



Memphis City Council Summary Sheet

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

Resolution authorizing the financing of \$1,500,000 in Memphis Cook Convention Center Improvements for fiscal year 2016 through the Memphis Center City Revenue Finance Corporation.

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

Initiating Party is the Division of Finance.

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

The funding source is change from general obligations bonds to Local Other.

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

Not applicable.

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

Yes. The CIP Budget will be modified to reflect the change in funding source.



RESOLUTION AUTHORIZING FINANCING OF CONVENTION CENTER IMPROVEMENTS

WHEREAS, the Capital Improvement Program of the City of Memphis, Tennessee (the "City") for the 2015-2016 fiscal year includes City financing of capital additions and improvements to and capital equipment for the Memphis Cook Convention Center (the "Convention Center Improvements"); and

WHEREAS, the City wishes to finance the Convention Center Improvements through the Memphis Center City Revenue Finance Corporation ("CCRFC");

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

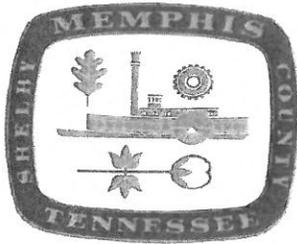
1. CCRFC is hereby requested to issue its bonds, notes or other evidences of indebtedness (the "Bonds") to finance the Convention Center Improvements, in such aggregate principal amount as shall be required, together with costs of issuance, to produce funds for the Convention Center Improvements in an amount not to exceed \$1,500,000. The City is hereby authorized to apply to CCRFC for approval of such financing and to pay any CCRFC application, continuing or counsel fees and expenses in connection with such application and the Bonds.
2. The City is hereby authorized to support the payment by CCRFC of the principal of and premium, if any, and interest on the Bonds issued to finance the Convention Center Improvements and any related additional expenses, costs and indemnities as may be required by CCRFC or under the financing instruments authorized in paragraph 5 below, by entering into a loan agreement with CCRFC (the "Loan Agreement").
3. The City is hereby authorized to covenant with CCRFC that the payments by the City under the Loan Agreement shall be made from appropriate legally available revenues, other than ad valorem tax revenues, of the City to secure the City's obligations thereunder.
4. The Mayor, Comptroller and Director of Finance and Administration, or any of them or their designees (individually or collectively, "Authorized Officers"), are hereby authorized to execute and deliver the Loan Agreement.
5. The Mayor and other Authorized Officers are hereby authorized to execute, approve or consent to and deliver bond purchase or loan agreements, and/or related covenants and agreements, with respect to loans to be made to CCRFC and the purchase of Bonds by any one or more of Duncan-Williams, Inc., SunTrust Bank, Wells Fargo Bank, National Association, or JPMorgan Chase Bank, N.A. (and participating lenders, if any) for the purposes set forth in this resolution, which agreements may include obligations to pay related additional expenses, costs and indemnities.
6. The City approves the engagement of Hawkins Delafield & Wood LLP as counsel to the City in connection with the Loan Agreement and the issuance of the Bonds, and

understands that such firm also may represent CCRFC as bond counsel in connection with the issuance of the Bonds.

7. All actions heretofore undertaken by the Authorized Officers and other officials, employees, attorneys and agents of the City in furtherance of the intent of this resolution, and of the documents authorized by this resolution, are hereby ratified, confirmed and approved.

8. The Authorized Officers and other appropriate officials and employees of the City are hereby authorized to enter into such additional agreements and execute such certificates and documents, and take such other actions, as may be necessary or appropriate to carry out the intent of this resolution and to perform the obligations of the City under the documents authorized by this Resolution.

BE IT FURTHER RESOLVED, that the funding source is changed from General Obligation Bonds to Local Other funding and that the Fiscal Year 2016 Capital Improvement Budget is hereby amended by appropriating \$1,500,000 for the Memphis Cook Convention Center Improvements through Memphis Center City Revenue Finance Corporation.



Memphis City Council Summary Sheet

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

Resolution to amend FY 16 budget at the first quarter review and accept revenues and fund necessary expenditures.

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

Finance Division

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

No change to an existing ordinance

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

No contract required

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

Budget amendment required



FY 2016 1st Quarter Clean-UP Resolution to adjust expenses for unanticipated circumstances.

WHEREAS, the Finance Division monitors the City's actual financial performance relative to its adopted operating budget, for all funds; and

WHEREAS, in conjunction with the Finance Division each Division of City Government periodically reviews its current revenues and expenditures and projects anticipated outcomes for their Division, and Fund(s) not included in their Division General Fund; and

WHEREAS, based on these projections five City Divisions have identified trending unanticipated expenditures within their operations that require adjustments to avoid exceeding the appropriated amounts approved for the Fiscal Year 2016 Budget; and

WHEREAS, it is necessary to amend the Fiscal Year 2016 General Operating Budget Fund to move appropriations between certain Divisions or Program Levels (within a Division) and approve additional funding in order that appropriations not be exceeded, and

WHEREAS, additional intergovernmental revenues, from the MATA advanced funding repayment, have been identified as the source to fund the Division unanticipated expenditures increases, and

WHEREAS, it is also necessary to establish the budget for General Services maintenance applicable to the Bass Pro facility, and

WHEREAS, the Bass Pro Rental Income (to the extent needed) has been identified as the source to fund the General Services Bass Pro maintenance expenditures increases, and

WHEREAS, it is also necessary to move the budget appropriation of \$1,960,000, for the cost of the City's portion of Cigna Medicare premiums, from the OPEB Fund to the General Fund, and

NOW, THEREFORE BE IT RESOLVED that the expenses of the following Divisions be increased:

- Grants and Agencies - \$850,000 for runoff election expenses
- City Attorney - \$650,000 for litigation expenditures associated with Pension and Rape Kit lawsuits
- Executive - \$410,000 for expenditures associated with the Diversity Study, and a mandated risk assessment for HCD and MHA

BE IT FURTHER RESOLVED by the Council of the City of Memphis that the Fiscal Year 2016 Operating Budget be and is hereby amended to move one position, and associated funding, from the Treasury Program to the Budget Program within the **Finance** Division.

BE IT FURTHER RESOLVED that Bass Pro rental revenue of \$1.0M is recognized, and a Budget of \$250,000 be established for the maintenance of the Bass Pro facility (any excess Bass Pro rental revenue is set aside in reserves for exclusive use of Bass Pro maintenance or future development).

BE IT FINALLY RESOLVED that the Budget established in the OPEB fund for the payment of the City's portion of Cigna Medicare premiums is transferred to the General Fund HR Division.

