Minutes
CITY OF FOLKSTON
REGULAR MONTHLY MEETING
June 12, 2023

The Mayor and Council of the City of Folkston met in regular session on June 12, 2023 at City Hall.

Mayor Lee Gowen called the meeting to order at 6:30 pm. He gave the invocation and led the pledge of allegiance.

Members Present: Lee Gowen, Mayor
Ruby Baker
Marion Davis Jr.
Jim Gowen
Rob Roberson
Bruce Young

Members Absent:

Also Present: Leonard H. Lloyd, City Manager
Darlene Williamson, City Clerk
Patrick Brooks, City Attorney

Visitors: Jamison Guice, Charlton County Herald; Melodey Martindale, Chamber Director; Natasha Donley; Kimberly Mitchell and Elaine Bailey

AGENDA

Mayor Lee Gowen stated the agenda will need to be amended by removing Meridian Disposal.

Mr. Jim Gowen made a motion to remove Meridian Disposal and to approve the amended agenda. Mr. Bruce Young seconded the motion and it passed by unanimous vote.

MINUTES

Mrs. Ruby Baker made a motion to approve the minutes for the Public Hearing, May 15, and Regular Meeting, May 15, 2023 as presented. Mr. Bruce Young seconded the motion and it passed by unanimous vote.

APPROVE INCOME AND EXPENSE STATEMENTS

Mr. Rob Roberson made a motion to approve the income and expense statements for May, 2023 as presented. Mr. Jim Gowen seconded the motion and it passed by unanimous vote.

POLICE DEPARTMENT REPORT

Chief Wesley Green stated the police department filed 37 incident reports, investigated 11 accidents and answered 1,631 calls during the month of May 2023.
The police department collected $8,386.00 in fines and forfeitures;
the city's portion is $6.692.21.

CITY MANAGER REPORT

Mr. Lloyd stated the parking and street striping has been completed for all of First Street, then from First Street to the rail road tracks and all of Depot Street. Other streets will be added over the next few weeks.

MELODEY MARTINDALE / OKEFENOKEE CHAMBER

Melodey Martindale stated she did not have any updates at this time.
Natasha Donley stated the Juneteenth celebration will be held at the Depot on Saturday, June 17, 2023 from 4:00 pm until 9:00 pm. A live band and food vendors will be present for the event.

APPROVE E&R / 2022 TAX APPEALS

Mayor Lee Gowen stated the appeals that were approved by the Board of Assessors has created a tax overpayment that will be refunded to the owners.

> **Mr. Jim Gowen made a motion to approve the refunds for overpayment for the 2022 tax appeals as presented. Mr. Marion Davis seconded the motion and it passed by unanimous vote.**

APPROVE DPS RECOVERY / DEBT COLLECTIONS

Mayor Gowen stated that DPS Recovery Service will collect delinquent utility accounts and police department citations. A 30% collection fee will be charged to the customer in addition to any amount owed to the city. This 30% fee is at no cost to the city.

> **Mr. Marion Davis made a motion to approve the DPS Recovery Services agreement as presented. Mrs. Ruby Baker seconded the motion and it passed by unanimous vote.** Agreement attached.

APPROVE CASH AND INVESTMENT MANAGEMENT POLICY

Mayor Lee Gowen stated the written Cash and Investment Management Policy is a requirement for auditing purposes.

> **Mr. Bruce Young made a motion to approve the Cash and Investment Management Policy as presented. Mrs. Ruby Baker seconded the motion and it passed by unanimous vote.** Policy attached.

APPROVE GA 40 WATER SEWER MORATORIUM

Mayor Lee Gowen stated the moratorium on water and sewer services for GA40 and Indian Trail will be until the four-lane construction project is complete.

Mrs. Ruby Baker made a motion to approve a moratorium on water and sewer services on GA40 and Indian Trail until DOT has completed the four-lane construction. Mr. Rob Roberson seconded the motion and it passed by unanimous vote.

GENERAL DISCUSSION

Mrs. Elaine Bailey stated that the Second Harvest food distribution has been suspended through the summer months, will try to start the distribution again in September.

ADJOURN:

Mr. Rob Roberson made a motion to adjourn. Mr. Bruce Young seconded the motion and it passed by unanimous vote.

