimile signature of its Mayor; the seal of the City or a facsimile thereof to be impressed or reproduced hereon or affixed hereto, by facsimile or otherwise, attested by the manual or facsimile signature of its Comptroller; and this Note to be dated as of _____, 2014.

CITY OF MEMPHIS, TENNESSEE

[SEAL]

Mayor

ATTEST:

Comptroller

EXHIBIT A

2014-2015 PROGRAM YEAR GRANT AWARD LETTER



**Memphis City Council
Summary Sheet
Stiles Raw Sewage Header Rehabilitation
Project Rebid**

1. This is a construction project for the replacement of the raw sewage header in the influent pump station and various gates and valves at the MC Stiles WWTF.
2. This item is being submitted by Public Works (Environmental Engineering)
3. This item does not change an existing ordinance or resolution.
4. This item does require a new contract.
5. This item requires an expenditure of funds.
6. The MWBE Goal for this project was 12% MBE and 1% WBE.

This resolution appropriates construction funds for the replacement of the raw sewage header in the influent pump station building at MC Stiles Wastewater Treatment Facility

WHEREAS, the Council of the City of Memphis approved Rehab Existing Sewers, project number SW02001, as part of the Public Works Fiscal Year 2015 Capital Improvement Budget; and

WHEREAS, bids were taken on May 30, 2014 for the replacement of the raw sewage header in the influent pump station building with the lowest complying bid of one two bids being \$12,981,000.00 submitted by Max Foote Construction Company, Inc; and

WHEREAS, it is necessary to transfer a construction allocation of \$14,279,100.00 funded by Capital Pay Go-Sewer in Rehab Existing Sewers, project number SW02001 to Stiles Raw Sewage Header Rehab, project number SW02124; and

WHEREAS, it is necessary to appropriate \$14,279,100.00 funded by Capital Pay Go-Sewer in Concrete Replacement 2014, project number SW02124 as follows:

Contract Amount	\$12,981,000.00
Project Contingencies	<u>1,298,100.00</u>
Total Amount	\$14,279,100.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the Fiscal Year 2014 Capital Improvement Budget be and is hereby amended by transferring a construction allocation of \$14,279,100.00 funded by Capital Pay Go-Sewer in Rehab Existing Sewers, project number SW02001 to Concrete Replacement 2014, project number SW02124 for the replacement of the raw sewage header in the influent pump station building.

BE IT FURTHER RESOLVED, that there be and is hereby appropriated the sum of \$14,279,100.00 funded by Capital Pay Go-Sewer chargeable to the FY 2014 Capital Improvement Budget and credited as follows:

Project Title	Stiles Raw Sewage Header Rehab
Project Number	SW02124
Total Amount	\$14,279,100.00



Memphis City Council Summary Sheet

1. Description of the Item (Resolution, Ordinance, etc.)

This item is a resolution to accept additional grant funds from the State of Tennessee Department of Human Services in the amount of \$37,500.00. These funds will be used for the Child Support Noncustodial Parent Employment Demonstration Program (CSPED).

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

The State of Tennessee Department of Human Services Department of Labor, allocated these grant funds to the Workforce Investment Network.

3. State whether this is a change to an existing ordinance or resolution, if applicable.

This is a new grant award, pending council acceptance.

4. State whether this requires a new contract, or amends an existing contract, if applicable.

Acceptance of these funds will require a new contract between the State of Tennessee Department of Human Services and the City of Memphis, which acts as the administrative entity for the Workforce Investment Network.

5. State whether this requires an expenditure of funds/requires a budget amendment.

Acceptance of these will require an amendment to the FY2014 operating budget to appropriate the funds.



A Resolution to accept grant funds from the State of Tennessee Department of Human Services for Workforce Investment Network for the Child Support Noncustodial Parent Employment Demonstration Program (CSPED).