See attachment I for account details



FY2016 First Quarter Entries ATTACHMENT I

<i>Division</i>	<i>Description</i>	<i>Account #</i>	<i>Account Name</i>	<i>Dr</i>	<i>Cr</i>
Various	MATA Refund	0111-230101-061132	Legal Services - Court Cost		\$2,491,000
		0111-000000-089999	Contribution To Fund Balance	\$575,000	
	Election Run Off	0111-230101-061004	Election	\$850,000	
	City Attorney	0111-240101-052504	Legal Service / Court Cost	\$650,000	
	Executive	0111-101001-052528	Disparity Study	\$365,000	
	Executive	0111-100104-052528	CBIZ Risk Management	\$51,000	

Finance	Transfer AC	0111-110401-051101	Budget - Salaries	\$50,000	
		0111-110601-051101	Treasury-Salaries		\$50,000

General Services	Bass Pro Rental Revenues	0111-200404-043524	Bass Pro Rental Revenue		\$1,000,000
		0111-000000-089998	Contribution to Assigned Fund Balance	\$750,000	
		0111-200404-052615	Bass Pro Maintenance	\$250,000	

OPEB	Transfer Premium Budget	0853-180804-080853	Transfer Out OPEB	\$1,958,316	
		0853-000000-049999	Contribution from Fund Balance		\$1,958,316

Human Resources	Transfer Premium Budget	0111-1808XX-051901	Transfer in General Funds		\$1,958,316
		0111-1808XX-051319	EEE New Premiums	\$1,958,316	

\$7,457,632 \$7,457,632





CITY of MEMPHIS

FINANCE DIVISION

**FY 2016 - Q1 Report
FINANCIAL PREVIEW**

**Director of Finance
Brian Collins**

FY2016
Financial Preview
TABLE OF CONTENTS

OVERVIEW	i
General Fund Full Year Forecast	
<i>Revenue Discussion</i>	1
<i>Expenditure Discussion</i>	2
Financial Summary - Forecast	3
Appendix I	4
General Fund Forecast Detail	5
Division Discussions	6
Appendix II	8
Cash Position All Funds	9
Other Funds Discussion	10
Appendix III	11
Prior Year Comparison	12

City of Memphis
FY2016 Financial Preview
1st Quarter Financial Report
Overview

This document provides a review of the City's General Fund financial performance for the first quarter (July '15 - September '15) of the Fiscal Year 2016.

The full year forecast of the expected results are shown on page 3 of this report. Page 3 aligns the full year FYE 2016 budget with management's expected full year performance of both revenues and expenditures based on the actual results of the 1st quarter's operations and known anticipated transactions.

As of this report the forecast for the FY2016 is projecting that net operations will be better than the adopted budget which called for with a \$13.2 million decrease in net assets. The forecasted performance is primarily a result of lower salary cost (vacancies) in a few divisions, and lower than fuel costs (which is better than the adopted budget).

Highlights of revenues and expense variances are detailed within this report.

Any statement made in this report, including the appendices, involving forecasts, estimates, or matters of opinion, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any forecast, estimate, or matter of opinion will be realized.

Revenue Forecast Discussion

General Fund

FY 2016

Total operating revenue is estimated to be \$653.2 million, 1.6% or \$5.5 million over the funding budget. This forecast introduces three positive variance: \$2.4 million from a MATA loan repayment, the Bass Pro rental revenue, and a transfer from the OPEB fund to the General Fund.

Below are the summaries of the City of Memphis revenue categories and a brief category discussion:

Revenue	FY2016 FUNDING BUDGET	FY2016 FUNDING BUDGET FORECAST	Variance	%
Local Taxes	\$ 433,156	\$ 433,156	\$ -	0.00%
State Taxes	\$ 60,075	\$ 60,075	\$ -	0.00%
License and Permits	\$ 11,473	\$ 11,473	\$ -	0.00%
Fines and Forfeitures	\$ 19,603	\$ 19,603	\$ -	0.00%
Charges for services	\$ 30,602	\$ 30,602	\$ -	0.00%
Use of Money	\$ 335	\$ 335	\$ -	0.00%
Federal Grants	\$ 117	\$ 117	\$ -	0.00%
State Grants	\$ 1,630	\$ 1,630	\$ -	0.00%
Intergovernmental Revenues	\$ 3,517	\$ 6,008	\$ 2,491	70.83%
Other Revenues	\$ 7,099	\$ 8,099	\$ 1,000	14.09%
Transfers In	\$ 80,215	\$ 82,175	\$ 1,960	2.44%
Total Operating Revenues	\$ 647,822	\$ 653,273	\$ 5,451	0.84%

Category Comments:

◆**Local Taxes** - This revenue grouping which includes Property Taxes and Local Sales Taxes is performing on budget.

◆**State Taxes** - This category includes State Income (Hall) Taxes and State Sales Taxes. The Hall Income Tax is highly volatile and comes in at the very end of our fiscal year. Currently we re projecting this category to be on budget.

◆**Intergovernmental Revenues** - The positive variance represents MATA's repayment of an advance, approved in FY15 to smooth MATA's cash flow as the Federal Government Transportation Grants were being finalized.

◆**Other Revenues** - The positive variance represents Bass Pro rental revenue. Rental revenues for this facility are expected to be approximately \$1.0 million per year. Any excess revenue above the maintenance expense will be reserved for Bass Pro maintenance.

◆**Transfers- In** - This category will be positive because of a transfer from the OPEB Fund to the General Fund. This adjustment basically aligns the budget with the expenditure source. The revenue will be used to pay the City's share of Medicare premium costs.

Expenditure Forecast Discussion General Fund FY 2016

Total expenses are estimated at approximately \$660.0 million. This is \$870K less than the funding budget. There are three divisions that require adjustments due to unplanned expenditures. These can be noted in the division discussions on page 9.

Below are the summaries of the expenditure categories and brief category discussions.

Expenditures	FY2016 FUNDING BUDGET	FY2016 FUNDING BUDGET FORECAST	Variance	%
Personnel Services	\$ 459,462	\$ 458,422	\$ 1,040	0.23%
Material and Supplies	\$ 147,889	\$ 147,959	\$ (70)	-0.05%
Capital Outlay	\$ 675	\$ 675	-	0.00%
Grants and Subsidies	\$ 65,147	\$ 65,997	\$ (850)	-1.30%
Inventory	\$ 473	\$ 473	-	0.00%
Transfers Out	\$ 11,443	\$ 11,443	-	0.00%
Others	\$ 46	\$ 46	-	0.00%
Total Operating Expenditures	\$ 685,135	\$ 685,015	\$ 120	0.02%
Less Reserve for Encumbrances	\$ (24,029)	\$ (24,029)	-	0.00%
Less Reserve for Bass Pro		\$ (750)	\$ 750	0.00%
Total Expenditures less Encumbrance	\$ 661,106	\$ 660,236	\$ 870	0.13%

Category Comments:

◆ **Personnel Services** - This expenditure category includes benefits and is performing 0.23% below budget. As a result personnel is expected to come in under budget. In some areas overtime is exceeding the plan, however, vacancies are offsetting this impact. Long term strategies are in place for Police and Fire to recruit personnel to fill positions which will reduce overtime cost.

◆ **Materials and Supplies** - This expenditure category is 0.11% below budget levels. Fuel cost is the primary driver of lower costs. However, professional service cost for City Attorney, Executive and General Services require budget amendments.

◆ **Grants and Subsidies** - This expenditure category will be over budget because of additional cost for the City Council runoff elections. Therefore a budget adjustment is required.

◆ **Transfers Out** - This category is trending on budget at this time.

