



NEW ISSUE - BOOK-ENTRY ONLY

RATINGS: See "RATINGS" herein.

This front cover page contains limited information for quick reference only. It is not a summary of the matters relating to the Series 2024B Bonds described herein. Potential investors must read this entire Official Statement (including this front cover page, the inside cover page and all appendices attached hereto) to obtain information essential to the making of an informed investment decision.



\$91,750,000*
CITY OF MEMPHIS, TENNESSEE,
GENERAL IMPROVEMENT REFUNDING BONDS,
SERIES 2024B

Dated: Date of Delivery**Due: On the dates shown on the inside cover page****Tax Treatment:**

In the opinion of Co-Bond Counsel, under existing laws, regulations, rulings, and judicial decisions and assuming the accuracy of certain representations and continuous compliance with certain covenants described herein, interest on the Series 2024B Bonds (as defined herein) is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Series 2024B Bonds (the "Code"). Interest on the Series 2024B Bonds is not a separate tax preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022. Co-Bond Counsel is further of the opinion that, under existing law, the Series 2024B Bonds and the income therefrom shall be free from all state, county and municipal taxation in the State of Tennessee, except inheritance, transfer and estate taxes, and Tennessee franchise and excise taxes. For a more complete description, see "TAX MATTERS" herein.

Authority for Issuance:

The \$91,750,000* in aggregate principal amount of City of Memphis, Tennessee, General Improvement Refunding Bonds, Series 2024B (the "Series 2024B Bonds"), are being issued by the City of Memphis, Tennessee (the "City") pursuant to, among other things, the Bond Resolution adopted by the City Council of the City on May 21, 2024 (the "Bond Resolution").

Terminology:

All capitalized terms used in this Official Statement and not otherwise defined herein will have the meanings ascribed to such terms in the Bond Resolution.

Purpose:

The proceeds of the Series 2024B Bonds will be used to: (a) fund a refunding trust fund in an amount sufficient, together with other funds of the City that may be deposited, to redeem all or a portion of the City's General Improvement and Refunding Bonds, Series 2012A; General Improvement Refunding Bonds, Series 2014A; General Improvement Refunding Bonds, Series 2014B; General Improvement Bonds, Series 2015C; and General Improvement Bonds, Series 2016 (collectively, the "Refunded Bonds")* no more than ninety (90) days from the date of issuance of the Series 2024B Bonds, for the purpose of achieving debt service savings; and (b) pay certain costs of issuance related to the Series 2024B Bonds. See "Plan of REFUNDING" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Book-Entry-Only System:

The Series 2024B Bonds will be issued only in fully registered form, without coupons, in authorized denominations of \$5,000 or any integral multiple thereof equal to the principal amounts shown on the inside cover page of this Official Statement and initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2024B Bonds. Purchases of beneficial ownership interests in the Series 2024B Bonds will be made in book-entry form only and purchasers will not receive physical delivery of certificates representing their beneficial ownership interests in the Series 2024B Bonds unless the book-entry-only system is discontinued. See "BOOK-ENTRY-ONLY SYSTEM" herein.

Payment Dates:

The Series 2024B Bonds will bear interest and mature on the dates set forth on the inside cover pages of this Official Statement. Interest on the Series 2024B Bonds is payable semiannually on April 1 and October 1 of each year, commencing October 1, 2024.* Principal of the Series 2024B Bonds is payable on April 1, 2025, and October 1, 2025, and is thereafter payable annually on April 1, as set forth on the inside cover*. Payments of principal of and interest on the Series 2024B Bonds will be made to purchasers of beneficial interests in the Series 2024B Bonds by DTC Participants (as defined herein). See "THE SERIES 2024B BONDS" herein.

Sources of Payment:

The Series 2024B Bonds are direct obligations of the City and the City has pledged its full faith and credit and unlimited taxing power as to all taxable property in the City to the punctual payment of the principal of and interest on the Series 2024B Bonds. The City has agreed to levy and collect a tax sufficient to pay the principal of and interest on the Series 2024B Bonds as the same shall become due, in addition to all other taxes authorized or allowed by law. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024B BONDS" herein and "APPENDIX A - GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE" attached hereto.

Redemption:

The Series 2024B Bonds are subject to redemption prior to maturity as more fully described herein. See "THE SERIES 2024B BONDS - Redemption Provisions" herein.

*The Series 2024B Bonds are being offered when, as and if issued by the City and received by the Underwriters (as defined herein), subject to prior sale and to withdrawal or modification of the offer without notice, and subject to the approving opinions of Ahmad Zaffarese LLC, Memphis, Tennessee, and Carpenter Law, PLLC, Memphis, Tennessee, as Co-Bond Counsel to the City. Certain legal matters will be passed upon for the City by Tannera Gibson, Chief Legal Officer / City Attorney. Certain legal matters will be passed upon for the City by Bass, Berry & Sims PLC, Nashville, Tennessee, and Bruce Law, PLLC, Memphis, Tennessee, as Co-Disclosure Counsel. PFM Financial Advisors LLC, Memphis, Tennessee, and CLB Porter LLC, Memphis, Tennessee, are serving as Co-Financial Advisors to the City for the issuance of the Series 2024B Bonds. Certain legal matters will be passed upon for the Underwriters by Buller Snow LLP, Memphis, Tennessee, as Underwriters' Counsel. The Series 2024B Bonds are expected to be delivered through the book-entry-only system of DTC on or about August 14, 2024.**

Siebert Williams Shank & Co., LLC

Loop Capital Markets

Ramirez & Co., Inc.

Raymond James

_____, 2024

* Preliminary; subject to change.

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,
PRICES, YIELDS AND CUSIP NUMBERS[†]**

\$91,750,000*

**CITY OF MEMPHIS, TENNESSEE,
GENERAL IMPROVEMENT REFUNDING BONDS,
SERIES 2024B**

<u>Maturity*</u>	<u>Principal Amount*</u>	<u>Interest Rate (%)</u>	<u>Yield (%)</u>	<u>Price (%)</u>	<u>Initial CUSIP No.[†]</u>
4/1/2025	\$2,795,000				
10/1/2025	3,595,000				
4/1/2026	6,280,000				
4/1/2027	355,000				
4/1/2028	375,000				
4/1/2029	390,000				
4/1/2030	410,000				
4/1/2031	435,000				
4/1/2032	455,000				
4/1/2033	3,320,000				
4/1/2034	500,000				
4/1/2035	3,510,000				
4/1/2036	555,000				
4/1/2037	580,000				
4/1/2038	610,000				
4/1/2039	640,000				
4/1/2040	670,000				
4/1/2041	14,670,000				
4/1/2042	15,400,000				
4/1/2043	15,390,000				
4/1/2044	16,160,000				
4/1/2045	4,655,000				

[†] Copyright, American Bankers Association (the "ABA"). Initial CUSIP data herein are provided by CUSIP Global Services, which is managed on behalf of the ABA by S&P Global Market Intelligence, a division of S&P Global Inc. The CUSIP numbers listed above are being provided solely for the convenience of purchasers of the Series 2024B Bonds only at the time of issuance of the Series 2024B Bonds and the City makes no representation with respect to such numbers nor undertakes any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2024B Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2024B Bonds.

* Preliminary, subject to change.

**CITY OF MEMPHIS, TENNESSEE
ELECTED OFFICIALS**

Mayor

Paul A. Young

City Council

JB Smiley, Jr., Chair

J. Ford Canale, Vice Chair

Chase Carlisle

Yolanda Cooper-Sutton

Michalyn Easter-Thomas

Edmond Ford, Sr.

Jerri Green

Rhonda Logan

Philip Spinosa

Jana Swearengen-Washington

Pearl Eva Walker

Dr. Jeff Warren

Janika White

CHIEF EXECUTIVES

Walter O. Person..... Interim Chief Financial Officer
Antonio M. Adams..... Interim Chief Operating Officer
Cerelyn C.J. Davis Interim Chief of Police Services
Penelope Huston Chief Communications Officer
Tannera Gibson..... Chief Legal Officer/City Attorney
Fonda Fouché..... Chief Human Resources Officer

DIRECTORS

Melvin Jamerson..... Interim Director of General Services
Manny Belen, P.E. Director of Engineering
Ashley Cash Director of Housing and Community Development
Eric Keane..... Chief Information Officer
Robert Knecht..... Director of Public Works
Keenon McCloy Director of Libraries
Philip Davis..... Director of Solid Waste
Gina Y. Sweat Director of Fire Services
Nick Walker..... Director of Parks and Neighborhoods
John Zeanah Director of Planning and Development

CONSULTANTS TO THE CITY

Co-Bond Counsel

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Memphis, Tennessee

Carpenter Law, PLLC
Memphis, Tennessee

Co-Disclosure Counsel

Bruce Law, PLLC
Memphis, Tennessee

Bass Berry & Sims PLC
Nashville, Tennessee

Co-Financial Advisors

PFM Financial Advisors LLC
Memphis, Tennessee

CLB Porter LLC
Memphis, Tennessee

External Auditors

Banks, Finley, White & Co.
Memphis, Tennessee

This Official Statement does not constitute a contract between the City or the Underwriters and any one or more owners of the Series 2024B Bonds, nor does it constitute an offer to sell or the solicitation of an offer to buy the Series 2024B Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer in such jurisdiction.

No dealer, salesman or any other person has been authorized by the City or the Underwriters to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering of the Series 2024B Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by the City or any other person. The information and expressions of opinion in this Official Statement are subject to change without notice, and this Official Statement speaks only as of its date. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create the implication that there has been no change in the matters described herein since the date hereof. Except as otherwise indicated, the information contained in this Official Statement, including in the appendices attached hereto, has been obtained from representatives of the City and from public documents, records and other sources considered to be reliable.

The Underwriters have provided the following sentence for inclusion in the Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE CITY FOR PURPOSES OF RULE 15c2-12 ISSUED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15c2-12(b)(1).

IN CONNECTION WITH THE OFFERING OF THE SERIES 2024B BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2024B BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2024B BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2024B BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE SERIES 2024B BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2024B BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

In making an investment decision, investors must rely on their own examination of the City and the terms of the offering, including the merits and risks involved. The Series 2024B Bonds have not been recommended by any federal or state securities commission or regulatory authority. Any representation to the contrary may be a criminal offense.

The order and placement of information in this Official Statement, including the appendices attached hereto, are not an indication of relevance, materiality or relative importance and this Official Statement, including the appendices attached hereto, must be read in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provision or section in this Official Statement.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for any purpose, including for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

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OFFICIAL STATEMENT

relating to

\$91,750,000*

CITY OF MEMPHIS, TENNESSEE, GENERAL IMPROVEMENT REFUNDING BONDS, SERIES 2024B

INTRODUCTION

General

The purpose of this Official Statement, which includes the front cover page, the inside cover page and the appendices attached hereto, is to provide certain information in connection with the issuance and sale by the City of Memphis, Tennessee (the "City"), of \$91,750,000* in aggregate principal amount of its General Improvement Refunding Bonds, Series 2024B (the "Series 2024B Bonds"). See "INTRODUCTION - Authority for Issuance" herein.

This Introduction is not a summary of this Official Statement and is intended only for quick reference. It is only a brief description of and guide to, and is qualified in its entirety by reference to, the more complete and detailed information contained in this entire Official Statement, including the front cover page, the inside cover page and the appendices attached hereto, and the documents summarized or described herein. A full review should be made of this entire Official Statement and of the documents summarized or described herein, if necessary. The offering of the Series 2024B Bonds to potential investors is made only by means of this entire Official Statement, including the front cover page, the inside cover page and the appendices attached hereto. No person is authorized to detach this Introduction from this Official Statement or to otherwise use it without the entire Official Statement, including the front cover page, the inside cover page and the appendices attached hereto.

All capitalized terms used and not otherwise defined herein shall have the meanings assigned thereto in the hereinafter defined Bond Resolution.

The City

The City is a municipal corporation organized under the laws of the State of Tennessee (the "State"). The City is located on the east bank of the Mississippi River in the southwest corner of the State. The City is the State's largest city not having a metropolitan form of government and is the county seat of Shelby County, Tennessee (the "County"). For information regarding the economics, demographics and governance of the City, see "THE CITY" herein and "APPENDIX A - GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE" attached hereto.

* Preliminary; subject to change.

Authority for Issuance

The Series 2024B Bonds are being issued pursuant to the Constitution and statutes of the State, including the provisions of the Local Government Public Obligations Act of 1986, as amended, codified as Title 9, Chapter 21, Tennessee Code Annotated (the "Act") and, among other things, that certain resolution duly adopted by the City Council of the City (the "City Council") on May 21, 2024 (the "Bond Resolution").

Purpose of the Series 2024B Bonds

The proceeds of the Series 2024B Bonds will be used to: (a) fund a refunding trust fund in an amount sufficient, together with other funds of the City that may be deposited, to redeem all or a portion of the City's General Improvement and Refunding Bonds, Series 2012A; General Improvement Refunding Bonds, Series 2014A; General Improvement Refunding Bonds, Series 2014B; General Improvement Bonds, Series 2015C; and General Improvement Bonds, Series 2016 (collectively, the "Refunded Bonds")* no more than ninety (90) days from the date of issuance of the Series 2024B Bonds, for the purpose of achieving debt service savings; and (b) pay certain costs of issuance related to the Series 2024B Bonds. See "PLAN OF REFUNDING" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Description of the Series 2024B Bonds

The Series 2024B Bonds will bear interest and mature on the dates set forth on the inside cover page of this Official Statement. Interest on the Series 2024B Bonds is payable semiannually on April 1 and October 1 of each year, commencing October 1, 2024*. Principal of the Series 2024B Bonds is payable on April 1, 2025, and October 1, 2025, and is thereafter payable annually on April 1, as set forth on the inside cover*. Payments of principal of and interest on the Series 2024B Bonds will be made to purchasers of beneficial interests in the Series 2024B Bonds by DTC Participants (as defined herein).

The Series 2024B Bonds will be issued only in fully registered form, without coupons, in authorized denominations of \$5,000 or any integral multiple thereof equal to the principal amounts shown on the inside cover page of this Official Statement and initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2024B Bonds. Purchases of beneficial ownership interests in the Series 2024B Bonds will be made in book-entry form only and purchasers will not receive physical delivery of certificates representing the beneficial ownership interests in the Series 2024B Bonds unless the book-entry-only system is discontinued. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Series 2024B Bonds are subject to redemption prior to maturity. See "THE SERIES 2024B BONDS - Redemption Provisions" herein.

For a more complete description of the Series 2024B Bonds, see "THE SERIES 2024B BONDS" herein.

* Preliminary, subject to change.

Security and Sources of Payment for the Series 2024B Bonds

The Series 2024B Bonds are direct obligations of the City and the City has pledged its full faith and credit and unlimited taxing power as to all taxable property in the City to the punctual payment of the principal of and interest on the Series 2024B Bonds. The City has agreed to levy and collect a tax sufficient to pay the principal of and interest on the Series 2024B Bonds, as the same shall become due, in addition to all other taxes authorized or allowed by law. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024B BONDS" herein and "APPENDIX A - GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE" attached hereto.

Paying Agent and Registrar

Regions Bank, Nashville, Tennessee, will act as the initial paying agent and registrar for the Series 2024B Bonds (in that capacity, the "Paying Agent and Registrar").

Continuing Disclosure

In order to assist the Underwriters (as defined herein) in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "SEC") promulgated pursuant to the Securities Exchange Act of 1934, as amended, as in effect on the date hereof (the "Rule"), simultaneously with the issuance of the Series 2024B Bonds, the City will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement") with Digital Assurance Certification, L.L.C. ("DAC") for the benefit of the Beneficial Owners (as defined herein), under which the City will provide continuing disclosure with respect to the Series 2024B Bonds. The City has designated DAC as the initial disclosure dissemination agent in the Disclosure Agreement. The annual continuing disclosure report and notices of certain enumerated events (as described in the Disclosure Agreement) will be filed by DAC, on behalf of the City, with the repository designated by the SEC, presently the Municipal Securities Rulemaking Board (the "MSRB"), through the Electronic Municipal Market Access system ("EMMA") in an electronic format prescribed by the MSRB. See "CONTINUING DISCLOSURE" herein and "APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto.

Other Information

This Official Statement speaks only as of its date and the information contained herein is subject to change.

This Official Statement, including the front cover page, the inside cover page and the appendices attached hereto, contain brief descriptions of, among other matters, the City, the Series 2024B Bonds, the security and sources of payment for the Series 2024B Bonds, the Refunded Bonds, the Bond Resolution and the Disclosure Agreement. Such descriptions and information do not purport to be comprehensive or definitive. The summaries of various constitutional provisions, statutes, the Bond Resolution, the Series 2024B Bonds, the Disclosure Agreement and other documents are intended as summaries only and are qualified in their entirety by reference to such documents. References herein to the Series 2024B Bonds are qualified in their entirety to the form thereof included in the Bond Resolution. Copies of the Bond Resolution, the Disclosure Agreement and other relevant documents and information are available, upon written request and

payment of a charge for copying, mailing and handling, from Mr. André D. Walker, Deputy Chief Financial Officer of the City, 125 North Main Street, Room 368, Memphis, Tennessee 38103, (901) 636-6324.

THE CITY

The City is located on the east bank of the Mississippi River in the southwest corner of the State. The City is the State's largest city not having a metropolitan form of government and is the county seat of the County. The City currently occupies a land area of approximately 315 square miles and had an estimated population of 621,056 as of 2023, according to the United States Census Bureau.

The City was incorporated as a city in 1826. The City operated under a commission form of government from 1909 until January 1, 1968. At that time, a mayor-council form of government was established. The City Council is composed of thirteen representative citizens who are elected for four-year terms with a limit of two terms. Six council members are elected at large in multi-member districts, the territorial boundaries of which are determined by dividing the City in half with each multi-member district having three council member numbered positions. Single member districts, numbered 1-7, elect the remaining seven council members. The City Council elects its own chairperson, exercises legislative powers, approves budgets and establishes the tax rate. The Mayor is elected to a four-year term with a limit of two terms. The Mayor carries out the policies of the City and, with City Council approval, appoints City board members, officers and division directors. The Mayor may veto an action of the City Council, but a simple majority can override any veto.

The current fiscal year of the City is the 12-month period beginning on July 1 and ending on June 30 (a "Fiscal Year").

For additional information regarding the City, see "APPENDIX A – GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE" and certain financial and statistical information relating to the City set forth in the Annual Comprehensive Financial Report of the City for the Fiscal Year Ended June 30, 2023 (the "2023 Audited Financial Statements"), an electronic link to which is set forth in "APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE CITY OF MEMPHIS, TENNESSEE FOR THE FISCAL YEAR ENDED JUNE 30, 2023" attached hereto.

PLAN OF REFUNDING

The proceeds of the Series 2024B Bonds will be used to: (a) fund a refunding trust agreement in an amount sufficient, together with other funds of the City that may be deposited, to redeem all or a portion of the Refunded Bonds no more than ninety (90) days from the date of issuance of the Series 2024B Bonds, for the purpose of achieving debt service savings; and (b) pay certain costs of issuance related to the Series 2024B Bonds. The Refunded Bonds are more particularly described below. See "INTRODUCTION - Purpose of the Series 2024B Bonds" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

General Improvement and Refunding Bonds, Series 2012A*

Maturity Date	Principal Amount	Interest Rate	Redemption Date*	Redemption Price
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General Improvement Refunding Bonds, Series 2014A*

Maturity Date	Principal Amount	Interest Rate	Redemption Date*	Redemption Price
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General Improvement Refunding Bonds, Series 2014B*

Maturity Date	Principal Amount	Interest Rate	Redemption Date*	Redemption Price
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General Improvement Bonds, Series 2015C *

Maturity Date	Principal Amount	Interest Rate	Redemption Date*	Redemption Price
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General Improvement Bonds, Series 2016*

Maturity Date	Principal Amount	Interest Rate	Redemption Date*	Redemption Price
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* Preliminary, subject to change. The actual maturities that will comprise the Refunded Bonds will be determined by the City at the time of sale of the Series 2024B Bonds, based upon then prevailing market conditions.

Upon delivery of the Series 2024B Bonds, the City will enter into a Refunding Trust Agreement (the "Refunding Trust Agreement") with Regions Bank, Nashville, Tennessee (in that capacity, the "Refunding Trustee"). A portion of the proceeds of the Series 2024B Bonds and other available monies, if required, will be deposited into a refunding trust fund created under the Refunding Trust Agreement (the "Refunding Trust Fund") to be held as cash and/or to be used to acquire United States Treasury Securities – State and Local Government Series or, if unavailable, other government obligations permissible under the Bond Resolution (the "Government Obligations"). The cash and/or Government Obligations and the interest earned thereon will be sufficient and will be used to pay (a) the redemption price of the Refunded Bonds on their redemption date, and (b) the interest on the Refunded Bonds payable on and prior to such redemption date.

The City will obtain verification of the sufficiency of the amounts and Government Obligations deposited into the Refunding Trust Fund for the Refunded Bonds, and of certain

yields, from the Verification Agent (as defined herein). See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein.

Upon issuance of the Series 2024B Bonds, the Refunded Bonds will be irrevocably designated for redemption on their redemption date at the price as stated in the tables above, plus accrued and unpaid interest to their redemption date, and provision will be made by the City in the Refunding Trust Agreement for the giving of notice of redemption of the Refunded Bonds. While DTC or its nominee is the registered owner of the Refunded Bonds, such notices will be sent to DTC or its nominee or successor, and the City shall not be responsible for making notices of redemption to DTC Participants or to the Beneficial Owners of the Refunded Bonds.

Amounts on deposit in the Refunding Trust Fund will not be available to pay debt service on the Series 2024B Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Series 2024B Bonds are expected to be applied as follows:

Sources:

Par Amount	\$
[Net] Original Issue Discount / Bond Premium	_____
Total Sources:	\$

Uses:

Deposit to Refunding Trust Fund	\$
Costs of Issuance ⁽¹⁾	_____
Total Uses:	\$

⁽¹⁾ Includes, without limitation, the Underwriters' discount, legal and advisory fees, printing costs and other costs associated with the issuance of the Series 2024B Bonds.

THE SERIES 2024B BONDS

Authority for Issuance

The Series 2024B Bonds are being issued pursuant to the Constitution and statutes of the State, including the Act, and, among other things, the Bond Resolution.

General Description of the Series 2024B Bonds

The Series 2024B Bonds will be dated their date of delivery, bear interest and mature on the dates set forth on the inside cover page of this Official Statement. Interest on the Series 2024B Bonds accrues from their date of delivery and is payable semiannually on April 1 and October 1 of each year, commencing October 1, 2024, until paid in full (each such date, an "Interest Payment

Date")*, to the registered owners in whose names the Series 2024B Bonds are registered on the books of registry kept and maintained by the Paying Agent and Registrar as of the close of business on the fifteenth (15th) day of the calendar month preceding the next Interest Payment Date. Interest on the Series 2024B Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Principal of the Series 2024B Bonds is payable on April 1, 2025, and October 1, 2025, and is thereafter payable annually on April 1, as set forth on the inside cover*. For a discussion of applicable redemption provisions, see "THE SERIES 2024B BONDS – Redemption Provisions" herein.

The Series 2024B Bonds will be issued only in fully registered form, without coupons, in authorized denominations of \$5,000 or any integral multiple thereof and initially will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2024B Bonds. Purchases of beneficial ownership interests in the Series 2024B Bonds will be made in book-entry form only and purchasers will not receive physical delivery of certificates representing the beneficial ownership interests in the Series 2024B Bonds unless the book-entry-only system is discontinued. Transfers of ownership interests in the Series 2024B Bonds will be accomplished by book entries made by DTC and, in turn, by the DTC Participants who act on behalf of the indirect participants of DTC and the Beneficial Owners (as defined herein) of the Series 2024B Bonds.

Unless the City and the Paying Agent and Registrar agree otherwise, so long as DTC or its nominee is the registered owner of the Series 2024B Bonds at such securities depository, payments of principal of, premium, if any, and interest on the Series 2024B Bonds will be made by the City through the Paying Agent and Registrar by wire transfer to DTC or its nominee, Cede & Co., as registered owner of the Series 2024B Bonds, which will in turn remit such payments to the DTC Participants for subsequent disbursement to the Beneficial Owners of the Series 2024B Bonds. Transfers of such payments to DTC Participants will be the responsibility of DTC. Transfers of such payments to Beneficial Owners of the Series 2024B Bonds by DTC Participants will be the responsibility of such participants and other nominees of such Beneficial Owners. If the book-entry-only system is discontinued, the Series 2024B Bonds will be delivered as described in the Bond Resolution, the Beneficial Owners or their nominees will become the registered owners of the Series 2024B Bonds and interest on the Series 2024B Bonds will be payable and ownership of the Series 2024B Bonds may be transferred as described in the Bond Resolution. See "BOOK-ENTRY-ONLY SYSTEM" herein.

Redemption Provisions*

Optional Redemption. The Series 2024B Bonds maturing on or before April 1, 2033, are not subject to optional redemption prior to maturity. The Series 2024B Bonds maturing on or after April 1, 2034, (or portions thereof in authorized denominations of \$5,000 and integral multiples thereof) are subject to optional redemption by the City on and after April 1, 2033, in whole or in part, at any time, in such order as determined by the City (except as provided below), at a redemption price equal to the principal amount of the Series 2024B Bonds or portion thereof to be redeemed, plus interest accrued thereon to the redemption date.

* Preliminary, subject to change.

If less than all of the Series 2024B Bonds within a single maturity shall be called for redemption, the Series 2024B Bonds within the maturity to be redeemed shall be selected as follows:

(i) if the Series 2024B Bonds are being held under a book-entry system by DTC, or a successor depository, the Series 2024B Bonds to be redeemed shall be determined by DTC, or such successor depository, by lot or such other manner as DTC, or such successor depository, shall determine; or

(ii) if the Series 2024B Bonds are not being held under a book-entry system by DTC, or a successor depository, the Series 2024B Bonds within the maturity to be redeemed shall be selected by the Paying Agent and Registrar by lot or such other random manner as the Paying Agent and Registrar in its discretion shall determine.

Mandatory Redemption. The City shall redeem the Series 2024B Bonds maturing _____, 20____, on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. The dates of redemption and principal amount of Series 2024B Bonds to be redeemed on said dates are as follows:

Series 2024B Bonds Maturing _____ 1, 20____	Principal Amount
Redemption Dates (_____)	

*Final Maturity.

At its option, to be exercised on or before the 45th day next preceding any mandatory redemption date, the City may (a) deliver to the Paying Agent and Registrar for cancellation of the Series 2024B Bonds to be redeemed, in any aggregate principal amount desired; and/or (b) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Series 2024B Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Paying Agent and Registrar and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Series 2024B Bond so delivered or previously purchased or redeemed shall be credited by the Paying Agent and Registrar at 100% of the principal amount thereof on the obligation of the City on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Series 2024B Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The City shall on or before the 45th day next preceding each payment date furnish the Paying Agent and Registrar with its certificate indicating whether or not and to what extent the provisions of clauses (a) and (b) of this paragraph are to be availed of with respect to such payment and confirm that funds for the balance

of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Notice of Redemption

Notice of redemption shall be given by the Paying Agent and Registrar on behalf of the City not less than 30 nor more than 60 days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Series 2024B Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the books of registry kept by the Paying Agent and Registrar as of the close of business on the forty-fifth (45th) day preceding the date fixed for redemption. Neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Series 2024B Bonds for which proper notice was given, and failure of any registered owner to receive such notice if properly given in the manner described above shall not affect the validity of the proceedings of the redemption of the Series 2024B Bonds held by such owner. As long as DTC, or a successor depository, is the registered owner of the Series 2024B Bonds, all redemption notices shall be mailed by the Paying Agent and Registrar to DTC, or such successor depository, as the registered owner of the Series 2024B Bonds, as and when provided, and neither the City nor the Paying Agent and Registrar shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. If notice of redemption shall have been given and payment of the principal amount of the Series 2024B Bonds to be redeemed, and of the interest and premium, if any, payable upon redemption shall have been duly made or provided for, interest on such Series 2024B Bonds shall cease to accrue after the redemption date.

