CITY OF
GAINESVILLE

Mayor/Council Meeting Agenda
Tuesday, February 16, 2021, 5:30 PM
Public Safety Complex, Municipal Court Room
701 Queen City Parkway, Gainesville, GA 30501
Mayor or Mayor Pro Tem Presides

INVOCATION:

PLEDGE OF ALLEGIANCE:

COUNCIL ANNOUNCEMENTS:

PUBLIC COMMENTS: (20 minutes maximum)

CONSENT AGENDA:

Minutes

A. January 28, 2021 Work Session

B. February 2, 2021 Mayor/Council Meeting

Resolutions

A. BR-2021-08 Investment and Cash Management Policy

B. BR-2021-09 Raymond James & Associates Inc. Agreement for Investment Advisor Services

C. BR-2021-10 Property Acquisition from Rahab's Rope, Inc.

D. PR-2021-01 Chattahoochee Golf Course Renovations Project - Award of Contract

CITY MANAGER ISSUES:

CITY ATTORNEY ISSUES:

CITY CLERK ISSUES:

EXECUTIVE SESSION:

ADJOURNMENT:

Final: Friday, February 12, 2021, 2:16 PM

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/11/2021

Presenter:

Item of Business: Consent Agenda Items

Meeting Date: 2/16/2021

Purpose of Request:

The following appointments, minutes and/or resolutions are being considered under the Consent Agenda Section. These items were previously distributed for review and/or discussed. Unless otherwise directed by Mayor and Council, they will not be discussed during this meeting.

If you have questions regarding these documents, please feel free to contact the City Clerk's Office during normal business hours (Monday through Friday from 8:00 AM to 5:00 PM) at 770-535-6865 or via email to cityclerk@gainesville.org.

History/Background:

Facts & Issues for Consideration:

Department Recommendation:

Department Director:

If funding is involved, are funds approved within the current budget?

Amount Requested: **Source of Funds**:

Finance Comments:

Administrative Comments:

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/16/2021

Presenter: Denise Jordan

Item of Business: January 28, 2021 Work Session

Meeting Date: 2/16/2021

Purpose of Request:

The purpose of this request is to allow the governing body to approve the referenced meeting minutes.

History/Background:

Facts & Issues for Consideration:

The referenced draft minutes were distributed to the governing body, City Manager, City Attorney and Department Directors for comments/corrections.

Department Recommendation:

Approve the minutes accepting edits as presented.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/16/2021

Presenter: Denise Jordan

Item of Business: February 2, 2021 Mayor/Council Meeting

Meeting Date: 2/16/2021

Purpose of Request:

The purpose of this request is to allow the governing body to approve the referenced meeting minutes.

History/Background:

Facts & Issues for Consideration:

The referenced draft minutes were distributed to the governing body, City Manager, City Attorney and Department Directors for comments/corrections.

Department Recommendation:

Approve the minutes accepting edits as presented.

Department Director:

Bryan Lackey

If funding is involved, are funds approved within the current budget?

N/A

Amount Requested:

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/5/2020

Presenter: Bryan Lackey

Item of Business: BR-2021-08 Investment and Cash Management Policy

Meeting Date: 2/16/2021

Purpose of Request:

To continue to safeguard the City's funds, ensure the availability of operating and capital funds when needed, provide an investment return competitive with comparable funds and financial market indices, and maintain diverse investments.

History/Background:

In 1994, the Gainesville City Council adopted an Investment and Cash Management Policy. On November 20, 2007, the policy was amended with Resolution BR-2007-53. On December 18, 2018, City Council approved Resolution BR-2018-65, a complete rewrite of the policy to set forth the guidelines and objectives needed to achieve a prudent cash and investment management program.

Facts & Issues for Consideration:

Department Recommendation:

Financial Services recommends the adoption of the Investment and Cash Management Policy.

Department Director:

Jeremy Perry

If funding is involved, are funds approved within the current budget?

Amount Requested:

N/A

Source of Funds:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
BR-2021-08 Investment and Cash Management Policy	Resolution
Investment and Cash Management Policy	Policy

RESOLUTION BR-2021-08

INVESTMENT AND CASH MANAGEMENT POLICY

WHEREAS, the Gainesville City Council adopted an Investment and Cash Management Policy in 1994 to set forth the investment objectives and parameters for the management of public funds of the City of Gainesville, Georgia; and

WHEREAS, on November 20, 2007, City Council adopted an amendment to the policy which provided for a 40% limited investment in the State investment pool with Resolution BR-2007-53; and

WHEREAS, on December 18, 2018, City Council adopted an amendment to the policy which was a complete rewrite of the policy to set forth the guidelines and objectives needed to achieve a prudent cash and investment management program; and

WHEREAS, to continue to safeguard the City's funds, ensure the availability of operating and capital funds when needed, provide an investment return competitive with comparable funds and financial market indices; and

WHEREAS, the policy will apply to all cash and investments held or controlled by the City with the exception of the City's funds that have other existing policies related to cash and investments like the issuance of debt or Employees' Pension Funds.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby adopts the attached Investment and Cash Management Policy which is in accordance with the Official Code of Georgia, Annotated §36-80-3, §36-80-4, and §36-83-4.

Adopted this ____ day of February, 2021.

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville, Georgia. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

Investment and Cash Management Policy for the City of Gainesville, Georgia

Approved on February 16, 2021

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ATTACHMENT A: Glossary of Cash and Investment Management Terms
ATTACHMENT B: Investment Pool/Fund Questionnaire

Investment and Cash Management Policy
City of Gainesville, Georgia

I. PURPOSE

The purpose of this Investment and Cash Management Policy (hereinafter "Policy") is to set forth the investment objectives and parameters for the management of the public funds of the City of Gainesville, Georgia (hereinafter "City"). This Policy is designed to safeguard the City's funds, ensure the availability of operating and capital funds when needed, and provide an investment return competitive with comparable funds and financial market indices.

II. SCOPE

In accordance with the Official Code of Georgia, Annotated §36-80-3, §36-80-4 and §36-83-4, this Policy will set forth the guidelines and objectives necessary to achieve a prudent cash and investment management program. This Policy applies to all cash and investments held or controlled by the City with the exception of the City's funds related to the issuance of debt or Employees' Pension Funds where there are other existing policies or indentures in effect for such funds. Cash and investment balances as defined in this Section are entirely known as "Available Funds".

III. INVESTMENT OBJECTIVES

Safety of Principal

The foremost objective of this investment program is the safety of the principal of those funds within the portfolios. Investment transactions shall seek to keep capital losses at a minimum, whether they are from securities defaults or erosion of market value. To attain this objective, diversification in Permitted Investments (as defined herein) is required in order that potential losses from the early liquidation of individual securities do not exceed the income generated from the remainder of the portfolio.

Maintenance of Liquidity

The portfolios shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Periodic cash flow analyses will be completed in order to ensure that the portfolios are positioned to provide sufficient liquidity.

Return on Investment

The portfolios 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 least importance compared to the safety and liquidity objectives described above. However, return is attempted through active or passive management where the Investment Advisor(s) utilizes a total return strategy (which includes both realized and unrealized gains and losses in the portfolios). This total return strategy seeks to increase the value of the portfolios through reinvestment of income and capital gains. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Despite this, an Investment Advisor(s) may trade to recognize a loss from time to time to achieve a perceived relative value based on its potential to enhance the total return of the portfolios.

IV. DELEGATION OF AUTHORITY

The responsibility for providing fiduciary oversight of the investment program resides with the City Council. Responsibility for the administration of the investment program is vested in the City Manager. The City's Chief Financial Officer or other designee will be responsible for transferring the appropriate funds to effect investment transactions, as recommended by the City's Investment Advisor for the investment program. No person may engage in an investment transaction except as stated in the internal controls section of the policy. In employing an Investment Advisor to manage the City's investment portfolio, or a portion thereof, such Investment Advisor or firm must be registered under the Investment Adviser's Act of 1940.

V. STANDARDS OF 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 the overall investment program. Investment officers acting in accordance with written procedures and this Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided significant deviations from expectations are reported to the City Council in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this Policy. The "Prudent Person" rule states the following:

> Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.

While the standard of prudence to be used by investment officials who are officers or employees is the Prudent Person standard, any person or firm hired or retained to invest, monitor, or advise concerning these assets shall be held to the higher standard of "Prudent Expert". The standard shall be that in investing and reinvesting moneys and in acquiring, retaining, managing, and disposing of investments of these funds, the contractor shall exercise the judgment, care, skill, prudence, and diligence under the circumstances then prevailing, which persons of prudence, discretion, and intelligence, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments of the funds, so as to minimize the risk, considering the probable income as well as the probable safety of their capital.

VI. ETHICS AND CONFLICTS OF INTEREST

The City Council, City Manager, Chief Financial Officer, and Financial Services Department Employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Also, the above personnel involved in the investment process shall disclose to the City Council any material financial interests in financial institutions that conduct business with the City, and they shall further disclose any material personal financial/investment positions that could be related to the performance of the City's investment program. Investment related officers and personnel shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity.

VII. INTERNAL CONTROLS AND INVESTMENT PROCEDURES

As delegated by the City Manager, the Chief Financial Officer or designee shall establish a system of internal controls and operational procedures that are in writing and made a part of the City's financial operating procedures. The internal controls should be designed to prevent losses of funds, which might arise from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees. The written procedures should include reference to safekeeping, repurchase agreements, separation of transaction authority from accounting and recordkeeping, wire transfer agreements, banking service contracts, collateral/depository agreements, and "delivery-vs-payment" procedures. No person may engage in an investment transaction except as authorized under the terms of this Policy.

Independent auditors as a normal part of the annual financial audit of the City shall conduct a review of the system of internal controls to ensure compliance with policies and procedures.

VIII. CONTINUING EDUCATION

The Chief Financial Officer or designee and any other personnel responsible for overseeing investments shall attend at least one investment training session within 12 months after taking office or assuming duties and receive not less than 8 hours of instruction relating to investment responsibilities every two years.