WHEREAS, the City of Memphis Workforce Investment Network has received grant funds in the amount of Thirty Seven Thousand, Five Hundred Dollars, (\$37,500.00) from the State of Tennessee Department of Human Services; and

WHEREAS, these funds will be used to provide a contingency fund for the Child Support Noncustodial Parent Employment Demonstration Program and

WHEREAS, it is necessary to accept the grant funding and amend the Fiscal Year 2014 Operating Budget to establish funds for the Child Support Noncustodial Parent Employment Demonstration Program; and

WHEREAS, it is necessary to appropriate the grant funds in the amount of Thirty Seven Thousand Five Hundred Dollars, (\$37,500.00) for the Child Support Noncustodial Parent Employment Demonstration Program;

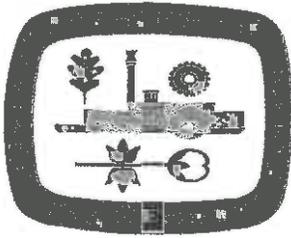
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the Child Support Noncustodial Parent Employment Demonstration Program in the amount of Thirty Seven Thousand Five Hundred Dollars, (\$37,500.00) be accepted by the City of Memphis

BE IT FURTHER RESOLVED, that the Fiscal Year 2014 Operating Budget be and is hereby amended by appropriation the Expenditures and Revenues for the Child Support Noncustodial Parent Employment Demonstration Program in the amount of Thirty Seven Thousand Five Hundred Dollars, (\$37,500.00).



Housing and Community Development Summary Sheet

1. Item is a Resolution appropriating the sum of \$483,614.21, chargeable to and amends the FY2014 Federal Operating Budget by appropriating funds to the MHA Low Income Housing Program account.
2. The initiating parties are the Division of Housing and Community Development and Memphis Housing Authority.
3. Resolution is not a change to an existing ordinance or resolution.
4. Resolution will require a new contract.
5. Resolution will require an expenditure of funds.



A resolution appropriating the sum of \$483,614.21, chargeable to and amend the FY2014 Operating Budget by appropriating funds to the MHA Low Income Housing Program account.

WHEREAS, the Division of Housing and Community continues in its efforts to assist in the development of affordable housing options within the City of Memphis; and

WHEREAS, the Council of the City of Memphis has declared by resolution dated May 7, 2002, that the Health Educational and Housing Facility Board of the City of Memphis, Tennessee to be performing a public function on behalf of and as a public instrumentality of the City, and recognizes that all property owned by it is exempt from all taxation in the State of Tennessee; and

WHEREAS, the Council of the City of Memphis also delegated to the Health Educational and Housing Facility Board of the City of Memphis, Tennessee by resolution dated May 7, 2002, the authority to negotiate and enter into with a lessee of the Board, payments in lieu of ad valorem taxes, provided, that such authorization shall be granted only upon a finding that such payments are deemed to be in furtherance of the public purpose of the Board; and

WHEREAS, the Division of Housing and Community Development has received its portion of PILOT proceeds from the Health Educational and Housing Facility Board of the City of Memphis, Tennessee in the amount of FOUR HUNDRED EIGHTY THREE THOUSAND SIX HUNDRED FOURTEEN DOLLARS AND 21/100 (\$483,614.21); and

WHEREAS, the Division of Housing and community Development desires to enter into a contractual agreement to grant FOUR HUNDRED EIGHTY THREE THOUSAND SIX HUNDRED FOURTEEN DOLLARS AND 21/100 (\$483,614.21) of its PILOT proceeds to the Memphis Housing Authority to support the MHA Low Income Housing Program; and

WHEREAS, it is necessary to amend the Fiscal Year 2014 Operating Budget by appropriating FOUR HUNDRED EIGHTY THREE THOUSAND SIX HUNDRED FOURTEEN DOLLARS AND 21/100 (\$483,614.21) in revenues for the MHA Low Income Housing Program.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the Division of Housing and Community Development be authorized to enter into a contractual agreement to provide a grant in the amount of **FOUR HUNDRED EIGHTY THREE THOUSAND SIX HUNDRED FOURTEEN DOLLARS AND 21/100 (\$483,614.21)** to the Memphis Housing Authority to support the Low Income Housing Program.

