

## **RESOLUTION**

**WHEREAS**, the Administration implemented successful cost saving measures and revenue programs across the General Fund operations in Fiscal Year 2011 ; and

**WHEREAS**, the cost savings measures and revenue programs generated an operating surplus of \$5.5 million for Fiscal Year 2011; and

**WHEREAS**, the employees' commitment and sacrifice contributed greatly toward attaining the operating surplus in FY 2011, and continues to play a part in FY 2012 with the 4.6% salary reduction currently in effect; and

**WHEREAS**, the Administration understands the contributions that employees have made to obtaining successful financial results; and

**WHEREAS**, the Administration feels that employees should share in the FY 2011 financial success; and

**WHEREAS**, the Administration has reviewed the impact of a one – time employee bonus on the unassigned financial reserves; and

**WHEREAS**, the Administration finds that a one-time bonus payout of no less than \$600 or 1.5% of annual base salary, whichever is greater, will not exceed the FY 2011 General Fund operating surplus and therefore will not negatively impact the General Fund unassigned fund balance; and

**WHEREAS**, the City of Memphis seeks to amend the FY2012 Operating Budget to appropriate funds and authorize a one-time Bonus Payout to eligible city employees on the December 22, 2011 payroll; and

**WHEREAS**, the Administration recommends a one-time bonus payout of no less than \$600 or 1.5% of annual base salary, whichever is greater, to all permanent, full – time employees hired on or before June 30, 2011, who are actively employed as of December 22, 2011; and

**WHEREAS**, the General Fund cost will be approximately \$4,529,800 and the cost for all other funds will be approximately \$842,700;

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of Memphis that the Fiscal Year 2012 Operating Budgets of the General Fund and all other impacted Funds are hereby amended to provide for a one-time bonus payout of no less than \$600 or 1.5% of annual base salary, whichever is greater, to all permanent, full –time employees hired on or before June 30, 2011, and are actively employed as of December 22, 2011; and

**BE IT FURTHER RESOLVED**, that the payout be executed on December 22, 2011, or as soon thereafter as practical.