The meeting adjourned at 6:44 PM.

ATTEST:

Darlene Williamson

Lee Gowen, Mayor

Darlene Williamson, City Clerk

City of Folkston
Regular Meeting

June 12, 2023

Please Print

Sign In

Melodey martindale

Natasha Donley

Kimberly Mitchell

Jamison Guice

Elaine Bailey

ACO 2022 (E&R / NOD) #	Name	Map ID	Bill #	Tax Year	Original Amount 100%	40%	Final Amount 100%	40%	Adjustment	Reason
3695	Easy Does it Club Inc	F009 007002	233	2022	30,200.00	12,080.00	30,200.00	12,080.00	-80.61	Should be exempt
3897	UFP Real Estate LLC	F002014002	1285	2022	2,335,800.00	934,320.00	2,085,600.00	834,240.00	-667.84	
4202	Bhanubeng Patel	F023021	987	2022	590,700.00	236,280.00	476,000.00	190,400.00	-306.16	
4240	Charlton Court of Folkston LP C/ Hallmark Mgmt Inc	F007007	197	2022	2,311,110.00	924,444.00	611,827.00	244,731.00	-4,535.72	
4253	Reginald G. Berry & Natasha	F023002	107	2022	280,900.00	112,360.00	256,000.00	102,400.00	-66.46	
4254	Reginald G. Berry & Natasha	F023002001	108	2022	37,500.00	15,000.00	32,900.00	13,160.00	-12.28	
4285	Erma M. & Etal Cisco	F018007	215	2022	181,100.00	72,440.00	158,700.00	63,480.00	-50.81	
4287	Samert Alkhalaileh	F016041003	15	2022	240,900.00	96,360.00	126,100.00	50,440.00	-306.42	
4305	Bobby Roberson DBA/ The Shoe Kingdom	P1200144	1079	2022	13,226.00	5,290.00	0.00	0.00	-35.30	No longer in business
4359	FLASH FOODS / CIRCLE K	F016034	397	2022	897,500.00	659,000.00	696,000.00	278,400.00	-537.85	
4366	ERMA CISCO	F018007	215	2022	158,700.00	63,480.00	148,500.00	59,400.00	-73.96	
4368	REX BEASLEY / SKATING RINK	F018014001	100	2022	252,600.00	101,040.00	140,000.00	56,000.00	-301.08	
4370	JT PINE POINT LP	F002008	728	2022	2,260,460.00	904,184.00	1,200,000.00	480,000.00	-2,830.58	
4376	CYPRESS FOREST PRODUCTS	F003003	290	2022	1,894,900.00	757,960.00	894,900.00	357,960.00	-2,268.82	
4382	KENNETH W. TAYLOR	F009003	1231	2022	22,500.00	9,000.00	15,000.00	6,000.00	-20.02	
4384	H. L. CLARK JR.	F011003	225	2022	261,400.00	104,560.00	206,000.00	82,400.00	-147.87	
4385	H. L. CLARK SR	F023024002	224	2022	9,600.00	3,840.00	6,000.00	2,400.00	-9.60	
									-12,251.38	Total Balance for Adjustments

DEBT COLLECTION SERVICES AGREEMENT

This Debt Collection Services Agreement (the "Agreement") is entered into between DPS Recovery, LLC ("DPS Recovery") and **City of Folkston** (the "Client") (together, the "Parties") on this **22nd** day of **June**, 2023 (the "Effective Date").

Recitals

WHEREAS, DPS Recovery is engaged in the business of government debt collections and is willing to provide such services;

NOW THEREFORE, DPS Recovery and the Client (together, the "Parties") hereby enter into this Agreement regarding the collections of debt owed to the Client pursuant to the terms contained herein.

Agreement

1. Acknowledgements, Representations, Warranties

The Parties hereby represent and warrant that the recitals set forth above are true and correct and hereby incorporate each as if they were set forth fully herein. Client represents and warrants to DPS Recovery that Client is not prohibited by the terms of any agreement, understanding, policy, code, law, rule, or regulation from entering into this Agreement. Client further represents and warrants to DPS Recovery that the terms and conditions of this Agreement will and do not violate or contravene the terms or conditions of any other agreement to which Client is bound, obligated, or otherwise a party to.