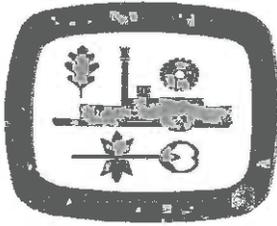
BE IT FURTHER RESOLVED, that there be and is hereby appropriated the sum of **FOUR HUNDRED EIGHTY THREE THOUSAND SIX HUNDRED FOURTEEN DOLLARS AND 21/100 (\$483,614.21)**, chargeable to and amending the FY2014 Operating Budget by appropriating funds to the following account for the MHA Low Income Housing Program as follows below:

REVENUE:

CD90043	Award 12106 HEHFB	\$483,614.21
---------	-------------------	--------------

EXPENSE:

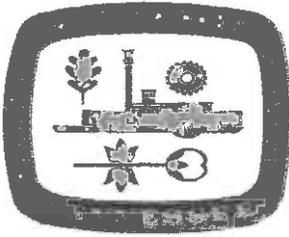
CD90043	Award 12106 Misc. Prof Svcs	\$483,614.21
---------	-----------------------------	--------------



Memphis City Council Summary Sheet

1. Item is Resolution appropriating the additional Revenues and Expenditures for the Neighborhood Stabilization Program funds in the amount of \$414,961.00.
2. The initiating party is the Division of Housing and Community Development / CD90006-Non Profit Housing Department.
3. This resolution is not a change to an existing ordinance or resolution.
4. Resolution will amend an existing contract.
5. There will be an expenditure of funds required.

Resolution-Division of Housing and Community Development



A resolution appropriating additional Revenues and Expenditures for the Neighborhood Stabilization Program funds in the amount of \$414,961.00.

WHEREAS, the City of Memphis, through the Division of Housing and Community Development, in response to the Neighborhood Stabilization Program (NSP) allocation, establishing a planning committee to examine foreclosure and sub prime loan data for the City of Memphis in order to identify the areas of greatest need for NSP funding; and

WHEREAS, the Division of Housing and Community Development (HCD) on behalf of the City of Memphis submitted a grant application to the U.S. Department of Housing and Urban Development (HUD) as required to amend the City's 2008 Annual Federal Action Plan, as authorized under Title III of the Housing and Economic Recovery Act (HERA) of 2008; and

WHEREAS, the City of Memphis was awarded Eleven Million, Five Hundred Six Thousand, Four Hundred and Fifteen Dollars (\$11,506,415.00) from HUD for a period commencing April 1, 2009 and ending September 30, 2010; and

WHEREAS, the City of Memphis, Division of Housing and Community Development (HCD) proposes making the majority of the NSP funds available for use by nonprofit and for profit affordable housing developers within 10 zip codes of Memphis. HCD expects that this funding will result in the acquisition, rehabilitation, and deposition of approximately 145 units; and

WHEREAS, the Division of Housing and Community Development has generated in Program Income a total of Nine Hundred Seven Thousand, One Hundred Sixty Eight and 00/100 Dollars (\$907,168.00) as of June 30, 2012. In FY 2012 and FY 2013 a total of \$745,042.00 was collected in Program Income. An additional \$228,168 was collected in FY 2013. As well, an additional \$214,961 was collected over the original estimate of \$200,000 for FY 2014 and it is estimated for FY2015 an additional \$200,000.00 will be collected in Program Income under the NSP Program.

Resolution-Division of Housing and Community Development

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis, that the additional Program Income generated from HUD Neighborhood Stabilization Program (NSP) in the amount of \$414,961.00 be accepted by the City of Memphis; and

BE IT FURTHER RESOLVED, that the Fiscal Year 2014 Operating Budget be and is hereby amended by appropriating the additional Revenues and Expenditures for the Neighborhood Stabilization Program in the amount of \$414,961.00 as follows:

Revenue

HUD Neighborhood Stabilization Program Grant (Award #12400) **\$414,961.00**

Total **\$414,961.00**

Expense

CD90122-NSP1 Award 12400/059600-Rehabilitation **\$289,961.00**

CD90122-NSP1 Award 12400/059600-NSP Program Delivery **\$125,000.00**

Total **\$414,961.00**



Memphis City Council Summary Sheet

Resolution to accept and appropriate funds from the State of Tennessee for 2013 Fire In-Service Training in the amount of \$852,600.00.