Any notice of redemption of Series 2024B Bonds may state that the redemption is conditioned upon the receipt by the Paying Agent and Registrar of sufficient money to pay the redemption price of the Series 2024B Bonds to be redeemed, plus interest accrued and unpaid to the redemption date, or upon satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event.

Registration Provisions

The City shall cause a bond register (the "Bond Register") to be kept by the Paying Agent and Registrar at its designated corporate trust office.

The principal of, premium, if any, and interest on the Series 2024B Bonds shall be payable in such currency of the United States of America which as at the respective dates of payment is legal tender for public and private debts. Such principal and premium, if any, shall be payable upon presentation and surrender to the Paying Agent and Registrar at such office of the Paying Agent and Registrar as may be designated for such purpose. Payment of the interest on any Series 2024B Bond due on any Interest Payment Date shall be made to the person appearing on the Bond Register as the registered owner thereof (a "Holder") as of the close of business on the fifteenth (15th) day of the calendar month preceding the next Interest Payment Date and shall be paid by wire transfer, check or draft mailed by the Paying Agent and Registrar to such Holder at the Holder's address as it appears on the Bond Register.

Transfer and Exchange

Upon surrender for transfer of any Series 2024B Bond at the principal office of the Paying Agent and Registrar or any other office of the Paying Agent and Registrar, the Paying Agent and Registrar, under such reasonable regulations as it may prescribe, shall register, exchange, transfer on the Bond Register the Series 2024B Bonds. Any Series 2024B Bond may be exchanged for a like aggregate principal amount of such Series 2024B Bonds in authorized principal amounts of the same interest rate and maturity.

All transfers or exchanges shall be made without expense to the Holder of the Series 2024B Bond, except that the Paying Agent and Registrar shall require of the Holder the payment of any tax or other governmental charges required to be paid with respect to such transfer or exchange. All Series 2024B Bonds surrendered for transfer shall be cancelled.

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC and the City does not make any representation or warranty or take any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the Series 2024B Bonds. The Series 2024B Bonds will be issued as fully-registered securities registered in the name of Cede & Co., DTC's partnership nominee, or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2024B Bond certificate will be issued for each maturity of each series of the Series 2024B Bonds as set forth on the inside cover page of this Official Statement, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between accounts of Direct Participants. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and, together with the Direct Participants, the "DTC

Participants"). The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2024B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024B Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024B Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024B Bonds, except in the event that use of the book-entry system for the Series 2024B Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2024B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2024B Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2024B Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2024B Bonds may wish to ascertain that the nominee holding the Series 2024B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2024B Bonds within a series and maturity of the Series 2024B Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2024B Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or

voting rights to those Direct Participants to whose accounts Series 2024B Bonds are credited on the record date, as identified in a listing attached to the Omnibus Proxy.

Principal of, premium, if any, and interest payments on the Series 2024B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent and Registrar on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Direct Participants or Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct Participant or Indirect Participant and not of DTC, the Paying Agent and Registrar or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest on the Series 2024B Bonds, as applicable, to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC is the responsibility of the City or the Paying Agent and Registrar. Disbursement of such payments to Direct Participants will be the responsibility of DTC and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct Participants and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2024B Bonds at any time by giving reasonable notice to the City or the Paying Agent and Registrar. Under such circumstances, in the event that a successor depository is not obtained, Series 2024B Bonds certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2024B Bonds certificates will be printed and delivered to the Holders of the Series 2024B Bonds.

THE ABOVE INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY-ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE CITY AND THE UNDERWRITERS BELIEVE TO BE RELIABLE, BUT THE CITY AND THE UNDERWRITERS TAKE NO RESPONSIBILITY FOR THE ACCURACY THEREOF. NEITHER THE CITY NOR THE PAYING AGENT AND REGISTRAR WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS, BENEFICIAL OWNERS OR OTHER NOMINEES OF SUCH BENEFICIAL OWNERS FOR (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (B) DISTRIBUTION OF CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2024B BONDS; (C) THE PAYMENT BY DTC OR BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OR REDEMPTION OR PURCHASE PRICE OF, OR INTEREST ON, ANY SERIES 2024B BONDS; (D) THE DELIVERY OF ANY NOTICE BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (E) THE ELECTION OF THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF

THE SERIES 2024B BONDS; OR (F) ANY CONSENT GIVEN OR ANY OTHER ACTION TAKEN BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT.

So long as Cede & Co., as nominee for DTC, is the registered owner of the Series 2024B Bonds, references herein to the registered owners of the Series 2024B Bonds shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Series 2024B Bonds.

SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2024B BONDS

The Series 2024B Bonds are direct obligations of the City and the City has pledged its full faith and credit and unlimited taxing power as to all taxable property in the City to the punctual payment of the principal of and interest on the Series 2024B Bonds. In the Bond Resolution, the City has agreed that a tax sufficient to pay, when due, the principal of and interest on the Series 2024B Bonds shall be levied annually and assessed, collected and paid, in like manner with the other taxes of the City and shall be in addition to all other taxes authorized or allowed by law. Under the Act, it is the duty of the City Council to include in the annual levy a tax sufficient to pay the principal of and interest on the Series 2024B Bonds as the same become due. The Act further provides that when any portion of the principal of or interest on the Series 2024B Bonds shall not be paid when due, there shall be levied and assessed by the City Council and collected by the proper collecting officers at the first assessment, levy and collection of taxes in the City, after such omission or failure, a tax sufficient to pay the same. See "FISCAL OVERVIEW – Statement of Debt" herein for a description of the City's outstanding debt and "APPENDIX A - GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE - FINANCIAL INFORMATION" attached hereto for a discussion of taxation by the City.

Any Holder or Holders of the Series 2024B Bonds shall have the right, in addition to all other rights: (a) by mandamus or other suit, action or proceeding in any court of competent jurisdiction to enforce his or their rights against the City and the City Council and any officer, agent or employee of the City, including, but not limited to, the right to require the City, the City Council and any proper officer, agent or employee of the City to assess, levy and collect taxes adequate to carry out any agreement as to, or pledge of, such taxes and to require the City, the City Council and any officer, agent or employee of the City, to carry out any other covenants and agreements and to perform its and their duties under the provisions of the Act; and (b) by action or suit in equity, to enjoin any acts or things which may be unlawful or a violation of the rights of such Holder or Holders of the Series 2024B Bonds.

FISCAL OVERVIEW

The following is a fiscal overview of the City, which includes: (a) audited condensed financial results for Fiscal Year 2023 and unaudited condensed financial results for the nine-month period ended March 31, 2024; (b) a summary of the audited General Fund (the "General Fund") for Fiscal Years ended June 30, 2019, through June 30, 2023; (c) audited total fund balances/retained earnings trends for Fiscal Years ended June 30, 2019, through June 30, 2023; and (d) a statement of debt and net debt ratios. For additional financial information relating to the

City, see "APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE CITY OF MEMPHIS, TENNESSEE FOR THE FISCAL YEAR ENDED JUNE 30, 2023" attached hereto.

Condensed Financial Results

For Fiscal Year 2023, the audited net operating results for the General Fund revenues/other financing sources were approximately \$801,999,000, and General Fund expenditures/other financing uses were approximately \$795,297,000. The result was an increase of approximately \$6,702,000 in the General Fund total fund balance from Fiscal Year 2022.

In Fiscal Year 2023, General Fund revenues were higher than the amount of such revenues in Fiscal Year 2022. The primary variances in revenues from the prior year consisted of changes to the amounts of federal grants and entitlements (decrease of \$4,914,000), local taxes (increase of \$9,541,000), state grants (decrease of \$5,000,000) and the local share of state taxes (increase of \$3,302,000). Current property taxes as a percentage of General Fund revenues remained steady over the previous year at 40%.

With 70% of the City's expense budget dedicated to personnel expenditures for the provision of City services, employment, healthcare and retirement costs are a constant source of concern. For retirement costs, the City is required by State law to make significant contributions to its pension fund and, specifically, is required to pay the full Actuarially Determined Contribution ("ADC").

In Fiscal Year 2023, total General Fund expenditures increased by 2%. This was due primarily to a \$4,340,000 increase in general government expenditures and an increase in expenditures for public safety of \$15,695,000.

The City has received approximately \$161 million since 2021 as part of the federal American Rescue Plan Act of 2021 (the "Rescue Plan"). Such federal aid may be used by the City to (i) respond to the health or economic impacts of COVID-19 within the City, including assistance to households, small businesses, nonprofits and impacted industries such as hospitality, travel and tourism, (ii) provide premium pay for essential workers, (iii) cover lost revenue in providing services and (iv) make investments in certain utility infrastructure. The City has allocated all of the Rescue Plan funds to projects within the foregoing categories.

The City adopted a \$750,183,580 General Fund operating budget for Fiscal Year 2023, with no planned Use of General Fund Balance. The City contributed \$6,702,000 to its General Fund Balance in Fiscal Year 2023. For Fiscal Year 2024, the City adopted a \$799,100,000 General Fund operating budget, which included a planned Use of General Fund Balance of approximately \$11,692,000. The City estimates it has used approximately \$74,453,000 of its General Fund Balance, including approximately \$39,887,000 of its Unassigned Fund Balance, in Fiscal Year 2024. The use of Unassigned Fund Balance funds for Fiscal Year 2024 includes a loan from the City to the Memphis Light, Gas and Water Division of the City ("MLGW") and an increase in the budget of the City's police department to cover overtime pay for employees.

For the period of July 1, 2023, through March 31, 2024, unaudited General Fund revenues/other financing sources for the City were approximately \$648 million (or 78% of the City's Fiscal Year 2024 amended funding budget) and unaudited General Fund expenditures/other

financing uses were approximately \$667 million (or 79% of the City's Fiscal Year 2024 amended funding budget). For purposes of this paragraph, the amended funding budget is the City's approved funding budget, as duly amended from time to time throughout the year.

General Fund revenues/other financing sources (unaudited) for the City for the nine-month period ended March 31, 2024, were approximately 2% lower than General Fund revenues/other financing sources for the City for the same nine-month period ended March 31, 2023. The primary variance in revenues/other financing sources (unaudited) from the prior year consisted of decreases in tax revenues from State-assessed properties and payments in lieu of taxes.

General Fund expenditures/other financing uses (unaudited) for the City for the nine-month period ended March 31, 2024, were approximately 15% higher than General Fund expenditures/other financing uses for the City for the same nine-month period ended March 31, 2023. The primary variances in expenditures/other financing uses (unaudited) from the prior year included increased personnel costs (due to salary increases and right-sizing City staff after the COVID pandemic) and subsidies to the Memphis Area Transit Authority.

As provided above, the City estimates that it has used approximately \$74,453,000 of its General Fund Balance, including approximately \$39,887,000 of its Unassigned Fund Balance, in Fiscal Year 2024.

The City has established a goal of maintaining at least a 10% Unassigned Fund Balance, as a percent of General Fund expenditures. The City exceeded its goal for Fiscal Year 2023 at 15%. The City did not meet its goal for Fiscal Year 2024.

For Fiscal Year 2025, the City adopted a \$862,592,277 General Fund operating budget, including a planned contribution to the General Fund Balance in the amount of \$10,169,677. Included within the City's Fiscal Year 2025 General Fund operating budget are increased property tax revenues and increased revenues from vehicle registration and solid waste fees. The City Council approved a property tax rate increase of \$0.49376 for Fiscal Year 2025, raising the property tax rate from \$2.70164 per \$100 of assessed value to \$3.1954 per \$100 of assessed value. See "APPENDIX A – GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE" for additional information regarding the City's historical property tax rates. Additionally, there are proposed City Council ordinances to increase solid waste fees, including a \$12 increase for residential units, and to increase vehicle registration fees, including a \$30 increase for passenger motor vehicles.

The following table presents a summary of the City's audited General Fund for the Fiscal Years ended June 30, 2019, through June 30, 2023.

SUMMARY OF GENERAL FUND⁽¹⁾
Fiscal Years Ended June 30
(In Thousands of Dollars)

	2019	2020	2021	2022	2023
Beginning Fund Balance	\$ 141,201	\$ 135,992	\$ 129,825	\$ 197,553	\$ 207,923
Revenues and Other Sources	718,423	736,657	822,156	761,608	801,999
Expenditures and Other Uses	(725,494)	(745,653)	(756,854)	(750,873)	(795,297)
Adjustments	1,862	2,829	2,426	(365)	-
Ending Fund Balance	<u>\$ 135,992</u>	<u>\$ 129,825</u>	<u>\$ 197,553</u>	<u>\$ 207,923</u>	<u>\$ 214,625</u>
Ending Unassigned Fund Balance	<u>\$ 91,541</u>	<u>\$ 79,047</u>	<u>\$ 106,350</u>	<u>\$ 108,574</u>	<u>\$ 114,476</u>

⁽¹⁾ Numbers may not add due to rounding.

Source: City of Memphis, Tennessee.

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The following table presents the City's audited total fund balances/retained earnings trends for the Fiscal Years ended June 30, 2019, through June 30, 2023.

TOTAL FUND BALANCES / RETAINED EARNINGS TRENDS⁽¹⁾⁽²⁾
Fiscal Years Ended June 30
(In Thousands of Dollars)

	2019	2020	2021	2022	2023
General Fund					
Restricted	\$ 12,725	\$ 13,912	\$ 14,635	\$ 17,455	\$ 19,188
Assigned	31,726	36,866	76,568	81,894	80,961
Unassigned	91,541	79,047	106,350	108,574	114,476
Total General Fund	\$ 135,992	\$ 129,825	\$ 197,553	\$ 207,923	\$ 214,625
All other Governmental Funds					
Restricted	\$ 52,711	\$ 147,551	\$ 115,147	\$ 137,064	\$ 127,614
Committed	217,353	108,959	89,564	296,047	257,270
Unassigned	-	-	-	4,585	-
Total All Other Governmental Funds	\$ 270,064	\$ 256,510	\$ 204,711	\$ 437,696	\$ 384,884
Total Governmental Funds	\$ 406,056	\$ 386,335	\$ 402,264	\$ 645,619	\$ 599,509
Enterprise	\$ 553,972	\$ 570,541	\$ 632,623	\$ 675,661	\$ 709,744
Internal Service Funds	15,611	15,163	19,167	23,209	34,141
Total Proprietary Funds	\$ 569,583	\$ 585,704	\$ 651,790	\$ 698,870	\$ 743,885
Total Funds	\$ 975,639	\$ 972,039	\$1,054,054	\$1,344,489	\$1,343,394

⁽¹⁾ Enterprise does not include the Memphis Light, Gas and Water Division.

⁽²⁾ Numbers may not add due to rounding.

Source: City of Memphis, Tennessee.

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Statement of Debt

The following table presents the City's total direct and overlapping debt and the related debt ratios as of June 2, 2024.

STATEMENT OF DEBT⁽¹⁾

As of June 2, 2024

(Unaudited)

Direct Debt	
General Improvement Bonds	\$1,393,795,126
Commercial Paper	150,000,000
Appropriation Obligations ⁽²⁾	48,352,145
Total Direct Debt	<u>\$1,592,147,271</u>
Less: Self Supporting Debt ⁽³⁾	<u>(180,676,462)</u>
Net Direct Debt	<u>\$1,411,470,809</u>
Plus: City's Share of Shelby County Net Overlapping Debt ⁽⁴⁾	556,109,000
Net Direct and Overlapping Debt	<u><u>\$1,967,579,809</u></u>

DEBT RATIOS

	<u>Net Direct Debt</u>	<u>Net Direct and Overlapping Debt</u>
Net Debt Per Capita ⁽⁵⁾	\$2,273	\$3,168
Net Debt/Assessed Valuation ⁽⁶⁾	9.22%	12.85%
Net Debt/Appraised Valuation ⁽⁷⁾	2.90%	4.04%

⁽¹⁾ This Statement of Debt does not include settlement obligations, bond premium and discount or the following outstanding revenue bonds, as they are payable solely from net revenues derived from the respective systems or projects: (a) the City's Sanitary Sewerage System Revenue Bonds, (b) the City's Storm Water System Revenue Bonds, (c) the City's Electric System Revenue Bonds, (d) the City's Water System Revenue Bonds, (e) the City's Gas System Revenue Bonds, (f) the Memphis-Shelby County Airport Authority Revenue Bonds, and (g) the Memphis-Shelby County Airport Authority Special Facility Revenue Bonds. This Statement of Debt also does not include the following bonds, as they are contingent obligations that are not general obligations of the City but rather are required to be paid from Non-Tax Revenues (as defined herein) appropriated by the City for such payments: (i) the Series 2017 EDGE Bonds (as defined herein); (ii) the Sports Authority Senior Lien Bonds (as defined herein); and (iii) the Series 2021 Liberty Park EDGE Bonds (as defined herein). Amounts may not add due to rounding.

⁽²⁾ Includes capital leases, including the 2015 QECB Bonds (as defined herein) (\$831,600), the City's portion of the EDGE Electrolux Refunding Bond (as defined herein) (\$12,672,500), the Stadium Project Bonds (as defined herein) (\$10,615,000) and the 2021 EDGE Economic Development Bonds (\$23,255,000).

⁽³⁾ This Statement of Debt is prepared to reflect that the portion of the General Improvement Bonds, Series 2018 issued to finance improvements to the Convention Center (\$171,345,000), certain capital leases (\$839,462) and 80% of the Stadium Project Bonds (\$8,492,000) are considered to be self-supporting.

⁽⁴⁾ Net Debt outstanding for the County as of June 30, 2023, was approximately \$923,186,000, of which approximately \$556,109,000 or 60.2% is applicable to the City.

⁽⁵⁾ The City's estimated population was 621,056, as reported in the 2023 Annual Report.

⁽⁶⁾ The City's assessed valuation was approximately \$15,312,292,806 for the Fiscal Year ended June 30, 2023, as reported in the 2023 Annual Report.

⁽⁷⁾ The City's appraised valuation was approximately \$48,692,225,853 for the Fiscal Year ended June 30, 2023, as reported in the 2023 Annual Report.

Source: City of Memphis, Tennessee, except as noted above.

INVESTMENT CONSIDERATIONS

General

The purchase of the Series 2024B Bonds is subject to a number of investment considerations. The following is a discussion of certain investment considerations, which, among others, could affect the ability of the City to pay the principal of and interest and premium, if any, on the Series 2024B Bonds and which could also affect the marketability of, or the market price for, the Series 2024B Bonds. Such discussion is not, and is not intended to be, a comprehensive compilation of all possible investment considerations nor a substitute for an independent evaluation of the information presented in this Official Statement, including the front cover page, the inside cover page and the appendices attached hereto. Each prospective purchaser of any Series 2024B Bond should read this Official Statement, including the front cover page, the inside cover page and the appendices attached hereto, in its entirety and consult such prospective purchaser's own investment or legal advisor for a more complete explanation of the matters that should be considered when purchasing an investment such as the Series 2024B Bonds.

Enforceability of Remedies

The remedies available to the Beneficial Owners of the Series 2024B Bonds upon any event of default under the Bond Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay.

The enforceability of remedies or rights with respect to the Series 2024B Bonds may be limited by State and federal laws, rulings and decisions affecting remedies and by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

Under existing law, municipalities must obtain the consent of state governments in order to avail themselves of federal bankruptcy protection under Title 11 of the United States Code. However, there is currently no State law granting such consent. The various legal opinions to be delivered concurrently with the delivery of the Series 2024B Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency, moratorium, or other similar laws affecting the rights of creditors generally or as to the availability of any particular remedy.

Redemption Prior to Maturity

The Series 2024B Bonds are subject to optional redemption prior to maturity, as more fully described herein. See "THE SERIES 2024B BONDS - Redemption Provisions" herein. A prospective investor should consider these redemption rights when making any investment decision. Following redemption, the Beneficial Owners of the Series 2024B Bonds may not be able to reinvest their funds at a comparable interest rate.

Loss of Tax-Exemption

The interest on the Series 2024B Bonds could become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2024B Bonds because of a failure of the City to comply with certain provisions of the Internal Revenue Code of 1986, as amended. Should such an event of taxability occur, the Series 2024B Bonds are not subject to early redemption and may remain outstanding until maturity or until redeemed under the terms of the redemption provisions set forth and more particularly described hereinabove and in the Bond Resolution.

Secondary Market Prices

No assurance can be given that a secondary market for any of the Series 2024B Bonds will be available and no assurance can be given that the initial offering prices for the Series 2024B Bonds will continue for any period of time.

The Series 2024B Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2024B Bonds in the event a Beneficial Owner thereof determines to solicit purchasers of the Series 2024B Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2024B Bonds may be sold. Such price may be lower than that paid by the current Beneficial Owner of the Series 2024B Bonds, depending on existing market conditions and other factors.

Recently Adopted and Pending Legislation

In recent years, various bills have been introduced for consideration by the Tennessee General Assembly which would allow voters residing in an area annexed by a Tennessee city to petition the county election commission to hold an election to deannex the area or which would have a similar impact (“Deannexation Bill”). In light of attempts in recent years to deannex ten areas annexed by the City since 1998, passage of any Deannexation Bill could lead to actual deannexation of some or all of those areas, thereby resulting in a negative impact on the City’s property and sales tax revenues. Though the City deannexed the Eads and Riverbottom areas in 2019 and the Southwind-Wyndyke, South Cordova and Rocky Point areas in 2020, those deannexations were implemented at the discretion of the City for the benefit of the entire City and not forced by an election of the residents of only those areas.

Seismic Risks

The City is located adjacent to the New Madrid Seismic Zone, which is the most seismically active and well-studied region in the Central and Eastern United States. The last major earthquakes located within this seismic zone, believed to have ranged between 7.0 and 7.7 in magnitude, occurred in 1811 and 1812. According to the U.S. Geological Survey, there is a 7-10% chance that a repeat of earthquakes of similar scale to the 1811 and 1812 earthquakes will occur within the next 50 years and a 25-40% risk of a still dangerous earthquake in the low-6 magnitude. During the past 25 years, building codes in the City and the County have been gradually upgraded to require stricter seismic construction standards. However, many older

buildings, particularly in the downtown area, are masonry structures built long before seismic requirements and are believed to be highly vulnerable to shaking from an earthquake.

In addition to the potential damage to buildings and facilities within the City, due to the importance of the City as a tourist destination and regional hub of commercial, retail and entertainment activity, a major earthquake may cause significant temporary and possibly long-term harm to the City's economy, tax receipts and residential and business real property values.

Climate Change

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The City's location in the southern United States and next to the Mississippi River increases its vulnerability to flooding and extreme heat. In addition to flooding and extreme heat, the City faces other threats due to climate change, including both drought and damaging wind that could become more severe and frequent. The City and the County have collaborated to develop a Climate Action Plan, which is intended to measure and lessen the City's contributions to climate change. The City cannot predict the timing, extent or severity of climate change and its impact on the City's operations and finances.

Cyber Security

The City utilizes various computer systems and network technology to perform many of its vital operations. Such operations often include the storage and transmission of sensitive information. As a result, the City may be the target of cyberattacks attempting to gain access to such information. In addition to intentional attacks, information breaches may occur due to unintentional employee error. A successful cyberattack or unintentional breach may require the expenditure of an unknown amount of money or time to resolve, substantially interrupt municipal services and operations and subject the City to legal action. The City has no knowledge of, nor historical record of, any successful material cyber security breach or related attack. Attempted cyber security attacks against organizations or entities similar to the City, however, are increasingly common. In January 2024, the Federal Bureau of Investigation issued a specific warning that international hackers are working to attack governmental infrastructure in the United States. To mitigate against such risks, the City has instituted various policies and procedures to protect its network infrastructure, including a cyber-security training requirement for certain departments, as well as general cyber security training and awareness for all employees. The City also maintains insurance against cyber security incidents. Despite the City's measures to safeguard its network infrastructure, there are no guarantees that such measures will be successful.

COVID-19 and Other Public Health Emergencies

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has affected and continues to affect the entire world, including the City. In March 2020, in response to the COVID-19 outbreak, the Governor of the State issued a state of emergency and the World Health Organization declared the COVID-19 outbreak to be a global health emergency. The spread of COVID-19 led, from time to time, to quarantine and other "social distancing" measures. These measures included: (i) the closure, from time to time, of nonessential businesses,

(ii) recommendations and warnings to limit nonessential travel and promote telecommuting, (iii) the postponement or cancellation of or reduced capacity at large-scale gatherings such as conventions, concerts and sporting events, (iv) limits on operations and customer capacity at commercial and retail establishments and (v) the closure, from time to time, of school buildings and community centers. The Governor of the State lifted the state of emergency in April 2021. The World Health Organization declared an end to the global health emergency in May 2023. The City is unable to predict whether and to what extent any increases in COVID-19 cases or the emergence of any other epidemic or pandemic may disrupt the local or global economy, or whether any such disruption may adversely affect the operations or financial condition of the City.

See herein and attached hereto for various financial data of the City reflecting periods both before and during the COVID-19 pandemic. Various types of information regarding employment, income trends, and business activity in the City are also detailed in Appendix A, including historical data collected both before and during the COVID-19 pandemic. Certain data and other information collected prior to and during the COVID-19 outbreak may not reflect current conditions. For example, some of the largest employers and taxpayers in the City may have been forced to reduce their employment during the COVID-19 outbreak and may be similarly affected as a result of any future epidemic, pandemic or other public health emergency. For additional information, see Appendix A and Appendix B to this Official Statement.

Ratings on the Series 2024B Bonds

The Rating Agencies (as hereinafter defined) have assigned credit ratings to the Series 2024B Bonds. The ratings of the Series 2024B Bonds are not a recommendation to purchase, hold or sell the Series 2024B Bonds, and the ratings do not comment on the market price or suitability of the Series 2024B Bonds for a particular investor. The ratings assigned to the Series 2024B Bonds may not remain the same for a given period of time and may be lowered or withdrawn depending on, among other things, the Rating Agencies' criterion of evaluation of the City's economy, financial strength and/or changes in the Rating Agencies' methodology in assigning a credit rating to the City and the Series 2024B Bonds. The City is not required to maintain a specified rating with respect to the Series 2024B Bonds. See "RATINGS" herein.

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OUTSTANDING GENERAL OBLIGATION DEBT

General Improvement Bonds

The following table presents the outstanding par amount of the City's general obligation bonded indebtedness (the "Outstanding General Improvement Bonds") prior to the issuance and delivery of the (i) Series 2024B Bonds and (ii) the City's General Improvement Bonds, Series 2024A ("Series 2024A Bonds"), expected to be sold on or about July 17, 2024, and issued on or about August 7, 2024, for the purpose of retiring the City's outstanding General Obligation Commercial Paper (as hereinafter defined), as further described herein.

