City of Bartlett

A. Keith McDonald, Mayor

BOARD OF MAYOR AND ALDERMEN MEETING AGENDA

TUESDAY, JUNE 3, 2014 - COUNCIL CHAMBER - 7:00 PM

UNFINISHED BUSINESS

1 Second Reading of Ordinance 14-06, an ordinance to adopt the 2014-2015 General Purpose School Budget. (Dick Phebus, Director of Finance)

NEW BUSINESS

1 Resolution 18-14, a resolution authorizing the issuance, sale, and payment of revenue anticipation notes not to exceed $10,000,000. (Dick Phebus, Director of Finance)

2 Recommendations for employee health insurance and other voluntary benefit plans. (Peter Voss, Director of Personnel)

ADJOURNMENT

Board of Mayor and Aldermen
6400 Stage Road
Bartlett, TN 38134

SCHEDULED

ORDINANCE (ID # 1256)

Meeting: 06/03/14 07:00 PM
Department: Finance
Category: Budget
Prepared By: Dick Phebus
Initiator: Dick Phebus
Sponsors:
DOC ID: 1256 A

Ordinance 14-06, an ordinance to adopt the 2014-2015 General Purpose School Budget.

SECTION 1: BE IT ORDAINED by the Board of Mayor and Aldermen of the City of Bartlett that the following appropriations for the 2014-2015 Fiscal Year for the City of Bartlett General Purpose School Fund are as follows:

	Fiscal Year 14/15
GENERAL PURPOSE SCHOOL FUND EXPENDITURES:	**$ 71,397,213**
GENERAL PURPOSE SCHOOL FUND REVENUES:	**$71,397,213**

SECTION 2: OPERATING BUDGET EXPIRES AT JUNE 30 -- BE IT FURTHER ORDAINED that Operating budgets not spent or formally encumbered expires at June 30, 2015.

SECTION 3: REVENUE ANTICIPATION NOTES - BE IT FURTHER ORDAINED, that should revenue anticipation note proceeds be required in the General Purpose School Fund for cash flow purposes during the fiscal year, any amounts borrowed by the City of Bartlett on behalf of the Bartlett City Board of Education and transferred to the General Purpose School Fund by the Bartlett General Fund shall be reported as a fund liability in the General Purpose School Fund and shall be repaid to the Bartlett General Fund no later than June 30, 2015.

SECTION 4: NO APPROPRIATION EXCEEDED -- BE IT FURTHER ORDAINED, that no appropriation listed above may be exceeded without appropriate ordinance action to amend the budget.

SECTION 5: DETAILED LINE-ITEM -- BE IT FURTHER ORDAINED, that a detailed line-item financial plan shall be prepared in support of the budget.

SECTION 6: SEVERABILITY -- BE IT FURTHER ORDAINED, that all Ordinances heretofore passed in conflict herewith are hereby repealed insofar as they are in conflict with this Ordinance.

SECTION 7: EFFECTIVE DATE -- BE IT FURTHER ORDAINED that this Ordinance shall become effective July 1, 2014.

FIRST READING: May 27, 2014

SECOND READING: June 3, 2014

THIRD READING: June 10, 2014

W.C. Pleasant, Register to the Board of Mayor and Aldermen

A. Keith McDonald, Mayor

Attest: ______________________________
Stefanie McGee, City Clerk

HISTORY:

05/27/14 Board of Mayor and Aldermen APPROVED ON FIRST READING
Next: 06/03/14

Board of Mayor and Aldermen
6400 Stage Road
Bartlett, TN 38134

ADOPTED

RESOLUTION 06-14

Meeting: 06/03/14 07:00 PM
Department: Finance
Category: Budget
Prepared By: Dick Phebus
Initiator: Dick Phebus
Sponsors:
DOC ID: 1260

Resolution 18-14, a resolution authorizing the issuance, sale, and payment of revenue anticipation notes not to exceed $10,000,000.

WHEREAS, the Governing Body of Bartlett, Tennessee, (the "Local Government") has determined that it is necessary and desirable to borrow a limited amount of funds to meet appropriations made for the Bartlett City Board of Education (the "School System")for the current fiscal year, being July 1, 2014, through June 30, 2015, inclusive, (the "Fiscal Year"), in anticipation of the collection of revenues for the School System during the Fiscal Year; and

WHEREAS, under the provisions of Part I, IV, and VIII of Title 9, Chapter 21, Tennessee Code Annotated (the "Act"), local governments in Tennessee are authorized to issue and sell interest-bearing revenue anticipation notes in amounts not exceeding [(estimated annual expenses x 5 percent) + highest estimated monthly deficit)] for the Fiscal Year upon the approval of the State Director of Local Finance; and

WHEREAS, the Governing Body finds that it is advantageous to the Local Government to authorize the issuance and sale of revenue anticipation notes;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Mayor and Aldermen of Bartlett, Tennessee, as follows:

Section 1. That, for the purpose of providing funds to meet certain appropriations for the Fiscal Year, the Chief Executive Officer of the Local Government is hereby authorized in accordance with the terms of this Resolution to issue and sell interest-bearing revenue anticipation notes in a principal amount not to exceed Ten Million Dollars ($10,000,000) (the "Notes") at either a competitive public sale or at a private negotiated sale upon approval of the State Director of Local Finance pursuant to the terms, provisions, and conditions permitted by law. The Notes shall be designated "Revenue Anticipation Notes, Series 2014"; shall be numbered serially from 1 upwards; shall be dated as of the date of issuance; shall be in denomination(s) as agreed upon with the purchaser; shall be sold at not less than par value and accrued interest; and shall bear interest at a rate or rates not to exceed three percent (3.0%) per annum, and in no event shall the rate exceed the legal limit provided by law.