1. This item is a resolution to accept and appropriate funds from the State of Tennessee for 2013 Fire In-Service Training in the amount of \$852,600.00.
2. Fire Service participates in the In-Service Training program annually.
3. This requires an expenditure of funds in the Misc Grants Fund which is 100% reimbursed by the State of Tennessee Department of Commerce and Insurance.



Memphis City Council Summary Sheet

RESOLUTION

WHEREAS, the City of Memphis Division of Fire Services has received funds in the amount of Eight Hundred Fifty-Two Thousand Six Hundred Dollars (\$852,600.00) from the State of Tennessee; and

WHEREAS, these funds will be used for In-Service Training for 1,421 Fire Service personnel who have met the 40-hour minimum in-service training requirement; and

WHEREAS, it is necessary to accept the grant funding and amend the Fiscal Year 2014 Operating Budget to establish funds for the In-Service Training Grant; and

WHEREAS, it is necessary to appropriate the grant funds in the amount Eight Hundred Fifty-Two Thousand Six Hundred Dollars (\$852,600.00) for the In-Service Training Grant

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the In-Service Training Grant funds in the amount of Eight Hundred Fifty-Two Thousand Six Hundred Dollars (\$852,600.00) be accepted by the City of Memphis.

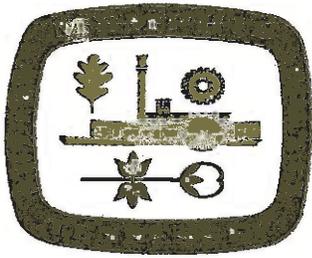
BE IT FURTHER RESOLVED, that the Fiscal Year 2014 Operating budget be and is hereby amended by appropriating the Expenditures and Revenues for the In-Service Training Grant in the amount of Eight Hundred Fifty-Two Thousand Six Hundred Dollars (\$852,600.00) as follows:

Revenue

In-Service State Grant	\$852,600.00
------------------------	--------------

Expenses

Full Time Salaries	\$852,600.00
--------------------	--------------



Memphis City Council Summary Sheet

1. Description of the Item

A Resolution requesting City Council Approval for the acceptance from KaBoom! the 2014 Playful City USA Designation and two (2) Playful City USA highway road signs, recognizing the City of Memphis efforts to make play a priority through establishing policy initiatives, infrastructure investments and innovative programming.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

The Division of Parks and Neighborhoods

3. State whether this is a change to an existing ordinance or resolution, if applicable.

NO

4. State whether this requires a new contract, or amends an existing contract, if applicable.

NO

5. State whether this requires an expenditure of funds/requires a budget amendment.

No City funds are required. With support from the Humana Foundation, KaBoom! has awarded 212 towns and cities with the 2014 Playful City USA Designation.



A Resolution to accept from the grantor, KaBoom! and their sponsor the Humana Foundation, the 2014 Playful City USA Designation and two (2) Playful City USA highway road signs.

WHEREAS, the City of Memphis Division of Parks and Neighborhoods has been notified by KaBoom! a national non-profit dedicated to saving play for America's children that the City of Memphis has been recognized as a 2014 Playful City USA recipient and will receive two (2) Playful City USA highway road signs; and

WHEREAS, the 2014 Playful City USA Designation is a national recognition honoring the City of Memphis for championing efforts to make play a priority through establishing policy initiatives, infrastructure investments and innovative programming that demonstrate a commitment to ensuring all kids get the balance of active play they need to thrive; and

WHEREAS, KaBoom! will fund the award at no cost to the City of Memphis; and

WHEREAS, it is necessary to accept the 2014 Playful City USA Designation and two (2) Playful City USA highway road signs.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Memphis to accept the 2014 Playful City USA Designation and two (2) Playful City USA highway road signs at no cost to the City of Memphis.