General Fund Forecast
Quarter 1
2016 Functional Category Summary of Operations
BUDGET VS FORECAST (in '000)

Revenue	FY2016 FUNDING BUDGET	FY2016 FUNDING BUDGET FORECAST	Variance	%
Local Taxes	\$ 433,156	\$ 433,156	\$ -	0.00%
State Taxes	\$ 60,075	\$ 60,075	\$ -	0.00%
License and Permits	\$ 11,473	\$ 11,473	\$ -	0.00%
Fines and Forfeitures	\$ 19,603	\$ 19,603	\$ -	0.00%
Charges for services	\$ 30,602	\$ 30,602	\$ -	0.00%
Use of Money	\$ 335	\$ 335	\$ -	0.00%
Federal Grants	\$ 117	\$ 117	\$ -	0.00%
State Grants	\$ 1,630	\$ 1,630	\$ -	0.00%
Intergovernmental Revenues	\$ 3,517	\$ 6,008	\$ 2,491	70.83%
Other Revenues	\$ 7,099	\$ 8,099	\$ 1,000	14.09%
Transfers In	\$ 80,215	\$ 82,175	\$ 1,960	2.44%
Total Operating Revenues	\$ 647,822	\$ 653,273	\$ 5,451	0.84%
Expenditures	FY2016 FUNDING BUDGET	FY2016 FUNDING BUDGET FORECAST	Variance	%
Personnel Services	\$ 459,462	\$ 458,422	\$ 1,040	0.23%
Material and Supplies	\$ 147,889	\$ 147,959	\$ (70)	-0.05%
Capital Outlay	\$ 675	\$ 675	\$ -	0.00%
Grants and Subsidies	\$ 65,147	\$ 65,997	\$ (850)	-1.30%
Inventory	\$ 473	\$ 473	\$ -	0.00%
Transfers Out	\$ 11,443	\$ 11,443	\$ -	0.00%
Others	\$ 46	\$ 46	\$ -	0.00%
Total Operating Expenditures	\$ 685,135	\$ 685,015	\$ 120	0.02%
Less Reserve for Encumbrances	\$ (24,029)	\$ (24,029)	\$ -	0.00%
Less Reserve for Bass Pro	\$	\$ (750)	\$ 750	0.00%
Total Expenditures less Encumbrance	\$ 661,106	\$ 660,236	\$ 870	0.13%
Change in Net Assets	\$ (13,284)	\$ (6,963)	\$ 4,581	-34.49%

FY 2016 - Q1

APPENDIX I

GENERAL FUND DIVISION FORECAST INFORMATION

**Forecast
Quarter 1
2016 Division Expenditures Summary of Operations
(in '000)**

Expenditures	FY2016 Funding Budget	FY2016 Funding Budget Forecast	Variance
City Attorney	\$ 11,262	\$ 11,912	\$ (650)
City Council	\$ 1,564	\$ 1,564	\$ -
City Court Clerk	\$ 8,508	\$ 8,508	\$ -
City Court Judges	\$ 641	\$ 641	\$ -
City Engineer	\$ 11,365	\$ 11,365	\$ -
Executive	\$ 9,280	\$ 9,690	\$ (410)
Finance & Administration	\$ 8,656	\$ 8,656	\$ -
Fire	\$ 175,793	\$ 175,603	\$ 190
General Services	\$ 25,591	\$ 25,181	\$ 410
Grants & Subsidies	\$ 63,959	\$ 64,809	\$ (850)
Housing & Community Development	\$ 4,970	\$ 4,970	\$ -
Human Resources	\$ 7,969	\$ 9,929	\$ (1,960)
Information Systems	\$ 21,348	\$ 21,348	\$ -
Parks & Neighborhoods	\$ 52,807	\$ 52,777	\$ 30
Police	\$ 253,627	\$ 251,127	\$ 2,500
Public Works	\$ 27,795	\$ 26,935	\$ 860
Total Expenditures	\$ 685,135	\$ 685,015	\$ 120
Reserves for Encumbrances	\$ (24,029)	\$ (24,029)	\$ -
Total Expenditures less Encumbrances	\$ 661,106	\$ 660,986	\$ 120

FY 2016 - Q1

City of Memphis
FY 2016 - 1st Quarter Division Discussion
Three Months Ending September 30, 2015

City Attorney

Outlook- Trending above budget levels due to lawsuits pertaining to rape kits and pension reform.

City Council

Outlook - Trending at budgeted levels. Some line items may need adjustments, however, they can be accommodated within the division at this time.

City Court Clerk

Outlook - Trending at budgeted levels.
Notable Expense Items - Spending for Automated Enforcement is slow but expected to be near budget levels. The impact of new fees for electronic tickets is now in place. A new strategy to collect court fines exceeding 90 days may change the revenue for fines and fees which is currently expected to be near the budget levels.

City Court Judges

Outlook - Trending at budgeted levels.

Engineering

Outlook - Trending at budget levels, with variances in several line items.
Notable Expense Items - Variances in traffic and building design may cause professional services to be higher than budget, however, expenses for salaries will be lower than budget. Work required by TDOT on railroad crossings may cause a budget neutral adjustment to expenses, offset by TDOT revenues. OJI cost may require a division adjustment by year end.

Executive

Outlook - Trending above budget levels.
Notable Expense Items - Disparity study funding is needed for the Contract Compliance area, and the payment for a mandated risk assessment for MHA and HCD causes this division to require a 1st quarter adjustment.

Finance

Outlook - Trending above budget levels.
Notable Expense Items - Professional service for accounting will drive planned expenditures higher. This Division will transfer a budgeted position from Treasury to Budget. There will be no impact on the division's overall budget resulting from this position transfer.

Fire

Outlook - Trending at budget levels.
Notable Expense Items - City shop charges have reached 98% of the budget in the first quarter. However, outside vehicle / outside equipment repairs and fuel are trending below budget. Therefore no impact on the divisions' overall budget.

FY 2016 - Q1

City of Memphis
FY 2016 - 1st Quarter Division Discussion
Three Months Ending September 30, 2015

General Services

- **Outlook** - Trending at budgeted levels.
- **Notable Expense Items** - Expenditures are requested to be increased for maintenance of Bass Pro. This expense will be offset by rental revenue from Bass Pro.

Grants and Agencies

- **Outlook**- Trending above budgeted levels, most spending is per contract and is expected to be at the budgeted levels, however, an adjustment is required for the additional cost of the Council runoff election.

HCD - Housing and Community Development

- **Outlook** - Trending at budgeted levels.

Human Resources

- **Outlook** - Trending above budgeted levels.
- **Notable Expense Items** - New Premiums to be paid for retirees are a cost to the City that was budgeted in the OPEB Fund but should be budgeted in the General Fund. This adjustment transfers that funding from the OPEB Fund to the General Fund.

Information Technology

- **Outlook** - Trending at budgeted levels. However, rent was cut during FY2016 budget process. This will be monitored for a potential 2nd quarter adjustment.

Parks and Neighborhoods

- **Outlook** - Trending at budget levels.
- **Notable Expense Items** - Some line items may need adjustments but those will be managed through the Division at this time. Fuel is trending below budget.

Police

- **Outlook** -Trending below budgeted levels
- **Notable Expense Items** - Personnel services are below budget levels however, this is offset by the increase in overtime for the first quarter. Fuel is trending below budget.

Public Works

- **Outlook** - Trending below Budgeted levels.
- **Notable Expense Items** - There are various items that are showing positive or below budget variances at this time, including salaries and fuel costs. The division is expected to be slightly below budget as of this forecast.

FY 2016

CASH POSITION OTHER FUNDS

City of Memphis
Other Major Funds Discussion
For Three Months Ending September 30, 2015

The following funds are considered "high profile" funds therefore a brief discussion relative to their performance is provided below.