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Outstanding General Improvement Bonds*
As of June 2, 2024

Bond Name	Outstanding Par Amount	Final Maturity Date
Loan Agreement (City of Memphis Solid Waste Division Loan) ⁽¹⁾	\$ 6,158,000	June 1, 2032
General Improvement Bonds, Series 2022A	138,010,000	October 1, 2047
General Improvement Refunding Bonds, Series 2022 (Federally Taxable Convertible to Tax-Exempt)	167,555,000	April 1, 2040
General Improvement Refunding Bonds, Series 2021	159,625,000	May 1, 2046
Local Government Public Improvement Bonds (City of Memphis Project), Series 2021 (Social Bonds) ⁽²⁾	163,772,126 ⁽³⁾	April 1, 2046
General Improvement Bonds, Series 2020A	18,365,000	December 1, 2030
General Improvement Refunding Bonds, Series 2020	122,205,000	May 1, 2045
General Improvement Bonds, Series 2018	273,420,000	June 1, 2048
General Improvement Bonds, Series 2016	53,925,000	May 1, 2041
General Improvement Bonds, Series 2015C	22,755,000	April 1, 2045
General Improvement Refunding Bonds, Series 2015B (Federally Taxable)	31,655,000	April 1, 2025
General Improvement Refunding Bonds, Series 2015A	76,820,000	April 1, 2026
General Improvement Refunding Bonds, Series 2014B	52,045,000	April 1, 2044
General Improvement Refunding Bonds, Series 2014A	14,275,000	November 1, 2025
General Improvement and Refunding Bonds, Series 2012A	10,175,000	April 1, 2042
General Improvement Bonds, Series 2010F (Recovery Zone Economic Development Bonds)	11,160,000	July 1, 2034
General Improvement Bonds, Series 2010C (Direct Payment Build America Bonds)	43,535,000	July 1, 2032
General Improvement Bonds, Series 2010B (Direct Payment Build America Bonds)	<u>28,340,000</u>	May 1, 2030
Total Outstanding General Improvement Bonds	<u><u>\$1,393,795,126</u></u>	

Source: City of Memphis, Tennessee.

⁽¹⁾ The City entered into a loan agreement by and among the City and The Public Building Authority of the City of Clarksville, Tennessee (the "Clarksville PBA") and Clayton Holdings, LLC, relating to the Clarksville PBA Local Government Loan Program Bond, Series 2023 (City of Memphis Solid Waste Division Loan) (the "Clarksville PBA Bond"). Pursuant to such loan agreement, the City has pledged its full faith and credit to the payment of obligations under the loan agreement in an amount sufficient to pay debt service on the Clarksville PBA Bond when due.

⁽²⁾ Consists of both the Capital Appreciation Bonds and the Convertible Capital Appreciation Bonds issued by the New Memphis Arena Public Building Authority of Memphis and Shelby County, Tennessee ("NMAPBA Bonds"). In connection with the NMAPBA Bonds, the City entered into a loan agreement pursuant to which the City pledged its full faith and credit to the payment of obligations under the loan agreement in an amount sufficient to pay debt service on the NMAPBA Bonds when due.

⁽³⁾ Rounded. Denotes the original principal amount.

* Does not include the City's Series 2024A Bonds expected to be sold on or about July 17, 2024, for the purpose of retiring the City's outstanding General Obligation Commercial Paper (as hereinafter defined).

General Obligation Commercial Paper

In addition to the Outstanding General Improvement Bonds, the City is authorized to issue, from time to time, its general obligation bond anticipation notes, issued as commercial paper (the "General Obligation Commercial Paper"), pursuant to one or more initial resolution(s) duly

adopted by the City Council, in a maximum aggregate principal amount outstanding at any time of not to exceed \$150,000,000 to finance, on an interim basis, the cost of all or any of the public works projects of the City or paying at maturity other General Obligation Commercial Paper.

General Obligation Commercial Paper is currently outstanding in the aggregate principal amount of \$150,000,000. Any outstanding interest on the General Obligation Commercial Paper will be paid from other available moneys of the City. The City expects to issue additional General Obligation Commercial Paper, from time to time, in the future.

Future General Obligation Bonds

The City expects to continue its practice of issuing general obligation bonds to retire outstanding General Obligation Commercial Paper once the City is at or near its commercial paper capacity. The City authorized on May 21, 2024, the issuance of its Series 2024A Bonds, in an amount not to exceed \$150,000,000, for the purpose of paying principal on the City's outstanding General Obligation Commercial Paper and related costs. Such Series 2024A Bonds are expected to be sold on or about July 17, 2024, and issued on or about August 7, 2024. See "PRINCIPAL AND INTEREST REQUIREMENTS" herein. The City may also issue its general obligation bonds, from time to time, other than in connection with its General Obligation Commercial Paper program to finance capital improvements within the City. The City may additionally issue its general obligation refunding bonds, from time to time, to refund outstanding general obligation indebtedness of the City when determined to be in the City's best interests.

ADDITIONAL OBLIGATIONS

Contingent Obligations

As of the date of this Official Statement, the City has the following outstanding contingent obligations payable from the hereinafter defined Non-Property Tax Revenues (collectively, the "Contingent Obligations"). "Non-Property Tax Revenues" include the City's legally available revenues, other than ad valorem tax revenues, on deposit in the City's General Fund.

Sports Authority Senior Lien Bonds. The Memphis and Shelby County Sports Authority, Inc. (the "Sports Authority") issued certain senior lien revenue bonds (the "Sports Authority Senior Lien Bonds"), the proceeds of which were used to finance and refinance the acquisition, construction and equipping of a multi-purpose arena that is the home of the National Basketball Association's franchise known as the Memphis Grizzlies (the "FedExForum"). Pursuant to an interlocal agreement by and among the City and the County and the Sports Authority (the "Interlocal Agreement"), in the event the revenues pledged to the support of the Sports Authority Senior Lien Bonds prove to be insufficient to pay debt service on the Sports Authority Senior Lien Bonds in any bond year (ending on October 31), the County and the City have covenanted to timely appropriate from legally available non-ad valorem tax revenues, not later than October 31 of the Fiscal Year ending June 30 following the date of such deficit, sufficient money to replenish draws from the debt service reserve fund relating to the Sports Authority Senior Lien Bonds (the "Senior

Lien Bonds Reserve Fund") used to make scheduled debt service on the Sports Authority Senior Lien Bonds in the prior bond year.

Principal of and interest on the Sports Authority Senior Lien Bonds are payable from (a) seat rental fees derived from the FedExForum, (b) certain sales tax rebate revenues to the City and to the County, (c) City hotel/motel tax revenues derived from certain hotel/motel taxes imposed by the City, (d) County hotel/motel tax revenues derived from certain hotel/motel taxes imposed by the County, (e) certain payments in lieu of taxes from MLGW, and (f) certain car rental taxes collected in the County.

The obligation of the County and the City to replenish draws on the Senior Lien Bonds Reserve Fund is apportioned on an equal basis (*i.e.*, 50% by the City and 50% by the County) but is not a joint obligation. The Interlocal Agreement provides that the maximum amount of the County's or City's respective replenishment obligation relating to the Sports Authority Senior Lien Bonds is the debt service payments on not to exceed one-half of a maximum of \$230,000,000 in principal amount of Sports Authority Senior Lien Bonds. The Sports Authority initially issued \$202,290,000 in aggregate principal amount of Sports Authority Senior Lien Bonds (leaving \$27,710,000 of authorized but unissued Sports Authority Senior Lien Bonds for which the City and County would have a replenishment obligation under the Interlocal Agreement). As of June 2, 2024, the Sports Authority Senior Lien Bonds were outstanding in an aggregate principal amount of \$73,405,000 and the maximum annual contingent obligation of the City to replenish draws from the Senior Lien Bonds Reserve Fund was \$6,673,500. The obligation to replenish the Senior Lien Bonds Reserve Fund is not a general obligation of the City but rather is required to be paid solely from Non-Property Tax Revenues appropriated by the City for such payments. The final maturity of the Sports Authority Senior Lien Bonds is November 1, 2028.

As of the date of this Official Statement, the City has not been called upon to make a payment under the Interlocal Agreement. **HOWEVER, THE CITY CAN OFFER NO ASSURANCE AS TO WHETHER THERE WILL BE FUTURE CALLS ON THE CITY TO MAKE A PAYMENT UNDER THE INTERLOCAL AGREEMENT.** No feasibility report with respect to the FedExForum was prepared.

Series 2017 EDGE Bonds. Pursuant to a Trust Indenture dated as of June 1, 2017 (the "EDGE Indenture"), the Economic Development Growth Engine Industrial Development Board of the City of Memphis and County of Shelby, Tennessee ("EDGE") issued its \$36,215,000 TDZ Revenue Refunding Bonds, Series 2017A (Federally Taxable) (the "Series 2017A EDGE Bonds"), its \$87,725,000 TDZ Revenue Refunding Bonds, Series 2017B (the "Series 2017B EDGE Bonds"), and its \$34,300,000 TDZ Revenue Refunding Bonds, Series 2017C (Federally Taxable) (the "Series 2017C EDGE Bonds" and, together with the Series 2017A EDGE Bonds and the Series 2017B EDGE Bonds, the "Series 2017 EDGE Bonds"). The Series 2017B EDGE Bonds and the Series 2017C EDGE Bonds are hereinafter referred to, collectively, as the "Series 2017 EDGE Non-Property Tax Revenue Supported Bonds." The proceeds of the Series 2017 EDGE Bonds were used by EDGE to fund a loan to the City under a loan agreement, dated June 1, 2017 (the "EDGE Loan Agreement"), the proceeds of which loan, together with certain other funds of the City, were used to: (a) refund and defease certain prior obligations of the City incurred in connection with the financing of a portion of the costs associated with the redevelopment of the Pyramid Arena, the acquisition and renovation of certain properties in the center city area of the

City adjacent to the Pyramid Arena and the acquisition of the interest of the County in the Renasant Convention Center; and (b) pay certain costs of issuance related to the Series 2017 EDGE Bonds. The Series 2017 EDGE Bonds are payable primarily from distributions of state and local sales and use taxes in a tourist development zone which includes the Pyramid Arena, the Pinch District of the City and the Renasant Convention Center (the "Downtown TDZ Revenues"). The Series 2017A EDGE Bonds, and any other senior bonds subsequently issued under the EDGE Indenture, are payable solely from Downtown TDZ Revenues and have a right of payment from the Downtown TDZ Revenues superior to that of the Subordinated EDGE Bonds (as defined herein).

Pursuant to the EDGE Loan Agreement, in the event the Downtown TDZ Revenues prove to be insufficient to pay debt service on the Series 2017 EDGE Non-Property Tax Revenue Supported Bonds and any other subordinate bonds subsequently issued under the EDGE Indenture (the "Subordinated EDGE Bonds"), the City has covenanted and agreed to appropriate from legally available non-ad valorem tax revenues, on or prior to the time required in the EDGE Loan Agreement, sufficient money to pay the principal of, premium, if any, and interest payable on the Subordinated EDGE Bonds. As of June 2, 2024, the Subordinated EDGE Bonds were outstanding in an aggregate principal amount of \$91,950,000. The City's obligation to pay the principal of, premium, if any, and interest on the Subordinated EDGE Bonds in the event the Downtown TDZ Revenues are insufficient is not a general obligation of the City but, rather, is required to be paid solely from Non-Property Tax Revenues appropriated by the City for such payments. The final maturity of the Series 2017 Non-Property Tax Revenue Supported Bonds is November 1, 2030.

As of the date of this Official Statement, the City has not been called upon to make any payment of Non-Property Tax Revenues under the EDGE Loan Agreement. HOWEVER, THE CITY CAN OFFER NO ASSURANCE AS TO WHETHER THERE WILL BE ANY FUTURE CALL ON THE CITY TO MAKE A PAYMENT FROM ITS NON-PROPERTY TAX REVENUES UNDER THE EDGE LOAN AGREEMENT.

Series 2021 Liberty Park EDGE Bonds. EDGE issued \$69,635,000 of revenue bonds (the "Series 2021 Liberty Park EDGE Bonds") to fund a portion of the costs of the Memphis Fairgrounds – Liberty Park redevelopment in the City, including the costs of financing the construction of a 230,000 square-foot sports and events center, site preparation for a proposed private development and various campus improvements. The Series 2021 Liberty Park EDGE Bonds are payable primarily from the proceeds of incremental state and local sales taxes ("Liberty Park TDZ Revenues") collected within a Tourism Development Zone approved by the State and encompassing the Fairgrounds – Liberty Park development. In the event of a shortfall in the Liberty Park TDZ Revenues, the Series 2021 Liberty Park EDGE Bonds are payable from appropriations of the City's Non-Property Tax Revenues, and the City has covenanted and agreed, pursuant to a loan agreement executed in connection with the Series 2021 Liberty Park EDGE Bonds (the "Liberty Park Loan Agreement"), to appropriate from Non-Property Tax Revenues sufficient money to pay the principal of, premium, if any, and interest payable on the Series 2021 Liberty Park EDGE Bonds when due. As of June 2, 2024, the Series 2021 Liberty Park EDGE Bonds were outstanding in an aggregate principal amount of \$69,135,000. The City's obligation to pay the principal of, premium, if any, and interest on the Series 2021 Liberty Park EDGE Bonds in the event the Liberty Park TDZ Revenues are insufficient is not a general obligation of the City but, rather, is required to be paid solely from Non-Property Tax Revenues appropriated by the City

for such payments. The Series 2021 Liberty Park EDGE Bonds were issued on July 1, 2021, and the final maturity of the Series 2021 Liberty Park EDGE Bonds is December 1, 2051.

The Series 2021 Liberty Park EDGE Bonds began maturing in Fiscal Year 2024, and interest is capitalized on such Series 2021 Liberty Park EDGE Bonds through Fiscal Year 2024. THE CITY CAN OFFER NO ASSURANCE AS TO WHETHER THERE WILL BE ANY CALL ON THE CITY TO MAKE A PAYMENT FROM ITS NON-PROPERTY TAX REVENUES UNDER THE LIBERTY PARK LOAN AGREEMENT.

Additional Contingent Obligations. The City expects to fund, from time to time, special projects related to economic development which largely will be payable from specific dedicated revenues. To the extent the City elects to fund all or a portion of such projects, the City may incur additional debt which may be supported by Non-Property Tax Revenues.

For more information regarding the Contingent Obligations, see Note V.C to the 2023 Audited Financial Statements in "APPENDIX B - AUDITED FINANCIAL STATEMENTS OF THE CITY OF MEMPHIS, TENNESSEE FOR THE FISCAL YEAR ENDED JUNE 30, 2023" attached hereto.

Unconditional Obligations

As of the date of this Official Statement, the City has the following outstanding non-contingent obligations payable from Non-Property Tax Revenues (collectively, the "Unconditional Obligations").

EDGE Electrolux Refunding Bond. The Memphis and Shelby County Port Commission (the "Port Commission"), the State, the County, the City, and the Memphis and Shelby County Industrial Development Board entered into a Site Location and Development Agreement dated December 15, 2010 (the "Development Agreement"), whereby each committed to support the development of a new appliance manufacturing and assembly facility, warehouse and distribution facility and regional headquarters facility for Electrolux Home Products, Inc. (the "Electrolux Development") located in the City and the County, within the Port Commission's boundaries and jurisdiction. The City and the County agreed to match funds of the State to subsidize or assist in the Electrolux Development. The Port Commission issued its Development Revenue Bonds, Series 2011 (the "Port Commission Electrolux Bonds") on September 7, 2011, secured, in part, by all of the Port Commission's right, title and interest in an interlocal agreement by and among the Port Commission, the County and the City under which the City and the County covenanted to timely appropriate from Non-Property Tax Revenues sufficient money to pay scheduled debt service on the Port Commission Electrolux Bonds.

On June 15, 2022, EDGE issued its Revenue Refunding Bond, Series 2022 (the "EDGE Electrolux Refunding Bond"), in a principal amount of \$28,935,000, for the purpose of refunding the outstanding principal balance of the Port Commission Electrolux Bonds. The EDGE Electrolux Refunding Bond is secured, in part, by all of the right, title and interest of EDGE and the Port Commission in and to an amended and restated interlocal agreement by and among EDGE, the County and the City under which the City and the County have covenanted to timely

appropriate from Non-Property Tax Revenues sufficient money to pay scheduled debt service on the EDGE Electrolux Refunding Bond.

The obligation of the City and the County to support the payment of debt service on the EDGE Electrolux Refunding Bond is apportioned on an equal basis (i.e., 50% by the City and 50% by the County). As of June 2, 2024, the EDGE Electrolux Refunding Bond was outstanding in an aggregate principal amount of \$25,345,000, the City's portion of which is \$12,672,500. Assuming no event of taxability or default, the maximum annual debt service payable by the City on the EDGE Electrolux Refunding Bond is \$1,276,031. The obligation of the City and the County to support the payment of debt service on the EDGE Electrolux Refunding Bond is not a general obligation of the City or County. The obligation of the City is required to be paid solely from Non-Property Tax Revenues appropriated by the City for such payments.

The Electrolux Development closed in 2022. The City's payment obligations with respect to the EDGE Electrolux Refunding Bond will continue despite its closure. The final maturity of the EDGE Electrolux Refunding Bond is April 1, 2036.

Stadium Project Bonds. Pursuant to an Indenture of Trust, dated as of March 1, 2014, the Memphis Center City Revenue Finance Corporation (the "Corporation") issued its \$17,925,000 Sports Facility Revenue Bonds, Series 2014A (Stadium Project) and its \$5,720,000 Sports Facility Revenue Bonds, Series 2014B (Stadium Project) (Federally Taxable) (collectively, the "Stadium Project Bonds"). The proceeds of the Stadium Project Bonds were used to, among other things, provide funds for the purpose of (a) acquiring the Memphis Redbirds Baseball Foundation's interest in and to a AAA minor league baseball stadium and related facilities, known as AutoZone Park (the "Stadium") and certain real property owned by the City on and adjacent to which the Stadium is located (the "Site") in connection with the sale of the Memphis Redbirds franchise and the lease of the Stadium to an affiliate of the St. Louis Cardinals and (b) making a capital contribution for certain improvements to the Stadium and the Site. The Stadium Project Bonds are secured by an assignment and pledge of, among other things, rents payable by the lessee of the Stadium, certain sales tax rebates and other payments to the Corporation (collectively, the "Other Payments") and amounts payable by the City (the "Lease Payments") to the Corporation pursuant to that certain Sublease Agreement, dated as of March 1, 2014, between the Corporation and the City (the "Financing Lease"). The City covenanted and agreed to timely appropriate from legally available non-ad valorem tax revenues sufficient money to pay the Lease Payments after taking into account the credits against such Lease Payments, including the Other Payments. As of June 2, 2024, the Stadium Project Bonds were outstanding in the aggregate principal amount of \$10,615,000 and the maximum annual debt service due and payable is \$2,487,861. The obligation of the City to make the Lease Payments is not a general obligation of the City but rather is required to be paid solely from Non-Property Tax Revenues appropriated by the City for such payments after taking into account the credits against such Lease Payments, including the Other Payments.

During Fiscal Year 2024, the City made a payment under the Financing Lease in the amount of \$554,286. Such amount represented 25% of the Stadium Project Bond debt service for the year, which was higher than the City's pre-pandemic payments of 3% to 14% of annual debt service on the Stadium Project Bonds. The City is required under the Financing Lease to cover any shortage in revenues. The final maturity of the Stadium Project Bonds is February 1, 2030.

2015 QECB Bonds. Pursuant to an Indenture of Trust, dated as of February 18, 2015, the Corporation issued its \$8,316,000 Memphis Center City Revenue Finance Corporation, Qualified Energy Conservation Bonds, Series 2015A (Federally Taxable) (the "Series 2015A QECB Bonds"). In addition, pursuant to an Indenture of Trust, dated as of April 29, 2015, the Corporation issued its \$2,015,300 Memphis Center City Revenue Finance Corporation, Qualified Energy Conservation Bonds, Series 2015B (Federally Taxable) (the "Series 2015B QECB Bonds") and \$340,700 Memphis Center City Revenue Finance Corporation, Qualified Energy Conservation Bonds, Series 2015C (Federally Taxable) (the "Series 2015C QECB Bonds" and together with the Series 2015A QECB Bonds and the Series 2015B QECB Bonds, the "2015 QECB Bonds"). The proceeds of the 2015 QECB Bonds were used to, among other things, provide funds for loans to certain developers under the City's Green Communities Program, which was established to finance loans and grants to eligible participants for energy conservation installations and improvements to designated facilities. The 2015 QECB Bonds are secured by amounts payable by the City (the "2015 QECB Payments") pursuant to certain lease agreements between the Corporation and the City. The City covenanted and agreed to timely appropriate from legally available non-ad valorem tax revenues sufficient money to pay the 2015 QECB Payments after taking into account indirect subsidy payments received from the U.S. Treasury on account of the 2015 QECB Bonds being qualified energy conservation bonds under Section 54D of the Internal Revenue Code of 1986, as amended (the "2015 Subsidy Payments"). As of June 2, 2024, the 2015 QECB Bonds were outstanding in the aggregate principal amount of \$831,600 and the maximum annual debt service due and payable was \$862,536. The obligation of the City to make the 2015 QECB Payments is not a general obligation of the City but rather is required to be paid solely from Non-Property Tax Revenues appropriated by the City for such payments after taking into account the 2015 Subsidy Payments. The final maturity of the 2015 QECB Bonds is January 5, 2025.

Series 2021 EDGE Economic Development Bonds. On July 14, 2021, EDGE issued its \$19,140,000 Economic Development Bonds (City of Memphis Project), Series 2021A (the "Series 2021A EDGE Economic Development Bonds"), and its \$5,115,000 Economic Development Bonds (City of Memphis Project), Series 2021B (the "Series 2021B EDGE Economic Development Bonds" and, with the Series 2021A EDGE Economic Development Bonds, the "Series 2021 EDGE Economic Development Bonds") to fund a portion of the costs of making improvements to the FedEx Forum Arena, AutoZone Park baseball stadium, the Historic Melrose development and multifamily affordable housing facilities within the City. The City has covenanted and agreed, pursuant to a loan agreement executed in connection with the Series 2021 EDGE Economic Development Bonds, to appropriate from Non-Property Tax Revenues sufficient money to pay the principal of, premium, if any, and interest payable on the Series 2021 EDGE Economic Development Bonds when due. As of June 2, 2024, the Series 2021 EDGE Economic Development Bonds were outstanding in the aggregate principal amount of \$23,255,000 and the maximum annual debt service due and payable was \$2,589,710. The City's obligation to pay the principal of, premium, if any, and interest on the Series 2021 EDGE Economic Development Bonds is not a general obligation of the City but, rather, is required to be paid solely from Non-Property Tax Revenues appropriated by the City for such payments. The final maturity of the Series 2021 EDGE Economic Development Bonds is April 1, 2046.

Additional Unconditional Obligations. The City expects to fund, from time to time, special projects related to economic development which largely will be payable from specific dedicated

revenues. To the extent the City elects to fund all or a portion of such projects, the City may incur additional debt which may be supported by Non-Property Tax Revenues.

For more information regarding the Unconditional Obligations see Note IV.G to the 2023 Audited Financial Statements in "APPENDIX B - AUDITED FINANCIAL STATEMENTS OF THE CITY OF MEMPHIS, TENNESSEE FOR THE FISCAL YEAR ENDED JUNE 30, 2023" attached hereto.

Tax Increment Financing

The City expects to participate, from time to time, in tax increment financings ("TIFs") related to economic development. In a TIF, an instrumentality of the City or the County (e.g. EDGE or the Community Redevelopment Agency ("CRA")) may issue its tax increment financing bonds and grant the proceeds to a developer to incentivize the completion of an economic development project. The City, and in some cases the County, agree to divert all or a portion of the incremental real and personal property tax revenues related to the project to the payment of debt service on the tax increment financing bonds. Also, in a TIF, an instrumentality of the City or the County may forgo the issuance of tax increment financing bonds and instead approve a pay-as-you-go TIF where a developer pays for project costs and is reimbursed from incremental tax revenues as they become available. As of the date of this Official Statement, the City is obligated to divert certain incremental real and personal property taxes to the payment of debt service or project costs on the following TIFs.

EDGE – Graceland TIF. In 2017, EDGE issued approximately \$95 million of bonds to incentivize the development of a 450-room hotel and other tourist facilities located on the Graceland campus – the former home of Elvis Presley. The bonds are payable from (i) City and County incremental property taxes collected on Graceland properties, (ii) a 5% sales tax surcharge levied on sales made on the Graceland campus and (iii) certain incremental state and local sales taxes collected within the “tourism development zone” comprising the Graceland campus. The City's obligation to divert incremental property taxes to the payment of the bonds expires in 2035.

EDGE – UNDC-Highland Strip TIF. In 2016, EDGE issued approximately \$21 million of bonds to incentivize the development along South Highland Street, between Poplar Avenue and Park Avenue, in the City. The bonds are payable from City and County incremental property taxes collected on properties within the redevelopment area. The City's obligation to divert incremental property taxes to the payment of the bonds expires in 2036.

EDGE – Poplar Corridor TIF. In 2018, EDGE approved a resolution authorizing a TIF for the development of parts of the Poplar Corridor Business District. The area provides a substantial amount of economic activity for the City and County. The Poplar Corridor Business District Association, the not-for-profit TIF applicant, wants to facilitate the development of several projects within the district, including new Class-A office space, two mixed use and retail centers, and two hotels. The project will not be feasible without significant investments in new and improved infrastructure in the area. Approximately \$91.2 million of TIF funds will be spent on public infrastructure such as road improvements, new pedestrian walkways, traffic signals, utility pole replacement, street lights, gateway signage and streetscapes. Total project costs are estimated to be \$499.5 million. Implementation of the project is anticipated to yield significant benefits to

the City and the County. The project is also expected to generate substantial additional tax revenues to the local governments, preserve and create 7,000 jobs within the City and the County and further expand the economic impact of the Poplar Corridor Business District. Furthermore, the project and infrastructure improvements are expected to serve as a catalyst for additional office, retail and other commercial developments and redevelopments in the future for the area. The TIF was activated in August 2021. Although anticipated, no tax increment financing bonds or other obligations have been issued at this time.

CRA – Highland Row TIF. In 2016, the CRA issued approximately \$12.5 million of bonds for the Highland Row TIF to incentivize a project which includes a mixed-use development with structured parking. The project was substantially complete as of December 2017. The bonds are payable from City and County incremental property taxes collected on properties within the redevelopment area. The City's obligation to divert incremental property taxes to the payment of the bonds expires in 2038.

CRA – Uptown TIF. The CRA approved a pay-as-you-go TIF for use in and around the Uptown area in 2001. The TIF has been actively used in the rehabilitation of the neighborhoods around Uptown and St. Jude Hospital. In 2017, the City approved an extension and expansion of the TIF with a cap of \$95 million. The TIF was similarly expanded, with the cap raised by an additional \$30 million, in 2019. There are no bonds issued for the TIF. Projects funded by the TIF are payable from City and County incremental property taxes collected on properties within the redevelopment area. The City's obligation to divert incremental property taxes to the TIF expires in 2032.

CRA – Binghampton TIF. This pay-as-you-go TIF was approved by the CRA in 2017 to finance development in the Binghampton neighborhood. The TIF has been actively used in the rehabilitation of the Binghampton neighborhood. The TIF has a cap of \$26 million. There are no bonds issued for the TIF. Projects funded by the TIF are payable from City and County incremental property taxes collected on properties within the redevelopment area. The City's obligation to divert incremental property taxes to the TIF expires in 2048.

For more detailed descriptions of the TIF and payments in lieu of taxes ("PILOTs") programs offered within the City, see Note IV.C to the 2023 Audited Financial Statements in "APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE CITY OF MEMPHIS, TENNESSEE FOR THE FISCAL YEAR ENDED JUNE 30, 2023" attached hereto.

City of Memphis Retirement System

Employees of the City participate in the City's retirement system, which provides retirement as well as death and disability benefits. The City's retirement system is described below.