IX. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS

The following are requirements for investment institutions and dealers to enter into financial transactions with the City:

A. The Chief Financial Officer or other designee shall only purchase securities from investment institutions which are designated as Primary Dealers by the Federal Reserve Bank of New York (source of information: https://www.newyorkfed.org/markets/primarydealers.html

B. The Chief Financial Officer or designee shall only enter into repurchase agreements with financial institutions that are Primary Dealers as designated by the Federal Reserve Bank of New York.

C. The Chief Financial Officer or designee shall maintain a list of financial institutions and broker/dealers that are approved for investment purposes and only firms meeting the following requirements will be eligible to serve as Qualified Institutions:

1) Regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);
2) Capital of no less than $10,000,000;
3) Registered as a dealer under the Securities Exchange Act of 1934;
4) Member of the Financial Industry Regulatory Authority, Inc. (FINRA);
5) Registered to sell securities in Georgia;
6) The firm and assigned broker have been engaged in the business of effecting transactions in U.S. government and agency obligations for at least five (5) consecutive years;

No policy deposit shall be made except in a qualified public depository as established by state law.

The City's Investment Advisor(s) shall utilize and maintain its own list of approved primary and non-primary dealers. Such list may include financial institutions that are approved solely due by their participation in a bid process and/or historical market reputation. In the conduct of a competitive bid, an Investment Advisor is not obligated to utilize financial institutions from clause (B) or (C) above.

X. MATURITY, LIQUIDITY, ALLOCATION, AND REPORTING REQUIREMENTS

To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements.

A. Maturity Guidelines

Long-term investment portfolio: Securities purchased by or on behalf of the City shall have a final maturity of five and one half (5.5) years or less from the date of settlement. The maximum effective duration of the long-term investment portfolio shall be three (3) years.

B. Liquidity Requirements

The Chief Financial Officer or designee shall consult with the City's Investment Advisor(s) to determine the approximate amount of funds required to meet the day-to-day expenditure needs of the City. All funds in the depository bank will be "swept" each night into a fully collateralized repurchase agreement or bank money market account/fund. In order to have an available source of funds to meet unexpected cash requirements, a minimum of two months operating expenses will be deposited in the bank account, Georgia Fund 1, or other "money market" type instruments. The balance of the City's funds will be available for investment according to the guidelines incorporated within this Policy.

C. Allocation of Interest

Investment earnings derived from any pooled cash investments shall be distributed to individual funds based upon each fund's amount of participation.

D. Report of Investments

The Financial Services Department shall prepare monthly reports of cash and investments. The report will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to this investment policy.

XI. RISK AND DIVERSIFICATION

Assets held shall be diversified to control risks resulting from over concentration of assets in a specific maturity, issuer, instruments, dealer, or bank through which these instruments are bought and sold. The Chief Financial Officer or designee shall consult with the City's Investment Advisor(s) to determine diversification strategies within the established guidelines.

XII. MASTER REPURCHASE AGREEMENT

The Chief Financial Officer or designee will as directed by the City's Investment Advisor(s) require all approved institutions and dealers transacting repurchase agreements to execute and perform as stated in the SIFMA Master Repurchase Agreement. All repurchase agreement transactions will adhere to requirements of the SIFMA Master Repurchase Agreement.

XIII. COMPETITIVE SELECTION OF PERMITTED INVESTMENTS

After the Chief Financial Officer or designee in consultation with the City's Investment Advisor(s) has determined the approximate maturity date based on cash flow needs and market conditions and has analyzed and selected one or more optimal types of investments, a minimum of three (3) qualified banks and/or approved broker/dealers must be contacted and asked to provide bids/offers on securities in

question. Bids will be held in confidence until the bid deemed to best meet the investment objectives is determined and selected.

However, if obtaining bids/offers are not feasible and appropriate, securities may be purchased/sold utilizing the comparison to current market price method on an exception basis. Acceptable current market price providers include, but are not limited to:

A. Tradeweb

B. Bloomberg Information Systems

C. Wall Street Journal or a comparable nationally recognized financial publication providing daily market pricing

D. Daily market pricing provided by the City's custodian or their correspondent institutions

The Chief Financial Officer or designee and the City's Investment Advisor(s) shall utilize the competitive bid process to select the securities to be purchased or sold. Selection by comparison to a current market price, as indicated above, shall only be utilized when, in judgment of the Chief Financial Officer or designee and the City's Investment Advisor(s), competitive bidding would inhibit the selection process.

Examples of when this method may be used include:

A. When time constraints due to unusual circumstances preclude the use of the competitive bidding process

B. When no active market exists for the issue being traded due to the age or depth of the issue

C. When a security is unique to a single dealer, for example, a private placement

D. When the transaction involves new issues or issues in the "when issued" market

Overnight sweep investment instruments will not be bid, but may be placed with the City's depository bank relating to the demand account for which the investment instrument was purchased.

XIV. AUTHORIZED PERMITTED INVESTMENTS AND PORTFOLIO COMPOSITION

Investments will be made subject to the cash flow needs and such cash flows are subject to revisions as market conditions and the City's needs change. When the invested funds are needed in whole or in part for the purpose originally intended or for more optimal investments, the Chief Financial Officer or designee in consultation with the City's Investment Advisor(s) may sell the investment at the then-prevailing market price and place the proceeds into the proper account at the City's custodian.

The following are the investment requirements and allocation limits on security types, issuers, and maturities as established by the City ("Permitted Investments"). Diversification strategies within the established guidelines shall be reviewed and revised periodically as necessary by the Chief Financial Officer or designee in consultation with the City's Investment Advisor(s). The Chief Financial Officer or designee, in consultation with the City's Investment Advisor(s), shall have the option to further restrict investment percentages from time to time based on market conditions, risk and diversification investment strategies. The percentage allocations requirements for investment types and issuers are calculated based on the original cost of each investment, at the time of purchase. Investments not listed in this Policy are prohibited. The following requirements do not apply to funds derived from the sale of debt or used in energy risk management programs.

Permitted Investments

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement[1]	Maximum Maturity
Obligations of the State of Georgia or of other States	25%	5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1, A-/A3, or equivalent)	5.5 Years
Obligations issued by the United States government	100%	N/A	N/A	5.5 Years
Obligations fully insured or guaranteed by the United States government or a United States government agency	100%	N/A	N/A	5.5 Years
Obligations of any corporation of the United States Government	75%	40%[2]	N/A	5.5 Years
Agency Mortgage-Backed Securities (MBS)	25%	40%[2]	N/A	5.5 Years Avg. Life[3]
Prime banker's acceptances	25%	5%	Highest ST Rating Category (A-1/P-1, or equivalent)	180 Days
The Local government investment pool established by Code Section §36-83-8	50%	N/A	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent)	N/A
Fully Collateralized Repurchase Agreement	25%	5%	Counterparty (or if the counterparty is not rated by an NRSRO, then the counterparty's parent) must be rated in either the Highest ST Rating Category (A-1/P-1, or equivalent) OR have at least one LT rating from an NRSRO in one of the 3 highest rating categories. If the counterparty is a Federal Reserve Bank, no rating is required	3 Year
Obligations of other political Subdivisions in the State of Georgia	25%	5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1, A-/A3, or equivalent)	5.5 Years
Certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation and Bank Deposits	50%	25%	N/A	3.0 Years

Notes:

[1] Rating by at least one SEC-registered Nationally Recognized Statistical Rating Organization ("NRSRO"), unless otherwise noted. ST=Short-term; LT=Long-term.

[2] Maximum exposure to any one Federal agency, including the combined holdings of Agency debt and Agency MBS, is 40%.

[3] The maturity limit for MBS is based on the expected average life at time of settlement, measured using Bloomberg or other industry standard methods.

1) **Obligations of the State of Georgia or of other States** - Obligations, including both taxable and tax-exempt, issued or guaranteed by any State of the United States.

2) **Obligations issued by the United States government** - U.S. Treasury obligations, and obligations the principal and interest of which are backed or guaranteed by the full faith and credit of the U.S. Government.

3) **Obligations fully insured or guaranteed by the United States government or a United States government agency** - U.S. Treasury obligations, and obligations the principal and interest of which are backed or guaranteed by the full faith and credit of the U.S. Government.

4) **Obligations of any corporation of the United States Government** - Debt obligations, participations or other instruments issued or fully guaranteed by any U.S. Federal agency or government-sponsored enterprise (GSE).

5) **Agency Mortgage Backed Securities -** Mortgage-backed securities (MBS), backed by residential, multi-family or commercial mortgages, that are issued or fully guaranteed as to principal and interest by a U.S. Federal agency or government sponsored enterprise, including but not limited to pass-throughs, collateralized mortgage obligations (CMOs) and REMICs.

6) **Prime Bankers' Acceptances** - Bankers' acceptances issued, drawn on, or guaranteed by a U.S. bank or U.S. branch of a foreign bank.

7) **Local Government Investment Pools –** State, local government or privately-sponsored investment pools that are authorized pursuant to Code Section §36-83-8.

   A thorough investigation of any intergovernmental investment pool is required prior to investing, and on an annual basis. Attachment B is a questionnaire that contains a list of questions, to be answered prior to investing, that cover the major aspects of any investment pool/fund. A current prospectus must be obtained.

8) **Fully Collateralized Repurchase Agreement -** Repurchase agreements (Repo or RP) that meet the following requirements:
   a. Must be governed by a written SIFMA Master Repurchase Agreement which specifies securities eligible for purchase and resale, and which provides the unconditional right to liquidate the underlying securities should the Counterparty default or fail to provide full timely repayment.
   b. Counterparty must be a Federal Reserve Bank, a Primary Dealer as designated by the Federal Reserve Bank of New York, or a nationally chartered commercial bank.
   c. Securities underlying repurchase agreements must be delivered to a third party custodian under a written custodial agreement and may be of deliverable or tri-party form. Securities must be held in the City's custodial account or in a separate account in the name of the City.
   d. Acceptable underlying securities include only securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States, or U.S. Agency-backed mortgage related securities.
   e. Underlying securities must have an aggregate current market value of at least 102% (or 100% if the counterparty is a Federal Reserve Bank) of the purchase price plus current accrued price differential at the close of each business day.
   f. Final term of the agreement must be 3 years or less.