Debt Fund - Performing as planned and expected to achieve the fund balance as planned.

Fleet Fund- Expected to end the year with a positive fund balance.

Health Care Fund - With current reforms, this fund is expected to increase its fund balance by \$2.6 M. It is still too early to forecast the entire impact of the recent 24% increase and the enrollment change of active employees in the healthcare plan as a result of the increase. The administration continues to monitor this fund frequently for trending activities.

OPEB Fund – We expect to move the OPEB Fund to self sustaining as we transition to the new plans for retirees. The administration continues to monitor this fund frequently for trending activities.

Sewer Fund - This fund's budgeted plan is expected to produce a positive increase in net assets.

Storm Water Fund - Performing as planned and expected to have a positive increase in net assets.

Solid Waste Fund - The fund's budgeted use of fund balance is \$3.7 million. Currently the Public Works Division is working on a model shift that will change the trajectory of this fund.

City of Memphis
1st Quarter FY 2016

Cash Position all funds (in 000's)

The State of Tennessee requires all municipalities to have positive cash balances at the end of the fiscal year. The schedule below lists the current cash balances for the City of Memphis Funds at 09/30/15. As of this report all funds are projected to have a positive cash balance at the end of FY2016.

Fund Number and Fund Name	Cash Balance @ 09/30/15
111 General Fund	\$ 281,528
121 Park Special Service Fund	\$ 2,389
131 Life Insurance Fund	\$ 20,374
General Fund	\$ 304,291
201 State Street Aid Fund *	\$ -
204 Solid Waste Management Fund	\$ (295)
205 Miscellaneous Grants Fund	\$ 12,017
211 Workforce Investment Act Fund	\$ 4,530
216 Drug Enforcement Fund	\$ 813
221 Community Development Fund	\$ 10,559
223 Hotel/Motel Occupancy Tax Fund	\$ 2,871
225 New Memphis Arena Special Revenue	\$ 4,062
228 CRA Programs	\$ 5,063
301 Debt Service Fund	\$ 946
400 Capital Projects Fund *	\$ 149,567
601 Sewer Treatment & Collection	\$ (1,558)
631 Port Commission - Operating Fund	\$ 92,125
661 Metro Alarm Fund	\$ 29
671 Storm Water Fund	\$ 1,945
721 Health Insurance Fund	\$ 2,280
731 Unemployment Compensation Fund	\$ 20,362
741 Fleet Management Fund	\$ 1,836
804 Beale Street District Fund	\$ 3,205
810 Central Business Improvement	\$ 449
816 Casino Gaming Commission Fund	\$ 2,688
819 Sold Property Tax Receivables	\$ 6
853 Other Post Employment Benefit	\$ 668
889 Board of Education Property Tax	\$ 11,860
	\$ 800
TOTAL CASH	\$ 631,119

* These funds show a negative fund balance at the end of the quarter due to timing differences. All fund's cash positions at the end of the year will be positive.

APPENDIX II

PRIOR YEAR COMPARISON

Comparative Revenue Summary

of

Quarter 1 Actual Revenues FY 2016

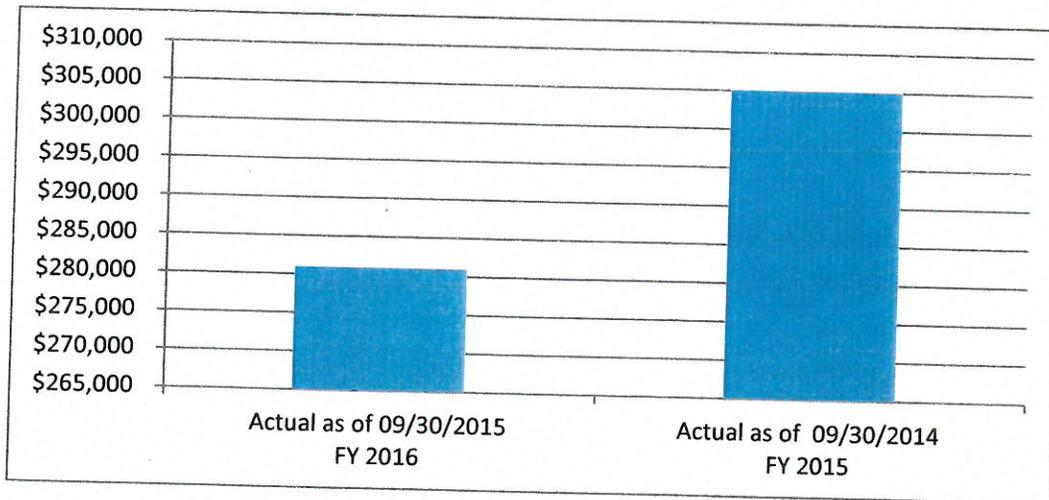
vs.

Quarter 1 Actual Revenues Prior FY 2015

Total revenue collected in the 1st quarter of FY 2016 is \$281.0 million vs \$305.2 million this same time last year. The primary differences are due to year end accrual adjustments and their timing. As noted in the full year forecast (page 1) there are no significant trends to conclude from this comparison.

See page 14 for revenue details

Revenues



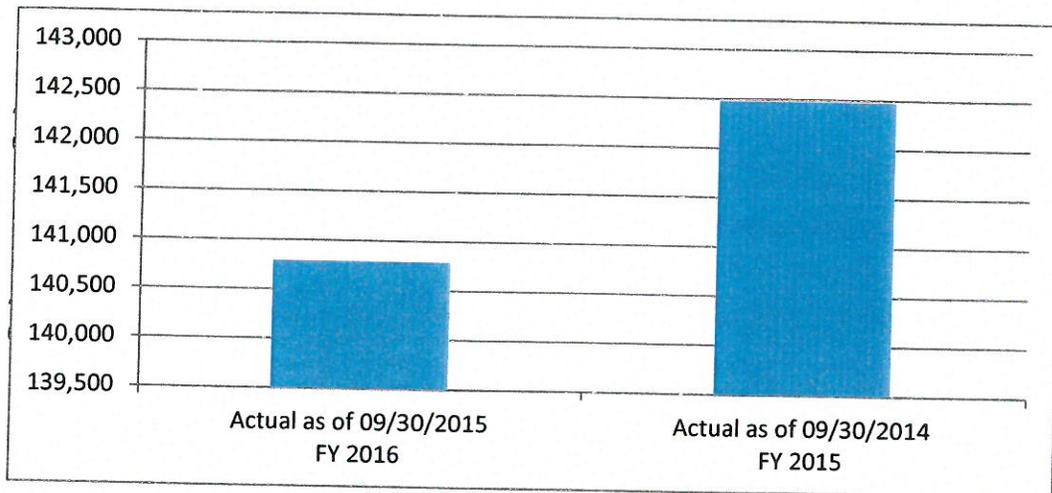
Comparative Expense Summary

of
Quarter 1 Actual Expenditures FY 2016
vs.
Quarter 1 Actual Expenditures Prior FY 2015

Total expenditures for the 1st quarter of the FY 2016 are approximately one percent less. Timing differences of the payment of certain expenses account for the differences.

See page 14 for expenditure details.
(Divisional expenditures are shown in the appendix on page 15.)