GASB 68. In the Fiscal Year ended June 30, 2015, the City adopted the new statement of financial accounting standards issued by the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pension Plans* ("GASB 68"). GASB 68 revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits. GASB 68 is effective for financial statements for the Fiscal Years beginning after June 15, 2014. Prior to implementing GASB 68, employers participating in

a cost-sharing plan recognized annual pension expense equal to their contractually required contribution to the plan. Pension liabilities resulted from the difference between contributions required and contributions made. GASB 68 requires employers to recognize a liability as employees earn their pension benefits. For the first time, employers participating in cost-sharing plans will recognize their proportionate share of the collective pension amounts for all benefits provided through the plans. Pension amounts to be recognized by employers include the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense. The employer's proportionate share of the collective net pension liability will appear on the face of the employer's accrual-based financial statements along with the employers' other long-term liabilities.

General. The City of Memphis Retirement System (the "City Retirement System") is a single employer public employee retirement system administered by a Board of Administration (the "Board") under the direction of the Mayor. The Board has established and given authority to a Pension Investment Committee to exercise authority and control of investments solely in the interest of participants of the City Plan and their beneficiaries. The Pension Investment Committee consists of seven members: the Chief Financial Officer, the Deputy Chief of Finance, the City Treasurer, the City Comptroller, the Investment Manager, a Senior Investment Analyst and a citizen member. Additionally, the Board executes its policies with the aid of external investment advisors. Separate financial statements are available and can be obtained from The City of Memphis, Human Resources Division, 125 North Main Street, Memphis, Tennessee 38103.

The City Retirement System pension trust fund accounts for the activity of the City Retirement System and separate retirement systems are operated by MLGW and the Memphis Library System. A small portion of the hourly rate employees are covered under the Social Security program instead of the retirement systems. In addition to being governed under the Social Security program, certain employees receive a contribution paid by the City to a 457 Deferred Compensation Plan.

Substantially all permanent full-time salaried employees of the City (excluding component units) are required to participate in either of three contributory defined benefit pension plans, which are the 1948 Plan for salaried employees hired prior to July 1, 1978 (the "1948 Plan"), the 1978 Plan for salaried employees hired after June 30, 1978, but prior to July 1, 2016 (the "1978 Plan"), and the 2016 Plan for salaried employees hired after June 30, 2016 (the "2016 Plan" and, together with the 1948 Plan and the 1978 Plan, the "Plans," and each, individually, a "Plan"). All non-grandfathered employees in the 1978 Plan began to participate in the 2016 Plan on July 1, 2016. For this purpose, a non-grandfathered employee is any employee with less than 7 1/2 years of service as of July 1, 2016. The 2016 Plan is a new hybrid plan using a hybrid defined benefit formula that includes both a market-based cash balance component and a defined contribution component. For more information about the 2016 Plan, see "ADDITIONAL OBLIGATIONS – Pension Plan Reform – *Pension Ordinance*" herein.

The Plans provide retirement benefits as well as death and disability benefits. Retirement benefits vest after ten years of service. Under the applicable ordinances of the City, trust assets are reported in one trust fund and not segregated between the Plans. Permanent, full-time employees in job classifications covered by contract with the Social Security Administration are

not participants of the City Retirement System, as they are covered under the Federal Insurance Contribution Act (Social Security).

As of June 30, 2023, there were 12,913 participants in the City Retirement System, 4,828 of whom were retirees and beneficiaries who are currently receiving benefits, 758 of whom were disabled participants receiving benefits, 1,447 of whom were terminated employees entitled to benefits but not yet receiving same, 2,854 of whom were fully vested active employees and 3,026 of whom were non-vested active employees. As of the Fiscal Year ended June 30, 2023, the City Retirement System had a net position of approximately \$2,437,171.

Actuarial Methods and Assumptions. The City obtains annually an actuarial valuation of the City Retirement System for the purpose of calculating the necessary information for accounting and reporting requirements in accordance with Governmental Accounting Standards. The actuarial asset valuation method is the Entry Age Normal Actuarial Cost Method. This method determines a normal cost rate as a fixed percentage of compensation for each active participant. The current year's normal cost is the participant's compensation multiplied by the normal cost rate. Annual contributions in this amount, from the date the participant entered the Plan (or would have entered, if the Plan had always been in effect and the participant had entered at the earliest possible date) until retirement, would be sufficient to provide for the actuarial present value of the participant's plan benefits. The total normal cost is the sum of the normal costs for all active participants. Significant actuarial assumptions include: (a) a rate of return on the investment of present and future assets of 7.5% per year for GASB 67 and GASB 68 purposes; (b) projected future salary increases on a scale that varies by age and service with a weighted average of 4.25% per year; (c) no COLA increases; and (d) measurement and valuation date as of June 30, 2023, and valuation date as of June 30, 2022.

Mortality rates for general employees are based on the Fully Generational PubG-2010 Public Sector Mortality table with a projected scale from 2010. Police and Fire mortality rates are based on the Fully Generational PubS-2010 Public Sector Mortality table with a projection scale from 2010. Disabled employees' rates are based on the Fully Generational PubNS-2010 Public Sector Disabled Mortality table with a three-year set back.

The discount rate used to measure the total pension liability was 7.25% as of June 30, 2023, and is equal to the long-term expected return on plan investments. The projection of cash flows used to determine the discount rate assumed that City contributions would be made at the actuarially calculated amount computed in accordance with the current funding policy adopted by the City, which requires payment of the normal cost and amortization of the unfunded actuarially accrued liability in level dollar installments over 30 years utilizing a closed-period approach. Pursuant to the Public Employee Defined Benefit Act (as defined herein), the City phased into funding 100% of the actuarially calculated amount over a 5-year period beginning with the Fiscal Year commenced July 1, 2015. Based on this assumption, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

The following presents the net pension liability of the City calculated using the discount rate of 7.25%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	<u>1% Decrease (6.25%)</u>	<u>Current Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Net pension liability	\$893,130 ⁽¹⁾	\$589,098 ⁽¹⁾	\$295,376 ⁽¹⁾

⁽¹⁾ In thousands of dollars.

Plan Description. General employees in the 1948 Plan must contribute 5% of compensation. Under the 1948 Plan, general employees may retire after completion of 25 years of service or, if earlier, after age 60 and the completion of 10 years of service. General employees in the 1978 Plan must contribute 8% of compensation. Under the 1978 Plan, general employees may retire after completion of 25 years of service or, if earlier, after meeting either of the following: (a) after age 65 and the completion of 5 years of service, or (b) after age 60 and the completion of 10 years of service. Fire and Police employee contributions range from 5% to 8% of compensation, depending on the plan and date of hire. Police officers and firefighters under the 1948 Plan and the 1978 Plan may retire after completion of 25 years of service or, if earlier, after age 55 and the completion of 10 years of service. Elected and appointed participants hired prior to November 1, 2004, may retire after 12 years of service. The employer contribution is 6% of compensation, as required by the Pension Ordinance (as defined herein). Any difference in the actual employer contribution and the ADC affects the unfunded liability, which is amortized over future years.

Schedule of Employer Contributions. The Plans' funding policy provided for actuarially determined periodic contributions at rates of 5% per annum for General city employees and up to 7% for Police and Fire employees. The City is required to contribute the remaining amounts necessary to fund the Plans using the actuarial basis specified by statute. The City is also required to appropriate funds for the trust fund as necessary to pay all costs and expenses of the Plans. The employer contribution is 6% of compensation, as determined by the Pension Ordinance. Employer contributions as a percentage of annual payroll for the year ended June 30, 2023, were 14.8%. For the Fiscal Year ended June 30, 2023, the City Retirement System reported total employer and plan member contributions of approximately \$54,860,000 and \$19,737,000, respectively. Benefits paid to plan members totaled approximately \$205,496,000 during the Fiscal Year ended June 30, 2023. Cost of living increases are determined annually by the City Council as part of the budgeting process.

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The schedule of employer contributions for the two years ended June 30, 2023, is as follows:

**Schedule of Contributions
City Retirement System⁽¹⁾**
(In Thousands of Dollars)

Year Ending June 30	Actuarially Determined Contribution ⁽²⁾ (a)	Actual Employer Contributions (b)	Contribution Excess/ (Deficiency) (c) = (b) – (a)	Actual Covered Employee Payroll ⁽³⁾ (d)	Contributions as a Percentage of Covered Payroll (b) / (d)
2022	\$52,201	\$54,458	\$2,257	\$402,813	13.5%
2023	52,765	54,860	2,095	371,676	14.8

⁽¹⁾ This schedule was prepared prospectively to satisfy the requirements of GASB 68.

⁽²⁾ The actuarially determined contribution is based on a discount rate assumption of 7.50%.

⁽³⁾ Actual Covered Employee Payroll is defined under GASB 82 to be payroll on which contributions to a pension plan are based. Because pensionable pay is used to determine contributions under the City Retirement System, pensionable pay is shown, instead of gross payroll. Actual covered employee payroll is for the year immediately preceding the valuation date.

Source: 2023 Audited Financial Statements.

Pension Expense. The pension expenses of the City under GASB 68 for Fiscal Year ended June 30, 2023, were as follows (numbers in thousands):

Employer Service Cost	\$ 27,053
Interest Cost	209,393
Expected Return on Assets	(169,795)
Changes of Benefit Terms	-
Recognition of Deferred (Inflows)/Outflows	48,356
Total collective pension expense	<u>\$ 115,007</u>

Source: Note V.F to the 2023 Audited Financial Statements.

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Net Pension Liability. Following is five-year trend information relating to net pension liability for the City Retirement System:

**City Retirement System
Net Pension Liability**
(In Thousands of Dollars)

Year Ending June 30	Total Pension Liability (a)	Net Fiduciary Position (b)	Net Pension Liability (c) = (a) – (b)	Fiduciary Net Position as % of Total Pension Liability (b) / (a)	Actual Covered Employee Payroll ⁽¹⁾ (d)	Net Pension Liability as a Percentage of Covered Payroll (c) / (d)
2019	\$2,773,138	\$2,337,399	\$435,739	84.3%	\$338,373	128.8%
2020	2,742,485	2,262,361	480,124	82.5	372,817	128.8
2021	2,805,759	2,807,681	(1,922)	100.1	379,346	(0.5)
2022	2,952,654	2,406,675	545,979	81.5	402,813	135.5
2023	3,023,272	2,434,174	589,098	80.5	371,676	158.5

⁽¹⁾ The Actual Covered Employee Payroll is defined under GASB 82 to be payroll on which contributions to a pension plan are based. As pensionable pay is used to determine contributions under the plan, pensionable pay is shown above starting June 30, 2019. Note, actual covered employee payroll is for the year immediately preceding the valuation date.

Source: 2023 Audited Financial Statements.

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The following is a five-year historical summary of principal valuation results for the City Retirement System:

HISTORICAL SUMMARY OF PRINCIPAL VALUATION RESULTS
Fiscal Years 2019-2023
(In Thousands of Dollars)

	2019	2020	2021	2022	2023
Annual Funding:					
Annual Required Contribution	\$ 62,499	\$ 53,719	\$ 61,532	\$ 52,201	\$ 52,765
Percent of Anticipated Payroll	17.48%	14.5%	16.2%	14.2%	14.8%
Government Accounting Standards Board Statement #27:					
End of Year Net Pension Obligation	\$ 435,739	\$ 480,124	\$ (1,922)	\$ 545,979	\$ 589,098
Assets at beginning of plan year:					
Market Value of Assets	\$2,343,781	\$2,337,399	\$2,262,361	\$2,807,681	\$2,406,675
Participation at beginning of plan year:					
Number of participants:					
Active Participants	5,941	6,076	6,122	5,985	5,880
Terminated Participants	958	1,066	1,126	1,245	1,447
Retiree and Beneficiary Participants	4,243	4,353	4,443	4,533	4,605
Disabled Participants	684	711	718	708	758
DROP Participants ⁽¹⁾	259	251	253	267	223
TOTAL	12,085	12,457	12,662	12,738	12,913
Covered payroll of Active Participants ⁽²⁾					
Annual benefits in pay status	\$ 338,373	\$ 372,817	\$ 379,346	\$ 402,813	\$ 371,676
Average attained age for active participants	180,447	184,711	190,417	191,219	197,028
	43.5	43.5	43.5	43.7	43.9

⁽¹⁾ "DROP" refers to Deferred Retirement Option Plan.

⁽²⁾ The actual covered employee payroll is defined under GASB 82 to be payroll on which contributions to a pension plan are based. As pensionable pay is used for determining contributions under the plan, pensionable pay is shown above starting June 30, 2019.

Source: 2023 Audited Financial Statements.

Pension Plan Reform

Public Employee Defined Benefit Act. The Tennessee "Public Employee Defined Benefit Financial Security Act of 2014" (the "Public Employee Defined Benefit Act") was signed into law on May 22, 2014, and was codified as Title 9, Chapter 3, Part 5, Tennessee Code Annotated. In order to improve financial security of public defined benefit plans, the Public Employee Defined Benefit Act, among other things, requires each political subdivision which has established and maintains, directly or indirectly, a defined benefit pension plan for the benefit of its employees not administered by the Tennessee Consolidated Retirement System to annually make a payment to the pension plan of no less than 100% of the actuarially determined annual required contribution that incorporates both the normal cost of benefits and the amortization of the pension plan's unfunded accrued liability (the "ADC"), provided however, the affected political subdivision may make a payment of more than 100% of the ADC. If the political subdivision fails to fund the ADC, the Public Employee Defined Benefit Act permits the State Commissioner of the Department of Finance and Administration, at the direction of the Comptroller of the Treasury, to withhold such amount or part of such amount from any state-shared taxes that are otherwise apportioned to such political subdivision. The money withheld from state-shared taxes will be paid to the political

subdivision's pension plan. Notwithstanding the foregoing, if the political subdivision is unable to meet the annual funding progress percentage it may submit a plan of correction to the State Treasurer for consideration. If the State Treasurer determines the plan of correction is sufficient to comply with the requirements of the Public Employee Defined Benefit Act, the State Treasurer will submit the plan of correction to the State funding board for approval.

The Public Employee Defined Benefit Act further provides that (a) for all affected employees of the political subdivision hired on or after the later of the effective date of the Public Employee Defined Benefit Act or the date that the funding plan is authorized by the political subdivision's governing body, the political subdivision may freeze, suspend or modify benefits, employee contributions and plan terms and design on a prospective basis; and (b) for any pension plan that is funded below 60%, the affected political subdivision may not establish benefit enhancements unless approved by the State Treasurer.

Pension Ordinance. In order to comply with the Public Employee Defined Benefit Act's requirements to improve the financial security and actuarial soundness of the City's Retirement Plans, the City Council adopted Ordinance No. 5573 (the "Pension Ordinance") on December 16, 2014. Pursuant to the Pension Ordinance, the City's previously existing defined benefit plan was closed, as of July 1, 2016, to employees who then had 7.5 years or less of service. Such employees and all subsequently hired employees are subject to the 2016 Plan, which is a hybrid plan consisting of a market based cash balance plan (the "Market Based Plan") and a 401(a) defined contribution plan (the "401(a) Plan"). Currently, general employees in the 1978 Plan must contribute 8% of compensation and Fire and Police employee contributions range from 6.2% to 8% of compensation, depending on the date of hire. The employer contribution is 6% of compensation. Under the Market Based Plan, employees will contribute 2% of compensation and the employer contribution is 3% to 16% of compensation, depending on years of service, position and status as a General or Fire and Police employee. Under the 401(a) Plan, employees will contribute 6% of compensation and the employer contribution is 1.5% of compensation. The City currently expects that the 2016 Plan will reduce its ADC and will mitigate the exposure of the Plan's participants to increased funding costs caused by reduction in the value of plan assets due to adverse market conditions.

For the Fiscal Year ended June 30, 2023, the City contributed \$52,765,000 to fund 100% of its ADC, as required by the Public Employee Defined Benefit Act. The City contributed 100% of its ADC in the approximate amount of \$28,691,600 for the Fiscal Year ended June 30, 2024 (unaudited). The City estimates that its ADC for the Fiscal Year ended June 30, 2025, will increase by approximately \$14.4 million to \$43,129,549.

2019 Sales Tax Referendum. On October 3, 2019, pursuant to § 67-6-706(a) and § 67-6-707 of the Tennessee Code Annotated, the citizens of the City voted to increase the local option sales tax rate in the City by one-half of a percent, from 2.25% to 2.75%, to fund the restoration of pensions and benefits for police and firefighters hired prior to July 1, 2016, to the levels in the 1978 Plan, and to restore the health care benefits in effect as of July 1, 2014, for police and fire employees (the "Voter Approved Ordinance"). The Voter Approved Ordinance became effective January 1, 2020. Though the stated purpose of the Voter Approved Ordinance is to fund the restoration of such benefits, the City is not obligated to use the increased tax proceeds for that purpose.

City of Memphis Other Post-Employment Benefits (OPEB) Plan

In the Fiscal Year ended June 30, 2017, the City adopted the new statement of financial accounting standards issued as the Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* ("GASB 74") and also adopted the early implementation of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"). GASB 74 established new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. GASB 74 replaces GASB Statements No. 43 and No. 57. The primary objective of GASB 75 is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. GASB 75 replaces the requirements of GASB Statements No. 45 and No. 57 and establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources and expenses / expenditures.

Plan Description. The City's OPEB Plan (the "OPEB Plan") is a single-employer plan for GASB accounting purposes. This Plan provides medical and life insurance benefits to eligible retired City of Memphis General, Police, Fire and Airport Authority employees and their dependents based on firmly-established past practices. As of June 30, 2023, the number of active participants in the OPEB Plan was 6,692. There were 5,523 inactive participants eligible, of which 3,293 were enrolled. Eligibility for OPEB benefits is based on two pension options: normal retirement or disability retirement. Requirements for eligibility under the OPEB Plan are as follows:

General Employees – 1948 Plan Participants

Normal – Age 60 and 10 years of service, or 25 years of service

Disability – Non-Line of Duty, 5 years of service

General Employees – 1978 Plan Participants

Normal – Age 60 and 10 years of service, or age 65 and 5 years of service, or 25 years of service

Disability – Non-Line-of-Duty, 5 years of service

General Employees 2012 and 2016 Plan Participants

Normal – Age 65 and 5 years of service, or 25 years of service

Disability – Non-Line-of-Duty, 5 years of service

Police and Fire (Uniform) 1948 Plan Participants

Normal – Age 55 and 10 years of service, or 25 years of service

Disability – Line-of-Duty, no service requirement

Police and Fire (Uniform) 1978, 2012 and 2016 Plan Participants
Normal – Age 55 and 10 years of service, or 25 years of service
Disability – Line-of-Duty, no service requirement

Spouses of eligible retirees may receive postretirement medical benefits. Surviving widowed spouses are eligible if receiving a pension payment from the City of Memphis and coverage was in force prior to the retiree's death. Working spouses with available coverage elsewhere do not receive postretirement medical benefits.

Actuarial Methods and Assumptions. The City retained PricewaterhouseCoopers LLP ("PwC") to perform an actuarial valuation of the OPEB Plan for the purpose of calculating accounting results in accordance with GASB 74 and GASB 75 for the Plan's fiscal year ending December 31, 2022, and the City's Fiscal Year ended June 30, 2023, respectively. GASB 74 and GASB 75 require that each significant assumption reflect the best estimate of the City's future experience solely with respect to that assumption. The valuation year spanned from July 1, 2022, to June 30, 2023. The date of the census data used for that valuation was July 1, 2023.

For the July 1, 2023, actuarial valuation, the Entry Age Normal Actuarial Cost Method was used. This method determines a normal cost rate as a fixed percentage of compensation for each active participant. The current year's normal cost is the participant's compensation multiplied by the normal cost rate. Annual contributions in this amount, from the date the participant entered the plan (or would have entered, if the plan had always been in effect and the participant had entered at the earliest possible date) until retirement, would be sufficient to provide for the actuarial present value of the participant's plan benefits. The total normal cost is the sum of the normal costs for all active participants.

Summary of Plan Provisions. With respect to medical benefits, effective January 1, 2015, the City amended the OPEB Plan to grandfather the following participants:

- Post-65 Medicare A only eligible inactive
- Post-65 Medicare B only eligible inactive
- Post-65 Non-Medicare A and B eligible inactive
- Pre-65 deceased line-of-duty beneficiaries inactive
- Pre-65 disabled line-of-duty inactive

The remaining participants are non-grandfathered. Previously the non-grandfathered participants Pre-65 coverage was Access Only for a Preferred Provider Organization (PPO/Basic) or a Point of Service Plan (POS/Premier). Post 65-coverage was through a variety of Medicare plans, including the Medicare Supplemental Plan, Prescription Drug Plans (PDPs) and Medicare Advantage plans for Medicare-eligible retirees. The City subsidized 25% and paid for costs in excess of the required retiree premiums.

The per capita claims cost for the self-insured preferred and premier plans were developed by PwC based on the historical 2021 – July 2022 claims experience for the City's retired participants, adjusted for enrollment and plan design provisions.

Funding Policy. The contribution requirements of the plan members and the City are established by and may be amended by the City. The City pays for medical costs in excess of

required retiree premiums and may elect through adoption of the City's annual budget ordinance to contribute an amount in excess of the total annual benefit payments to a qualified trust for the purpose of funding future OPEB benefits. The City's receipt of Medicare Part D prescription drug subsidies is included in operating income.

In the Fiscal Year ended June 30, 2009, the City adopted and established an OPEB Trust for the exclusive purpose of pre-funding and providing for payment of OPEB benefits under the OPEB Plan. As of June 30, 2023, the value of the trust assets within the OPEB Fund was approximately \$11,887,000. The current Fiscal Year includes interest at 4.13% at the beginning of the year on the total OPEB liability and service cost offset by a half-year of interest on benefit payments. For the Fiscal Year ended June 30, 2023, the net investment return was \$392,000, compared to the expected return on assets of \$0.

Schedule of Contributions. Actuarial valuations of an on-going plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the contractual contribution of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The City is contractually required to pay benefits as they come due and make Health Reimbursement Arrangement ("HRA") contributions to participants enrolled in OneExchange or an allowable plan.

The Schedule of Contributions under GASB 74 and GASB 75, presented as Exhibit RSI-4 in the Required Supplementary Information section of the 2023 Audited Financial Statements, is presented for those years for which it is available and was prepared prospectively from the OPEB Plan's fiscal year ending June 30, 2023, for GASB 75 purposes. The City is contractually required to pay benefits as they come due and to make HRA contributions to participants enrolled in an allowable plan. The actual covered payroll of approximately \$369,163,000 represents the total covered payroll for the prior calendar year, increased by the salary scale. For calendar year 2023, the average salary was \$58,336. The net OPEB liability as a percentage of covered payroll was 170.5% for the year ending June 30, 2023.

Calculations of total OPEB liability, plan fiduciary net position and net OPEB liability are presented below. For more information regarding these calculations and the schedule of contributions, see Exhibit RSI-1, Exhibit RSI-2 and Exhibit RSI-3 of the 2023 Audited Financial Statements.

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Schedule of Changes in Net OPEB Liability and Related Ratios under GASB 74 and GASB 75⁽¹⁾

Fiscal Year Ended June 30, 2023

(In Thousands of Dollars)

Total OPEB Liability

Total OPEB Liability - beginning balance	\$ 529,145
Total Service Cost	15,545
Interest Cost	22,136
Experience (Gains)/Losses	(1,394)
Assumption Changes	107,697
Changes of Benefit Terms	(12,955)
Net Benefit Payments	(19,594)
Total OPEB Liability - ending balance	<u>\$ 640,580</u>

OPEB Plan Fiduciary Net Position

OPEB Fiduciary Net Position - beginning balance	\$ 6,528
Employer Contribution ⁽²⁾	23,167
Employee Contribution	3,967
Investment Return	392
Benefit Payments ⁽³⁾	(14,885)
Administrative Expenses	(8,676)
Fiduciary Net Position - ending balance	<u>\$ 10,993</u>

Net OPEB Liability

Total OPEB Liability	\$ 640,580
Less: Net Fiduciary Position	10,993
Net OPEB Liability	<u>\$ 629,587</u>

Fiduciary Net Position as a Percent of Total OPEB Liability	1.7%
Actual Covered Employee Payroll	\$ 369,163
Net OPEB Liability as a Percent of Covered Payroll	170.5%

⁽¹⁾ This Schedule was prepared to satisfy the requirement to show information regarding the net OPEB liability and related ratios. It was prepared prospectively from the OPEB Plan's fiscal year ended June 30, 2023, for GASB 75 purposes.

⁽²⁾ Includes employer contributions and transfers from other funds. Includes \$7 million Transfer In.

⁽³⁾ Includes benefits paid less Medicare D subsidies and pharmacy Rx rebates received. Actual benefit payments reduced by Pharmacy Rebate of \$1,085.

Source: 2023 Audited Financial Statements.

Changes in Plan Provisions. There were no changes in plan provisions since the end of the 2022 calendar year.

Compensated Absence Liabilities

Governmental Accounting Standards require recognition of the liability for compensated absences which have been earned and are reasonably expected to be paid to existing employees. The City has recognized the non-current portion of this liability for City employees in the amount of approximately \$91,034,000 as of June 30, 2023. See Note II.A to the 2023 Audited Financial Statements in "APPENDIX B – AUDITED FINANCIAL STATEMENTS OF THE CITY OF MEMPHIS, TENNESSEE FOR THE FISCAL YEAR ENDED JUNE 30, 2023" attached hereto.

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PRINCIPAL AND INTEREST REQUIREMENTS

The following table presents the principal and interest payment requirements with respect to the Outstanding General Improvement Bonds prior to the issuance and delivery of the Series 2024A Bonds and the Series 2024B Bonds.

Long-Term Debt Service Schedule^{(1)(2)*}

Fiscal Year	Existing Debt Service ⁽³⁾⁽⁴⁾⁽⁵⁾			Series 2024B Bonds			Total Debt Service		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2025	\$96,188,000	\$52,081,750	\$148,269,750				\$96,188,000	\$52,081,750	\$148,269,750
2026	99,775,000	47,871,263	147,646,263				99,775,000	47,871,263	147,646,263
2027	55,029,547	46,882,724	101,912,271				55,029,547	46,882,724	101,912,271
2028	57,322,523	44,416,116	101,738,639				57,322,523	44,416,116	101,738,639
2029	59,718,070	41,821,389	101,539,459				59,718,070	41,821,389	101,539,459
2030	62,247,044	39,104,575	101,351,619				62,247,044	39,104,575	101,351,619
2031	59,335,446	36,393,297	95,728,743				59,335,446	36,393,297	95,728,743
2032	58,574,712	33,941,057	92,515,769				58,574,712	33,941,057	92,515,769
2033	59,344,534	32,146,650	91,491,184				59,344,534	32,146,650	91,491,184
2034	60,716,850	30,330,817	91,047,667				60,716,850	30,330,817	91,047,667
2035	62,389,624	28,508,707	90,898,331				62,389,624	28,508,707	90,898,331
2036	58,216,498	26,836,913	85,053,411				58,216,498	26,836,913	85,053,411
2037	55,183,770	25,267,351	80,451,121				55,183,770	25,267,351	80,451,121
2038	56,647,266	23,806,586	80,453,852				56,647,266	23,806,586	80,453,852
2039	58,262,314	22,194,403	80,456,717				58,262,314	22,194,403	80,456,717
2040	59,934,500	20,507,391	80,441,891				59,934,500	20,507,391	80,441,891
2041	61,862,262	18,716,569	80,578,831				61,862,262	18,716,569	80,578,831
2042	59,756,808	16,582,380	76,339,188				59,756,808	16,582,380	76,339,188
2043	61,073,110	14,480,978	75,554,088				61,073,110	14,480,978	75,554,088
2044	59,786,772	12,306,316	72,093,088				59,786,772	12,306,316	72,093,088
2045	48,812,676	10,161,324	58,974,000				48,812,676	10,161,324	58,974,000
2046	36,467,800	8,502,675	44,970,475				36,467,800	8,502,675	44,970,475
2047	23,060,000	1,843,950	24,903,950				23,060,000	1,843,950	24,903,950
2048	24,090,000	815,850	24,905,850				24,090,000	815,850	24,905,850
Total	\$1,393,795,126	\$635,521,029	\$2,029,316,155				\$1,393,795,126	\$635,521,029	\$2,029,316,155

- (1) Excludes debt service on the General Obligation Commercial Paper and estimated debt service on the Series 2024A Bonds. Includes debt service on the Refunded Bonds.
- (2) Totals may not add due to rounding.
- (3) As of June 2, 2024.
- (4) Does not include subsidy payments for the City's General Improvement Bonds, Series 2010B (Direct Payment Build America Bonds), General Improvement Bonds, Series 2010C (Direct Payment Build America Bonds) or General Improvement Bonds, Series 2010F (Recovery Zone Economic Development Bonds).
- (5) Includes current interest and compound interest on the NMAPBA Bonds described herein.