2. Services Provided

A. Scope of Services. DPS Recovery agrees to provide debt collection services to the Client in the form of collecting any and all past-due or unpaid debts owed to the Client. (the "Services").

B. Term and Automatic Renewal. This Agreement shall begin on the date first set forth above and end on the date one (1) years therefrom (the "Term"). If, at the expiration of the Term of this Agreement, DPS Recovery and the Client are in full compliance with the terms of this Agreement, the Agreement shall automatically renew for a one (1) year period upon the same terms and conditions unless either party terminates the Agreement in accordance with Section 7.C of this Agreement.

3. Process for Collection of Accounts

A. Duties and Obligations of DPS Recovery. DPS Recovery is responsible for the following duties and obligations:

i. Compliance with all local, state, and federal laws and ordinances necessary to provide the Services;

ii. Obtaining all necessary permits and fees in order to provide the Services;

iii. Drafting, formatting, and conducting all communications relating to the Services;

iv. Establishing a system for payment of the debt;

v. Transmitting information relating to the collection of debt to the Client;

vi. Maintaining a non-interest bearing trust account which retains any debts collected related to the Services;

vii. Maintaining all records related to a debtor for a period of three (3) years after the initial request by the Client to engage in collection efforts against that debtor; and

viii. DPS Recovery shall not settle or compromise any debt from a Referral for less than the full amount owed unless directed, in writing, by the Client. However, DPS Recovery may settle any debt from a Referral by taking either a reduced Collection Fee (defined below), or no Collection Fee at all.

B. Duties and Obligations of Client. Client is responsible for the following duties and obligations:

i. Client shall determine which debts and/or debtors to refer to DPS Recovery (a "Referral");

ii. Upon Referral, Client shall be responsible for furnishing all necessary information to DPS Recovery related to the Services, including, but not limited to, debtor name, address, and any information relating to the debt being collected, including that information required by applicable law, such as the Fair Debt Collection Practices Act (the "Debt Profile") within three (3) business days in the method and manner required by DPS Recovery;

iii. Each Referral shall contain a unique identifier by which DPS Recovery and Client may identify the debt and/or debtor;

iv. Upon Referral, Client shall immediately cease and desist from any further collection efforts, including forwarding billing statements and demand letters and making phone calls;

v. After Referral, Client shall direct any and all communication regarding a debt to DPS Recovery;

vi. After Referral, Client shall not accept any money from that debtor, and instead direct the debtor to make all payments to DPS Recovery; and

vii. Client shall cooperate in good faith with DPS Recovery efforts to provide the Services and/or otherwise collect debts on behalf of Client.

viii. If Client collects on a debt after a Referral to DPS Recovery, it must collect DPS Recovery Collection Fee and remit that Collection Fee to DPS Recovery within five (5) business days of collection.

C. Suspension of Collection. If the Client wishes to suspend the collection of any Referral, it must notify DPS Recovery in writing at least five (5) business days before any collection efforts will cease. If written notice is properly provided, DPS Recovery will cease all collection activity and acceptance of payment(s) on that Referral. In addition, DPS Recovery will not charge the Client for the Collection Fee on that Referral.

4. Compensation and Payment

A. Compensation to DPS Recovery. Client shall pay DPS Recovery a fee for the Services equal to the table below;

Please Check all that apply

30%	All Municipal Utilities	
30%	All Court Collections	X
30%	All Emergency Medical Service (EMS)	
30%	All Property Tax	

Unless otherwise agreed to by the parties in writing, the 30% fee for all Utility Collections will be in addition to any amounts owed to the client. This 30% fee is at NO COST to the client.

The 30% fee for all Court Collections, Property Tax, and EMS will be in addition to any amounts owed to the Client. The 30% fee is at NO cost to the client.

5. Indemnification

A. Indemnification of the Client. DPS Recovery shall indemnify, defend, and hold Client and each of its officers, directors, employees, affiliates, and agents harmless from and pay any and all losses, costs, damages, claims, obligations, liabilities and expenses (including, without limitation, all reasonable attorneys' fees and costs), whether known or unknown, contingent or vested, matured or not matured, whether or not resulting from third-party claims, directly or indirectly, resulting from, relating to, arising out of or attributable to (i) any breach, violation or default by DPS Recovery of any term, covenant, warranty, representation, agreement, provision, or obligation set forth in this Agreement or (b) any violation or breach of any rule, regulation, statute, or law governing the Services unless such violation is the direct or proximate result of Client's (i) breach, violation or default of any term, covenant, warranty, representation, agreement, provision, or obligation set forth in this Agreement or (ii) act or omission, including Client's negligence.