Expenditures



**Comparative Summary
of
Quarter 1 Actual Performance
Current FY 2016 vs. Prior FY 2015**

Revenue	FY2016 Actual Qtr. Ending 09/30/2015	FY2015 Actual Qtr. Ending 09/30/2014	Variance	%
Local Taxes	\$254,552,034	\$273,130,096	(\$18,578,062)	-6.80%
State Taxes	\$8,959,111	\$12,389,047	(\$3,429,936)	-27.69%
License and Permits	\$2,436,589	\$2,767,014	(\$330,425)	-11.94%
Fines and Forfeitures	\$4,275,619	\$4,040,877	\$234,742	5.81%
Charges for services	\$7,871,684	\$7,263,882	\$607,802	8.37%
Use of Money	\$57,992	\$29,196	\$28,796	98.63%
Federal Grants	\$0	\$0	\$0	0.00%
State Grants	\$400,037	\$0	\$400,037	0.00%
Intergovernmental Revenues	\$3,364,581	\$1,800	\$3,362,781	186821.17%
Other Revenues	\$1,800,271	\$1,542,735	\$257,536	16.69%
Transfers	(\$2,674,912)	\$4,025,049	(\$6,699,961)	-166.46%
Total Revenues	\$281,043,006	\$305,189,696	(\$24,146,690)	-7.91%
Supporting detail of page 14.				

Functional Expenditures	FY2016 Actual Qtr. Ending 09/30/2015	FY2015 Actual Qtr. Ending 09/30/2014	Variance	%
Personnel Services	\$87,295,268	\$93,947,752	\$6,652,484	7.08%
Material and Supplies	\$22,327,076	\$21,491,829	(\$835,247)	-3.89%
Capital Outlay	\$44,782	\$10,155	(\$34,627)	-340.98%
Grants and Subsidies	\$30,745,715	\$25,246,583	(\$5,499,132)	-21.78%
Inventory	\$84,371	\$64,385	(\$19,986)	-31.04%
Transfers Out	\$219,880	\$1,643,210	\$1,423,330	86.62%
Investment Fees	\$0	\$10,436	\$10,436	100.00%
Others	\$79,957	\$67,326	(\$12,631)	-18.76%
Total Expenditures	\$140,797,049	\$142,481,676	\$1,684,627	1.18%
Change in Net Assets	\$140,245,957	\$162,708,020	(\$22,462,063)	-13.81%
Supporting detail of page 15.				

FY 2016 - Q1

**Comparative Summary
of
Quarter 1 Actual Divisional Expenditures
Current FY 2016 vs. Prior FY 2015**

Expenditures	FY2016 Actual Qtr. Ending 09/30/2015	FY2015 Actual Qtr. Ending 09/30/2014	Variance	%
City Attorney	\$2,065,809	\$4,340,125	\$2,274,316	52.40%
City Council	\$279,228	\$302,716	\$23,488	7.76%
City Court Clerk	\$785,288	\$989,532	\$204,244	20.64%
City Court Judges	\$131,449	\$135,004	\$3,555	2.63%
City Engineer	\$1,708,657	\$1,956,235	\$247,578	12.66%
Executive	\$2,158,653	\$1,501,960	(\$656,693)	-43.72%
Finance & Administration	\$1,039,790	\$1,067,920	\$28,130	2.63%
Fire	\$33,382,436	\$33,168,805	(\$213,631)	-0.64%
General Services	\$4,517,465	\$4,256,264	(\$261,201)	-6.14%
Grants & Subsidies	\$28,194,550	\$24,835,517	(\$3,359,033)	-13.53%
<i>Other G & A</i>	\$10,194,550	\$8,835,517	(\$1,359,033)	-15.38%
MATA	\$18,000,000	\$16,000,000	(\$2,000,000)	-12.50%
<i>Memphis City Schools</i>	\$0	\$0	\$0	0.00%
Housing & Community Development	\$1,803,332	\$298,279	(\$1,505,053)	-504.58%
Human Resources	\$1,554,905	\$820,156	(\$734,749)	-89.59%
Information Systems	\$2,978,979	\$2,859,677	(\$119,302)	-4.17%
Park Services	\$11,681,548	\$9,028,079	(\$2,653,469)	-29.39%
Police	\$48,129,120	\$51,588,099	\$3,458,979	6.70%
Public Works	(\$21,870)	\$5,300,159	\$5,322,029	100.41%
Other	\$407,709	\$33,148	(\$374,561)	-1129.97%
		\$0	\$0	
Total Expenditures	\$140,797,048	\$142,481,675	\$1,684,627	-1.33%



Memphis City Council Summary Sheet

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

Resolution seeking acceptance of grant funds in the amount of \$1,909,124.00 from the U. S. Department of Justice, Office of Justice Programs for the 2015 Sexual Assault Kit Initiative.

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

Police Services

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

This is not a change to an existing ordinance or resolution.

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

This requires a new contract between the U. S. Department of Justice, Office of Justice Programs and the City of Memphis.

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

Acceptance will require an amendment to the FY 2016 Operating Budget to appropriate the funds.



A Resolution to accept grant funds in the amount of \$1,909,124.00 from the U. S. Department of Justice, Office of Justice Programs.

WHEREAS, the City of Memphis Division of Police Services has been awarded grant funds in the amount of \$1,909,124.00 from the U. S. Department of Justice, Office of Justice Programs for the 2015 Sexual Assault Kit Initiative; and

WHEREAS, these funds will be used to reduce the local sexual assault kit backlog; and

WHEREAS, it is necessary to accept the grant funds and amend the FY 2016 Operating Budget to establish funds for the 2015 Sexual Assault Kit Initiative; and

WHEREAS, it is necessary to appropriate the grant funds in the amount of \$1,909,124.00 for the 2015 Sexual Assault Kit Initiative.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the U. S. Department of Justice 2015 Sexual Assault Kit Initiative in the amount of \$1,909,124.00 be accepted by the City of Memphis.

BE IT FURTHER RESOLVED, that the FY 2016 Operating Budget be and is hereby amended by appropriating the Expenditures and Revenues for the 2015 Sexual Assault Kit Initiative in the amount of \$1,909,124.00 as follows:

Revenue

U. S. Department of Justice	<u>\$1,909,124.00</u>
TOTAL	\$1,909,124.00

Expenditures

Travel	\$74,221.00
Equipment	\$61,394.00
Supplies	\$3,000.00
Professional Services	\$890,000.00
Full Time Salaries/Overtime	\$294,409.00
Payment to Subgrantees	<u>\$586,100.00</u>
TOTAL	\$1,909,124.00



Memphis City Council Summary Sheet

Please provide a brief summary of the item, in bullet form, not to exceed one page:

1. Item is a Resolution to amend the FY2016 Operating Budget by accepting and appropriating the Expenditures and Revenues for the Lead Hazard Reduction Demonstration Grant (\$3,389,272.00) that includes funding for the Health Homes Initiatives (\$325,000.00) in the total amount of Three Million, Seven Hundred Fourteen Thousand, Two Hundred Seventy-two Dollars (\$3,714,272.00).
2. The initiating party is the Division of Housing and Community Development (CD90050-Lead Department).
3. Resolution is not a change to an existing ordinance or resolution.
4. A new contract will be required.
5. Expenditure of funds will be required.