Source: City of Memphis, Tennessee

* Preliminary, subject to change. The par amount and debt service schedule for the Series 2024A Bonds and Series 2024B Bonds will be determined at their respective sales.

TAX MATTERS

General Tax Matters

In the opinion of Ahmad Zaffarese LLC, Memphis, Tennessee, and Carpenter Law, PLLC, Memphis, Tennessee, Co-Bond Counsel, under existing laws, regulations, rulings and judicial decisions, interest on the Series 2024B Bonds (including any original issue discount properly allocable to the owner of a Series 2024B Bond) is excludable from gross income for federal income tax purposes. Interest on the Series 2024B Bonds is not a separate tax preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022. The opinions described above assume the accuracy of certain representations and compliance by the City with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Series 2024B Bonds. Failure to comply with such requirements could cause interest on the Series 2024B Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2024B Bonds. The City has covenanted to comply with such requirements. Co-Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2024B Bonds.

The accrual or receipt of interest on the Series 2024B Bonds may otherwise affect the federal income tax liability of the owners of the Series 2024B Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Co-Bond Counsel have expressed no opinion regarding any such consequences. Purchasers of the Series 2024B Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Series 2024B Bonds.

Co-Bond Counsel also are of the opinion that, under existing law, the Series 2024B Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on all or a portion of the interest on the Series 2024B Bonds during the period the Series 2024B Bonds are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Series 2024B Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee. Ownership of the Series 2024B Bonds or interest thereon may be subject to state or local taxation in jurisdictions other than the State of Tennessee under applicable state or local laws, as to which Co-Bond Counsel express no opinion. Each prospective investor and purchaser of the Series 2024B Bonds should consult its, his or her own tax advisor regarding the

status of the interest on the Series 2024B Bonds in a particular state or local jurisdiction other than Tennessee.

Original Issue Discount

The Series 2024B Bonds, if any, that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the “Discount Bonds”), are being sold at an original issue discount. The difference between the initial public offering prices of such Discount Bonds and their stated amounts to be paid at maturity constitutes original issue discount treated in the same manner for federal income tax purposes as interest, as described above.

The amount of original issue discount that is treated as having accrued with respect to a Discount Bond or is otherwise required to be recognized in gross income is added to the cost basis of the owner of the bond in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received on disposition of such Discount Bond that are attributable to accrued or otherwise recognized original issue discount will be treated as federally tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to (a) the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less (b) the amount of any interest payable for such Discount Bond during the accrual period. The tax basis for purposes of the preceding sentence is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date, with respect to when such original issue discount must be recognized as an item of gross income and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such Discount Bonds for a price that is higher or lower than the “adjusted issue price” of the Discount Bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Original Issue Premium

The Series 2024B Bonds, if any, that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the “Premium Bonds”), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Bond

over its stated redemption price at maturity constitutes premium on such Premium Bond. A purchaser of a Premium Bond must amortize any premium over such Premium Bond's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium Bonds callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser's basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Bonds should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on federally tax-exempt obligations such as the Series 2024B Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the Series 2024B Bonds that fail to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2024B Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling federally tax-exempt obligations.

State of Tennessee Taxes

Co-Bond Counsel also are of the opinion that, under existing law, the Series 2024B Bonds and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on all or a portion of the interest on the Series 2024B Bonds during the period the Series 2024B Bonds are held or beneficially owned by any organization or entity other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Series 2024B Bonds in the Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee. Ownership of the Series 2024B Bonds or interest thereon may be subject to state or local taxation in jurisdictions other than the State of Tennessee under applicable state or local laws, as to which Co-Bond Counsel express no opinion. Each prospective investor and purchaser of the Series 2024B Bonds should consult its, his or her own tax advisor regarding the status of the interest on the Series 2024B Bonds in a particular state or local jurisdiction other than Tennessee.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading "TAX

MATTERS” or adversely affect the market value of the Series 2024B Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2024B Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2024B Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2024B Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Co-Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2024B Bonds, and Co-Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE SERIES 2024B BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE SERIES 2024B BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2024B BONDS.

LITIGATION

PILOT Payments Litigation

The County has filed two lawsuits against the City, claiming that approximately \$55 million of electric and gas payments in lieu of taxes made by MLGW and collected by the City should have been paid to the County instead. Many of the County's claims were rejected by the Court in a prior suit between the City and the County. The City also disputes the County's interpretation and application of applicable law and has interposed several defenses, including sovereign immunity. As a result, the City believes that the amounts due to the County under these lawsuits, if any, will be significantly less than initially claimed by the County. In any event, the City does not expect that any such amounts will materially affect the financial condition of the City.

BellSouth Litigation

AT&T (formerly known as BellSouth Telecommunications, Inc.) sued the City in 2000 to recover alleged excessive telecommunications franchise fees. Based on a consent order entered by the parties in the case approximately \$35,000,000 (including interest since 2000), is payable by the City to BellSouth (the "BellSouth Payment"), net of any City right-of-way costs properly allocable to BellSouth (the "ROW Compensation"). To the extent the ROW Compensation due from BellSouth is greater than the BellSouth Payment, BellSouth will have to pay the difference. To the extent the ROW Compensation is less than the BellSouth Payment, the City will have to refund the difference to BellSouth. The City has performed a cost allocation study to determine the amount of the ROW Compensation. The City believes that the ROW Compensation from BellSouth will be significant and that any amounts ultimately due to BellSouth will not materially affect the financial condition of the City.

Other Litigation

The City is a defendant in various other lawsuits arising in the ordinary course of operations. Various cases and claims, including suits alleging violations of individual civil rights, are pending against the City involving claims for money damages. Based on the City's past experience, although the outcome of these lawsuits is not presently determinable, it is the opinion of the administration of the City and the Chief Legal Officer/City Attorney that the ultimate disposition of these matters will not materially affect the financial condition of the City. Under the Tennessee Governmental Tort Liability Act, §§ 29-20-101 through 29-20-408 of the Tennessee Code Annotated (the "Governmental Tort Act"), all governmental entities in Tennessee are immune from suit for any injury which may result from the activities of such governmental entities when engaged in the exercise and discharge of any function, except within the limits provided in the Governmental Tort Act. Pursuant to the Governmental Tort Act, there are limits for liability for governmental entities for bodily injury or death of any one person in any one accident, occurrence or act, unless and to the extent insurance is provided. The City is self-insured within these limits and all such claims are budgeted and paid from annual operating revenues of the City.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Banks, Finley, White & Co., Certified Public Accountants, Memphis, Tennessee, as verification agent (the "Verification Agent"), will deliver to the City, on or before the settlement date of the Series 2024B Bonds, its attestation report indicating that it has examined, in accordance with standards established by the American Institute of Certified Public Accountants, the information and assertions provided by the City and its representatives. Included in its report will be a verification of the mathematical accuracy of: (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the securities in the Refunding Trust Fund to pay, when due, the maturing principal of, interest on, redemption price and related call premium requirements, if any, of the Refunded Bonds; and (b) the mathematical computations supporting the conclusion of Co-Bond Counsel that the Bonds are not "arbitrage bonds" under the Code and the regulations promulgated thereunder.

The examination performed by the Verification Agent will be based solely upon data, information and documents provided to the Verification Agent by the City and its representatives. The Verification Agent's report of its examination will state that the Verification Agent has no obligation to update such report because of events occurring, or data or information coming to the attention of the Verification Agent subsequent to the date of the report.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the Rule, simultaneously with the issuance of the Series 2024B Bonds, the City will enter into the Disclosure Agreement for the benefit of the Holders of the Series 2024B Bonds, substantially in the form attached hereto as "APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT." The City, as an "obligated person" under the Rule, will undertake in the Disclosure Agreement to provide: (a) certain financial information and operating data relating to the Series 2024B Bonds in each year (the "Annual Report"); and (b) notice of the occurrence of certain enumerated events

(each a "Listed Event Notice"). The Annual Report and each Listed Event Notice, if applicable, will be filed by DAC, on behalf of the City, on EMMA, a service of the MSRB. The specific nature and timing of filing the Annual Report and each Listed Event Notice, and other details of the City's undertakings, are more fully described in "APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto.

The following disclosure is being provided by the City for the sole purpose of assisting the Underwriters in complying with the Rule.

The City previously entered into continuing disclosure undertakings with its underwriters, as an "obligated person" under the Rule (the "Undertakings"). In the period beginning five years prior to the date of this Official Statement to the dated date of this Official Statement (the "Compliance Period"), the City believes that it has complied, in all material respects, with its Undertakings, except that: (i) the City entered into certain sewer and stormwater drawdown loans on or about October 13, 2021, March 19, 2024, and March 26, 2024, respectively, and notice of the incurrence of such loans was filed on November 30, 2021, May 16, 2024, and May 30, 2024, respectively (and prior to any draws by the City on all or some of such loans); and (ii) due to their unavailability, the City did not timely file audited financial information for Fiscal Years 2021 through 2023, due on December 30 pursuant to certain prior Undertakings, though unaudited financial information for such Fiscal Years was timely filed in each instance. Audited financial information for Fiscal Years 2021, 2022 and 2023, was filed on January 5, 2022, March 10, 2023, and January 2, 2024, respectively.

LEGAL MATTERS

Certain legal matters incident to the authorization, issuance, validity, sale and delivery of the Series 2024B Bonds are subject to the approving opinions of Ahmad Zaffarese LLC, Memphis, Tennessee, and Carpenter Law, PLLC, Memphis, Tennessee, as Co-Bond Counsel, whose approving opinions, in substantially the form attached hereto as "APPENDIX D - FORM OF OPINIONS OF CO-BOND COUNSEL," will be delivered concurrently with the issuance of the Series 2024B Bonds. No representation is made to the Holders of the Series 2024B Bonds that Co-Bond Counsel has verified the accuracy, completeness or fairness of the statements in this Official Statement, and Co-Bond Counsel assumes no responsibility to the Holders of the Series 2024B Bonds except for the matters that will be set forth in their approving opinions.

Certain legal matters will be passed upon for the City by Tannera Gibson, Chief Legal Officer / City Attorney. In addition, certain legal matters will be passed upon for the City by Bass Berry & Sims PLC, Nashville, Tennessee, and Bruce Law, PLLC, Memphis, Tennessee, Co-Disclosure Counsel to the City. Certain legal matters will be passed upon for the Underwriters by Butler Snow LLP, Memphis, Tennessee, as Underwriters' Counsel.

The legal opinions to be delivered concurrently with the delivery of the Series 2024B Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein, as of the date of such opinions. By rendering legal opinions, the attorneys providing such opinions do not become insurers or guarantors of the result indicated by that expression of professional judgment with respect to the transaction on which the

opinions are rendered or of the future performance of parties to the transaction. Furthermore, the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

FINANCIAL STATEMENTS

The basic financial statements of the City as of June 30, 2023, and for the fiscal year then ended have been audited by Banks, Finley, White & Co., Certified Public Accountants, Memphis, Tennessee, independent auditors (the "Auditor"). The Auditor's report, together with the basic financial statements, management discussion and analysis and the required supplemental information for the Fiscal Year ended June 30, 2023, are set forth in the 2023 Audited Financial Statements attached hereto as "APPENDIX B - AUDITED FINANCIAL STATEMENTS OF THE CITY OF MEMPHIS, TENNESSEE FOR THE FISCAL YEAR ENDED JUNE 30, 2023". The Auditor has not been engaged to perform, and has not performed, any procedures relating to this Official Statement.

CO-FINANCIAL ADVISORS

PFM Financial Advisors LLC, Memphis, Tennessee, and CLB Porter, LLC, Memphis, Tennessee, serve as Co-Financial Advisors to the City for the Series 2024B Bonds. The Co-Financial Advisors assisted in matters related to the planning, structuring, sale and issuance of the Series 2024B Bonds and provided other advice. The Co-Financial Advisors did not engage in any underwriting activities with regard to the issuance and sale of the Series 2024B Bonds.

CERTAIN RELATIONSHIPS

Ahmad Zaffarese LLC, Co-Bond Counsel, from time to time, represents certain of the Underwriters in connection with various matters unrelated to the issuance of the Series 2024B Bonds and provides other legal services to the City. Carpenter Law, PLLC, Co-Bond Counsel, from time to time, represents certain of the Underwriters in connection with various matters unrelated to the issuance of the Series 2024B Bonds and provides other legal services to the City.

Butler Snow LLP, Underwriters' Counsel, from time to time, represents the Paying Agent and Registrar in connection with various matters unrelated to the issuance of the Series 2024B Bonds and provides legal services to the City in matters unrelated to the issuance of the Series 2024B Bonds.

Bass, Berry & Sims PLC, Co-Disclosure Counsel, from time to time, represents the Paying Agent and Registrar and certain of the Underwriters in connection with various matters unrelated to the issuance of the Series 2024B Bonds and provides other legal services to the City.

RATINGS

Moody's Investors Service, Inc. ("Moody's") and S&P Global Ratings ("S&P," and together with Moody's, the "Rating Agencies") have assigned ratings of "Aa2" (stable outlook) and "AA" (negative outlook), respectively, to the Series 2024B Bonds.

The ratings, including any related outlook with respect to potential changes in such ratings, reflect only the respective views of the Rating Agencies, and an explanation of the significance of such ratings may be obtained from the Rating Agencies furnishing the ratings. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies, and assumptions of its own. There is no assurance that such ratings will remain unchanged for any given period of time or that they will not be revised downward or withdrawn entirely by the rating agency furnishing the same, if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings or other actions by the Rating Agencies, or any of them, may have an adverse effect on the liquidity or market price of the affected Series 2024B Bonds. The City has not undertaken any responsibility to oppose any such revision, suspension or withdrawal.

UNDERWRITING

Siebert Williams Shank & Co., LLC (the "Representative"), on behalf of itself and the other underwriters listed on the front cover page of this Official Statement (collectively, the "Underwriters"), has agreed jointly and severally, pursuant to a Bond Purchase Agreement between the Representative and the City (the "Bond Purchase Agreement"), to purchase the Series 2024B Bonds at an aggregate purchase price of \$ _____, representing the principal amount of the Series 2024B Bonds of \$ _____ and minus an underwriters' discount of \$ _____. The Bond Purchase Agreement provides that the Underwriters' obligations are subject to certain conditions precedent but that the Underwriters will be obligated to purchase all of the Series 2024B Bonds if any Series 2024B Bonds are purchased.

The Underwriters reserve the right to join with dealers and other underwriters in offering the Series 2024B Bonds to the public. The Series 2024B Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2024B Bonds into investment trusts) at prices lower than the public offering prices. Public offering prices may be changed from time to time by the Underwriters.

The Underwriters have provided the following information for inclusion in this Official Statement.

The Underwriters and their respective affiliates may be full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Under certain circumstances, the Underwriters and their affiliates may have certain creditor or other rights against the City in connection with such activities. In the various course of their various business activities, the Underwriters and their respective affiliates, officers, directors, and employees may purchase, sell, or hold a broad array of investments and actively trade securities, derivatives, loans,

commodities, currencies, credit default swaps, and other financial instruments for their own account and for the accounts of their customers and such investment and trading activities may involve or relate to assets, securities or instruments of the City (directly, as collateral securing other obligations or otherwise) or persons and entities with relationships with the City. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long or short positions in such assets, securities and instruments.

FORWARD-LOOKING STATEMENTS

Any statements made in this Official Statement, including on the front cover page, on the inside cover page and in the appendices attached hereto, involving estimates or matters of opinion, whether or not so expressly stated as such, are set forth as estimates or matters of opinion and not as representations of fact. No representation is made that any of the estimates or matters of opinion will be realized.

The statements contained in this Official Statement, including on the front cover page, on the inside cover page and in the appendices attached hereto, that are not purely historical, are forward-looking statements. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available on the date hereof and the City does not assume any obligation to update any such forward-looking statement. It is important to note that actual results could differ materially from those in such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including without limitation: risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates; possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions; and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners, competitors and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the City. Any of such assumptions could be inaccurate. Therefore, there can be no assurance that the forward-looking statements included in this Official Statement, including on the front cover page, on the inside cover page and in the appendices attached hereto, will prove to be accurate.

MISCELLANEOUS

The references, excerpts and summaries of all documents referred to in this Official Statement do not purport to be complete statements of the provisions of such documents and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Series 2024B Bonds, the security for and the sources for repayment for the Series 2024B Bonds and the rights and obligations of the Holders. Copies of such documents may be

obtained in the manner specified under the heading "INTRODUCTION - Other Information" herein.

The information in this Official Statement, including the appendices attached hereto, has been compiled from official and other sources deemed by the City to be reliable and, while not guaranteed as to completeness or accuracy, is believed by the City to be correct as of the date of this Official Statement.

Use of the words "shall" or "will" in this Official Statement or in summaries of documents to describe future events or continuing obligations is not intended as a representation that such event or obligation will occur but only that the document contemplates or requires such event to occur or obligation to be fulfilled.

Neither this Official Statement nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of the Series 2024B Bonds.

**AUTHORIZATION OF AND CERTIFICATION
CONCERNING OFFICIAL STATEMENT**

The execution and delivery of this Official Statement, and its distribution and use by the Underwriters in connection with the original public offer, sale and distribution of the Series 2024B Bonds by the Underwriters, have been duly authorized and approved by the City.

CITY OF MEMPHIS, TENNESSEE

By: _____
Paul A. Young, Mayor

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APPENDIX A

GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE

In addition to the information provided in the Official Statement, including each of the appendices attached thereto, with respect to the General Improvement Refunding Bonds, Series 2024B (the "Series 2024B Bonds") of the City of Memphis, Tennessee (the "City"), the City has provided the following general information regarding the City. A complete review of this Appendix A, together with the body of the Official Statement and all other appendices attached thereto, is essential to the making of an informed investment decision by any purchaser of the Series 2024B Bonds. In the making of an informed investment decision relating to the Series 2024B Bonds, a potential purchaser should not conclude that the presentation of information in this Appendix A, versus a presentation of the same in the body of the Official Statement, denotes that the information provided in this Appendix A is of less relevance or importance than the information set forth in the body of the Official Statement.

The City has not authorized anyone to give any information or to make any representations not contained herein or supplemental hereto and, if given or made, such other information or representations must not be relied upon as having been authorized.

All of the following information, estimates and expressions of opinion are subject to change without notice. Though collected from sources the City believes to be reliable, the City has made no independent verification of the information provided by non-City sources, and the City takes no responsibility for the completeness or accuracy thereof. As provided in the section of the Official Statement entitled "INVESTMENT CONSIDERATIONS – COVID-19 and Other Public Health Emergencies," some of the information presented herein relates to dates and periods prior to the COVID-19 pandemic and the resulting measures instituted to mitigate it. Historical numbers presented herein cannot be relied upon as reflective of current conditions or predictive of future results, which may be materially different. The delivery by the City of the information contained herein shall not, under any circumstances, create any implication that there has been no material change in the affairs of the City since the date of the Official Statement.

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THE CITY OF MEMPHIS, TENNESSEE

Administration and Officials

For information related to the City and its administration, see "THE CITY" in the Official Statement. Following are brief personal résumés of relevant administration officials of the City.

Paul A. Young, Mayor of the City of Memphis. Paul A. Young was sworn in as mayor of the City on January 1, 2024, with a commitment to creating a stronger, safer and more thriving community for all Memphians. Mayor Young earned a Bachelor of Science degree in electrical engineering from the University of Tennessee and both a Master of Science degree in urban and regional planning and Master of Business Administration degree from the University of Memphis.

Prior to becoming mayor, Mayor Young served as President of the Downtown Memphis Commission and Director of Housing and Community Development for the City.

Walter O. Person, Interim Chief Financial Officer. Deputy Chief Financial Officer Walter Person has served as interim Chief Financial Officer (or “CFO”) since January 2024. In this role, Mr. Person serves as a resource to the Mayor and other senior leaders in the areas of financial strategy and enterprise fiscal management. As interim CFO, he is responsible for the financial management of the organization, which includes budget analysis and management, financial modeling and reporting, cost benefit analysis, forecasting needs, accounting and treasury operations, and investment strategies. The CFO is Chairperson of the Pension Investment Committee, a non-voting member of the Sports Authority Board, and a TIF board member. Prior to being appointed as interim CFO, Mr. Person was appointed as Deputy Chief Financial Officer for the City in November 2021. While in the role of Deputy Chief Financial Officer, he has also served as Interim Comptroller and Interim Budget Manager.

Mr. Person has an undergraduate degree in Statistics from Harvard University and an MBA from the University of Pennsylvania. He is a certified Master Black Belt in Six Sigma methodology and a Certified Municipal Finance Officer. Prior to joining the City’s administration, Mr. Person worked in consulting, commercial finance and banking (risk reporting) and as a college professor.

Antonio Adams, Interim Chief Operating Officer. Antonio Adams has served as interim Chief Operating Officer of the City since January 2024. Mr. Adams has served in multiple roles during his 17-year tenure at the City, including Equal Employment Opportunity/Labor Relations and ADA Compliance Coordinator, Deputy Director of General Services, General Services Director, Interim Total Rewards Officer, and Deputy Chief Operating Officer. Mr. Adams also previously led the Memphis-Shelby County Joint COVID Taskforce Emergency Response Team (ESF-7) and led the installation of Continuous Improvement and Lean Process methodology for cross-functional teams.

Mr. Adams holds a Bachelor of Science degree from East Tennessee State University, a Master of Science degree in Sociology from Middle Tennessee State University and a Juris Doctorate degree from Thomas Cooley Law School.

Penelope Huston, Chief Communications Officer. Penelope Huston was appointed Chief Communications Officer for the City in January 2024. As the Chief Communications Officer, she is responsible for crafting the City’s external and internal messaging and brand strategies and managing a team of 14. She is a longtime strategic communications and marketing professional who has overseen print and digital campaigns for hundreds of corporate and retail clients and helped to guide messaging and client engagement for some of the City’s most iconic brands: The Memphis Flyer, Memphis Magazine, ALSAC/St. Jude, Beale Street, The Downtown Memphis Commission and Mighty Lights.

Ms. Huston has a Bachelor of Science in Psychology from Berry College. She previously served as President of the Memphis Chapter of the American Advertising Federation and on the National Board of the Association of Alternative Newsweeklies. She currently serves on the boards of the Memphis Rock ‘n’ Soul Museum, Indie Memphis, Memphis River Parks Partnership, New Memphis, and the Memphis Brand Initiative.

Tannera George Gibson, Chief Legal Officer / City Attorney. Tannera George Gibson was appointed Chief Legal Officer / City Attorney for the City in January 2024, after representing the City as outside counsel since 2016. As the Chief Legal Officer, she provides legal advice and counsel to the Mayor, division directors, and city officials on a broad range of legal matters, identifies areas of risk and provides strategy and legal problem-solving. Ms. Gibson manages over 50 Legal Division employees, including attorneys and employees of the claims, permits, risk management, and metro alarm departments.

Ms. Gibson graduated from the University of Memphis Cecil C. Humphreys School of Law in 2008 and is currently a non-equity member of the law firm Burch, Porter & Johnson, PLLC, having previously become an equity member of the firm in 2017—the first Black woman to do so. She was elected to the Board of Directors of the Memphis Bar Association in 2017 and became the Memphis Bar Association’s first Black woman President in 2022. Ms. Gibson is a Memphis Bar Foundation Fellow, an American Bar Foundation Fellow, a member of the Tennessee Bar Association’s Litigation Section Executive Council, and a member of the Standing Local Rules Committee for the United States District Court for the Western District of Tennessee.

Fonda Fouché, Chief Human Resources Officer. Fonda Fouché serves as the Chief Human Resources Officer for the City, where she oversees Talent Management, Total Rewards, Equity, Diversity and Inclusion, Workplace Safety and Human Resources Analytics and Performance. Prior to this appointment, she served as the Talent Management Officer for the City and was responsible for recruitment, organizational development, career pathways and AmeriCorps Vista. Ms. Fouché has served in City government for over 25 years in several capacities with a particular focus on recruitment and retention.

Ms. Fouché earned a Bachelor of Science degree in Education, with a Minor in Business Administration, from the University of Tennessee at Knoxville and a Master of Science degree in Administration from Central Michigan University.

André D. Walker, Deputy Chief Financial Officer. André Walker joined the City in July 2010 as Deputy Director of Finance and was later appointed to Deputy Chief Financial Officer in December 2019. He is responsible for oversight of the City's Debt and Investment Service Center. Mr. Walker has twelve years prior experience with a leading financial advisory firm where he advised and assisted state and local governmental entities with the issuance and management of debt. Mr. Walker is a fellow of the Woodrow Wilson Institute of Public Policy at the University of Michigan, is recognized by the State of Tennessee as a Certified Municipal Finance Officer, and has a Bachelor of Science in Business Administration with an Economics major and a Finance concentration from the University of Tennessee.

Kametris Wyatt, Interim City Comptroller. Kametris Wyatt, MBA, CPA, CMFO has been with the City since 2010. Her entire tenure with the City has been in the Finance Division where she has served in a variety of roles involving Accounting; Revenue Analysis and Special Reporting; and Budgeting for both Operations and Capital Improvement.

She earned her Bachelor of Business Administration and Master of Business Administration (both in Accounting) from The University of Memphis. She is a Certified Public Accountant under the Tennessee State Board of Accountancy and is a Certified Municipal Finance Officer under the State of Tennessee.