9) **Obligations of other political Subdivisions in the State of Georgia –** Obligations, including both taxable and tax-exempt, issued or guaranteed by any political subdivision, public corporation, authority, agency board, instrumentality or other unit of local government of the State of Georgia.

10) **Certificates of Deposit of Banks Bank Deposits –** which have deposits insured by the Federal Deposit Insurance Corporation; provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation shall be secured by direct obligations of the state or the United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured. For bank deposits or savings accounts in banks organized under the laws of this state or in national banks organized under the laws of the United States and doing business in this state, provided that any such deposits are secured by the O.C.G.A. §45-8-12 and O.C.G.A. §50-17-59.

General Investment and Portfolio Limits

1. General investment limitations:
   a. Investments must be denominated in U.S. dollars and issued for legal sale in U.S. markets.

b. Minimum ratings are based on the highest rating by any one Nationally Recognized Statistical Ratings Organization ("NRSRO"), unless otherwise specified.

c. All limits and rating requirements apply at time of purchase.

d. Should a security fall below the minimum credit rating requirement for purchase, the Investment Advisor will notify the Chief Financial Officer.

e. The maximum maturity (or average life for MBS) of any investment is 5.5 years. Maturity and average life are measured from settlement date. The final maturity date can be based on any mandatory call, put, pre-refunding date, or other mandatory redemption date.

2. General portfolio limitations:
   a. The maximum effective duration of the portfolio is 3 years.
3. Investment in the following are permitted, provided they meet all other policy requirements:
   a. Callable, step-up callable, called, pre-refunded, putable and extendable securities, as long as the effective final maturity meets the maturity limits for the sector
   b. Variable-rate and floating-rate securities
   c. Subordinated, secured and covered debt, if it meets the ratings requirements for the sector
   d. Zero coupon issues and strips, excluding agency mortgage-backed Interest-only structures (I/Os)
   e. Treasury TIPS
4. The following are **NOT PERMITTED** investments, unless specifically authorized by statute and with prior approval of the governing body**:**
   a. Trading for speculation
   b. Derivatives (other than callables and traditional floating or variable-rate instruments)
   c. Mortgage-backed interest-only structures (I/Os)
   d. Inverse or leveraged floating-rate and variable-rate instruments
   e. Currency, equity, index and event-linked notes (e.g. range notes), or other structures that could return less than par at maturity
   f. Private placements and direct loans, except as may be legally permitted by Rule 144A or commercial paper issued under a 4(2) exemption from registration
   g. Convertible, high yield, and non-U.S. dollar denominated debt
   h. Short sales
   i. Use of leverage
   j. Futures and options
   k. Mutual funds, including fixed-income mutual funds and ETFs, and 2a-7 money market funds (unless bond proceeds – then State Statute 36-82-7 applies)
   l. Equities, commodities, currencies and hard assets

XV. DERIVATIVES AND REVERSE REPURCHASE AGREEMENTS

The City may not invest in investment products that include the use of derivatives, unless otherwise stated in Section XIV. A "derivative" is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or indices or asset values. Reverse repurchase agreements are not permitted by this Policy.

XVI. PERFORMANCE MEASUREMENTS

In order to assist in the evaluation of the portfolios' performance, the City will use performance benchmarks for the short-term investments and long-term investment portfolio. The use of benchmarks will allow the City to measure its returns against other investors in the same markets.

A. The short-term investments shall be designed with the annual objective of exceeding the weighted average return (net book value rate of return) of the ICE Bank of America Merrill

Lynch (ICE BofAML) 3-Month U.S. Treasury Bill Index. The ICE BofAML 3-Month T-Bill Index is an unmanaged index that measures returns of three-month Treasury Bills.

B. The City may measure the long-term investment portfolio using the following benchmark with the annual objective of exceeding the return of the;

1. ICE Bank of America Merrill Lynch (ICE BofAML) 0-5 Year U.S. Treasury Index compared to the portfolio's total rate of return. The ICE BofAML 0-5 Year U.S. Treasury Index represents all U.S. Treasury securities maturing within five years.

In the event that the above benchmarks are no longer available or not applicable, an Index that is comprised of underlying assets of comparable asset classes, ratings quality and duration may be used.

XVII. REPORTING

A. The City's Investment Advisor(s) shall provide quarterly investment reports on the City's short-term and long-term core investments to the City Manager who will share these reports with the City Council. Schedules in the quarterly report should include the following:

1. A listing of individual securities held at the end of the reporting period

2. Percentage of available funds represented by each investment type

3. Coupon, discount or earning rate

4. Average life or duration and final maturity of all investments

5. Par value and market value

XVIII. THIRD-PARTY CUSTODIAL AGREEMENTS

Securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Georgia, or any other state or territory of the United States which has a branch or principal place of business in the State of Georgia, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Georgia. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

The custodian shall accept transaction instructions only from those persons who have been duly authorized by the City Manager and which authorization has been provided, in writing, to the custodian. No withdrawal of securities, in whole or in part, shall be made from safekeeping, shall be permitted unless by such a duly authorized person.

Monthly, the custodian shall provide the Chief Financial Officer or designee and/or the City's Investment Advisor(s) with detail information on the securities held by the custodian. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. Only after receiving written authorization from the Chief Financial Officer or designee shall authorized securities be delivered "free". Securities held as collateral shall be held free and clear of any liens.

XIX. RESERVATION OF AUTHORITY

The Chief Financial Officer or designee shall review the Policy annually. The authority to issue and/or revise this Policy is reserved for the City Council.

Attachment A
Glossary of Investment and Cash Management Terms

The following is a glossary of key investing terms, many of which appear in the City's investment policy. This glossary clarifies the meaning of investment terms generally used in cash and investment management. This glossary has been adapted from the GFOA Sample Investment Policy and the Association of Public Treasurers of the United States and Canada's Model Investment Policy.

Accrued Interest. Interest earned but which has not yet been paid or received.

Agency. See "Federal Agency Securities."

Ask Price. Price at which a broker/dealer offers to sell a security to an investor. Also known as "offered price."

Asset Backed Securities (ABS). A fixed-income security backed by notes or receivables against assets other than real estate. Generally issued by special purpose companies that "own" the assets and issue the ABS. Examples include securities backed by auto loans, credit card receivables, home equity loans, manufactured housing loans, farm equipment loans, and aircraft leases.

Average Life. The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund feature is expected to be outstanding.

Bankers' Acceptance (BA's). A draft or bill of exchange drawn upon and accepted by a bank. Frequently used to finance shipping of international goods. Used as a short-term credit instrument, bankers' acceptances are traded at a discount from face value as a money market instrument in the secondary market on the basis of the credit quality of the guaranteeing bank.

Basis Point. One hundredth of one percent, or 0.01%. Thus 1% equals 100 basis points.

Bearer Security. A security whose ownership is determined by the holder of the physical security. Typically, there is no registration on the issuer's books. Title to bearer securities is transferred by delivery of the physical security or certificate. Also known as "physical securities."

Benchmark Bills: In November 1999, FNMA introduced its Benchmark Bills program, a short-term debt securities issuance program to supplement its existing discount note program. The program includes a schedule of larger, weekly issues in three- and six-month maturities and biweekly issues in one-year for Benchmark Bills. Each issue is brought to market via a Dutch (single price) auction. FNMA conducts a weekly auction for each Benchmark Bill maturity and accepts both competitive and non-competitive bids through a web based auction system. This program is in addition to the variety of other discount note maturities, with rates posted on a daily basis, which FNMA offers. FNMA's Benchmark Bills are unsecured general obligations that are issued in book-entry form through the Federal Reserve Banks. There are no periodic payments of interest on Benchmark Bills, which are sold at a discount from the principal amount and payable at par at maturity. Issues under the Benchmark program constitute the same credit standing as other FNMA discount notes; they simply add organization and liquidity to the short-term Agency discount note market.

Benchmark Notes/Bonds: Benchmark Notes and Bonds are a series of FNMA "bullet" maturities (non-callable) issued according to a pre-announced calendar. Under its Benchmark Notes/Bonds program, 2, 3, 5, 10, and 30-year maturities are issued each quarter. Each Benchmark Notes new issue has a minimum size of $4 billion, 30-year new issues having a minimum size of $1 billion, with re-openings based on investor demand to further enhance liquidity. The amount of non-callable issuance has allowed FNMA to build a yield curve in Benchmark Notes and Bonds in maturities ranging from 2 to 30 years. The liquidity emanating from these large size issues has facilitated favorable financing opportunities through the development of a liquid overnight and term repo market. Issues under the Benchmark program constitute the same credit standing as other FNMA issues; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Benchmark. A market index used as a comparative basis for measuring the performance of an investment portfolio. A performance benchmark should represent a close correlation to investment guidelines, risk tolerance, and duration of the actual portfolio's investments.

Bid Price. Price at which a broker/dealer offers to purchase a security from an investor.

Bond. Financial obligation for which the issuer promises to pay the bondholder (the purchaser or owner of the bond) a specified stream of future cash-flows, including periodic interest payments and a principal repayment.

Book Entry Securities. Securities that are recorded in a customer's account electronically through one of the financial markets electronic delivery and custody systems, such as the Fed Securities wire, DTC, and PTC (as opposed to bearer or physical securities). The trend is toward a certificate-free society in order to cut down on paperwork and to diminish investors' concerns about the certificates themselves. The vast majority of securities are now book entry securities.