Resolution-Division of Housing and Community Development 17-Nov-2015



A resolution to amend the FY2016 Operating Budget by accepting and appropriating the Expenditures and Revenues for the Lead Hazard Reduction Demonstration Grant (\$3,389,272.00) that includes funding for the Health Homes Initiative (\$325,000.00) in the total amount of Three Million, Seven Hundred Fourteen Thousand, Two Hundred Seventy-two Dollars (\$3,714,272.00).

WHEREAS, the City of Memphis Division of Housing and Community Development (HCD) has received Lead Hazard Reduction Demonstration grant funds in the amount of Three Million, Three Hundred and Eighty-Nine Thousand, Two Hundred Seventy-Two Dollars (\$3,389,272.00) and funding for the Health Homes Initiative in the amount of Three Hundred and Twenty-five Thousand Dollars (\$325,000.00) from the U.S. Department of Housing and Urban Development; and

WHEREAS, HCD received these funds through a competitive grant application process; and

WHEREAS, these funds will be used by HCD for lead hazard reduction activities and to coordinate with community partners to educate, train and mitigate lead issues in housing units.

WHEREAS, it is necessary to accept the grant funding and amend the Fiscal Year 2016 Operating Budget to establish funds for the 2015 Lead Hazard Reduction Demonstration grant; and

WHEREAS, it is necessary to appropriate the FY2016 grant funds in the amount of Three Million, Seven Hundred Fourteen Thousand, Two Hundred Seventy-two Dollars (\$3,714,272.00) for the Lead Hazard Reduction Demonstration grant and the Health Homes Initiative.

Resolution-Division of Housing and Community Development 17-Nov-2015

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the 2015 Lead Hazard Reduction Demonstration Grant funds and the Health Homes Initiative grant funds in the amount of Three Million, Seven Hundred Fourteen Thousand, Two Hundred Seventy-two Dollars (\$3,714,272.00) be accepted by the City of Memphis.

BE IT FURTHER RESOLVED, that the Fiscal Year 2016 Operating Budget be and is hereby amended by appropriating the Expenditures and Revenues for the 2015 Lead Hazard Reduction Demonstration Grant (\$3,389,272.00) that includes funding for the Health Homes Initiative (\$325,000.00) in the total amount of Three Million, Seven Hundred Fourteen Thousand, Two Hundred Seventy-two Dollars (\$3,714,272.00) as follows:

REVENUES

U.S. Department of Housing and Urban Development	<u>\$3,714,272.00</u>
Total	\$3,714,272.00

EXPENDITURES

Lead Hazard Reduction Demonstration Grant	\$3,389,272.00
Health Homes Initiative	<u>\$ 325,000.00</u>
Total	\$3,714,272.00

**NOTICE OF PUBLIC HEARING
ON ORDINANCE NO. 5595 ADDING TITLE V,
CHAPTER 40 OF THE CITY OF MEMPHIS CODE OF ORDINANCES
CREATING A SPECIAL ASSESSMENT TO FUND THE
MEMPHIS TOURISM IMPROVEMENT DISTRICT**

NOTICE IS HEREBY GIVEN that the Council of the City of Memphis, Tennessee (the "City Council") has approved and ordained, Ordinance No. 5595, Title V, Chapter 40 thereby adding to the City of Memphis Code of Ordinances, as Section 5-40-1 the "Memphis Tourism Improvement District" (the "Ordinance"), that created the Memphis Tourism Improvement District (the "District") which will be funded by a special assessment levied on hotels within the boundaries of the City of Memphis (the "City") at the special assessment rate of \$2.00 per occupied room night (the "Assessment"). The City Council will hold a public hearing, as required under Tennessee Code Annotated, Section 7-32-105, on Tuesday, December 1, 2015 at 3:30 p.m. in the City Council Chambers located at 125 North Main Street, Memphis, Tennessee 38103, at which time there will be an opportunity for persons to express their views for or against the Assessment.

The Assessment will be used to fund the District and will generate funds dedicated to destination marketing. The Assessment is intended to provide supplemental funding for marketing programs above and beyond that currently provided and shall supplement existing hotel/motel occupancy tax funds dedicated to the Memphis Convention and Visitor's Bureau for marketing, advertising and promotion of the hospitality industry within the District and for no other purpose.

Further information concerning this public hearing can be obtained from Pat Black, City Treasurer, City of Memphis, Tennessee, 125 North Main Street, Memphis, Tennessee 38103, telephone number (901) 636-6316. Any person interested in the Assessment for the District or its purpose or use is invited to attend the public hearing (which may be continued or adjourned to a later date), and they will be given an opportunity to express their views both orally and in written form concerning the District or Assessment.

This Notice is given pursuant to the provisions of the Ordinance, Sections 8-44-101 to 8-44-108 inclusive, and Section 7-32-101 to 7-32-142 inclusive, of the Tennessee Code Annotated.

Brian Collins, Finance Director, City of Memphis, Tennessee



Memphis City Council Summary Sheet

Resolution appropriating Construction Funds for PW01240 STP Repaving Group 4.

- This project provides for street repaving under Surface Transportation Program.
- This project was initiated by the Public Works Division and is being administered by the Engineering Division.
- This project involves a new construction contract.
- This resolution appropriates funds identified in the FY 2016 CIP Budget as PW01240 STP Repaving Project Group 4 in order to execute the construction contract.
- The project funds originate from Surface Transportation Program. The Federal grant is for 80% of the cost and 20% by the City of Memphis.



RESOLUTION

This is a resolution to appropriate construction funds for STP Repaving Group 4, project number PW01240.

WHEREAS, the Council of the City of Memphis approved STP Repaving Group 4, project number PW01240 as part of the Public Works Fiscal Year 2016 Capital Improvement Budget; and

WHEREAS, the Council of the City of Memphis approved construction funds for complying bid at \$4,142,522.00 submitted by Lehman Roberts Company for street repaving under Surface Transportation Program; and

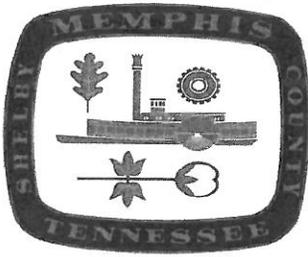
WHEREAS, it is necessary to appropriate 4,142,520.51 funded by 80% of Federal Grants CIP and 20% funded by G.O. Bonds for construction for STP Group 4 Resurfacing, project number PW01240 as follows:

Federal Grants CIP (80%)	\$3,314,017.00
G.O. Bonds (20%)	<u>\$328,505.00</u>
Total Amount	\$4,142,522.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the Fiscal Year 2016 Capital Improvement Budget be and is hereby amended by transferring an allocation of \$3,314,017.00 funded by 80% of Federal Grants CIP and \$328,505 G O Bonds – General (Public Works) from Contract Construction project number PW01199 STP Repaving Coverline to project number PW01240 STP Group 4 Resurfacing for street paving.

BE IT FUTHER RESOLVED, that there be and is hereby appropriated the sum of \$4,142,522.00 funded by Federal Grants CIP and G. O. Bonds – General (Public Works) chargeable to the FY 2016 Capital Improvement Budget and credited as follows:

Project Title	STP Group 4 Resurfacing
Project Number	PW01240
Total Amount	\$4,142,522.00



Memphis City Council Summary Sheet

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

Resolution to amend FY 16 CIP budget for an allocation transfer within the same project and to change the project description of an Engineering road project..