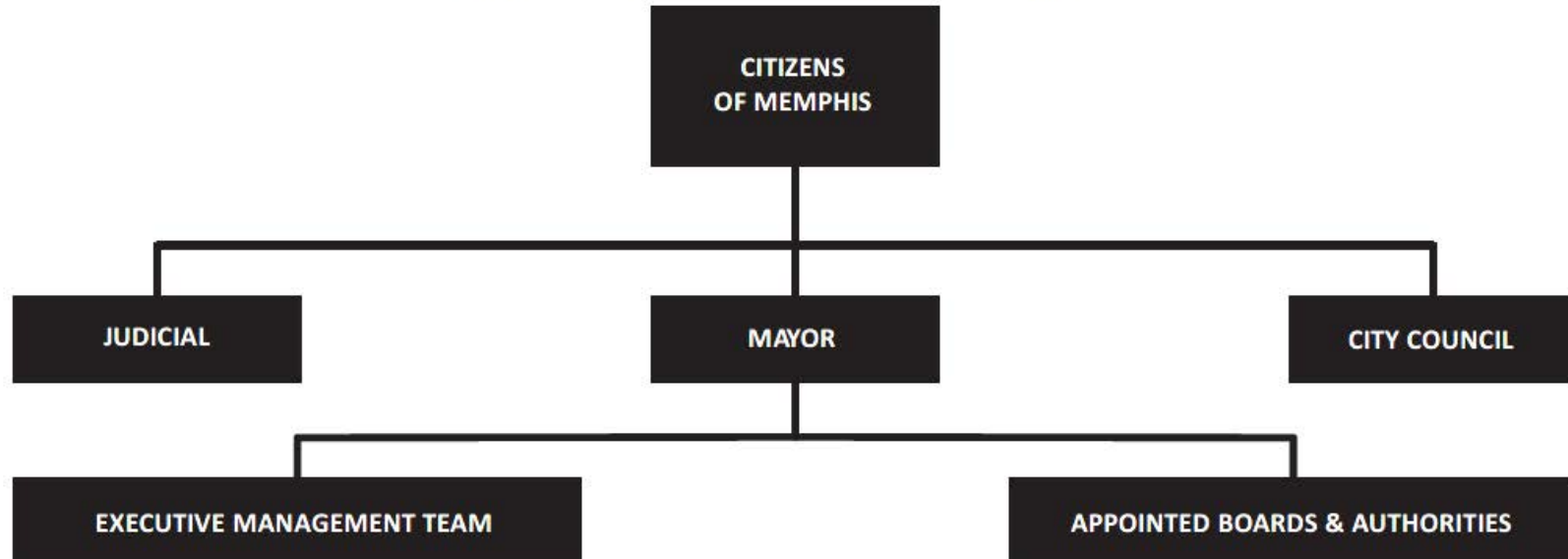
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Organization Chart

An organization chart showing the structure of City government is set forth below.

ORGANIZATION CHART

Primary Government and Discretely Presented Component Units

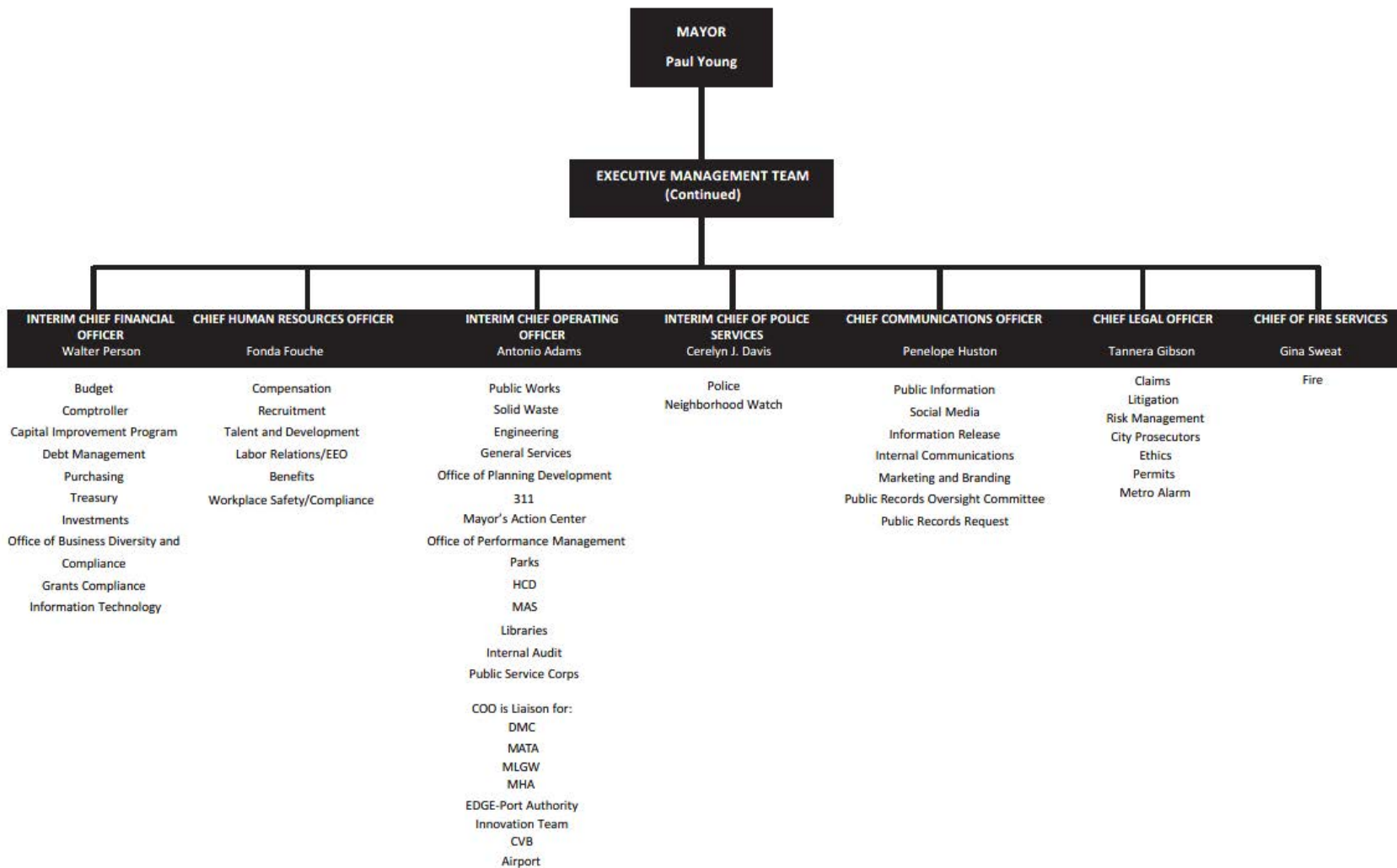


- Memphis Area Transit Authority
- Memphis Light, Gas and Water
- Memphis-Shelby County Airport Authority
- Memphis Light, Gas and Water Retirement and Pension System
- Memphis Metropolitan Land Bank Authority

(1) Appointed boards and authorities for Memphis Area Transit Authority and Memphis-Shelby County Airport Authority are legally separate from the primary government. These component units are discretely reported in a separate column in the combined financial statements to distinguish them from the primary government. Memphis Light, Gas and Water and Memphis Light, Gas and Water Retirement and Pension System are reported as part of the primary government. Certain other boards and commissions not listed above do not meet the definition of component units as presented in GASB Statement 61. These entities are further explained as related organizations, jointly governed organizations, and joint ventures in the Letter of Transmittal and Note 1 of the notes to the financial statements.

ORGANIZATION CHART

Primary Government and Discretely Presented Component Units (continued)



Division of Finance

The mission of the City's Division of Finance is to provide fiscal leadership, integrity, and superior finance services through prudent and efficient management of the City's financial affairs. This includes offering quality, meaningful analyses, and financial perspectives necessary for enterprise decisions and strategic planning. The Division of Finance is responsible for all fiscal affairs, information systems, financial management and related systems of the City. The Chief Financial Officer is charged with oversight of the City's financial policy and reports directly to the Mayor. The Chief Financial Officer is primarily responsible for the accounting, financial reporting, debt and investment policy, risk management, financial support systems and tax collection functions for the City. The activities of the Division are currently organized into six service centers: Accounting, Purchasing, Budget, Treasury, Debt and Investment Management.

Labor Relations

The City currently has approximately 6,833 permanent full-time employees, approximately 4,386 of whom are represented by employee labor organizations. The effective agreements with these organizations will expire on June 30, 2025, subject to annual wage openers. The American Federation of State, County and Municipal Employees, Local 1733, represents approximately 868 employees; the Memphis Police Association represents approximately 1,449 police officers; and the International Association of Fire Fighters, Local 1784, represents approximately 1,477 employees. The International Union of Operating Engineers represents 259 employees; the International Association of Machinists and Aerospace Workers represents 85 employees; the International Brotherhood of Electrical Workers and Crafts Union represent 139 employees; and Communication Workers of America represents 109 employees.

All labor-related activities are coordinated through the Labor Relations Service Center of the Division of Human Resources. In addition to the general administration of labor agreements, the Service Center provides extensive management and non-management training and coordinates all labor negotiations. Labor negotiations in accordance with State law are conducted in open meetings.

The City Charter prohibits strikes by City employees and provides for the automatic dismissal of any striking employee, allowing for their reinstatement only as "new probationary employees." In addition, the City Charter contains an impasse procedure which addresses economic issues between the City and its employees. This procedure provides for a three-person fact-finding committee made up of City Council members. City Council members of any impasse committee are chosen by lot. The committee evaluates the economic positions at impasse and recommends the last best offer total package of either union or the City. The full City Council may accept the committee's recommendation or deny it and accept the position of the other party.

FINANCIAL INFORMATION

Property Tax

Property taxes, which are levied on real estate and personal property, provide the City with a major source of revenue for a variety of functions. The City's property tax levy is without legal limit.

The City Council reserves and allocates a portion of the property tax rate between general government and the payment of debt service on obligations which are not paid from various enterprise funds and capital expenditures.

The Shelby County Assessor of Property assesses all real estate and personal property, including some utilities not under the jurisdiction of the Tennessee Regulatory Authority (the "TRA"). The TRA assesses some intangible personal property related to banks.

As part of the standard procedure for reevaluating assessed values every four years, based on current market values, the Shelby County Assessor of Property completed a full reappraisal of all properties in Shelby County (the "County") for the 2021 tax year (collections in Fiscal Year 2022) reappraisal. The 2021 reappraisal reflects an increase in the overall assessed value of taxable property in the County. The appraised values approximate market value. This ratio of assessment, authorized by the Property Assessment and Classification Act of 1993, provides for assessing farm and residential real property at 25% of the current market value, commercial and industrial real property at 40% of the current market value, personal property at 30% of the current market value and real and personal property of public utilities at 55% of the current market value with corresponding reductions in tax rates. The next reappraisal is scheduled for 2025.

New appraisal changes in real estate occur only when improvements are made to existing structures or demolition of existing structures occur or when improvements are made on vacant property. Reappraisal does not occur based on property sales. Personal property assessments are made annually based upon returns submitted by the taxpayers and are, therefore, maintained at current market value.

Public utilities are assessed by the TRA and are automatically reviewed by the State Board of Equalization. These assessments include real estate and personal property on the basis of location and usage. Currently, under a ruling by the State Board of Equalization, the appraised value of public utilities is being reduced by multiplying it by a factor computed by dividing the appraised valuation for tax purposes of all real property within the City by the current market value. The assessed value is based on this reduced appraised value.

Other Sources of Revenue

Other sources of revenues for the City include the following, some of which are applied to pay debt service on certain indebtedness described in this Official Statement under the heading "ADDITIONAL OBLIGATIONS".

General Sales Tax. The general (local) sales tax is currently levied at a rate of 2.75% on the first \$1,600 of a sale of any single item.

Beer Sales Tax. The sales tax for beer is 17% on the wholesale price of beer containing not more than 5% alcohol. It is collected by the wholesaler and remitted monthly, less collection fees to the City Treasurer.

Alcoholic Beverage Inspection Fee. The alcoholic beverage inspection fee is a 5% fee charged to retailers on the sale of alcoholic beverages. The fee is based on the wholesale price, collected by the wholesaler, and is remitted monthly, less collection fees to the City Treasurer.

Telephone Franchise Taxes. The telephone franchise tax, which is paid by AT&T (formerly known and at times referred to herein as “BellSouth Telecommunications”), is a 5% tax on local service and intrastate long-distance calls. Currently, a dispute exists between the City and BellSouth Telecommunications and the matter is in litigation. For more information on this matter, see the disclosure in the section entitled “LITIGATION – BellSouth Litigation” herein. Pending resolution of the litigation, the City has ceased collection of the 5% tax.

Hotel/Motel Occupancy Tax. This tax is 3.5% of gross occupancy revenues, not including revenues from residents of 30 or more continuous days. There is a 2% credit if payment is made on or before the 20th of each month and 10% per year interest and a 1% per month penalty if delinquent.

State Tax Revenues (Local Share). The City receives funds from the State of Tennessee (the "State") which are briefly described below:

- (a) State Income Tax – The state income tax on income from dividends on stocks or interest on certain bonds was phased out effective January 1, 2021. Any state income tax revenue received by the City for periods thereafter is a result of overdue payments for previously owed amounts.
- (b) State Sales Tax – A 7% sales tax is imposed on the gross proceeds from retail sale or use of tangible personal property and some services. Over 60% of total state shared revenues that the City receives is derived from this source.
- (c) State Gasoline Taxes – The City receives a pro rata share of the State gasoline tax of \$0.20 per gallon and the State Motor Vehicle Tax (Diesel) of \$0.17 per gallon that is earmarked for Tennessee municipalities. Allocation among Tennessee cities is determined on a per capita basis. These funds are used for street maintenance and for debt service on bond proceeds used for street capital improvement projects.
- (d) Other State Taxes – The City also receives State revenues derived from the beer tax, alcoholic beverage tax, mixed drink tax, Tennessee Valley Authority in-lieu-of-tax payments and bank excise tax.

Principal Property Taxpayers of the City

The following table presents the City's principal property taxpayers for Fiscal Year 2023.

Principal Property Taxpayers of the City Fiscal Year 2023

	Taxable Assessed Value	Percentage of Total Taxable Assessed Value⁽¹⁾
FedEx Corporation	\$ 898,185,767	5.87%
Memphis Center City Revenue Finance Corporation	321,928,421	2.10
Amazon	80,186,830	0.52
Premcor Refining Group	68,581,770	0.45
Pool 6 Industrial	61,351,160	0.40
Smith & Nephew Inc.	53,333,560	0.35
AT&T Mobility LLC	53,044,953	0.35
Nike TN, Inc.	49,284,820	0.32
Olymbec	48,610,010	0.32
G & I	48,498,510	0.32
Total Assessed Valuation of Top 10 Taxpayers	\$ 1,683,005,801	10.99%
Balance of Assessed Valuation	13,629,287,005	89.01
Total Assessed Valuation	\$15,312,292,806	100.00%

⁽¹⁾ Numbers may not add due to rounding.

Source: City of Memphis, Tennessee Annual Report Fiscal Year Ended June 30, 2023.

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Property Tax Rates, Levies and Collections

The following table presents the City's property tax rates for Fiscal Years 2020 through 2024.

PROPERTY TAX RATES⁽¹⁾⁽²⁾					
Fiscal Years Ending June 30					
Tax Year	2019	2020	2021⁽³⁾	2022	2023
Fiscal Year	2020	2021	2022	2023	2024
General Fund	\$ 2.1640	\$ 2.1773	\$ 1.8473	\$ 1.8459	\$ 1.8459
Debt Service Fund	0.9989	0.9989	0.8475	0.8475	0.8475
Capital Improvement Program	0.0098	0.0098	0.0083	0.0083	0.0083
Pre-K	0.0100	0.0100	0.0100	0.0000	0.0000
Community Catalyst Fund	0.0067	0.0000	0.0000	0.0000	0.0000
Affordable Housing Fund	0.0067	0.0000	0.0000	0.0000	0.0000
Total City Tax Rate	\$ 3.1960	\$ 3.1960	\$ 2.7130	\$ 2.7016	\$ 2.7016

⁽¹⁾ Taxes are assessed as of January 1 and are due on June 1 for the City and October 1 for the County. No tax rate limits exist and taxes must be assessed sufficiently to pay debt service. Tax rates are per \$100 of assessed value. The City's tax levy includes payments in lieu of taxes. As provided in this Official Statement in the section entitled "FISCAL OVERVIEW – Condensed Financial Results," the City Council recently approved a property tax rate increase of \$0.49376 for a total City tax rate of \$3.1954 for Fiscal Year 2025 (Tax Year 2024).

⁽²⁾ Numbers may not add due to rounding.

⁽³⁾ As described above, property is reappraised every four (4) years. Pursuant to applicable law, the result of the reappraisal must be revenue neutral in the aggregate. As a result, upon the 2021 reappraisal of property in the City, the total property tax rate was adjusted downward by the City Council so that, when levied against the new aggregate assessed value of property within the City, it will generate revenues identical to the prior property tax rate when levied against the prior aggregate assessed property value.

Source: City of Memphis, Tennessee.

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The following table presents the City's property tax levies and tax collections for Fiscal Years 2018 through 2023.

PROPERTY TAX LEVIES AND TAX COLLECTIONS⁽¹⁾

Tax Year	Fiscal Year	Adjusted Tax Levy	Current Tax Collections	Percent Collected	Delinquent Tax Collections	Total Tax Collections	Total Collections as Percent of Current Levy	Prior Years Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Current Levy
2017	2018 ⁽²⁾	411,594,589	391,866,749	95.21	7,091,826	398,958,575	96.93	40,252,452	9.78
2018	2019 ⁽³⁾	404,267,831	385,933,630	95.46	6,753,713	392,687,343	97.14	38,342,430	9.48
2019	2020 ⁽⁴⁾	405,072,989	383,675,177	94.72	3,148,875	386,824,052	95.49	38,212,875	9.43
2020	2021 ⁽⁵⁾	412,891,338	388,702,105	94.14	8,364,301	397,066,406	96.17	31,319,387	7.59
2021	2022 ⁽⁶⁾	419,438,170	402,684,693	96.01	4,585,098	407,269,791	97.10	25,275,688	6.03
2022	2023 ⁽⁷⁾	409,193,607	401,264,291*	98.06*	10,625,949	411,890,240	100.66	38,992,018	9.53

* Prior year's reported activity was revised to ensure consistent reporting across reported fiscal years.

- (1) Taxes are normally due on June 1 and become delinquent on September 1 each year. A penalty of 1/2 of 1% accrues the first of each month taxes remain delinquent and interest is charged at 12% per annum until paid. Discounts are not allowed. Delinquent taxes may be collected by foreclosure proceedings through court ordered tax sales.
- (2) In May 2018, the City sold a portion of the 2017 tax year real property taxes outstanding (which funds Fiscal Year 2018) to an outside party. The sale generated property tax revenue and a reduction of the property tax receivable balance in the amount of \$11,000,143. Additionally, the City redeemed remaining outstanding 2013 receivables in the amount of \$2,945,038. The sale is reflected in total tax collections. Adjusted Tax Levy increased \$24,844,295 due to tax assessment on January 1, 2017, for Fiscal Year 2018. This assessment is performed every four years.
- (3) In December 2018, the City sold a portion of the 2018 tax year real property taxes outstanding (which funds Fiscal Year 2019) to an outside party. The sale generated property tax revenue and reductions of the property tax receivable balance of \$12,231,850. Additionally, the City redeemed remaining outstanding 2014 receivables in the amount of \$2,541,071. The sale is reflected in total tax collections.
- (4) In December 2019, the City sold a portion of the 2019 tax year real property taxes outstanding (which funds Fiscal Year 2020) to an outside party. The sale generated property tax revenue and reductions of the property tax receivable balance of \$8,759,171. In April 2020, the City sold a portion of the 2019 tax year real property taxes outstanding (which funds Fiscal Year 2020) to an outside party. The sale generated property tax revenue and reductions of the property tax receivable balance of \$3,382,709. Additionally, the City redeemed remaining outstanding 2015 receivables in the amount of \$1,196,751. The sale is reflected in total tax collections.
- (5) In June 2021, the City sold the majority of the 2020 tax year (which funds fiscal year 2021) real property taxes outstanding to an outside party. The sale generated property tax revenue and a reduction of the property tax receivable balance of \$9,938,684 for fiscal year 2021, which is reflected in tax collections.
- (6) In June 2022, the City sold a portion of 2021 tax year (which funds Fiscal Year 2022) real property taxes outstanding to an outside party. The sale generated property tax revenue and a reduction in the property tax receivable balance of \$5,874,693.
- (7) No portions of property taxes were sold in Fiscal Year 2023.

Note: Adjusted Tax Levy and Current Year Collections as presented in prior years' Annual Reports of the City were modified in the table above to exclude all amounts other than levies and collections for realty, personal property and State-assessed properties.

Source: City of Memphis, Tennessee.

Assessed and Estimated Values of Taxable Property

The following table presents the City's assessed and estimated actual values of taxable property for Fiscal Years 2014 through 2023.

ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY Fiscal Year Ended June 30

Tax Year	Fiscal Year	Real Property				Personal Property		Utilities and Carriers (55%) Real and Personal ⁽¹⁾		Total	Total Assessed to Total Market Value	Total Direct Tax Rate	
		Farm and Residential (25%)		Commercial and Industrial (40%) ⁽²⁾		Commercial and Industrial (30%) ⁽³⁾		Privately Owned					
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2013	2014	\$4,731,533,025	\$18,926,132,100	\$4,532,007,925	\$11,566,004,400	\$1,273,218,610	\$4,242,350,800	\$ 946,724,202	\$1,721,316,731	\$11,483,483,762	\$36,455,804,031	31.50%	3.4000
2014	2015	4,680,381,500	18,721,526,000	4,285,184,728	10,949,013,700	1,202,709,365	4,007,052,700	973,975,835	1,770,865,155	11,142,251,428	35,448,457,555	31.43	3.4000
2015	2016	4,747,920,725	18,991,682,900	4,346,281,513	11,109,511,700	1,163,790,125	3,876,630,900	1,087,988,613	1,978,161,115	11,345,980,976	35,955,986,615	31.56	3.4000
2016	2017	4,751,997,850	19,007,991,400	4,352,967,258	11,139,231,800	1,195,454,995	3,979,910,300	1,074,179,569	1,953,053,762	11,374,599,672	36,080,187,262	31.53	3.4000
2017	2018	5,158,704,825	20,634,819,300	5,130,873,210	13,104,786,500	1,232,142,320	4,105,025,400	1,075,298,505	1,955,088,191	12,597,018,860	39,799,719,391	31.65	3.2715
2018	2019	5,168,064,525	20,672,258,100	5,120,604,860	13,087,942,600	1,260,430,100	4,199,045,700	1,138,764,751	2,070,481,365	12,687,864,236	40,029,727,765	31.70	3.1960
2019	2020	5,185,372,125	20,741,488,500	5,162,651,977	13,235,580,400	1,210,052,260	4,030,360,300	1,136,132,373	2,065,695,224	12,694,208,735	40,073,124,424	31.68	3.1960
2020	2021	5,193,552,150	20,774,208,600	5,098,591,532	13,020,387,700	1,242,307,280	4,138,429,600	1,079,260,158	1,962,291,196	12,613,711,120	39,895,317,096	31.62	3.1960
2021	2022	6,508,449,725	26,033,798,900	6,092,432,872	15,597,047,400	1,464,691,315	4,879,704,600	1,416,299,864	2,575,090,662	15,481,873,776	49,085,641,562	31.54	2.7130
2022	2023	6,507,643,325	26,030,573,300	5,892,777,337	15,098,559,200	1,498,757,775	4,993,794,500	1,413,114,369	2,569,298,853	15,312,292,806	48,692,225,853	31.45	2.7016

⁽¹⁾ Does not include City-owned utilities (Electric and Gas Divisions) which are assessed a separate in-lieu-of-tax. The Electric and Gas Divisions are taxed under the provisions of state statutes, "The Municipal Electric System Tax Equivalent Law of 1987" and "The Municipal Gas System Tax Equivalent Law of 1987," respectively. Under these laws, the annual tax equivalent is the sum of: (a) the equalized tax rate applied to the net plant value and book value of materials and supplies, and (b) four percent (4%) of the average of revenue less power cost for the preceding three (3) fiscal years. The law also provides that no payment shall be less than the amount paid in Fiscal Year 1987. Net proceeds from this source go only to the City's General Fund and are not allocated by the tax rate ordinance. The City contributes a portion of the proceeds to the County based on a tax rate formula.

⁽²⁾ Includes multiple real estate assessed at 0-40% as well as greenbelt commercial real estate assessed at 25%, greenbelt industrial real estate assessed at 25%, and greenbelt multiple real estate assessed at 0-40%. For real estate where parcel classification is multiple, the assessments will not equal the percentage multiple of the market appraisal or greenbelt.

⁽³⁾ Includes intangible personal property which is assessed at 40%.

Source: City of Memphis, Tennessee Annual Report Fiscal Year Ended June 30, 2023.

Debt Limit

Tennessee Code Annotated provides that bonds may be issued by a municipality without regard to any limit on indebtedness.

Ratios of General Bonded Debt

The following table presents the City's ratios of general bonded debt (which includes the City's general obligation bonds, bond anticipation notes and commercial paper) to appraised and assessed values and bonded debt per capita for Fiscal Years 2019 through 2023.

**RATIOS OF GENERAL OBLIGATION BONDED DEBT⁽¹⁾
TO APPRAISED AND ASSESSED VALUES AND BONDED DEBT PER CAPITA
Fiscal Years Ended June 30**

	2019	2020	2021	2022	2023
Estimated population ⁽²⁾	650,618	651,073	633,104	628,127	621,056
Appraised property valuation ⁽³⁾⁽⁴⁾	\$ 40,029,728	\$ 40,073,124	\$ 39,895,317	\$ 49,085,642	\$ 48,692,226
Assessed valuation ⁽³⁾⁽⁴⁾	12,687,864	12,694,209	12,613,711	15,481,874	15,312,293
General obligation debt ⁽³⁾⁽⁵⁾	\$ 1,261,655	\$ 1,300,115	\$ 1,237,565	\$ 1,427,952	\$ 1,483,252
Bond premiums ⁽³⁾	52,893	67,620	56,869	74,601	85,977
Total Debt ⁽³⁾	<u>\$ 1,314,548</u>	<u>\$ 1,367,735</u>	<u>\$ 1,294,434</u>	<u>\$ 1,502,553</u>	<u>\$ 1,569,229</u>
Bonded debt per capita	\$ 2,020	\$ 2,101	\$ 2,045	\$ 2,392	\$ 2,527
Bonded debt to appraised valuation – total debt	3.28%	3.41%	3.24%	3.06%	3.22%
Bonded debt to assessed valuation – total debt	10.36%	10.77%	10.26%	9.71%	10.25%

⁽¹⁾ For additional information relating to general bonded debt, see the Notes in the Audited Financial Statements.

⁽²⁾ Source: U.S. Census Bureau; the most current data available is for calendar year 2022.

⁽³⁾ In thousands of dollars.

⁽⁴⁾ Sources: Shelby County Assessor and State of Tennessee Office of State Assessed Properties.

⁽⁵⁾ Includes the City's general obligation bonded obligations only.

Note: The title of this table has been amended from "Debt Ratio Trends" in previous disclosure filings to "Ratios of General Obligation Bonded Debt to Appraised and Assessed Values and Bonded Debt Per Capita."

Source: City of Memphis, Tennessee Annual Report Fiscal Year Ended June 30, 2023.

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ECONOMIC AND DEMOGRAPHIC INFORMATION

Population Data

The following table presents population data for the City, the County, the State and the United States for calendar years 2018 through 2022.

Population Data⁽¹⁾
Calendar Years 2018-2022
(amounts in 000s)

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Memphis	651	651	633	626	621
Shelby County	936	937	930	923	916
Tennessee	6,772	6,829	6,911	6,964	7,049
United States	326,688	328,240	331,449	332,049	333,271

⁽¹⁾ From time to time, the U.S. Census Bureau revises its population estimates. Methodology differences may exist between data sources, and estimates from different sources are not comparable.

Source: U.S. Census Bureau.

Per Capita Personal Income

The following table presents per capita income for the City, the County, the State and the United States for calendar years 2018 through 2022.

Per Capita Personal Income
Calendar Years 2018-2022⁽¹⁾

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Memphis ⁽²⁾	\$46,481	\$47,904	\$51,155	\$56,579	\$56,440
Shelby County	49,022	50,468	53,855	58,844	58,736
Tennessee	47,203	49,009	51,046	56,970	58,292
United States	54,098	56,047	59,510	64,430	65,470

⁽¹⁾ From time to time, the U.S. Bureau of Economic Analysis may revise its income data.