Book Value. The value at which a debt security is reflected on the holder's records at any point in time. Book value is also called "amortized cost" as it represents the original cost of an investment adjusted for amortization of premium or accretion of discount. Also called "carrying value." Book value can vary over time as an investment approaches maturity and differs from "market value" in that it is not affected by changes in market interest rates.

Broker/Dealer. A person or firm transacting securities business with customers. A "broker" acts as an agent between buyers and sellers, and receives a commission for these services. A "dealer" buys and sells financial assets from its own portfolio. A dealer takes risk by owning inventory of securities, whereas a broker merely matches up buyers and sellers. See also "Primary Dealer."

Bullet Notes/Bonds. Notes or bonds that have a single maturity date and are non-callable.

Call Date. Date at which a call option may be or is exercised.

Call Option. The right, but not the obligation, of an issuer of a security to redeem a security at a specified value and at a specified date or dates prior to its stated maturity date. Most fixed-income calls are at par, but can be at any previously established price. Securities issued with a call provision typically carry a higher yield than similar securities issued without a call feature. There are three primary types of call options (1) European - one-time calls, (2) Bermudan - periodically on a predetermined schedule (quarterly, semi-annual, annual), and (3) American - continuously callable at any time on or after the call date. There is usually a notice period of at least 5 business days prior to a call date.

Callable Bonds/Notes. Securities which contain an imbedded call option giving the issuer the right to redeem the securities prior to maturity at a predetermined price and time.

Certificate of Deposit (CD). Bank obligation issued by a financial institution generally offering a fixed rate of return (coupon) for a specified period of time (maturity). Can be as long as 10 years to maturity, but most CDs purchased by public agencies are one year and under.

Collateral. Investment securities or other property that a borrower pledges to secure repayment of a loan, secure deposits of public monies, or provide security for a repurchase agreement.

Collateralization. Process by which a borrower pledges securities, property, or other deposits for securing the repayment of a loan and/or security.

Collateralized Mortgage Obligation (CMO). A security that pools together mortgages and separates them into short, medium, and long-term positions (called tranches). Tranches are set up to pay different rates of interest depending upon their maturity. Interest payments are usually paid monthly. In "plain vanilla" CMOs, principal is not paid on a tranche until all shorter tranches have been paid off. This system provides interest and principal in a more predictable manner. A single pool of mortgages can be carved up into numerous tranches each with its own payment and risk characteristics.

Commercial Paper. Short term unsecured promissory note issued by a company or financial institution. Issued at a discount and matures for par or face value. Usually a maximum maturity of 270 days and given a short-term debt rating by one or more NRSROs.

Convexity. A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Corporate Note. A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

Counterparty. The other party in a two party financial transaction. "Counterparty risk" refers to the risk that the other party to a transaction will fail in its related obligations. For example, the bank or broker/dealer in a repurchase agreement.

Coupon Rate. Annual rate of interest on a debt security, expressed as a percentage of the bond's face value.

Current Yield. Annual rate of return on a bond based on its price. Calculated as (coupon rate / price), but does not accurately reflect a bond's true yield level.

Custody. Safekeeping services offered by a bank, financial institution, or trust company, referred to as the "custodian." Service normally includes the holding and reporting of the customer's securities, the collection and disbursement of income, securities settlement, and market values.

Dealer. A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own account.

Delivery Versus Payment (DVP). Settlement procedure in which securities are delivered versus payment of cash, but only after cash has been received. Most security transactions, including those through the Fed Securities Wire system and DTC, are done DVP as a protection for both the buyer and seller of securities.

Depository Trust Company (DTC). A firm through which members can use a computer to arrange for securities to be delivered to other members without physical delivery of certificates. A member of the Federal Reserve System and owned mostly by the New York Stock Exchange, the Depository Trust Company uses computerized debit and credit entries. Most corporate securities, commercial paper, CDs, and BAs clear through DTC.

Derivatives. (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities, or commodities). For hedging purposes, common derivatives are options, futures, interest rate swaps, and swaptions. All Collateralized Mortgage Obligations (CMOs) are derivatives.

Derivative Security. Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Designated Bond. FFCB's regularly issued, liquid, non-callable securities that generally have a 2 or 3 year original maturity. New issues of Designated Bonds are $1 billion or larger. Re-openings of existing Designated Bond issues are generally a minimum of $100 million. Designated Bonds are offered through a syndicate of two to six dealers. Twice each month the Funding Corporation announces its intention to issue a new Designated Bond, reopen an existing issue, or to not issue or reopen a Designated Bond. Issues under the Designated Bond program constitute the same credit standing as other FFCB issues; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Discount Notes. Unsecured general obligations issued by Federal Agencies at a discount. Discount notes mature at par and can range in maturity from overnight to one year. Very large primary (new issue) and secondary markets exist.

Discount Rate. Rate charged by the system of Federal Reserve Banks on overnight loans to member banks. Changes to this rate are administered by the Federal Reserve and closely mirror changes to the "fed funds rate."

Discount Securities. Non-interest bearing money market instruments that are issued at discount and redeemed at maturity for full face value. Examples include: U.S. Treasury Bills, Federal Agency Discount Notes, Bankers' Acceptances, and Commercial Paper.

Discount. The amount by which a bond or other financial instrument sells below its face value. See also "Premium."

Diversification. Dividing investment funds among a variety of security types, maturities, industries, and issuers offering potentially independent returns.

Dollar Price. A bond's cost expressed as a percentage of its face value. For example, a bond quoted at a dollar price of 95 ½, would have a principal cost of $955 per $1,000 of face value.

Duff & Phelps. One of several NRSROs that provide credit ratings on corporate and bank debt issues.

Duration. The weighted average maturity of a security's or portfolio's cash-flows, where the present values of the cash-flows serve as the weights. The greater the duration of a security/portfolio, the greater its percentage price volatility with respect to changes in interest rates. Used as a measure of risk and a key tool for managing a portfolio versus a benchmark and for hedging risk. There are also different kinds of duration used for different purposes (e.g. MacAuley Duration, Modified Duration).

Fannie Mae. See "Federal National Mortgage Association."

Fed Money Wire. A computerized communications system that connects the Federal Reserve System with its member banks, certain U. S. Treasury offices, and the Washington D.C. office of the Commodity Credit Corporation. The Fed Money Wire is the book entry system used to transfer cash balances between banks for themselves and for customer accounts.

Fed Securities Wire. A computerized communications system that facilitates book entry transfer of securities between banks, brokers and customer accounts, used primarily for settlement of U.S. Treasury and Federal Agency securities.

Fed. See "Federal Reserve System."

Federal Agency Security. A debt instrument issued by one of the Federal Agencies. Federal Agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

Federal Agency. Government sponsored/owned entity created by the U.S. Congress, generally for the purpose of acting as a financial intermediary by borrowing in the marketplace and directing proceeds to specific areas of the economy considered to otherwise have restricted access to credit markets. The largest Federal Agencies are GNMA, FNMA, FHLMC, FHLB, FFCB, SLMA, and TVA.

Federal Deposit Insurance Corporation (FDIC). Federal agency that insures deposits at commercial banks, currently to a limit of $250,000 per depositor per bank.

Federal Farm Credit Bank (FFCB). One of the large Federal Agencies. A government sponsored enterprise (GSE) system that is a network of cooperatively-owned lending institutions that provides credit services to farmers, agricultural cooperatives and rural utilities. The FFCBs act as financial intermediaries that borrow money in the capital markets and use the proceeds to make loans and provide other assistance to farmers and farm-affiliated businesses. Consists of the consolidated operations of the Banks for Cooperatives, Federal Intermediate Credit Banks, and Federal Land Banks. Frequent issuer of discount notes, agency notes and callable agency securities. FFCB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and agricultural industry. Also issues notes under its "designated note" program.

Federal Funds (Fed Funds). Funds placed in Federal Reserve Banks by depository institutions in excess of current reserve requirements, and frequently loaned or borrowed on an overnight basis between depository institutions.

Federal Funds Rate (Fed Funds Rate). The interest rate charged by a depository institution lending Federal Funds to another depository institution. The Federal Reserve influences this rate by establishing a "target" Fed Funds rate associated with the Fed's management of monetary policy.

Federal Home Loan Bank System (FHLB). One of the large Federal Agencies. A government sponsored enterprise (GSE) system, consisting of wholesale banks (currently twelve district banks) owned by their member banks, which provides correspondent banking services and credit to various financial institutions, financed by the issuance of securities. The principal purpose of the FHLB is to add liquidity to the mortgage markets. Although FHLB does not directly fund mortgages, it provides a stable supply of credit to thrift institutions that make new mortgage loans. FHLB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes and callable agency securities. Also issues notes under its “global note” and “TAP” programs.

Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac"). One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides stability and assistance to the secondary market for home mortgages by purchasing first mortgages and participation interests financed by the sale of debt and guaranteed mortgage backed securities. FHLMC debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities, and MBS. Also issues notes under its “reference note” program.

Federal National Mortgage Association (FNMA or "Fannie Mae"). One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides liquidity to the residential mortgage market by purchasing mortgage loans from lenders, financed by the issuance of debt securities and MBS (pools of mortgages packaged together as a security). FNMA debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its “benchmark note” program.

Federal Reserve Bank. One of the 12 distinct banks of the Federal Reserve System.

Federal Reserve System (the Fed). The independent central bank system of the United States that establishes and conducts the nation's monetary policy. This is accomplished in three major ways: (1) raising or lowering bank reserve requirements, (2) raising or lowering the target Fed Funds Rate and Discount Rate, and (3) in open market operations by buying and selling government securities. The Federal Reserve System is made up of twelve Federal Reserve District Banks, their branches, and many national and state banks throughout the nation. It is headed by the seven member Board of Governors known as the “Federal Reserve Board” and headed by its Chairman.