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

Finance Division

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

No change to an existing ordinance

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

No contract required

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

Budget amendment required



FY 2016 1st Quarter Clean-UP Resolution to adjust two CIP projects.

WHEREAS, two CIP projects have been identified for corrections; and

WHEREAS, 170 N. Main project GS01029 needs to reappropriate its budget; and

WHEREAS, The Sandbrook realignment project PW01260 as described in the FY 2016 CIP Budget Book requires a new description to better identify how A & E Funds will be spent,

NOW, THEREFORE BE IT RESOLVED that the allocation and appropriation of GS01029 be adjusted to move \$750k from construction to A & E,

BE IT FURTHER RESOLVED by the Council of the City of Memphis that the description of the Sandbrook project PW01029 is revised as follows;

This project will realign Sandbrook Street with the north-south extension of Springbrook Avenue that forms an intersection with Brooks Road **and provide for other access improvements for the Brookway Industrial Park.**



Memphis City Council Summary Sheet

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

This resolution amends the Fiscal Year 2016 CIP Budget by accepting Railroad Safety Improvement funds and establishing funding for Railroad Safety Improvements at Various Locations (EN01070)

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

This project is being initiated by the Division of Engineering.

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

This project does not involve a change to an existing ordinance or resolution.

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

This project does not require a new contract.

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

This project does require an amendment to the FY 2016 CIP Budget.

City Council Resolution Template



A Resolution to amend the Fiscal Year 2016 CIP Budget by accepting Railroad Safety Improvement funds from the Tennessee Department of Transportation (TDOT) and establishing funding for Railroad Safety Improvements at Various Locations (EN01070)

WHEREAS, the City of Memphis, Division of Engineering has received notification from the Tennessee Department of Transportation (TDOT) related to required safety improvements at various railroad crossing throughout the City; and

WHEREAS, the City of Memphis has entered into contracts with the Tennessee Department of Transportation (TDOT) to provide railroad safety improvements at (14) crossings; and

WHEREAS, under these contracts the Tennessee Department of Transportation has agreed to fund approximately 98% of the project cost, which is estimated at \$956,627.29, with the City providing approximately 2% in matching funds (\$19,584.30); and

WHEREAS, BNSF Railroad has agreed in writing to provide \$19,584.30 towards the City's local match requirement, which covers 100% of the local match; and

WHEREAS, it is necessary to accept the state funding and amend the Fiscal Year 2016 CIP Budget to establish funds for Railroad Safety Improvements at Various Locations (EN01070); and

WHEREAS, it is necessary to appropriate funding in the amount of Nine Hundred Fifty-Six Thousand, Six Hundred Twenty-Seven Dollars and 29/000 (\$956,627.29) for Railroad Safety Improvements at Various Locations(EN01070)

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that Railroad Safety Improvement funding in the amount of Nine Hundred Fifty-Six Thousand, Six Hundred Twenty-Seven Dollars and 29/000 (\$956,627.29) be accepted by the City of Memphis.

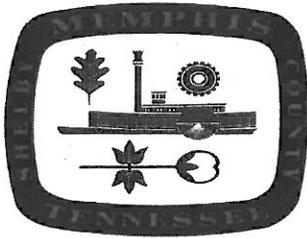
BE IT FURTHER RESOLVED, that the fiscal year 2016 CIP Budget be and is hereby amended by appropriating the Expenditures and Revenues for Railroad Safety Improvements at Various Locations in the amount of Nine Hundred Fifty-Six Thousand, Six Hundred Twenty-Seven Dollars and 29/000 (\$956,627.29) as follows:

Revenue

Tennessee Department of Transportation	\$937,042.99
BNSF Railroad	<u>\$19,584.30</u>
	\$956,627.29

Expenditure

Salaries Full Time	\$50,732.60
Contract Arc/Eng	\$153,510.00
<u>Contract Construction</u>	<u>\$752,384.69</u>
Total	\$956,627.29



Memphis City Council Summary Sheet

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

Resolution requesting appropriation of \$400,000 funded by GO Bond for project number PW01246, IP Infrastructure contract construction for public utility relocation.

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

Public Works Division is the initiating party of this resolution.

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

NA

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

NA

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

This resolution does require an expenditure of funds.



RESOLUTION

This is a resolution to appropriate GO Bond funds for the IP Infrastructure, project number PW01246 contract construction for public utility relocation.

WHEREAS, the Council of the City of Memphis approved IP Infrastructure, project number PW01246 as part of the Capital Improvement Budget; and

WHEREAS, it is necessary to amend the Fiscal Year 2016 Capital Improvement Budget by appropriating an allocation in the amount of \$400,000 in contract construction for IP Infrastructure, project number PW01246 for public utility relocation; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the Fiscal Year 2016 Capital Improvement Budget is hereby amended by appropriating \$400,000 in contract construction for IP Infrastructure, project number PW01246 for public utility relocation.



Memphis City Council Summary Sheet

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

Resolution appropriating an allocation in the amount of \$2,250,000 in contract construction for TN Brewery Infrastructure, project number PW01270 for public infrastructure around the building.

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

Public Works Division is the initiating party of this resolution.

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

NA

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

NA

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

This resolution does require an expenditure of funds.



RESOLUTION

This is a resolution to appropriate GO Bond funds for TN Brewery Infrastructure, project number PW01270 contract construction for public infrastructure.

WHEREAS, the Council of the City of Memphis approved TN Brewery Infrastructure, project number PW01270 as part of the Fiscal Year 2016 Capital Improvement Budget; and

WHEREAS, it is necessary to amend the Fiscal Year 2016 Capital Improvement Budget by appropriating an allocation in the amount of \$2,250,000 in contract construction for TN Brewery Infrastructure, project number PW01270 for public infrastructure around the building; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the Fiscal Year 2016 Capital Improvement Budget is hereby amended by appropriating \$2,250,000 in contract construction for public infrastructure improvements, project number PW01270.

Joint resolution organizing a grant program to rehabilitate tax dead properties.

WHEREAS, Blighted and vacant houses are a nuisance in Memphis; and

WHEREAS, tax dead properties are a piece of that problem; and

WHEREAS, the State of Tennessee recently approved a joint effort by the City of Memphis and Shelby County to make grant money available to non-profit community development corporations to make the rehabilitation of tax dead properties feasible.

NOW, THEREFORE BE IT RESOLVED that the Memphis City Council requests the implementation of the attached Antiblght Grant Program as approved by the State of Tennessee.

BE IT FURTHER RESOLVED that the program shall not be active until it also receives approval by the Shelby County Board of Commissioners.

Sponsor: Jim Strickland

CITY OF MEMPHIS AND SHELBY COUNTY GOVERNMENT
ANTI-BLIGHT GRANT PROGRAM

A. Grant Committee

A designated committee (“Grant Committee”) shall be created to review and verify eligibility of all potential grant applicants and shall consist of two Shelby County appointees, two City of Memphis appointees, and one dual appointee. The County appointees shall be appointed by the County Mayor and confirmed by majority vote of the County Commission. The City of Memphis appointees shall be appointed by the City Mayor and confirmed by majority vote of the City Council. The dual appointee shall be appointed jointly by both mayors and confirmed by both local legislative bodies. The Grant Committee will establish policies and procedures (the “Grant Program Policy”), will accept applications for participation in the blight reduction program (“Grant Program”), and will assess on a case by case basis which properties are eligible for the Grant Program.