B. Indemnification of DPS Recovery. To the extent permitted by Georgia law, Client shall indemnify, defend, and hold DPS Recovery and each of its owners, officers, directors, employees, affiliates, and agents harmless from and pay any and all losses, costs, damages, claims, obligations, liabilities and expenses (including, without limitation, all reasonable attorneys' fees and costs), whether known or unknown, contingent or vested, matured or not matured, whether or not resulting from third-party claims, directly or indirectly, resulting from, relating to, arising out of or attributable to any breach, violation or default by Client of any term, covenant, warranty, representation, agreement, provision, or obligation set forth in this Agreement.

C. Notification of Claim. Each indemnified party under this Section 5 will promptly, but no later than ten (10) business days after notice to such indemnified party of any claim as to which it asserts a claim for indemnification, notify the indemnifying party of such claim and the amount thereof; provided, however, that the failure to give such notification shall not relieve the indemnifying party from any liability which it may have pursuant to the provisions of this Section 5 as long as the failure to give such notice within such time does not materially prejudice to the indemnifying party. Notice to an indemnified party for the purpose of the preceding sentence shall mean the provision of written notice or demand from the indemnified party, filing of any legal action, or receipt of any claim in writing by the indemnifying party or similar form of actual notice to the indemnifying party.

D. Defense of Claim. For any claim for indemnification by an indemnified party hereunder, the indemnifying party may, by written notice to the indemnified party, undertake to conduct any proceedings or negotiations in connection therewith or necessary to defend the indemnified party and take all other reasonable steps or proceedings to settle or contest such claim, including without limitation, the engagement of counsel; provided, however, that the indemnifying party shall reasonably consider the advice of the indemnified party as to the defense and settlement of such claim and the indemnified party shall have the right to participate, at its own expense, in such defense, but control of such litigation and settlement shall remain with the indemnifying party. The indemnified party shall provide all reasonable cooperation in connection with any such defense by the indemnifying party. Counsel and auditor fees, filing fees and court fees of all proceedings, contests or lawsuits with respect to any such claim shall be borne by the indemnifying party. If any such claim is made hereunder and the indemnifying party elects not to undertake the defense thereof by written notice to the indemnified party or otherwise fails to undertake the defense thereof, the indemnified party shall be entitled to undertake the defense and demand and receive payment from the indemnifying party to cover the full cost of the defense of the claim(s) paid by the indemnifying party as provided for in Section 5 of this Agreement. If the indemnifying party undertakes such defense, and the indemnified party requests the right to assume control of such defense by providing written notice to the indemnifying party, the indemnified party's right to indemnification shall terminate and the indemnified party shall bear all costs, expenses, and fees associated with such defense, as well as any losses, costs, damages, claims, obligations, liabilities and expenses associated therewith.

E. Cost of Defense; Advancement. Any payments owed to the indemnified party from the indemnifying party pursuant to this Section 5 shall be effected by wire transfer of immediately available funds from the indemnifying party to an account designated in writing by the indemnified party within twenty (20) days after request by the indemnified party.

6. Insurance Requirements

A. Insurance Requirements of DPS Recovery. During the Term, DPS Recovery shall maintain insurance as specific in **Exhibit B** to this Agreement. All policies shall be specifically endorsed to provide that the coverages provided pursuant to this provision will be primary and that any insurance carried by the other party shall be excess and non-contributory. All policies shall be specifically endorsed to provide that such coverage shall not be canceled or materially changed without at least thirty (30) days' prior written notice to the other party.

7. Termination

A. Termination by Either Party. Either party may terminate this Agreement with or without cause at any time upon written notice (a "Notice of Termination"). Once a Notice of Termination has been received by the non-terminating party, the Agreement shall continue in effect for a period of ninety (90) days (the "Termination Period"). During the Termination Period, both Parties shall continue to comply with all obligations and duties under this Agreement. After the Termination Period has expired, both Parties shall be relieved of all obligations and duties under this Agreement, except for those described in Section(s) 7.B and 9.G of this Agreement.