Financial Industry Regulatory Authority, Inc. (FINRA). A private corporation that acts as a self-regulatory organization (SRO). FINRA is the successor to the National Association of Securities Dealers, Inc. (NASD). Though sometimes mistaken for a government agency, it is a non-governmental organization that performs financial regulation of member brokerage firms and exchange markets. The government also has a regulatory arm for investments, the Securities and Exchange Commission (SEC).

Fiscal Agent/Paying Agent. A bank or trust company that acts, under a trust agreement with a corporation or municipality, in the capacity of general treasurer. The agent performs such duties as making coupon payments, paying rents, redeeming bonds, and handling taxes relating to the issuance of bonds.

Fitch Investors Service, Inc. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

Floating Rate Security (FRN or "floater"). A bond with an interest rate that is adjusted according to changes in an interest rate or index. Differs from variable-rate debt in that the changes to the rate take place immediately when the index changes, rather than on a predetermined schedule. See also "Variable Rate Security."

Freddie Mac. See "Federal Home Loan Mortgage Corporation."

Ginnie Mae. See "Government National Mortgage Association."

Global Notes: Notes designed to qualify for immediate trading in both the domestic U.S. capital market and in foreign markets around the globe. Usually large issues that are sold to investors worldwide and therefore have excellent liquidity. Despite their global sales, global notes sold in the U.S. are typically denominated in U.S. dollars.

Government National Mortgage Association (GNMA or "Ginnie Mae"). One of the large Federal Agencies. Government-owned Federal Agency that acquires, packages, and resells mortgages and mortgage purchase commitments in the form of mortgage-backed securities. Largest issuer of mortgage pass-through securities. GNMA debt is guaranteed by the full faith and credit of the U.S. government (one of the few agencies that are actually full faith and credit of the U.S. government).

Government Securities. An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills", "Treasury Notes", or "Treasury Bonds".

Government Sponsored Enterprise (GSE). Privately owned entity subject to federal regulation and supervision, created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy such as students, farmers, and homeowners. GSEs carry the implicit backing of the U.S. government, but they are not direct obligations of the U.S. government. For this reason, these securities will offer a yield premium over U.S. Treasuries. Examples of GSEs include: FHLB, FHLMC, FNMA, and SLMA.

Government Sponsored Enterprise Security. A security issued by a Government Sponsored Enterprise. Considered Federal Agency Securities.

Index. A compilation of statistical data that tracks changes in the economy or in financial markets.

Interest-Only (IO) STRIP. A security based solely on the interest payments from the bond. After the principal has been repaid, interest payments stop and the value of the security falls to nothing. Therefore, IOs are considered risky investments. Usually associated with mortgage-backed securities.

Internal Controls. An internal control structure ensures that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is 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. Internal controls should address the following points:

1. **Control of collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.

2. **Separation of transaction authority from accounting and record keeping** - A separation of duties is achieved by separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction.

3. **Custodial safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.

4. **Avoidance of physical delivery securities** - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly

safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.

5. **Clear delegation of authority to subordinate staff members** - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.

6. **Written confirmation of transactions for investments and wire transfers** - Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.

7. **Development of a wire transfer agreement with the lead bank and third-party custodian** - The designated official should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

Inverse Floater. A floating rate security structured in such a way that it reacts inversely to the direction of interest rates. Considered risky as their value moves in the opposite direction of normal fixed-income investments and whose interest rate can fall to zero.

Investment Advisor. A company that provides professional advice managing portfolios, investment recommendations, and/or research in exchange for a management fee.

Investment Adviser Act of 1940. Federal legislation that sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Grade. Bonds considered suitable for preservation of invested capital, including bonds rated a minimum of Baa3 by Moody's, BBB- by Standard & Poor's, or BBB- by Fitch. Although "BBB" rated bonds are considered investment grade, most public agencies cannot invest in securities rated below "A."

Liquidity. Relative ease of converting an asset into cash without significant loss of value. Also, a relative measure of cash and near-cash items in a portfolio of assets. Additionally, it is a term describing the marketability of a money market security correlating to the narrowness of the spread between the bid and ask prices.

Local Government Investment Pool (LGIP). An investment by local governments in which their money is pooled as a method for managing local funds, (e.g., Georgia Fund 1).

Long-Term Core Investment Program. Funds that are not needed within a one-year period.

Market Value. The fair market value of a security or commodity. The price at which a willing buyer and seller would pay for a security.

Mark-to-market. Adjusting the value of an asset to its market value, reflecting in the process unrealized gains or losses.

Master Repurchase Agreement. A widely accepted standard agreement form published by the Securities Industry and Financial Markets Association (SIFMA) that is used to govern and document Repurchase Agreements and protect the interest of parties in a repo transaction.

Maturity Date. Date on which principal payment of a financial obligation is to be paid.

Medium Term Notes (MTN's). Used frequently to refer to corporate notes of medium maturity (5-years and under). Technically, any debt security issued by a corporate or depository institution with a maturity from 1 to 10

years and issued under an MTN shelf registration. Usually issued in smaller issues with varying coupons and maturities, and underwritten by a variety of broker/dealers (as opposed to large corporate deals issued and underwritten all at once in large size and with a fixed coupon and maturity).

Money Market. The market in which short-term debt instruments (bills, commercial paper, bankers' acceptance, etc.) are issued and traded.

Money Market Mutual Fund (MMF). A type of mutual fund that invests solely in money market instruments, such as: U.S. Treasury bills, commercial paper, bankers' acceptances, and repurchase agreements. Money market mutual funds are registered with the SEC under the Investment Company Act of 1940 and are subject to "rule 2a-7" which significantly limits average maturity and credit quality of holdings. MMF's are managed to maintain a stable net asset value (NAV) of $1.00. Many MMFs carry ratings by a NRSRO.

Moody's Investors Service. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

Mortgage Backed Securities (MBS). Mortgage-backed securities represent an ownership interest in a pool of mortgage loans made by financial institutions, such as savings and loans, commercial banks, or mortgage companies, to finance the borrower's purchase of a home or other real estate. The majority of MBS are issued and/or guaranteed by GNMA, FNMA, and FHLMC. There are a variety of MBS structures with varying levels of risk and complexity. All MBS have reinvestment risk as actual principal and interest payments are dependent on the payment of the underlying mortgages which can be prepaid by mortgage holders to refinance and lower rates or simply because the underlying property was sold.

Mortgage Pass-Through Securities. A pool of residential mortgage loans with the monthly interest and principal distributed to investors on a pro-rata basis. The largest issuer is GNMA.

Municipal Note/Bond. A debt instrument issued by a state or local government unit or public agency. The vast majority of municipals are exempt from state and federal income tax, although some non-qualified issues are taxable.

Mutual Fund. Portfolio of securities professionally managed by a registered investment company that issues shares to investors. Many different types of mutual funds exist (e.g., bond, equity, and money market funds); all except money market funds operate on a variable net asset value (NAV).

Negotiable Certificate of Deposit (Negotiable CD). Large denomination CDs ($100,000 and larger) that are issued in bearer form and can be traded in the secondary market.

Net Asset Value. The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets including securities, cash, and any accrued earnings, then subtracting the total assets from the fund's liabilities, and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. (See below.)

[(Total assets) - (Liabilities)]/ (Number of shares outstanding)

NRSRO. A "Nationally Recognized Statistical Rating Organization" (NRSRO) is a designated rating organization that the SEC has deemed a strong national presence in the U.S. NRSROs provide credit ratings on corporate and bank debt issues. Only ratings of a NRSRO may be used for the regulatory purposes of rating. Includes Moody's, S&P, Fitch, and Duff & Phelps.

Offered Price. See also "Ask Price."

Open Market Operations. A Federal Reserve monetary policy tactic entailing the purchase or sale of government securities in the open market by the Federal Reserve System from and to primary dealers in order to influence the money supply, credit conditions, and interest rates.

Par Value. The face value, stated value, or maturity value of a security.

Physical Delivery. Delivery of readily available underlying assets at contract maturity.

Portfolio. Collection of securities and investments held by an investor.

Premium. The amount by which a bond or other financial instrument sells above its face value. See also "Discount."

Primary Dealer. A designation given to certain government securities dealer by the Federal Reserve Bank of New York. Primary dealers can buy and sell government securities directly with the Fed. Primary dealers also submit daily reports of market activity and security positions held to the Fed and are subject to its informal oversight. Primary dealers are the largest buyers and sellers by volume in the U.S. Treasury securities market.

Prime Paper. Commercial paper of high quality. Highest rated paper is A-1+/A-1 by S&P and P-1 by Moody's.

Principal. Face value of a financial instrument on which interest accrues. May be less than par value if some principal has been repaid or retired. For a transaction, principal is par value times price and includes any premium or discount.

Prudent Expert Rule. Standard that requires that a fiduciary manage a portfolio with the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. This statement differs from the "prudent person" rule in that familiarity with such matters suggests a higher standard than simple prudence.

Prudent Investor Standard. Standard that requires that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. More stringent than the "prudent person" standard as it implies a level of knowledge commensurate with the responsibility at hand.

Range Note. A type of structured note that accrues interest daily at a set coupon rate that is tied to an index. Most range notes have two coupon levels; a higher accrual rate for the period the index is within a designated range, the lower accrual rate for the period that the index falls outside the designated range. This lower rate may be zero and may result in zero earnings.

Rate of Return. Amount of income received from an investment, expressed as a percentage of the amount invested.

Realized Gains (Losses). The difference between the sale price of an investment and its book value. Gains/losses are "realized" when the security is actually sold, as compared to "unrealized" gains/losses which are based on current market value. See "Unrealized Gains (Losses)."

Reference Bills: FHLMC's short-term debt program created to supplement its existing discount note program by offering issues from one month through one year, auctioned on a weekly or on an alternating four-week basis (depending upon maturity) offered in sizeable volumes ($1 billion and up) on a cycle of regular, standardized issuance. Globally sponsored and distributed, Reference Bill issues are intended to encourage active trading and market-making and facilitate the development of a term repo market. The program was designed to offer predictable supply, pricing transparency, and liquidity, thereby providing alternatives to U.S. Treasury bills. FHLMC's Reference Bills are unsecured general corporate obligations. This program supplements the corporation's existing discount note program. Issues under the Reference program constitute the same credit standing as other FHLMC discount notes; they simply add organization and liquidity to the short-term Agency discount note market.