⁽²⁾ Includes the Memphis Metropolitan Statistical Area.

Source: U.S. Bureau of Economic Analysis.

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Employment

The following table presents annual employment and unemployment trends in the City, the County, the State and the United States for calendar years 2014 to 2023. The onset of the COVID-19 pandemic in 2020 significantly affected the unemployment rates for the City, the County, the State and the United States. According to the U.S. Bureau of Labor Statistics, for March 2024, the unemployment rate (not seasonally adjusted) for the Memphis area was 3.7%.

Labor Force Trends⁽¹⁾ Calendar Years 2014-2023

Calendar Year	Shelby County ⁽²⁾		Unemployment Percentages			
	Employed	Unemployed	City of Memphis	Shelby County	Tennessee	USA
2023	413.1	18.8	4.9%	4.3%	3.3%	3.6%
2022	418.0	19.8	5.1	4.5	3.4	3.6
2021	417.0	30.5	8.2	6.8	4.3	5.3
2020	404.5	43.3	11.3	9.7	7.5	8.1
2019	450.0	18.1	4.2	4.0	3.4	3.7
2018	424.0	18.4	4.6	4.2	3.5	3.9
2017	417.7	19.1	4.8	4.4	3.8	4.4
2016	411.9	23.8	5.3	5.5	4.8	4.9
2015	401.5	26.5	6.2	6.1	5.6	5.3
2014	394.0	33.6	7.6	7.9	6.5	6.2

⁽¹⁾ From time to time, the U.S. Bureau of Labor Statistics may revise its employment data.

⁽²⁾ In thousands.

Source: U.S. Bureau of Labor Statistics.

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Employers

The following table presents the 25 largest employers in the Memphis area.

Memphis Area 25 Largest Employers

	Employer Names	Local Employees⁽¹⁾	Type of Business
1	Federal Express Corporation	35,000	Transportation, e-commerce & business services
2	United States Government	16,100	Federal government
3	Tennessee State Government	14,200	State government
4	Memphis-Shelby County Schools	11,894	Primary & secondary education
5	Methodist Le Bonheur Healthcare	11,430	Integrated healthcare delivery system
6	Baptist Memorial Health Care Corp.	9,956	Integrated healthcare system
7	Wal-Mart Stores, Inc.	8,100	Discount general merchandise
8	City of Memphis	7,900	City government
9	Naval Support Activity Mid-South	6,500	Military installation
10	St. Jude Children's Research Hospital	6,153	Medical research hospital
11	Nike Inc.	6,000	Sports & fitness footwear & apparel
12	Shelby County Government	5,211	County government
13	The Kroger Co.	4,600	Retail groceries
14	DeSoto County School District	4,521	Primary & secondary education
15	DHL Supply Chain	4,214	Supply chain services
16	Saint Francis Healthcare	4,000	Healthcare
16	Amazon	4,000	Package fulfillment/distribution
16	Milwaukee Tool	4,000	Job site solutions
19	Regional One Health	2,819	Health system
20	Veterans Affairs Medical Center	2,643	Medical center
21	AutoZone Inc.	2,500	Retail sales/distribution of auto parts/accessories
22	Memphis Light, Gas & Water	2,491	Utilities
23	University of Tennessee Health Science Center	2,400	Health science university
23	International Paper	2,400	Packaging & pulp
25	The University of Memphis	2,304	Post-secondary, graduate & legal education

⁽¹⁾ Estimated full-time employees.

Source: Memphis Business Journal: Book of Lists 2023.

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The following table presents the largest manufacturing companies, based on number of employees, in the Memphis area.

Memphis Area Manufacturing Companies

	Company	Local Employees ⁽¹⁾	Products
1	Smith & Nephew Inc.	2,300	Wide range of products related to joint replacement & resurfacing & healing fractures & deformities
2	Hino Motors Manufacturing USA Inc.	1,400	Rear axles, control arms & suspension components for Toyota trucks; frame side rails for Hino trucks
3	Carrier Global Corp.	980	Split system condensing units & heat pumps
4	Unilever	720	Breyers ice cream, Klondike bars, popsicles, Good Humor bars
5	Stryker	550	Orthopedic implants, including foot & ankle implants, orthopedic biologic products, orthopedic instrumentation
6	Nucor Steel Memphis Inc.	524	Steel
7	ABB Installation Products	510	Broad range of components used to connect & protect in electrification, including connectors and terminals, cable management & protection, switchgear, reclosers & accessories
8	The Hershey Co.	475	Candy, mints & gum
9	Riviana Foods Inc.	469	Rice products
10	Charms, a Division of Tootsie Roll Industries	440	Hard candy
11	Olympus Surgical Technologies America	422	Ear, nose & throat (ENT), intracapsular adenotonsillectomy, middle ear surgery, FESS (sinus surgery) & inferior turbinate reduction products
12	K.T.G. (USA) Inc.	400	Bathroom tissue, facial tissue, paper towels
12	MicroPort Orthopedics Inc.	400	Knee & hip implants
14	Barr Brands International Inc.	386	Specialty cleaning & home improvement brands, including DampRid, Microban, Mold Armor, Goof Off, Spray & Forget, Klean-Strip, Citristrip
15	Charles River	373	Contract development, manufacturing for autologous, allogeneic cell, gene therapeutic products
16	WK Kellogg Co.	355	Cereal
17	Edelbrock Group/Competition Cams	350	Automotive performance aftermarket, including cams & valve train components, fuel injection systems, torque converters, automatic transmissions
18	IFF	297	Soy protein powder for human consumption
19	Valero Energy Corp.	288	Gasoline, diesel fuel, jet fuel, petrochemicals
20	Bryce Corp.	281	Flexible packaging
21	TK Elevator	260	Elevators & industrial lifting equipment, service & maintenance
22	Mueller Industries Inc.	255	Piping systems, climate products & industrial metals/components for air, water, oil & gas distribution, climate comfort, food preservation, energy transmission, medical, aerospace, automotive & other markets
23	Medegen Medical Products	150	Patient bedside products
24	Sharp Manufacturing Co. of America	130	Home cooking appliances
25	Brother Industries (USA) Inc.	120	Office products, manufacturing services, postage machines, utility mobile printers

⁽¹⁾ Estimated full-time employees.

Source: Memphis Business Journal: Book of Lists 2023.

Construction

The following table presents annual data on the number of building permits granted and the value of related construction between Fiscal Years 2019-2023 for both the County and the City.

Building Permits Fiscal Years 2019-2023

Fiscal Year	Shelby County ⁽¹⁾		Memphis		City as a % of Shelby County
	Total Number Issued	Valuation ⁽²⁾	Total Number Issued	Valuation ⁽²⁾	
2019	6,637	2,169,484 ⁽³⁾	4,662	1,696,732 ⁽³⁾	78.2
2020	5,922	1,707,890	4,182	1,399,648	82.0
2021	5,757	1,312,969	3,997	988,645	75.3
2022	6,114	1,988,649	4,523	1,559,000	78.4
2023	5,795	1,920,903	4,333	1,412,881	73.6

⁽¹⁾ Includes all incorporated and unincorporated areas of the County except the Cities of Bartlett and Collierville.

⁽²⁾ In thousands of dollars.

⁽³⁾ Includes large construction projects, including projects for St. Jude Children's Research Hospital and the City's downtown convention center.

Source: Shelby County Building Department.

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The Economy

In recent years, the economy of the City has experienced success in attracting new businesses along with the continued growth of existing businesses. This success is due in large part to the City's location near the geographic center of the nation, combined with its transportation facilities. Also, the City benefits from serving as the trade center for the surrounding area.

Trade Area

Trade and retail facilities in the City serve a trade area of 76 counties, with a radius of roughly 200 miles east and west and a longer radius paralleling the Mississippi River approximately 300 miles north and south. This trade territory includes 13 counties in Arkansas, one county in Kentucky, 41 counties in Mississippi, two counties in Missouri and 19 counties in Tennessee.

Agribusiness

The Mid-South area, encompassing the Mississippi River Delta, is one of the richest agricultural areas in the nation. Farming is a major occupation of the region and has developed into major agribusiness activities. The 200-day growing season and favorable climate encourage the production of a variety of products. There is a major emphasis on soybeans, cotton and cattle, with additional interest in rice, corn, peaches, apples and a variety of vegetables.

The Memphis Metropolitan Statistical Area (or "MSA") is a leading spot cotton market and the nation's second largest processor of soybeans, third largest meat processor and third largest total food processor. Also, agricultural processors, packers, shippers, distributors and merchants are becoming increasingly visible contributors to the growth of the City and its economy.

An international agricultural market center, Agricenter International, was established in 1985 and is located in the eastern part of the City, approximately 30 minutes from downtown Memphis. The 140,000-square-foot exhibition center provides a forum for manufacturers, researchers and agribusiness organizations and producers from across the country. Its facilities include a 1,000-acre demonstration farm, both indoor and outdoor exhibition space, a fishing lake and an auditorium with seating capacity of 500. The Agricenter is operated by a nonprofit entity pursuant to a management contract with the Shelby County Agricenter Commission.

Indigo Ag, a high-tech agricultural company, has offices located in Indigo Plaza in the downtown area of the City. Founded in Massachusetts in 2014, Indigo Ag primarily focuses on coating crop seeds with beneficial microbes that are intended to protect crops from disease and drought. Additionally, the company offers grain marketing and transportation platforms and a carbon credits marketplace.

In recent years, the Mississippi River Delta area has experienced significant flooding, including the flooding of hundreds of thousands of acres of farmland. Flooding in the area has become more frequent with recent patterns of increasing rainfall. It is unknown how long it will take for any flooded areas to recover or how increasing rainfall patterns may affect Delta communities, the area's farming business and the area's larger economy in the future.

Tourism

The City's tourism industry has shown considerable growth since 1990. Some of the principal reasons for the growth include the investment of public funds into tourism development projects, the area's music culture and industry and the development of casino gaming in nearby Northern Mississippi.

The City's two largest tourist attractions draw on the area's rich music heritage. The Beale Street Historic District is located in downtown Memphis and on an annual basis has historically attracted approximately 4 million patrons, both tourists and residents. Entertainment in the District focuses on the Blues, a genre of music, which developed, in part, on Beale Street in the early and middle parts of the 20th century. The other large music-related attraction is Graceland, the home of the late Elvis Presley, which serves as a museum honoring the early rock-and-roll pioneer. Graceland has historically attracted an annual average of more than 650,000 people, many of whom make Graceland the primary reason for their visit to the City. A 450-room hotel, The Guest House at Graceland, opened in 2016 followed by additional tourism-related developments, including an Elvis auto museum.

Much of the area's tourism activity is focused on downtown Memphis. Mud Island, a park and museum devoted to the history, environment and culture of the Mississippi River, is located in Memphis's harbor. The City's Convention Center (as defined herein and further described below) is downtown and hosts business and other gatherings and includes the Cannon Center for the Performing Arts, home to the Memphis Symphony. The National Civil Rights Museum is located at The Lorraine Motel and other nearby buildings, offering a comprehensive overview of the American Civil Rights Movement in exhibit form.

The Memphis Grizzlies team of the National Basketball Association (or "NBA") is also located in the City. The FedEx Forum arena, situated just south of Beale Street, is the Grizzlies' home stadium and also hosts large artistic performances, concerts and shows. The City is also the home of the Memphis Redbirds, a minor league baseball team. The Redbirds play their home games at the AutoZone Park stadium, located in the heart of downtown. In 2015, Bass Pro Shops opened a retail store and tourist attraction in the Pyramid building located in downtown Memphis on the banks of the Mississippi River. In addition to its retail store, the 220,000-square-foot facility includes a hotel, a bowling alley, restaurants, an aquarium, an indoor shooting range, a duck aviary and an alligator pit.

Many other features enhance the City's ability to attract visitors. These include Shelby Farms, the City's 4,500-acre park system which is one of the largest urban park systems in the United States, as well as the Memphis Zoo and Aquarium, a number of fine art galleries, the Overton Square entertainment district, the 62,000-seat Simmons Bank Liberty Stadium and the Memphis International Raceway.

There are approximately 26,000 hotel rooms in the Memphis area, including the historic Peabody Hotel, the Memphis Marriott Downtown Hotel, the Westin Hotel and other facilities in downtown Memphis. Approximately 2,500 new hotel rooms are in various stages of planning and development for downtown Memphis. Though occupancy rates in downtown Memphis are still lower than 2019's pre-pandemic levels (due in part to an increase in the supply of hotel rooms since 2019), more room nights were sold in downtown Memphis in 2023 than ever before.

AutoZone Park and Simmons Bank Liberty Stadium

As provided above, the Memphis Redbirds (the AAA farm club of the St. Louis Cardinals) play at AutoZone Park, a baseball stadium in downtown Memphis containing approximately 10,000 seats and two upper decks with 48 luxury Club suites. AutoZone Park provides grass berm seating down both the left field line and the right field line and has a family-oriented games and amusement area. In 2019, the Memphis 901 Football Club, a professional soccer team affiliated with the United Soccer League (“USL”), began play with home games hosted at AutoZone Park.

In 2024, the Memphis Showboats, a professional football team in the United Football League, began play with home games hosted at the Simmons Bank Liberty Stadium in the City. The Simmons Bank Liberty Stadium is also home to the football team for the University of Memphis and is the site of college football’s annual Liberty Bowl and Southern Heritage Classic.

Memphis Grizzlies' Basketball Arena

Also, as mentioned above, the FedEx Forum, an approximately 18,200-seat multipurpose sports, entertainment and public assembly facility with suites, lounge boxes and other premium seating, is located in downtown Memphis. The FedEx Forum serves as the home of the Memphis Grizzlies, the City’s NBA franchise, and as a venue for many other sports, concerts and other events and activities.

Renasant Convention Center

The Renasant Convention Center (the “Convention Center”) offers 300,000-square-feet of space designed especially for conventions, tradeshow and performing arts. The Convention Center is located in the downtown convention district on the Trolley Line, convenient to hotels, attractions, shopping and entertainment, and is only 12 miles from the Memphis International Airport. The Convention Center has had over 500,000 visitors annually. The Convention Center includes a 118,000-square-foot exhibition hall, a 35,000-square-foot secondary exhibit hall, a 28,000-square-foot ballroom, 46 meeting rooms and the Cannon Center for the Performing Arts, which seats 2,100 people and is the permanent home of the Memphis Symphony Orchestra. The Convention Center underwent a \$205 million-plus renovation and expansion that was completed in 2021 for the purpose of modernizing the facility and increasing meeting space, including the addition of a new exterior concourse and pre-function space.

Recent Developments

In 2024, the Economic Development Growth Engine for Memphis and Shelby County (or EDGE) approved a 15-year payment-in-lieu-of-taxes (PILOT) for a 3,400-mile fiber optic network in the City. If completed, the network is expected to provide 85% of City residents with access to high-speed fiber connectivity. Blue Suede Networks, an entity of Meridiam Infrastructure North America, is slated to oversee installation and operations for the fiber network.

In 2024, the Greater Memphis Chamber announced plans for Elon Musk’s artificial intelligence startup, xAI, to locate its supercomputer in the City. This project would represent a significant investment in the City if constructed and operated. The project is subject to various factors, including the approval of EDGE and other local and regional authorities.

Construction is currently under way for BlueOval City—an approximately six square-mile industrial complex in nearby Haywood County that will include a Ford Motor electric truck assembly plant and an SK Innovation electric vehicle battery manufacturing plant. Approximately 50 miles northeast of the City, BlueOval City is anticipated to bring significant investment and a significant number of jobs to the West Tennessee area. The first electric trucks produced at BlueOval City are expected to be assembled by 2025.

TRANSPORTATION

Because much of the economy of the Memphis MSA depends on transportation and distribution, local leaders formed an organization known as "Uniport" to unify the four modes of transportation: air, rail, highway and water. More recently, these efforts have been incorporated into the City's plan to become "America's Aerotropolis." An aerotropolis is a city which has centered its economy on, and is generally dependent upon, its airport.

Air

Memphis International Airport (the "Airport") occupies about 4,600 acres of land in the City and includes a terminal complex containing approximately one million square feet and four other buildings containing approximately 100,000 square feet. The Airport is served by six major passenger carriers: Allegiant Air, American Airlines, Delta Airlines, Frontier Airlines, Southwest Airlines and United Airlines. Several regional and commuter airlines also serve the Airport.

The Airport is operated by the Memphis Shelby County Airport Authority (the "Airport Authority") created in 1969 by official action of the City and County. The Airport Authority is governed by a seven-member Board of Commissioners, five of whom are appointed by the Mayor of the City and two of whom are appointed by the Mayor of the County. All of the Commissioners are confirmed by the City Council for seven-year terms.

More than 35,000 individuals work at the Airport, including airline, Airport Authority, Federal Aviation Authority, concessionaires and tenant employees. In 2017, the Airport started an approximately \$214 million renovation project intended to both modernize the Airport Terminal and accommodate additional Airport traffic. The renovated Airport Terminal opened in February 2022. In 2023, the Airport experienced a record 4.8 million origin and destination (O&D) passengers traveling through the Airport, which represented an increase of more than 10% compared to 2022. Also, Airport airlines increased seats in 2023 to more than 3.1 million compared to 2.6 million in 2022. The Airport Authority has announced plans for additional renovations to the Airport in the future as part of a terminal modernization project.

Federal Express ("FedEx") is headquartered in the County and employs approximately 30,000 people in the Memphis area. The main sorting facility is located just off of the Airport runways. FedEx has completed several major expansion and improvement projects at its airport hub operations in recent years, and employment has increased. The company also has two major facilities in the County outside of its airport operations. There is a 500,000-square-foot technology complex in Collierville, in the southeastern part of the County, and a headquarters office complex in a nearby area of the County to accommodate and consolidate growth. The Airport is the second-busiest cargo airport in the world, behind Hong Kong's airport, and is the busiest cargo airport in the United States.

The following table presents Airport activity for calendar years 2019 through 2023.

**Memphis International Airport Aviation Activities
Calendar Years 2019-2023**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Enplaned Passengers By Airline Type					
Major/National	1,923,233	1,648,601	1,238,057	659,893	1,628,720
Regional/Commuter	458,818	514,676	540,702	349,433	681,097
Non-Scheduled	1,465	2,256	8,088	2,238	5,051
Total	<u>2,383,590</u>	<u>2,165,533</u>	<u>1,786,847</u>	<u>1,011,564</u>	<u>2,314,868</u>
Aircraft Total Movements ⁽¹⁾	185,758	181,700	187,218	180,644	199,248
Aircraft Landed Weight (in thousand pound units)	25,848,669	25,865,638	27,105,274	26,787,218	27,204,622
Per Thousand Pounds of Cargo Handled 2023:					
	<u>Domestic</u>	<u>International</u>	<u>Air Mail</u>	<u>Total</u>	
Cargo - Enplaned	3,721,440,563	654,088,850	9,158,096	4,384,687,509	
Cargo - Deplaned	3,280,246,719	883,462,302	9,670,216	4,173,379,237	
Total Cargo Handled 2023	<u>7,001,687,282</u>	<u>1,537,551,152</u>	<u>18,828,312</u>	<u>8,558,066,746</u>	
Total Cargo Handled 2022	<u>7,422,988,141</u>	<u>1,467,247,196</u>	<u>23,889,084</u>	<u>8,914,124,421</u>	
Increase (Decrease) (2023 vs. 2022)	(421,300,859)	70,303,956	(5,060,772)	(356,057,675)	
Percent Increase (Decrease)	(5.67%)	4.79%	(21.18%)	(3.99%)	

Source: Memphis-Shelby County Airport Authority

⁽¹⁾ Excludes Military and General Aviation activity.

Water

The Mississippi River ranks third in length, fourth in drainage area and fifth in volume in the world. Among the world's ten largest rivers, reaching from the Gulf of Mexico deep into the heartlands of the United States, the Mississippi River system encompasses about 8,900 miles of navigable inland waterways. This system has also helped make Memphis a close neighbor of the agricultural Midwest and the industrial East and West Coasts. The waterways allow for barge service to New Orleans and other Gulf Ports along the Gulf Intercoastal Waterway. This intracoastal waterways system of approximately 1,173 miles connects Florida and Texas and has offered unprecedented growth opportunities to industry in the City. In addition, regular service is available to Europe and Asia via the waterway system.

In terms of freight handled, the Port of Memphis (the "Port") is the fourth largest shallow draft river port in the U.S. and second largest inland shallow draft river port on the Mississippi River. The Port handles millions of tons of barge-driven cargo each year. The navigation channel is maintained by the U.S. Army Corps of Engineers. Favorable climatic conditions typically permit year-round availability of water transportation. The Port's operations have an estimated economic impact of \$7.1 billion annually and support more than 19,900 jobs throughout the County.

The following table presents total tonnage shipped through the Port of Memphis for calendar years 2012 through 2021.

**Total Tonnage
Port of Memphis
Calendar Years 2012-2021**

<u>Calendar Year</u>	<u>Total Tonnage</u>
2012	13,564,063
2013	14,243,251
2014	14,748,636
2015	12,025,514
2016	12,184,332
2017	11,536,737
2018	11,055,740
2019	8,914,841
2020	8,680,428
2021	9,071,813

Source: Waterborne Commerce Statistics of the United States.

Two still-water harbors in the Memphis area provide shelter from the river current – the Port and Wolf River Harbor. Wolf River Harbor, the City's original harbor and located in north Memphis and McKellar Lake, is a \$50 million, man-made harbor just south of the Central Business District in the City. Public facilities include three public terminals; LASH service; roll-on, roll-off service; bulk loading facilities to barges; bulk sacking facilities; chemical fertilizer storage tanks; heavy lifts up to 100 tons (CBI Nuclear heavy lift to 1200T); two boat/barge repair facilities; and six grain elevators.

Most major common carrier barge lines provide service to the Port, including American Commercial Barge Lines, Federal Barge Lines, Ohio Barge Lines, Sioux City and New Orleans Barge Lines, DRAVO-Mechling Corporation, Riverway Barge Corporation and Valley Barge Lines.

Rail

Memphis is the third largest rail center in the United States behind Chicago, Illinois and St. Louis, Missouri. Five Class One railroads operate out of the Memphis area with competitive freight service to all principal cities in the U.S. Forty-five states and Canada and Mexico can be reached from Memphis by train. Serving the Memphis area are BNSF, Canadian National, CSX, Norfolk Southern and Union Pacific. The rail lines offer a variety of modern specialized equipment and services.

Highway

The City is connected to the rest of the nation by eight federal, three interstate and seven state highway systems. These highway systems, combined with a circumferential expressway and two highway bridges crossing the Mississippi River, make all parts of Memphis readily accessible to its surrounding communities.

Public Transit

The Memphis Area Transit Authority ("MATA") provides public mass transportation within the City and parts of the County on fixed-route buses, paratransit vehicles and rubber-tired and vintage rail trolleys. MATA provides fixed-route bus and paratransit services throughout its service area, which consists of 280 square miles. In 2023, MATA ridership (all modes) consisted of over 3 million passenger trips. The fixed-route bus system operates about 6 million revenue miles annually on approximately 33 routes. Service is available 365 days per year.

Interstate Bus Lines

Trailways / Greyhound Bus Lines is the major interstate bus line serving the City and County, offering bus service from its Memphis area terminals to the continental United States and Canada. Trailways / Greyhound Bus is supported by three smaller lines: Bridge Transit Corp., Great Southern Coaches, and Gulf Transport Co.

UTILITIES

The Memphis Light, Gas and Water Division ("MLGW") is a City-owned utility company, which distributes electric power and natural gas throughout the City and the County, as well as water within the City and certain adjacent areas. MLGW was created by an amendment to the Charter of the City by Chapter 381 of the Private Acts of the General Assembly, adopted March 9, 1939. MLGW is managed by its board, which consists of five members nominated by the Mayor and approved by the City Council. Board members serve three-year terms. MLGW has control over the administration of its activities in connection with MLGW's business affairs. It operates as three separate divisions (Electric, Gas, and Water), for accounting and financial purposes.

EDUCATION

Memphis-Shelby County Schools. Memphis-Shelby County Schools ("MSCS") provides public education for school-age children in the City and most unincorporated areas of Shelby County. MSCS is governed by the nine-member Memphis-Shelby County Board of Education and is the largest school system in Tennessee and among the largest 25 in the nation. MSCS serves over 100,000 students at approximately 200 schools.

The following table presents the historical enrollment for MSCS for the listed years.

Historical Enrollment Memphis-Shelby County School System

Year	Student Enrollment
2023	104,944
2022	102,221
2021	106,988
2020	107,393
2019	106,039

Source: State of Tennessee Department of Education.

Post-Secondary Institutions. The Memphis area is home to numerous post-secondary institutions, notably including: the University of Memphis; Christian Brothers University; Rhodes College; Lemoyne-Owen College; Baptist Memorial College of Health Sciences; and the University of Tennessee Health Science Center – Memphis.

HEALTHCARE AND BIOSCIENCE

The Memphis area is home to several hospitals, including St. Jude Children's Research Hospital, Baptist Memorial Hospital, Methodist Le Bonheur Healthcare, and Region One Health. The Memphis area is also a leading medical and bioscience center. Shelby County is the second largest orthopedic device manufacturing center in the United States and is home to the divisional or corporate headquarters of the following orthopedic and medical device leaders: Medtronic, MicroPort Orthopedics, Smith & Nephew and Wright Medical.

In addition, the University of Tennessee Health Science Center ("UTHSC") is a staple of the Memphis community and has trained and employed some of the nation's top health-care professionals. UTHSC is estimated to have had a \$3 billion impact to the Memphis-area economy.

LIBRARIES

The City enjoys a Memphis Public Library system with 18 branches throughout the area and houses a circulation of approximately 1.8 million volumes. Colleges, universities, businesses, industries and organizations maintain numerous other libraries in and around the City. The Benjamin L. Hooks Library serves as the information hub of the Mid-South and the flagship for

the Memphis Public Library system. Situated in the middle of the City, this 330,000 square-foot facility is accessible to all residents.

In May 2021, the Institute of Museum and Library Services announced Memphis Public Libraries as one of three recipients of the 2021 National Medal for Museum and Library Service, the nation's highest honor given to museums and libraries that make significant and exceptional contributions to their communities. Memphis Public Libraries is the first-ever two-time recipient (2007 and 2021).

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APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE CITY OF MEMPHIS, TENNESSEE FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Audited Financial Statements of the City of Memphis, Tennessee, and supplementary information as of and for the Fiscal Year ended June 30, 2023, together with the independent auditors' report from Banks, Finley, White & Co., Certified Public Accountants, Memphis, Tennessee, are available through the website of the City's Department of Finance at:

<https://emma.msrb.org/P21788622.pdf>

and are hereby incorporated by reference as part of this Appendix B. To the extent there are any differences between the electronically posted financial statements of the City and the printed financial statements of the City, the printed version shall control.

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APPENDIX C

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

by and between

CITY OF MEMPHIS, TENNESSEE

and

DIGITAL ASSURANCE CERTIFICATION, L.L.C.

relating to:

\$ _____

**CITY OF MEMPHIS, TENNESSEE
GENERAL IMPROVEMENT REFUNDING BONDS,
SERIES 2024B**

DATED AS OF _____, 2024

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (this "Disclosure Agreement"), dated as of _____, 2024, is executed and delivered by the **CITY OF MEMPHIS, TENNESSEE** (the "City"), and **DIGITAL ASSURANCE CERTIFICATION, L.L.C.**, and any successor disclosure dissemination agent serving hereunder pursuant to Section 10 hereof as Disclosure Dissemination Agent ("DAC" or the "Disclosure Dissemination Agent," as defined herein).