B. Payment Received After Termination. If DPS Recovery receives a payment from a debtor after the termination of this Agreement, it shall be entitled to withhold its Collection Fee and remit the remainder of the payment to the Client in accordance with Section 4.B of this Agreement. Likewise, if the Client receives a payment from a debtor related to a Referral after the termination of this Agreement, it shall collect and remit DPS Recovery Collection Fee within five (5) business days of collection.

C. Non-Renewal of Term. Should either party wish to avoid the automatic renewal of this Agreement as detailed in Section 2.B, that party must provide written notice to the other party at least ninety (90) days prior to the expiration of the Term (or any subsequent Term should it be renewed for one (1) or more terms).

8. Notice

Any notice, request, or consent required or given pursuant to this Agreement shall be in writing and sent by same-day hand-delivery, recognized overnight courier, charges prepaid, or by certified mail, return receipt requested, postage prepaid to the addresses below. A notice, request or consent so given under this Agreement is effective upon delivery of same or the refusal to accept delivery thereof. The Parties agree to use reasonable efforts to send copies of all notices simultaneously by facsimile or electronic mail transmission for their mutual convenience. Any party may change his address by giving ten (10) day's prior written notice thereof to the other party.

If to DPS Recovery, LLC:
3626 Quadrangle Blvd
Orlando, FL 32817
Attn: Anthony Dahlbeck

If to Client:

City of Folkston

541 First Street

Folkston, GA 31537

Attn: Leonard H. Lloyd

9. Miscellaneous

A. Independent Contractor. DPS Recovery shall at all times be acting as an independent contractor of the Client. Nothing in this Agreement shall be construed so as to create an agency, employment, partnership, or joint venture relationship between DPS Recovery and the Client.

B. Entire Agreement. This Agreement expresses the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements, negotiations, and discussion on the matters covered herein. Each of the Parties affirms that there are no contemporaneous oral promises, representations, or agreements not set forth herein inducing entry into this Agreement and all prior negotiations, discussions, statements, and representations are merged herein. The Parties acknowledge and agree that neither of them relied upon any oral statement or agreement in making the decision to execute this Agreement. Reliance by the Parties on verbal communication accordingly is unwarranted.

C. Amendments. This Agreement shall only be modified or amended by written agreement of both of the Parties.

D. Severability. In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal, overbroad, or otherwise unenforceable in any respect, whether in whole or in part, then the Parties agree that it is their intention that (i) the offending provision be modified and/or reduced in scope and term so that it is enforceable; (ii) such invalidity, illegality, over breadth, or unenforceability does not affect any other provisions of this Agreement; and (iii) this Agreement shall be construed as if such invalid, illegal, over broad, or unenforceable provision had never been contained herein.

E. Waiver. No waiver of a breach of any provision of this Agreement shall be construed as a waiver of the ability to declare a breach of that provision, or any other provision, of this Agreement. Failure by either of the Parties to enforce any terms of this Agreement shall not be deemed as a waiver of the right to enforce any of the terms of this Agreement.

F. Assignability. Neither of the Parties may assign their obligations under this Agreement, without written consent of the other party, to any other person or entity.

G. Restrictive Covenant. During the Term (and any renewal thereof) and for a period thereafter of one (1) year, Client agrees that it will not, directly or indirectly, (i) solicit, induce, influence, offer to provide or provide employment, whether with Client or any third-parties to any person, member, or entity that is or was an employee, a regular or full-time independent contractor, or consultant to DPS Recovery during the Term (and any renewal thereof) (collectively, the "**Work Force**"); (ii) use, hire, retain, or consult with the Work Force; and/or (iii) solicit, induce, or influence any person, member, or entity in the Work Force to alter, modify, or terminate their relationship or any agreement or business expectancy with DPS Recovery.

H. Governing Law. This Agreement shall be governed by, construed, and enforced under the laws of the state where the Client is located.

I. Counterparts and Signatures. This Agreement may be executed in any number of counterparts and by the Parties in separate counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same Agreement. Signatures by facsimile or electronic means shall be deemed an original and shall be valid and enforceable.