Reference Notes: FHLMC's intermediate-term debt program with issuances of 2, 3, 5, 10, and 30-year maturities. Initial issuances range from $2 - $6 billion with re-openings ranging $1 - $4 billion.

The notes are high-quality bullet structures securities that pay interest semiannually. Issues under the Reference program constitute the same credit standing as other FHLMC notes; they simply add organization and liquidity to the intermediate- and long-term Agency market.

Repurchase Agreement (Repo). A short-term investment vehicle where an investor agrees to buy securities from a counterparty and simultaneously agrees to resell the securities back to the counterparty at an agreed upon time and for an agreed upon price. The difference between the purchase price and the sale price represents interest earned on the agreement. In effect, it represents a collateralized loan to the investor, where the securities are the collateral. Can be DVP, where securities are delivered to the investor's custodial bank, or "tri-party" where the securities are delivered to a third party intermediary. Any type of security can be used as "collateral," but only some types provide the investor with special bankruptcy protection under the law. Repos should be undertaken only when an appropriate Securities Industry and Financial Markets Association (SIFMA) approved master repurchase agreement is in place.

Reverse Repurchase Agreement (Reverse Repo). A repo from the point of view of the original seller of securities. Used by dealers to finance their inventory of securities by essentially borrowing at short-term rates. Can also be used to leverage a portfolio and in this sense, can be considered risky if used improperly.

Safekeeping. Service offered for a fee, usually by financial institutions, for the holding of securities and other valuables. Safekeeping is a component of custody services.

Secondary Market. Markets for the purchase and sale of any previously issued financial instrument.

Securities Industry and Financial Markets Association (SIFMA). The bond market trade association representing the largest securities markets in the world. In addition to publishing a Master Repurchase Agreement, widely accepted as the industry standard document for Repurchase Agreements, the SIFMA also recommends bond market closures and early closes due to holidays.

Securities Lending. An arrangement between and investor and a custody bank that allows the custody bank to "loan" the investors investment holdings, reinvest the proceeds in permitted investments, and shares any profits with the investor. Should be governed by a securities lending agreement. Can increase the risk of a portfolio in that the investor takes on the default risk on the reinvestment at the discretion of the custodian.

Sinking Fund. A separate accumulation of cash or investments (including earnings on investments) in a fund in accordance with the terms of a trust agreement or indenture, funded by periodic deposits by the issuer (or other entity responsible for debt service), for the purpose of assuring timely availability of moneys for payment of debt service. Usually used in connection with term bonds.

Spread. The difference between the price of a security and similar maturity U.S. Treasury investments, expressed in percentage terms or basis points. A spread can also be the absolute difference in yield between two securities. The securities can be in different markets or within the same securities market between different credits, sectors, or other relevant factors.

Standard & Poor's. One of several NRSROs that provide credit ratings on corporate and municipal debt issues.

STRIPS (Separate Trading of Registered Interest and Principal of Securities). Acronym applied to U.S. Treasury securities that have had their coupons and principal repayments separated into individual zero-coupon Treasury securities. The same technique and "strips" description can be applied to non-Treasury securities (e.g., FNMA strips).

Structured Notes. Notes that have imbedded into their structure options such as step-up coupons or derivative-based returns.

Supranational. Supranational organizations are international financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management. These agreements provide for limited immunity from the laws of member countries. Bonds issued by these institutions are part of the broader class of Supranational, Sovereign, and Non-U.S. Agency (SSA) sector bonds.

Supranational bonds finance economic and infrastructure development and support environmental protection, poverty reduction, and renewable energy around the globe. For example, the World Bank, International Finance Corporation (IFC), and African Development Bank (AfDB) have "green bond" programs specifically designed for energy resource conservation and management. Supranational bonds, which are issued by multi-national organizations that transcend national boundaries. Examples include the World Bank, African Development Bank, and European Investment Bank.

Swap. Trading one asset for another.

TAP Notes: Federal Agency notes issued under the FHLB TAP program. Launched in 6/99 as a refinement to the FHLB bullet bond auction process. In a break from the FHLB's traditional practice of bringing numerous small issues to market with similar maturities, the TAP Issue Program uses the four most common maturities and reopens them up regularly through a competitive auction. These maturities (2, 3, 5, and 10 year) will remain open for the calendar quarter, after which they will be closed and a new series of TAP issues will be opened to replace them. This reduces the number of separate bullet bonds issued, but generates enhanced awareness and liquidity in the marketplace through increased issue size and secondary market volume.

Tennessee Valley Authority (TVA). One of the large Federal Agencies. A wholly owned corporation of the United States government that was established in 1933 to develop the resources of the Tennessee Valley region in order to strengthen the regional and national economy and the national defense. Power operations are separated from non-power operations. TVA securities represent obligations of TVA, payable solely from TVA's net power proceeds, and are neither obligations of nor guaranteed by the United States. TVA is currently authorized to issue debt up to $30 billion. Under this authorization, TVA may also obtain advances from the U.S. Treasury of up to $150 million. Frequent issuer of discount notes, agency notes, and callable agency securities.

Total Return. Investment performance measured over a period of time that includes coupon interest, interest on interest, and both realized and unrealized gains or losses. Total return includes, therefore, any market value appreciation/depreciation on investments held at period end.

Treasuries. Collective term used to describe debt instruments backed by the U.S. government and issued through the U.S. Department of the Treasury. Includes Treasury bills, Treasury notes, and Treasury bonds. Also a benchmark term used as a basis by which the yields of non-Treasury securities are compared (e.g., "trading at 50 basis points over Treasuries").

Treasury Bills (T-Bills). Short-term direct obligations of the United States government issued with an original term of one year or less. Treasury bills are sold at a discount from face value and do not pay interest before maturity. The difference between the purchase price of the bill and the maturity value is the interest earned on the bill. Currently, the U.S. Treasury issues 4-week, 13-week, and 26-week T-Bills.

Treasury Bonds. Long-term interest-bearing debt securities backed by the U.S. government and issued with maturities of ten years and longer by the U.S. Department of the Treasury.

Treasury Notes. Intermediate interest-bearing debt securities backed by the U.S. government and issued with maturities ranging from one to ten years by the U.S. Department of the Treasury. The Treasury currently issues 2-year, 3-year, 5-year, and 10-year Treasury Notes.

Trustee. A bank designated by an issuer of securities as the custodian of funds and official representative of bondholders. Trustees are appointed to insure compliance with the bond documents and to represent bondholders in enforcing their contract with the issuer.

Uniform Net Capital Rule. SEC Rule 15c3-1 that outlines the minimum net capital ratio (ratio of indebtedness to net liquid capital) of member firms and non-member broker/dealers.

Unrealized Gains (Losses). The difference between the market value of an investment and its book value. Gains/losses are "realized" when the security is actually sold, as compared to "unrealized" gains/losses which are based on current market value. See also "Realized Gains (Losses)."

Variable-Rate Security. A bond that bears interest at a rate that varies over time based on a specified schedule of adjustment (e.g., daily, weekly, monthly, semi-annually, or annually). See also "Floating Rate Note."

Weighted Average Maturity (or just "Average Maturity"). The average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. A simple measure of risk of a fixed-income portfolio.

Weighted Average Maturity to Call. The average maturity of all securities and investments of a portfolio, adjusted to substitute the first call date per security for maturity date for those securities with call provisions.

Yield Curve. A graphic depiction of yields on like securities in relation to remaining maturities spread over a time line. The traditional yield curve depicts yields on U.S. Treasuries, although yield curves exist for Federal Agencies and various credit quality corporates as well. Yield curves can be positively sloped (normal) where longer-term investments have higher yields, or "inverted" (uncommon) where longer-term investments have lower yields than shorter ones.

Yield to Call (YTC). Same as "Yield to Maturity," except the return is measured to the first call date rather than the maturity date. Yield to call can be significantly higher or lower than a security's yield to maturity.

Yield to Maturity (YTM). Calculated return on an investment, assuming all cash-flows from the security are reinvested at the same original yield. Can be higher or lower than the coupon rate depending on market rates and whether the security was purchased at a premium or discount. There are different conventions for calculating YTM for various types of securities.

Yield. There are numerous methods of yield determination. In this glossary, see also "Current Yield," "Yield Curve," "Yield to Call," and "Yield to Maturity."

Attachment B
Investment Pool/Fund Questionnaire

1. A description of eligible investment securities, and a written statement of investment policy and objectives.

2. A description of interest calculations and how it is distributed, and how gains and losses are treated.

3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.

4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.

5. A schedule for receiving statements and portfolio listings.

6. Are reserves, retained earnings, etc. utilized by the pool/fund?

7. A fee schedule, and when and how is it assessed.

8. Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/5/2021

Presenter: Bryan Lackey

Item of Business: BR-2021-09 Raymond James & Associates Inc. Agreement for Investment Advisor Services

Meeting Date: 2/16/2021

Purpose of Request:

To accomplish the objective of the Investment and Cash Management policy, it is beneficial for the City of Gainesville, Georgia to partner with Raymond James & Associates, Inc. to avail the experience, sources of information, advise, assistance, and facilities available to Raymond James & Associates, Inc. Also to have Raymond James & Associates, Inc. undertake certain duties and responsibilities and perform certain services as investment advisor on behalf of the City.

History/Background:

On December 18, 2018, the City entered into an agreement with PFM for investment advisor services. Since 2018, the financial market has changed. As a result, the City would benefit from partnering with an additional financial advisor.