RECITALS:

A. Contemporaneously with the execution and delivery of this Disclosure Agreement, the City will issue its General Improvement Refunding Bonds, Series 2024B (the "Series 2024B Bonds"), pursuant to that certain resolution adopted by the City Council of the City on May 21, 2024 (the "Bond Resolution").

B. The City authorized the preparation and distribution of the Preliminary Official Statement dated _____, 2024, with respect to the Series 2024B Bonds (the "Preliminary Official Statement").

C. The City authorized the preparation, distribution and use of the Official Statement dated _____, 2024, with respect to the Series 2024B Bonds (the "Official Statement") by the underwriter(s) named in the Official Statement (the "Underwriter").

D. As a condition precedent to the initial purchase of the Series 2024B Bonds by the Underwriter in accordance with the Bond Purchase Agreement, dated _____, 2024, related to the Series 2024B Bonds and in compliance with the Underwriter's obligations under the Rule (as defined herein), the City has agreed to undertake certain disclosure obligations with respect to the Series 2024B Bonds for the benefit of the Holders (as defined herein) as specified hereunder on an ongoing basis during the term hereof and has agreed to retain the Disclosure Dissemination Agent to perform certain disclosure dissemination tasks as provided for herein on its behalf.

NOW THEREFORE, in consideration of the purchase of the Series 2024B Bonds by the Underwriter and the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the City and the Disclosure Dissemination Agent do hereby certify and agree as follows:

SECTION 1. Incorporation of Recitals. The above recitals are true and correct and are incorporated into and made a part hereof.

SECTION 2. Definitions. Capitalized terms used, but not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Bond Resolution or the Official Statement, as applicable. In addition to the terms defined elsewhere herein, the following capitalized terms shall have the following meanings for the purposes of this Disclosure Agreement:

"Annual Report" means an Annual Report described in and consistent with Section 4 of this Disclosure Agreement.

"Annual Filing Date" means the date, set forth in Sections 3(a) and 3(e) of this Disclosure Agreement, by which the Annual Report is to be filed with the Repository.

"Annual Financial Information" means annual financial information, as such term is used in paragraph (f)(9) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Audited Financial Statements" means the basic financial statements of the City for the prior Fiscal Year, certified by an independent auditor and prepared in accordance with generally accepted accounting principles, as in effect from time to time, as modified by the governmental accounting standards promulgated by the Government Accounting Standards Board.

"Business Day" means a day other than a Saturday or a Sunday or a day on which banks in the State of Tennessee are authorized or required by law to close.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice required to be submitted to each Repository under this Disclosure Agreement. An electronic mailing (or e-mail) from the Disclosure Representative directing the Disclosure Dissemination Agent to submit any of the above-listed documents to a Repository shall constitute a Certification. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the City and include the full name of the Series 2024B Bonds and, to the best of its knowledge, the 9-digit CUSIP numbers for all Series 2024B Bonds to which the document applies.

"Disclosure Representative" means the Chief Financial Officer of the City or his or her designee, or such other person as the City shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C., acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the City pursuant to Section 10 hereof.

"EMMA" means the MSRB's Electronic Municipal Market Access system, as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule. Further information regarding EMMA can be retrieved by visiting the website <http://emma.msrb.org/>.

"Financial Obligation" means a: (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the City, which currently is the twelve month period beginning July 1 and ending on June 30 of the following year, or any such other twelve month period designated by the City, from time to time, to be its fiscal year.

"GAAP" means generally accepted accounting principles promulgated by the Government and Financial Accounting Standards Boards, as in effect from time to time in the United States.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2024B Bonds (including persons holding Series 2024B Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Series 2024B Bonds for federal income tax purposes.

"Information" means the Annual Financial Information, the Audited Financial Statements (if any), the Notice Event notices and the Voluntary Reports.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934. Currently, MSRB's address, phone number and fax number for purposes of the Rule is:

MSRB
c/o CDINet
1900 Duke Street
Suite 600
Alexandria, VA 22314
Phone: (703) 797-6000
Fax: (703) 683-1930

"Notice Event" means an event listed in Section 5(a) of this Disclosure Agreement.

"Notice Event Filing" shall have the meaning specified in Section 5(c) of this Disclosure Agreement.

"Obligated Person" means the City and any person who is either generally or through an enterprise, fund or account of such person committed by contract or other arrangement to support payment of all or part of the obligations on the Series 2024B Bonds (other than providers of municipal bond insurance, letters of credit or other liquidity facilities). The City confirms that, currently, the City is the only Obligated Person.

"Repository" means each entity authorized and approved by the SEC from time to time to act as a repository for purposes of the Rule, as reflected on the website of the SEC at www.sec.gov. Currently, the sole Repository is the MSRB, which currently accepts continuing disclosure submissions through EMMA.

"Rule" means Rule 15c2-12 of the SEC promulgated pursuant to the Securities Exchange Act of 1934, as amended.

"SEC" means the United States Securities and Exchange Commission.

"State" means the State of Tennessee.

"Voluntary Report" means the information provided to the Disclosure Dissemination Agent by the City pursuant to Section 8 of this Disclosure Agreement.

SECTION 3. Provision of Annual Reports.

(a) The City shall provide, annually, an electronic copy of the Annual Report and a Certification to the Disclosure Dissemination Agent on or before the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide the Annual Report to each Repository not later than April 30 after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 2024. If April 30 falls on a day that is not a Business Day, the Annual Report will be due on the first Business Day thereafter. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents and may cross-reference other information available to the public on the MSRB's website, filed with the SEC or otherwise provided under Section 4 of this Disclosure Agreement.

(b) If the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification by 12:00 noon Eastern time on the Annual Filing Date, the Disclosure Dissemination Agent shall contact the Disclosure Representative by e-mail and telephone to remind the City of its undertaking to provide the Annual Report pursuant to Section 3(a) of this Disclosure Agreement.

(c) If the Disclosure Dissemination Agent has not received either an Annual Report and Certification by 6:00 p.m. Eastern time on the Annual Filing Date or notice from the City that it intends to deliver the Annual Report to the Disclosure Dissemination Agent by 11:59 p.m. on the Annual Filing Date, an event described in Section 3(e)(iii)(17) of this Disclosure Agreement shall have occurred and the City irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached to this Disclosure Agreement as Exhibit A without reference to the anticipated filing date for the Annual Report, accompanied by such other information as may be required by the Repository.

(d) If the Audited Financial Statements are prepared but not available prior to the Annual Filing Date, the City shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, for filing with each Repository.

(e) The Disclosure Dissemination Agent shall:

(i) upon receipt, promptly file with each Repository each Annual Report received under Section 3(a) of this Disclosure Agreement;

(ii) upon receipt, promptly file with each Repository each Audited Financial Statement received under Section 3(d) of this Disclosure Agreement;

(iii) upon receipt, promptly file with each Repository the text of each disclosure regarding any of the following Notice Events, together with such other information as may be required by the Repository, describing the event:

1. "Principal and interest payment delinquencies," pursuant to Sections 5(c) and 5(a)(1) hereof;

2. "Non-Payment related defaults," pursuant to Sections 5(c) and 5(a)(2) hereof;
3. "Unscheduled draws on debt service reserves reflecting financial difficulties," pursuant to Sections 5(c) and 5(a)(3) hereof;
4. "Unscheduled draws on credit enhancements reflecting financial difficulties," pursuant to Sections 5(c) and 5(a)(4) hereof;
5. "Substitution of credit or liquidity providers, or their failure to perform," pursuant to Sections 5(c) and 5(a)(5) hereof;
6. "Adverse tax opinions or material events affecting the tax-exempt status of the Series 2024B Bonds," pursuant to Sections 5(c) and 5(a)(6) hereof;
7. "Modifications to rights of securities Holders," pursuant to Sections 5(c) and 5(a)(7) hereof;
8. "Bond calls," pursuant to Sections 5(c) and 5(a)(8) hereof;
9. "Defeasances," pursuant to Sections 5(c) and 5(a)(9) hereof;
10. "Release, substitution, or sale of property securing repayment of the Series 2024B Bonds," pursuant to Sections 5(c) and 5(a)(10) hereof;
11. "Ratings changes on the Series 2024B Bonds," pursuant to Sections 5(c) and 5(a)(11) hereof;
12. "Bankruptcy, insolvency, receivership or similar event," pursuant to Sections 5(c) and 5(a)(12) hereof;
13. "Merger, consolidation, or acquisition," pursuant to Sections 5(c) and 5(a)(13) hereof;
14. "Appointment of a successor or additional trustee or a change in the name of a trustee" for the Series 2024B Bonds, pursuant to Sections 5(c) and 5(a)(14) hereof;
15. "Incurrence of a Financial Obligation or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation," pursuant to Sections 5(c) and 5(a)(15) hereof;
16. "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation," pursuant to Sections 5(c) and 5(a)(16) hereof;

17. "Failure to provide annual financial information as required," pursuant to Section 3(b) or Section 3(c) hereof, together with a completed notice substantially in the form set forth in Exhibit A to this Disclosure Agreement;

18. "Other material event notice," pursuant to Section 8 hereof, together with the summary description provided by the Disclosure Representative; and

(iv) provide the City evidence of the filings of each of the above when made, which shall be by means of the DAC system for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(e) The City may adjust the Annual Filing Date upon change of its Fiscal Year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent and the Repositories, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

SECTION 4. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the City, consisting of or cross-referencing the following:

(i) the Audited Financial Statements; and

(ii) to the extent not included in the Audited Financial Statements, operating data and financial information with respect to the City, consisting of the following information in the Official Statement, which data may be presented in a manner other than as set forth in the Official Statement:

(A) the table entitled "SUMMARY OF GENERAL FUND" under the caption "FISCAL OVERVIEW - Condensed Financial Results;"

(B) the table entitled "TOTAL FUND BALANCES / RETAINED EARNINGS TRENDS" under the caption "FISCAL OVERVIEW - Condensed Financial Results;"

(C) the table entitled "STATEMENT OF DEBT" under the caption "FISCAL OVERVIEW - Statement of Debt;"

(D) the table entitled "Principal Property Taxpayers of the City" under the caption "APPENDIX A - GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE - FINANCIAL INFORMATION - Principal Property Taxpayers of the City;"

(E) the table entitled "Property Tax Levies and Tax Collections" under the caption "APPENDIX A - GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE - FINANCIAL INFORMATION - Property Tax Rates, Levies and Collections;"

(F) the table entitled "Assessed and Estimated Actual Values of Taxable Property" under the caption "APPENDIX A - GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE - FINANCIAL INFORMATION - Assessed and Estimated Values of Taxable Property;" and

(G) the table entitled "Ratios of General Obligation Bonded Debt to Appraised and Assessed Values and Bonded Debt Per Capita" under the caption "APPENDIX A - GENERAL INFORMATION REGARDING THE CITY OF MEMPHIS, TENNESSEE - FINANCIAL INFORMATION - Ratios of General Bonded Debt."

(b) Audited Financial Statements will be included in the Annual Report; provided, however, if the Audited Financial Statements are not completed prior to April 30 of any year, the City shall provide unaudited financial statements on such date and shall provide the Audited Financial Statements as soon as practicable following the completion thereof. Audited Financial Statements completed after April 30 will be provided pursuant to Section 3(d) of this Disclosure Agreement.

(c) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an "obligated person" (as defined by the Rule), which have been previously filed with the MSRB or the SEC. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The City will clearly identify each such document so incorporated by reference.

SECTION 5. Reporting of Notice Events.

(a) In accordance with the Rule, the City or the Dissemination Agent shall file with the Repository, in the appropriate format required by the Repository and in a timely manner not in excess of ten (10) Business Days after the occurrence of the following Notice Events, notices of the occurrence of any of the following Notice Events with respect to the Series 2024B Bonds:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2024B Bonds, or other material events affecting the tax status of the Series 2024B Bonds;
- (vii) modifications to rights of Holders, if material;

- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Series 2024B Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership or similar event of the City or any other Obligated Person (of the type described in the Note to Paragraph (b)(5)(i)(C)(12) of the Rule);
- (xiii) the consummation of a merger, consolidation, or acquisition involving the City or any other Obligated Person or the sale of all or substantially all of the assets of the City or other Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect Holders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

The City shall promptly, and in no event later than ten (10) Business Days after the occurrence thereof, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to immediately report the occurrence pursuant to subsection (d) below. Such notice shall be accompanied with the text of the disclosure that the City desires to make, the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information and the date on which the City desires the Disclosure Dissemination Agent to disseminate the information.

(b) In accordance with the Rule, the City or the Disclosure Dissemination Agent shall file with the Repository, in the appropriate format required by the Repository and in a timely manner, notice of a failure of the Obligated Person to provide the Annual Report in accordance with the provisions of Section 3 of this Disclosure Agreement.

(c) The Disclosure Dissemination Agent is under no obligation to notify the City or the Disclosure Representative of any event that may constitute a Notice Event or failure to provide the Annual Report. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will, within the earlier of: two (2) Business Days after receipt of such notice or nine (9) Business Days after the occurrence of such event, instruct

the Disclosure Dissemination Agent that (i) a Notice Event or failure to provide the Annual Report has not occurred and no filing is to be made or (ii) a Notice Event or failure to provide the Annual Report has occurred and the Disclosure Dissemination Agent is to immediately report the occurrence pursuant to subsection (d) below, together with the text of the disclosure that the City desires to make, the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information and the date on which the City desires the Disclosure Dissemination Agent to disseminate the information.

(d) If the Disclosure Dissemination Agent has been instructed by the City as prescribed in subsection (a) (b) or (c) of this Section 5 to report the occurrence of a Notice Event or failure to provide the Annual Report, the Disclosure Dissemination Agent shall promptly, and in any event within the time required to report the Notice Event, file a notice of such occurrence with each Repository.

SECTION 6. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference into the Annual Reports, Audited Financial Statements, notices of Notice Events and Voluntary Reports filed pursuant to Section 8(a) of this Disclosure Agreement, the City shall indicate the full name of the Series 2024B Bonds and, to the best of its knowledge, the 9-digit CUSIP numbers for the Series 2024B Bonds as to which the provided information relates. The City by providing the CUSIP numbers is not representing or certifying as to the accuracy thereof.

SECTION 7. Additional Disclosure Obligations. The City acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the City, and that the failure of the Disclosure Dissemination Agent to so advise the City shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The City acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 8. Voluntary Reports.

(a) The City may instruct the Disclosure Dissemination Agent to file any information with the Repositories from time to time, pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Annual Financial Statement, Notice Event notice or Voluntary Report in addition to that required by this Disclosure Agreement. If the City chooses to include any information in any Annual Report, Annual Financial Statement, Notice Event notice or Voluntary Report in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Annual Financial Statement, Notice Event notice or Voluntary Report.

SECTION 9. Termination of Reporting Obligation.

(a) The obligations of the City and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Series 2024B Bonds (i) upon the legal defeasance, prior redemption or payment in full of all of the Series 2024B Bonds, (ii) when the City is no longer an Obligated Person with respect to the Series 2024B Bonds, or (iii) upon the termination of the continuing disclosure requirements of the Rule by legislative, judicial or administrative action.

(b) If in the opinion of nationally recognized bond counsel satisfactory to the City, the Rule shall be amended, modified or changed so that all or any part of the information currently required to be provided thereunder shall no longer be required to be provided thereunder, then such information shall no longer be required to be provided hereunder and, if and to the extent in the opinion of nationally recognized bond counsel satisfactory to the City the Rule or any provisions thereof shall be declared by a federal court of competent and final, non-appealable jurisdiction to be, in whole or in part, invalid, unconstitutional, null and void or otherwise inapplicable to the Series 2024B Bonds, then the information required to be provided hereunder, insofar as it was required to be provided by a provision of the Rule so declared, shall no longer be required to be provided hereunder.

SECTION 10. Disclosure Dissemination Agent. The City has appointed DAC as the exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The City may, upon thirty days written notice to the Disclosure Dissemination Agent, replace the Disclosure Dissemination Agent or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the City or DAC, the City agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Series 2024B Bonds. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the City.

SECTION 11. Remedies. In the event of a failure of the City or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement, it being the City's position that money damages would be inadequate recompense and difficult to ascertain. A default under this Disclosure Agreement shall not constitute a default on the Series 2024B Bonds or be deemed to be a default under the Bond Resolution or under any other document relating to the Series 2024B Bonds and all rights and remedies shall be limited to those expressly stated herein.

SECTION 12. Duties, Immunities and Liabilities of Disclosure Dissemination Agent. The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the City has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to

the content of any disclosure or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosure or notice provided to it by the City and shall not be deemed to be acting in any fiduciary capacity for the City, the Holders of the Series 2024B Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the City's failure to report to the Disclosure Dissemination Agent a Notice Event and shall have no duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the City has complied with this Disclosure Agreement.

SECTION 13. Amendment; Waiver.

(a) Notwithstanding any other provision of this Disclosure Agreement, the City may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if:

(i) Such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the Obligated Person with respect to the Series 2024B Bonds or the type of business conducted by the Obligated Person;

(ii) Such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would have complied with the requirements of the Rule if such amendment or waiver had been effective on the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(iii) Such amendment or waiver does not materially impair the interests of the beneficial owners of the Series 2024B Bonds, as determined either by an unqualified opinion of nationally recognized bond counsel filed with the City or by the approving vote of the Holders of the Series 2024B Bonds pursuant to the terms of the Bond Resolution at the time of the amendment.

(b) If any provision of Section 4 hereof is amended or waived, the first Annual Report containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

(c) If the provisions of this Disclosure Agreement specifying the accounting principles to be followed in preparing the Audited Financial Statements are amended or waived, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison should include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the Obligated Person to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. The City

shall file a notice of the change in the accounting principles with the Repository on or before the effective date of any such amendment or waiver.

(d) Notwithstanding the preceding paragraphs, the City shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the SEC from time to time by giving not less than twenty (20) days written notice of its intent to do so, together with a copy of the proposed amendment, to the Disclosure Dissemination Agent.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the City, the Disclosure Dissemination Agent, the Underwriter and the Holders from time to time of the Series 2024B Bonds and shall create no rights in any other person or entity.

SECTION 15. No Personal Liability. None of the members or employees of the City shall be charged personally with any liability or held liable under any term or provision of this Disclosure Agreement because of its execution or attempted execution or because of any breach or attempted or alleged breach hereof.

SECTION 16. Severability. In case any part of this Disclosure Agreement is held to be illegal or invalid, such illegality or invalidity shall not affect the remainder or any other section of this Disclosure Agreement. This Disclosure Agreement shall be construed or enforced as if such illegal or invalid portions were not contained therein and such illegality or invalidity of any application of this Disclosure Agreement shall not affect any legal and valid application.

SECTION 17. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

SECTION 18. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the internal laws of the State (without regard to conflict of law principles thereof), provided that, to the extent this Disclosure Agreement addresses matters of federal securities laws, including the Rule, this Disclosure Agreement shall be construed in accordance with such federal securities laws and official interpretations thereof.

[SIGNATURE PAGES TO FOLLOW]

The Disclosure Dissemination Agent and the City have caused this Continuing Disclosure Agreement to be executed on the date first written above by their respective officers duly authorized.

**DIGITAL ASSURANCE CERTIFICATION,
L.L.C., as Disclosure Dissemination Agent**

By: _____
Printed Name: _____
Its: _____

The Disclosure Dissemination Agent and the City have caused this Continuing Disclosure Agreement to be executed on the date first written above by their respective officers duly authorized.

CITY OF MEMPHIS, TENNESSEE

By: _____

Paul A. Young
Mayor

Approved:

By: _____

Walter O. Person,
Interim Chief Financial Officer

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Issuer: City of Memphis, Tennessee (the "City")
Obligated Person: City of Memphis, Tennessee
Name of Bond Issue: City of Memphis, Tennessee, General Improvement Refunding Bonds, Series 2024B
Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named bonds as required by the Continuing Disclosure Agreement, dated as of _____, 2024, between the City and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The City has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: _____

**DIGITAL ASSURANCE CERTIFICATION,
L.L.C.**, as Disclosure Dissemination Agent, on
behalf of the City

cc: City of Memphis, Tennessee
Obligated Person

APPENDIX D

FORM OF OPINIONS OF CO-BOND COUNSEL

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FORM OF CO-BOND COUNSEL OPINION

[August 14, 2024]

City Council
City of Memphis
City Hall
Memphis, Tennessee 38103

§ _____
City of Memphis, Tennessee
General Improvement Refunding Bonds
Series 2024B

The Honorable Mayor and Councilmembers:

We have acted as Co-Bond Counsel in connection with the issuance by the City of Memphis, Tennessee (the “City”), a municipal corporation of the State of Tennessee (the “State”), of its General Improvement Refunding Bonds, Series 2024B, in the original aggregate principal amount of \$ _____ (the “Series 2024B Bonds”). In such capacity, we have examined: (a) the Constitution and the applicable statutes of the State, including specifically Title 9, Chapter 21, Tennessee Code Annotated, as amended (the “Act”); (b) the Charter of the City; (c) a certified copy of that certain initial resolution duly adopted by the City Council of the City (the “Council”) on October 11, 2022 (the “Initial Resolution”); (d) a certified copy of that certain resolution authorizing the issuance, security and certain other terms of the Series 2024B Bonds, which was duly and lawfully adopted by the Council on May 21, 2024 (the “Authorizing Resolution”), and other necessary proceedings authorizing the issuance, sale and delivery of the Series 2024B Bonds; and (e) such other laws, documents and proofs as we have deemed necessary as a basis for the opinions set forth in this letter. The Initial Resolution and the Authorizing Resolution are collectively referred to herein as the “Resolution.” Capitalized terms used, but not otherwise defined, herein shall have the meanings assigned thereto in the Resolution.

The Series 2024B Bonds are being issued for the purpose of: (a) funding a refunding trust fund in an amount sufficient, together with other funds of the City that may be deposited, to redeem all or a portion of the City’s outstanding: (i) General Improvement and Refunding Bonds, Series 2012A; (ii) General Improvement Refunding Bonds, Series 2014A; (iii) General Improvement Refunding Bonds, Series 2014B; (iv) General Improvement Bonds, Series 2015C; and (v) General Improvement Bonds, Series 2016, no more than ninety (90) days from the date of issuance of the Series 2024B Bonds; and (b) paying certain costs of issuance related to the Series 2024B Bonds.

For the purposes of this opinion letter, we have not made any independent investigation into any financial matters of the City, and we have not prepared or investigated any financial information that has been or may be furnished to any purchaser of the Series 2024B Bonds. Accordingly, we express no opinion whatsoever as to the accuracy or completeness of any such financial information furnished in connection with the issuance and delivery of the Series 2024B Bonds. Further, we express no opinion herein as to the accuracy, adequacy or completeness of the Preliminary Official Statement or the Official Statement relating to the Series 2024B Bonds.

In rendering our opinions set forth below, we have, without undertaking to verify the same by independent investigation: (a) relied, as to questions of fact material to our opinion, upon the certified proceedings, certifications and representations of public officials, including representations of officials and representatives of the City, including, without limitation, representations as to the use and investment of the proceeds of the Series 2024B Bonds; (b) relied upon the opinion of the Chief Legal Officer/City Attorney for the City, dated the date hereof, provided in connection with the Series 2024B Bonds; and (c) assumed continuous compliance by the City of its covenants contained in the Resolution and documents related thereto, including, without limitation, covenants as to the use and investment of the proceeds of the Series 2024B Bonds.

The City has covenanted in the Resolution and in certain certificates in connection with the Series 2024B Bonds that it will not use any proceeds of the Series 2024B Bonds to acquire higher yielding investments or to replace funds which were used directly or indirectly to acquire higher yielding investments except as may be otherwise permitted by Section 148 of the Internal Revenue Code of 1986, as amended (the “Code,” and all applicable regulations promulgated under the Code, including any proposed or temporary regulations, are collectively referred to herein as the “Regulations”), that it will comply with the arbitrage rebate requirements of Section 148(f) of the Code and the Regulations, and that it will comply with all other applicable provisions of the Code and the Regulations with respect to the Series 2024B Bonds.

Based on the foregoing, and subject to the assumptions, statements of reliance, and qualifications contained herein, we are of the opinion that, on the date hereof:

1. The Series 2024B Bonds have been duly authorized, executed and issued in accordance with the Constitution, the applicable statutes of the State, and the Charter of the City and, assuming the due authentication thereof, constitute valid and legally binding general obligations of the City.

2. The Series 2024B Bonds constitute general obligations of the City, wherein the City has pledged its full faith and credit for the payment of the principal of and interest on the Series 2024B Bonds. The City has the power and is obligated to levy and provide for the collection of ad valorem taxes, in addition to all other taxes authorized or limited by applicable law, upon all taxable property in the City, sufficient to provide for the payment of the principal of and interest on the Series 2024B Bonds as the same shall become due.

3. Under existing laws, regulations, rulings and judicial decisions, and assuming compliance by the City with the above-described covenants, interest on the Series 2024B Bonds is excludable from gross income for federal income tax purposes and is not treated as a specific item of tax preference under Section 57 of the Code in calculating the federal alternative minimum tax imposed by Section 55 of the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations for tax years beginning after December 31, 2022. The opinions set forth above assume and are subject to the accuracy of the representations and certifications of the City and continuous compliance by the City with the covenants contained in the official proceedings related to the Series 2024B Bonds, including covenants to the effect that the City will comply with all requirements of the Code and the Regulations promulgated thereunder that must be satisfied subsequent to the issuance of the Series 2024B Bonds in order that interest thereon be, and continue to be, excludable from gross income of the recipients thereof for federal income tax purposes. Failure to comply with certain of such requirements may cause interest on the Series 2024B Bonds to be includable in gross income for federal income tax purposes retroactive to the date of the issuance of the Series 2024B Bonds.

4. Under existing law, the Series 2024B Bonds and the income therefrom are exempt from all present State, county and municipal taxes in the State except: (a) inheritance, transfer and estate taxes; (b) State excise taxes on all or a portion of the interest on the Series 2024B Bonds during the period the Series 2024B Bonds are held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State; and (c) State franchise taxes by reason of the inclusion of the book value of the Series 2024B Bonds in the State franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in the State.

We express no opinion regarding other federal or state tax consequences arising with respect to the Series 2024B Bonds or any other matter with respect to the Series 2024B Bonds except as set forth herein. Ownership of the Series 2024B Bonds may result in other collateral federal or state income tax consequences to certain taxpayers depending on the particular taxpayer's tax status and other items of income or deduction. We express no opinion regarding any federal or state collateral tax consequences related to the Series 2024B Bonds.

The rights of the owners of the Series 2024B Bonds and the enforceability of the Series 2024B Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally, judicial discretion and principles of equity applicable to the availability of specific performance and other equitable relief, and the exercise of the sovereign police powers of the State.

In rendering this opinion letter, we have not considered the laws of any jurisdiction other than the laws of the State and the federal income tax laws of the United States of America, and we are not rendering any opinion, by implication or otherwise, regarding the laws of any jurisdiction other than the laws of the State and such federal income tax laws.

This opinion letter is an expression of professional judgment regarding the matters expressly addressed herein. It is neither a guarantee of result nor an insurance policy with respect to the transaction or the future actions or performance of any party or entity. Our services have not included any financial or other non-legal advice. We express no opinion other than as herein expressly stated in this letter, and no expansion of our opinion may be made by implication or otherwise.

The opinions herein are given as of the date hereof and are based upon existing laws, regulations, rulings and judicial decisions in effect on the date hereof and not as of any future date. We assume no responsibility to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may occur hereafter.

Sincerely,

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