J. Advice of Counsel. The Parties acknowledge, agree, represent, and warrant that they were advised to seek independent legal counsel before deciding to enter this Agreement and that they were provided an opportunity to do so and have done so and waive any claim or defense based upon their failure to seek advice of counsel.

K. Construction. This Agreement was prepared after negotiations between the Parties hereto, and if any ambiguity is contained herein, then in resolving such ambiguity no weight shall be given in favor of or against any party on account of its drafting this Agreement. Every covenant, term, and provision of this Agreement shall be construed simply according to its fair meaning.

L. Time is of the Essence. Time is of the essence with respect to the Parties' performance and observation of each of the terms and conditions of this Agreement.

M. Waiver of Jury Trial. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BETWEEN THE PARTIES, INCLUDING ANY AND ALL CAUSE OR CAUSES OF ACTION, DEFENSES, COUNTERCLAIMS, CROSS CLAIMS OR THIRD PARTY CLAIMS, AND WHETHER SOUNDING IN CONTRACT, TORT, EQUITY, OR OTHERWISE REGARDLESS OF WHETHER SUCH CAUSE OR CAUSES OF ACTION, DEFENSES, COUNTERCLAIMS OR THIRD PARTY CLAIMS ARE BASED ON UPON OR ARISE OUT OF, UNDER, OR ARE RELATED TO THIS AGREEMENT OR ITS SUBJECT MATTER, OUT OF ANY ALLEGED CONDUCT OR COURSE OF CONDUCT,

DEALING OR COURSE OF DEALING, STATEMENTS (WHETHER WRITTEN, ORAL, OR OTHERWISE).

IN WITNESS WHEREOF, the Parties have executed this Debt Collection Services Agreement as of the Effective Date.

DPS Recovery.

By: ______________________

Name: Anthony Dahlbeck______________

Title: President/CEO________________

Date: 6/23/2023

Client: City of Folkston

By: Leonard H. Lloyd

Name: Leonard H. Lloyd______________

Title: City Manager________________

Date: June 22, 2023

Resolution #2306-01

CITY OF FOLKSTON POLICY

CASH AND INVESTMENT

MANAGEMENT POLICY

1. AUTHORITY

Authority to manage the investment program is granted to the City Finance Director or his/her designee, referred to as the Investment Officer in this policy. (Note: The City Manager or Assistant City Manager may serve as Investment Officer when the position of Finance Director is vacant.) Responsibility for the operation of the investment program is hereby delegated to the Investment Officer, who shall act in accordance with the established written procedures and internal controls for the operation of the investment program consistent with the adopted investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting , wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

2. PURPOSE

The objective of the cash and investment management policy is to maximize interest earnings within an environment that strongly emphasizes legal compliance and safety while providing cash flow liquidity to meet the City's financial obligations.

A. SCOPE

This investment policy applies to all cash and investments, both short-term and long-term, which are managed by the Finance Department of the City of Folkston.

B. POOLED CASH/INVESTMENT MANAGEMENT

Except for cash in certain restricted and specialized funds, the City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based upon their respective participation and in accordance with generally accepted accounting principles.

3. POLICY

C. The primary objectives of investment activities shall be as follows:

1. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

i. Credit Risk

The City will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

Limiting investments to the safest types of securities (primarily obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government or their agencies).

Requiring a credit rating of "A3" or better from Moody's rating agency and "A-" from Standard & Poor's.

Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisers with which the City will do business.

Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

ii. Custodial Risk

Custodial risk, that is the risk associated with uninsured deposits, uninsured securities, or securities not registered in the City's name shall be minimized by,

Collateralization in alignment with State of Georgia legislation equal to 110% of the deposit held in the City's name (see section F, Investment Types).

Securities shall be held in the City's name.

iii. Interest Rate Risk

The City will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by:

Investing operating funds primarily in money market mutual funds or similar investment pools.

iv. Concentration Risk

This risk associated with a high concentration of government funds which are not diversified shall be reduced by:

Limiting investments with any one issuer to less than 5% of the investment portfolio.

Investments explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

v. Foreign Currency Risk

The City will negate all foreign currency risk through investment only in instruments where exchange rates do not apply.

2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in instruments offering same-day liquidity for short-term funds.

3. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core portion of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities should not be sold prior to maturity with the following exceptions:

A security with declining credit may be sold early to minimize loss of principal or to reduce any eminent risk as identified under Section 1, "Safety" of this policy.