Facts & Issues for Consideration:

Raymond James & Associates Inc. will be compensated at various rates based upon the amount that is invested. 5.5 basis points (.055%) or a minimum annual fee of $25,000 is planned for the first year.
The term of this Agreement is from the date of Council approval until June 30, 2021. The Agreement will automatically renew for four successive one year periods beginning July 1, 2021. The Agreement may be terminated by either party upon at least thirty days written notice.

Department Recommendation:

Financial Services recommends entering into an agreement with Raymond James & Associates Inc. to serve as the investment advisor for the City of Gainesville.

Department Director:

Jeremy Perry

If funding is involved, are funds approved within the current budget?

Amount Requested: **Source of Funds**:

Finance Comments:

Administrative Comments:

ATTACHMENTS:

	Description	Type
🗋	BR-2021-09 Raymond James Agreement for Investment Advisory Services	Resolution
🗋	Raymond James Investment Advisory Agreement	Contract/Agreement/MOU
🗋	Solicitor Disclosure Form	Contract/Agreement/MOU

RESOLUTION BR-2021-09

RAYMOND JAMES & ASSOCIATES, INC. AGREEMENT FOR INVESTMENT ADVISOR SERVICES

WHEREAS, the governing body for the City of Gainesville, Georgia adopted an Investment and Cash Management Policy which sets forth the investment objectives and parameters for the management of public funds of the City of Gainesville, Georgia; and

WHEREAS, to accomplish the objective of the policy, it is beneficial for the City to partner with Raymond James & Associates, Inc. to avail the experience, sources of information, advice, assistance and facilities available to Raymond James & Associates, Inc.; and

WHEREAS, to have Raymond James & Associates, Inc. undertake certain duties and responsibilities; and

WHEREAS, to perform certain services as investment advisor on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville, Georgia hereby approves the attached agreement with Raymond James & Associates, Inc. and authorizes the City Manager to execute all necessary documents for the agreement.

Adopted this ____ day of February, 2021.

_____

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville, Georgia. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

_____

Denise O. Jordan, City Clerk

RAYMOND JAMES®

February 5, 2021

Mr. Jeremy Perry
Chief Financial Officer
City of Gainesville, Georgia
300 Henry Ward Way, Suite 303
Gainesville, Georgia 30501

Re: Investment Activities related to the City of Gainesville General Account Funds

Dear Jeremy:

This letter ("Agreement") outlines the related matters with respect to Raymond James & Associates Inc.'s ("RJ" or "Raymond James") role as Investment Adviser for the City of Gainesville (Georgia) (the "City") pertaining solely to our provision of Investment Adviser services relating to the investment of a portion of the City's funds in its General Account (the "Funds") currently held by the current custodian. This Agreement and the services to be provided hereunder are separate from the Municipal Advisor Agreement by and between the City and Raymond James & Associates, Inc. dated September 1, 2020 under which Raymond James (through Bill Camp and any other designated individuals) will be providing a separate scope of services delineated in that agreement.

The Scope of Services under this Agreement includes the following:

Evaluation & Monitoring Phase

- Develop an investment strategy with the City for the Funds, including the following:
    - Review, discuss, and analyze the disbursement requirements and liquidity needs for the Funds;
    - Evaluate potential benefits of investing the Funds in United States Treasury, agency or other securities/instruments eligible for potential investment under the City's Investment and Cash Policy ("Permitted Investments");
    - On an on-going basis, review the investment strategy being utilized for the Funds with the City;
- Evaluate and advise the City concerning risk of securities or other Permitted Investments being considered for purchase;
- Monitor the Funds for forthcoming investment needs based upon maturing Permitted Investments and new deposits;
- Discuss market activity with the City on an on-going basis and potential impact on strategy; and
- Conduct and annual review of the City's Investment and Cash Management Policy and discuss the findings thereof.

Procurement/Reporting Phase

- Solicit offerings from potential broker-dealers/banks for Permitted Investments which meet the cash-flow and/or investment objectives of the City;
- Provide the City with expectations in advance of the solicitations as to earnings/yield;
- Conduct the solicitation process for the Funds on an on-going as needed basis as securities mature;

- Manage the settlement process by coordination with the custodian and winning provider (s);
- Provide applicable documentation for each transaction;
- Provide customized quarterly reports to containing the following information:
    - Overall Portfolio Metrics
    - Portfolio Breakout by Maturity Spectrum and Yield
    - Current Asset Breakdown by Fund
    - Current Holdings by Fund
    - Historical Cost Basis of Purchased Securities
    - Cash Receipts for the Quarter by Fund
    - Total Return Calculation for the Quarter by Fund (as to be agreed upon with City)
    - Forthcoming Securities that Mature in Next Quarter
    - Tracking of Historical Money Market Earnings and Rates by Fund
    - Economic and Market Update
    - CD Tracking Matrix, as applicable
    - Investment and Cash Policy Compliance
- Potentially attend Finance Committee or other meetings on a periodic basis (In person or virtually), if requested

Fees

In consideration for RJ acting as Investment Adviser with respect to the provision of the Scope of Services identified hereunder for the Funds, the City agrees to pay Raymond James a fee based upon the assets under management as described in the table below (in basis points)

Assets Under Management ($'s)	Fee
Up to $20 Million:	0.095%
$20,000,001 - $50 Million:	0.075%
$50,000,001 - $100 Million:	0.055%
>$100 Million:	0.045%

Such fees will be billed in arrears based upon the amount of assets on hand at the beginning of each quarter within a given Fiscal Year (as defined below). The City will pay those fees directly to Raymond James and such fees will not be billed to nor paid by any investment, security providers or custodian. To the extent such calculated fees result in a total fee less than $25,000 in a single Fiscal Year, then the total amount to be billed for that Fiscal Year shall equal $25,000 ("Annual Fiscal Year Minimum"), exclusive of any reimbursable expenses incurred as part of providing the Scope of Services hereunder. Billing will occur quarterly in arrears on each of 10/1, 1/1, 4/1, and 7/1 (a "Fiscal Year") using the asset value of the applicable accounts, as applicable, from the respective previous quarter ending statement of the City's custodian for the basis of the fee calculation. As an example and for avoidance of doubt, if the market value account balance were $20,000,000 at the end of 6/30/21, the fee computation for the quarter ending 9/30/21 would be: $20,000,000*.00095/4=$4,750. For the initial Agreement fee period from the execution date through 6/30/21 and within any given Fiscal Year in the event the City elects to terminate the Agreement, the Annual Fiscal Year Minimum will be pro-rated based upon the actual number of days in the applicable period of services actually rendered.

Your payment of these fees means the yield you receive on the selected Permitted Investments is essentially lower than it would have been without the fees. After the award of any given investment, we can provide comment on the Permitted Investment and facilitate the flow of information, but we are not acting as your representative or legal advisor with regard to finalizing the details of the Permitted Investments.

Expenses

The City shall reimburse Raymond James up to a maximum for the following expenses incurred providing the Scope of Services herein:

- $150/night for hotel/person
- $400/person for airfare/person
- $50/day for rental car charges/person

The City shall not reimburse Raymond James for fuel or food expense. None of the above expenses may be incurred by Raymond James without prior authorization from the City.

Both parties acknowledge and are hereby deemed to agree that RJ is acting solely as an investment adviser with respect to the Permitted Investments. RJ has not been engaged to compare alternatives to the Permitted Investments except as described in the Scope of Services herein. RJ will be neither party to, nor liable under, any contract, agreement or understanding executed or otherwise existing to affect the Permitted Investments. We will not: (i) provide any assurances that every possible potential provider has been solicited; (ii) investigate the veracity of any certifications provided by any party; (iii) provide assurances that the bidding procedures comply with any applicable law; or (iv) be liable to any party if any investment fails to close or for default of any investment. RJ's limited engagement terminates on the termination date of this Agreement and Investment Adviser shall have no duties or obligations thereafter.

The City acknowledges and agrees that RJ has been retained to act solely as Investment Adviser for the City with respect to the proceeds of these funds, and not as an agent or advisor to any other person, and the City's engagement of RJ is not intended to confer rights upon any person (including employees or creditors of the City) not a party hereto as against RJ or its affiliates, or their respective directors, officers, employees or agents, successors, or assigns. RJ shall act as an independent contractor under this Agreement, and not in any other capacity, and any duties arising out of its engagement shall be owed solely to the City. The scope of the RJ's services is strictly limited to those outlined above and requested by the City. Raymond James does not provide accounting, tax or legal advice. **In our role as Investment Adviser, Raymond James does not have discretion relating to either price nor amount and will receive authorization from the City prior to executing any competitive hard bids or other purchase of Permitted Investments.**

RJ agrees to assist the City as provided only on the basis that it is expressly understood and agreed that RJ, in its capacity as Investment Adviser, assumes no responsibility to the City or any person for the accuracy or completeness of any information contained in any Preliminary Official Statement or Official Statement issued in connection with any City financing, if applicable.

RJ or its affiliates may have business relationships with the provider or other providers of information relevant to the matter. These business and trading relationships include, but may not be limited to, trading lines, frequent purchases and sales of securities and other engagements through which RJ may have, among other things, an economic interest. Aside from described above, RJ will not receive compensation from any third party with respect to the purchase or sale of the Permitted Investments. RJ is involved in a wide range of activities from which conflicting interests or duties may arise. Information which is held elsewhere within RJ, but of which none of the individuals involved in the Permitted Investments purchase or sale actually has knowledge, will not for any purpose be taken into account in determining RJ's responsibilities to the City.