The Grant Committee shall have the authority to choose a chair from among its members by majority vote and develop its own internal procedures. It shall report biannually to the County Commission and City Council on grants applied for and action taken thereon.

The aforementioned Grant Program budget shall not exceed \$200,000 each for the City and the County contribution in a given fiscal year for the entire five-year trial period.

B. Grant Committee Criterion

The aforementioned Grant Committee referenced in paragraph “A” shall exercise its discretion in a nondiscriminatory manner free from arbitrary or capricious decision-making. To that end, it shall, in the exercise of all due diligence, consider the following criteria in exercising its discretion:

- i) Whether the subject property satisfies all eligibility requirements as prescribed in the City of Memphis and Shelby County Grant Program Policy.
- ii) Whether the subject property is located in a designated “blighted area” and satisfies the meaning ascribed to that term in Title 13, Chapters 20 and 21 of the Tennessee Code.
- iii) Whether the implementation of the City and County’s grant program is compliant with the provisions and constitutional requirements of Article II, Section 28 of the Tennessee Constitution requiring equal and uniform taxation of property as provided in Tenn. Code Ann. Section 7-5-1903; and
- iv) The extent to which the amount of the grant involved is clearly justified in light of the expected blight abatement benefits; or creates cash flow problems for the issuing body; or otherwise reduces the ability of the Committee to issue grants regarding other properties with an equal or greater need for assistance; or otherwise serves the public interest.

C. Property Eligibility and Issuance of Grant

Property is eligible under this program if:

a. The fair market value of a parcel of real property, as determined by a neutral broker's price opinion¹, is less than the combined city and county property taxes, including any penalty and interest, plus any other liens on the parcel, AND

b. The current owner and any lien holders, with the exception of the City and County to the extent that they hold property tax liens on the parcel, consent to voluntarily donate the property and/or release all liens subject to participation in the Grant Program. For purposes of this provision, the City or County may release any liens on the property associated with code violations, mowing fees, or other cleanup costs; however, the City and County may not release their property tax liens on the parcel until such taxes are paid in accordance with Part D of this Grant Program.

Upon such conditions then:

c. The grant shall be issued by the City of Memphis and Shelby County for a combined amount not to exceed \$10,000.00 to the eligible owner willing to take title to the "Blighted Property" and make repairs to it in conformance with the Grant Program.

d. Prior to the release of any Grant Program funds, the CDC shall pay all funds pledged for the payment of taxes into escrow. If and when the Grant Program funds are approved and paid to the CDC, the funds in escrow shall be used to pay all delinquent city and/or county property taxes on the property. If, for any reason, Grant Program funds are not paid to the CDC, or the CDC is otherwise determined to be ineligible to receive Grant funds, the funds in escrow shall be returned to the CDC.

D. Program Beneficiary Eligibility

Grants may only be issued to non- profit Community Development Corporations which (1) are lawfully organized and in good standing with the State of Tennessee; (2) have demonstrated financial capacity to maintain and/or develop the property; (3) have demonstrated their ability to pay and have pledged to pay all delinquent city or county property taxes on the property sought to be acquired; all such pledged funds shall be paid into escrow for taxes prior to the release of any Grant Program funds; and (4) are not delinquent on any city or county real or personal property taxes as to any other properties owned by the CDC.

E. Program Conditions

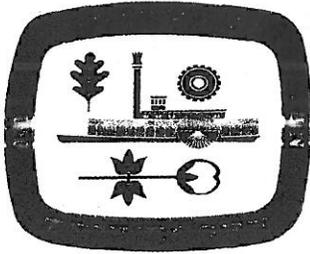
a. The City and County shall impose a lien on the Blighted Property, equal to the amount of the respective grants. The liens shall be released at the end of two years if and only if there are no unresolved code violations, the Blighted Property remains occupied and maintained during the two-year period (after a six-month startup period), and the property is current on all city and county taxes.

b. Vacancy or unresolved code violations for more than 60 days will be identified as events of default in the mortgage lien. Blighted Property must be completely in conformance with all applicable codes within 12 months of acquisition.

c. Blighted Property may be conveyed subject to the forgivable mortgage lien upon approval by the Grant Committee.

d. A program limit of not more than 300 properties are eligible during the five-year trial period.

¹ A neutral broker's price opinion is the most affordable and commonly used indicator of actual market value in distressed and blighted communities.



Memphis City Council Summary Sheet

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

This resolution is to provide \$45,000 in grant funds to Clean Memphis to provide educators and curriculum middle/high students which integrates concepts related to waste reduction, recycling and reuse into state standards for education.

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

Public Works Division

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

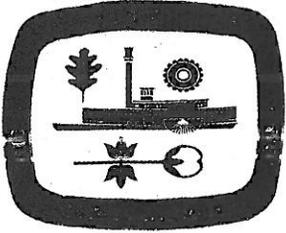
This is not a change to an existing ordinance. Instead it is a part of an education initiative by Public Works/Solid Waste to promote recycling and responsible waste disposal.

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

A new grant with Clean Memphis will be required.

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

This requires an expenditure of funds from the FY2016 Solid Waste Operating budget in the amount of \$45,000.



Resolution providing grant funds from the City of Memphis Solid Waste Program to Clean Memphis

WHEREAS, it is vital to the development of a sustainable waste collection system within the City of Memphis ("City") that curbside waste be diverted, recycled and reused;

WHEREAS, the City of Memphis is committed to responsible waste management and in accordance with the Tennessee Department of Environment and Conservations' 2025 Solid Waste Management Plan, has an obligation to reduce, redirect, reuse, and recycle 25% of waste generated within the City of Memphis limits;

WHEREAS, Clean Memphis, a grassroots 501(c)(3) organization founded in 2008 by a group of concerned citizens with the belief that a cleaner City reduces crime, promotes a sense of pride in community, and cultivates economic prosperity, receives funding from private donations and Shelby County to educate the public on the benefits of a cleaner community;

WHEREAS, Clean Memphis has proposed a comprehensive waste reduction outreach program that reinforces recycling and waste reduction by incorporating recycling concepts into common core curriculum and hands on activities inside the classroom and in the communities adjacent to each school;

WHEREAS, the City of Memphis Solid Waste Management Department will make available Forty-Five Thousand Dollars (\$45,000) to Clean Memphis in FY 2016 to fund such initiative;

WHEREAS, Clean Memphis will further utilize these funds to perform public outreach and educate children on the impact improper waste disposal has within their neighborhoods, the City of Memphis, and the world as a whole;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Memphis hereby authorizes the City of Memphis Solid Waste Management Department to provide Clean Memphis funding in the amount of \$45,000 subject to the availability of funding;

BE IT FURTHER RESOLVED that, such funding shall be provided from the Solid Waste Management Department's Operating Budget and that such funding shall be used solely for the purpose of funding responsible waste disposal initiatives targeting middle and high school students and the communities in which they live;

BE IT FURTHER RESOLVED that, in the event Clean Memphis fails to use the funding solid waste management initiatives as authorized by City, such funding shall be returned to the City of Memphis.