A security swap which improves the quality, yield, or target duration of the portfolio.

Liquidity needs of the portfolio require that the security be sold.

D. STANDARDS OF CARE

1. Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officer(s) acting in according with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility of an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

2. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officials shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

E. SAFEKEEPING AND CUSTODY

1. Authorized Financial Dealers and Institutions

A list will be maintained of financial institutions authorized to provide investment services. In addition, a list also will be maintained of approved security broker/dealers selected by creditworthiness (e.g., a minimum capital requirement of $10,000,000 and at least five years of operation). These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following as appropriate:

Audited financial statements.

Proof of National Association of Securities Dealers (NASD) certification.

Proof of state registration.

Certification of having read and understood and agreeing to comply with the City's investment policy.

An annual review of the financial condition and registration of qualified financial institutions and broker/dealers will be conducted by the Investment Officer.

From time to time, the Investment Officer may choose to invest in instruments offered by minority and community financial institutions. In such situations, all criteria identified under above shall apply. All terms and relationships will be fully disclosed prior to purchase and will be reported to the appropriate entity on a consistent basis and should be consistent with state and local law. These types of investment purchases should be approved by the City Council in advance of their purchase.

2. Internal Controls

The Investment Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Investment Officer shall establish a process for an annual independent review by an external auditor to assure compliance with regulatory policies and procedures including Generally Accepted Governmental Auditing Standards.

3. Delivery vs. Payment

All trades where applicable will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. Securities will be held by a third-party custodian in the City's name, as evidenced by safekeeping receipts.

F. INVESTMENT TYPES

1. Investment Types

Investments (other than bond proceeds) shall be made in instruments permitted by the State of Georgia for local governments, regulated under Georgia Code, O.C.G.A. 36-83-4. Such instruments include:

Obligations issued by the U.S. government,

Obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States,

Obligations of any corporation of the U.S. government,

Prime bankers' acceptances,

The Georgia local government investment pool (i.e., Georgia Fund I), and

Obligations of other political subdivisions of the State.

In accordance with O.C.G.A. 36-82-7, investments made with unexpended bond proceeds shall be limited to:

Bonds or obligations of the governmental entities and/or political subdivisions of the state,

Bonds or obligations of the U.S. government which are fully guaranteed,

Obligations of agencies of the U.S. government, bonds or other obligations of public housing agencies or municipal corporations in the United States,

Certificates of deposit of national or state banks insured by the Federal Deposit Insurance Corporation,

Certificates of deposit of Federal Saving and Loan Associations,

The Georgia local government investment pool (Georgia Fund I),

Obligations of this state or other states.

(Note: There is no intent to restrict the ability of the City to hold funds in deposit accounts with eligible depository institutions.)

2. Collateralization

The City shall require pledges of collateral from depository institutions covering at least 110% of the cash/investment. This requirement is in accordance with O.C.G.A. 36-83-5; 45-8-12; 50-17-59; and 45-8-13. Deposit-type securities (i.e. certificates of deposit) shall be collateralized at 110% of the face value.

3. Repurchase Agreements/Derivatives

Repurchase agreements shall not be used.

G. USING GEORGIA FUND I

The City will utilize the State of Georgia local government investment pool (i.e. Georgia Fund I) anytime this investment tool is deemed to be in the best interest of the City. Criteria used to determine the use of this investment pool will be the same as any other investment purchase.

H. INVESTMENT PARAMETERS

1. Diversification

The investments shall be diversified by:

Limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),

Limiting investment in securities that have higher credit risks,

Investing in securities with varying maturities and

Continuously investing a portion of the portfolio in readily available funds such as the Georgia Local Government Investment Pool to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

2. Maximum Maturities

To the extent possible, the City shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five (5) years from the date of purchase.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be disclosed in writing to the City Council.

I. REPORTING

1. Methods

The Investment Officer shall prepare an investment report monthly for the City Manager. Information provided will include a summary that provides an analysis of the status of the current investment portfolio and transactions made over the last month.

2. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy.

3. Marking to Market

The market value of the portfolio shall be calculated at least monthly and a statement of the market value of the portfolio shall be issued at least monthly.

APPROVED JUNE 12 2023