Section 2. That, the sum of the principal amount of the Notes, together with the principal amount or amounts of any prior revenue anticipation notes issued during the Fiscal Year, does not exceed [(estimated annual expenses x 5 percent) + highest estimated monthly deficit)] for the Fiscal Year.

Section 3. That, the Notes may be renewed from time to time and money may be borrowed from time to time for the payment of any indebtedness evidenced by the Notes; provided, that the Notes and any renewal notes shall mature and be paid in full without renewal on or before the end of the Fiscal Year. If the Local Government overestimates the amount of revenue collected for the Fiscal Year and it becomes impossible to retire the Notes and all renewal notes prior to the close of the Fiscal Year, then the Local Government shall apply to the State Director of Local Finance within ten (10) days prior to the close of the Fiscal year for permission to issue funding bonds to cover the unpaid Notes in the manner provided by Title 9, Chapter 11 of Tennessee Code Annotated or as otherwise provided for in a manner approved by the State Director of Local Finance.

Section 4. That, the Notes shall be secured solely by the receipt of revenues by the City of Bartlett during the Fiscal Year.

Section 5. That, the Notes may be subject to redemption at the option of the Local government, in whole or in part, at any time, at the principal amount and accrued interest to the date of redemption without a premium.

Section 6. That, the Notes shall be executed in the name of the City of Bartlett and bear the manual signature of the Mayor of the City and the manual signature of the Chief Administrative Officer with the City's seal affixed thereon; and shall be payable as to principal and interest at the office of the City of Bartlett. Proceeds of the Notes shall be deposited with the City of Bartlett and should be paid out for the purpose of meeting School System appropriations made for the Fiscal Year in anticipation of the collection of revenues pursuant to this Resolution and as required by law.

Section 7. That, the Notes shall be in substantially the form attached hereto and shall recite that the notes are issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated.

Section 8. That the Notes shall be sold only after the receipt of the approval of the State Director of Local Finance for the sale of the Notes.

Section 9. That, 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.

Duly passed and approved this 3rd day of June, 2014.

W.C. Pleasant, Register to the
Board of Mayor and Aldermen

A. Keith McDonald, Mayor

Mark Brown, Chief Administrative Officer

ATTESTED:

Stefanie McGee, City Clerk

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	David Parsons, Alderman
SECONDER:	Emily Elliott, Alderman
AYES:	Elliott, Parsons, Simmons, Young, Sedgwick

Board of Mayor and Aldermen
6400 Stage Road
Bartlett, TN 38134

REVIEWED

AGENDA ITEM

Meeting: 06/03/14 07:00 PM
Department: Personnel
Category: Agreement
Prepared By: Stefanie McGee
Department Head: Peter Voss

Recommendations for employee health insurance and other voluntary benefit plans.

After several discussions with our benefits consultant, Sherrill Morgan, and all the various benefit providers, we are proposing to make the following changes to our employee benefit program:

1. Enter the newly formed Municipal School Districts of Shelby County Health Insurance Pool. By becoming a member of this large self-insured pool, we can expect to see stabilization in our premium rates. Our employees will have the option to select from 4 different plan designs. The City's funding level will remain the same as our current year.

2. Change our Dental insurance carrier from Delta Dental to MetLife. MetLife was selected by the School Districts as their dental insurance carrier. MetLife's plan design will have two plan options. Employees will be able to select the plan that is best for them. The City will see some savings as the basic plan is less expensive than our current plan with Delta Dental.

3. Keep our current Vision plan provider, Davis Vision, but change to the plan design offered to the School Districts. The plan being offered to the School Districts has better benefits at a slightly better price. Since this is a voluntary benefit, there is no cost to the City.

4. Renew our Voluntary Long Term Disability plan with Standard Insurance. The renewal rate is $33.92 per month which is $1.58 higher than our current rate. There is a 2 year rate guarantee. Since this is a voluntary benefit, there is no cost to the City.

5. Change our Term Life insurance carrier to MetLife. MetLife is proposing a benefit of 2 times annual salary for basic and Accidental Death. Their rate for this benefit will be $0.199 per $1000 of coverage. Our current benefits are 1 times annual salary for basic and Accidental Death with a rate of $0.332 per $1000. There will be an increase in our overall premium of approximately $1,500 per month. We feel this increase is justified in the increased benefit that we will be able to provide to our employees. The current retirees will receive the same benefit that they currently have at no increase in cost.

6. We recommend that we change our Supplemental insurance provider to American Fidelity. The School Districts have selected this provider as well. In addition to the products that they will be able to sell, Cancer Insurance, Accident Only Insurance and Critical Illness Insurance, they will also manage our section 125 plan (pre-tax cafeteria plan) at no cost. They can also administer Flexible Spending Accounts, Health Savings Accounts and have offered to set up their Enrollment Solutions software to assist with

enrolling new employees into the various benefit plans we offer. They will do this at no cost as well. Our employees, who currently have payroll deductions for AFLAC products, will be able to continue their deductions; however, AFLAC will not be allowed to sell their insurance plans to employees after June 30, 2014.

7. We recommend that we continue with our EAP (Employee Assistance Program) provider, Concern EAP. Concern has agreed to lower our rate to match the School District's rate. This will provide a savings of approximately $1500 per year. This rate will be good for 2 more years.

Thank you for your consideration of these items. I will be happy to discuss this with you if you have any questions.