The term of this Agreement is from the date hereof until June 30, 2021. Notwithstanding the termination date of June 30, 2021, the Agreement will automatically renew for four (4) successive one year periods beginning on July 1, 2021

unless the City elects to terminate the Agreement pursuant to the termination terms immediately below. Any adjustments or changes to the Fees and/or the Scope of Services or other terms of this Agreement may be made via addendum/amendment prior to any auto-renewal date (such of July 1, 2021, July 1, 2022, July 1, 2023 and July 1, 2024, inclusive). Such addendum may be executed by either the City Manager or his designee. This Agreement may be terminated beginning on April 1, 2021 with prior written notice to the other party upon at least thirty (30) days written notice, specifying in such notice the time of such termination; provided that any such termination shall not cancel or otherwise affect the obligation of the City to pay Raymond James the fees already earned and due hereunder. For purposes of determining fees under any termination, the most recent prior quarter-end valuation amounts of each applicable account would be utilized. Raymond James would also be owed any previously submitted reimbursable expenses under the agreement as well as any reimbursable expenses that have yet to be submitted. Neither party shall incur any liability to the other arising out of the termination of this Agreement other than that of the fees as mentioned above. However, the paragraph immediately below shall survive any such termination.

This Agreement embodies all the terms, agreements, conditions and rights contemplated and negotiated by the City and RJ, and supersedes any and all discussions and understandings, written or oral, between the City and RJ regarding the subject matter hereof. Any modifications and/or amendments must be made in writing and signed by both parties.

Please sign below to evidence your agreement as to the scope of Investment Adviser duties and proposed fee and expense reimbursement structure. Signature below acknowledges that (i) Exhibit A is part of this Agreement and (ii) the Form ADV Part IIA disclosure brochure for the Public Finance Investment Strategies Group has been received as part of this disclosure and Form ADV Part IIB disclosure brochure for David Sutton has been received as part of this disclosure and that the client has been given the opportunity to fully review these brochures. Any questions regarding the Form ADVs may be directed to RJ Fixed Income Compliance at 880 Carillon Parkway, St. Petersburg, FL 33716.

Additionally, signature below acknowledges the risks associated with the purchase of U.S. Treasury/agency securities, including the possibility of a loss of principal in the event there is a need to liquidate prior to maturity as well as that the risks of U.S. Treasury/agency securities as laid forth in Exhibit B have been reviewed and are understood. Furthermore, signature below acknowledges the risks associated with the purchase of brokered CD's, including the possibility of a loss of principal in the event there is a need to liquidate prior to maturity as well as that the risks of brokered CD's as laid forth in the attached file to this email have been reviewed and are understood.

Sincerely Yours,

The parties have agreed to be bound by the terms of this letter by their duly authorized officers on this 16th day of February, 2021.

RAYMOND JAMES & ASSOCIATES, INC.

David A Sutton

David Sutton, Managing Director

CITY OF GAINESVILLE, GEORGIA
Agreed:

Signature

_____
Bryan Lackey
City Manager

ATTEST:

_____
Denise O. Jordan
City Clerk

APPROVAL AS TO FORM:

_____
Abbott S. Hayes, Jr.
Hulsey, Oliver & Mahar, LLP
City Attorney

EXHIBIT A
INVESTMENT ADVISER CONSULTING SERVICES
Additional Terms, Conditions and Acknowledgments

This document is to be considered to be an investment management agreement and this agreement is NOT an engagement providing advice regarding the structure, timing and terms of an issuance of municipal securities or advice regarding municipal financial products;

Investment Adviser is providing Investment Adviser services pursuant to Section 15B (e)(4) (c) of the final rules (15 U.S.C. 78o-4(e)(7)) and is deemed to be exempt and is not required to be registered as a municipal advisor under Exchange Act Section 15B.

The City of Gainesville, Georgia (the "Client") desires to receive services through Investment Adviser's Investment Adviser Representative(s) ("IAR"). In consideration of the mutual benefits to be derived from this agreement, Investment Adviser and Client agree to the following terms and conditions.

1. Services General. Investment Adviser through its IAR shall provide Client the Services set forth in the Scope of Services as outlined on the first two pages of this letter agreement.

2. Compliance with Laws. Investment Adviser, IAR and Client shall comply with the Investment Advisers Act of 1940, as amended (the "Act"), regulations enacted thereunder, and state and federal laws, rules; regulations applicable to their respective duties and obligations under this Agreement; and those of the Municipal Securities Rulemaking Board.

3. Acknowledgement of Disclosure Brochure Delivery. If required by Rule 204-3 under the Act, Client acknowledges receipt of Investment Adviser's Form ADV Disclosure Brochure (Part 2A) and Brochure Supplement(s) (Part 2Bs). By signing this agreement, Client acknowledges receipt of Investment Adviser's Form ADV Brochure, Brochure Supplement for David Sutton and this Agreement. Such disclosure documents were provided either at the time of or prior to entering into this Agreement. Client acknowledges that Client has received, read, understood, and agreed to abide by the applicable terms set forth in this agreement, the Investment Adviser's Form ADV Brochure and the Brochure Supplement for David Sutton.

4. Confidentiality and Information sharing. All information and investment advice furnished by either party to the other, including their agents and employees, shall be treated as confidential and not disclosed to third parties except as agreed upon in writing as reasonably necessary to comply with the requirements of applicable regulations and laws.

5. Applicable Law: This agreement shall be construed, enforced, and administered according to the laws of the State of Georgia. The Investment Adviser and Client agree that, should a disagreement arise as to the terms or enforcement of any provision of this Agreement, each party will in good faith attempt to resolve said disagreement prior to filing a lawsuit, provider, however, that neither party shall be obligated to mediate prior to injunctive relief. This Agreement shall be deemed and executed in Gainesville, Georgia and shall be governed and construed in accordance with the laws of the State of Georgia without regards to coflicts of law. The Investment Adviser submits to the jurisdiction of the Superior Court of Hall County, Georgia and will obtain and maintain an agent for services of process in the State of Georgia. Neither party will bring any action against the other party arising out of or relating to this Agreement in any forum or venue except the superior Court of Hall County, Georgia. The Investment Adviser irrevocably waives the right to bring any legal action in any other jurisdiction. Arbitration will not be allowed relating to this Agreement.

EXHIBIT B
TREASURY/AGENCY SECURITIES INVESTMENT RISKS

Risk/Consideration	Description	Mitigant(s)
Credit/Default Risk	• Issuer is downgraded • Issuer is unable to meet debt service obligations	• U.S. Treasury securities are considered to have the least credit risk of any security available as the timely payment of the securities is fully backed by "full faith and credit" of the U.S. Government and its ultimate ability to print currency to fund payments • U.S. Treasury securities are rated in the highest rating category by both Moody's (Aaa) and Fitch (AAA). The U.S. was downgraded by S&P to AA+ on August 5, 2011. Agency securities have an implied guaranty of the United States and carry the same rating as the United States.
Interest Rate Risk	• Interest rates rise and non-callable debt security prices fall • Interest rates fall and non-callable debt security prices rise	• If held to maturity, U.S. Treasury/Agency securities generally offer a fixed rate of return and guaranteed principal value • Inherently, laddered portfolio is structured for the securities to be held until maturity (on/before the required project draw payment date)
Market/Reinvestment Risk	• Project delays lead to slower than expected expenditures and need for funds, resulting in cash-flow from maturing securities not needed until a later date(s) • If for some reason the U.S. Treasury/Agency securities needed to be liquidated prior to maturity, you could receive less than the face value of the investment and/or less than the initial purchase price (a loss)	• U.S. Treasury/Agency securities market is considered to be the most liquid security market with large volumes bought and sold by individual investors, institutions and foreign governments. High liquidity translates to ease of ability to exit but does <u>not</u> mitigate risk of loss on early liquidation • Inherently, laddered portfolio is structured for the securities to be held until maturity (on/before the required project draw payment date)
Counterparty Risk	• Provider is unable to deliver U.S. Treasury/Agency securities at the agreed upon price on the agreed upon date of settlement	• Settlement will typically be conducted at maximum of T+3 thereby limiting the provider's settlement exposure • Guaranteed Delivery is required by Provider (in most cases) • Securities settled via delivery method versus payment method

Project Liquidity	• Lack of available funds due to acceleration of project draws or underestimation of costs	• An agreed upon amount of the project fund draws to be invested is withheld to offer initial liquidity cushion • Often invested in money market funds or short-term investment pools with 24-48 hour withdrawal capability

Solicitor Disclosure Form

RAYMOND JAMES®

Public Finance Investment Strategies Group

(A business unit of Raymond James & Associates, Inc.)

We wish to inform you that Bill Camp *(Name of representative)* is acting as a solicitor

on behalf of the Public Finance Investment Strategies Group (a business unit within the Public Finance/Debt Investment Banking Department of Raymond James & Associates, Inc.), which is a registered investment adviser. The solicitor has referred this relationship to the Public Finance Investment Strategies Group. The solicitor will be compensated based upon the total advisory fees charged to the client. A fee schedule is listed below explaining the solicitor's compensation based upon a portion of the Total Advisory Fee that will be transferred to the applicable business unit within the Public Finance/Debt Investment Banking Department.

Total Advisory Fee	**Solicitor's Fee**
Calculated based upon assets under management pursuant to the table below	30 %

Assets Under Management ($'s)	Fee
Up to $20 Million:	0.095%
$20,000,001 - $50 Million:	0.075%
$50,000,001 - $100 Million:	0.055%
>$100 Million:	0.045%

Client Name: City of Gainesville, Georgia

Acknowledgements & Signatures

The total advisory fee charged to the client will be the same regardless of whether a solicitor is used or not.

The client acknowledges that Form ADV Part II disclosure brochure for Raymond James and Associates has been received as part of this disclosure and that the client has been given the opportunity to fully review this brochure.

Client Signature	Date	Client Signature *(if applicable)*	Date
Solicitor's Representative Signature W. J. Camp	Date 1-26-2021		

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/4/2021

Presenter: Bryan Lackey

Item of Business: BR-2021-10 Property Acquisition from Rahab's Rope, Inc.

Meeting Date: 2/16/2021

Purpose of Request:

To authorize purchasing of the property adjacent to Lee Gilmer Memorial Airport currently owned by Rahab's Rope, Inc.

History/Background:

The property owner and the City have agreed to terms.

Facts & Issues for Consideration:

This property will be combined with other property owned by the city to ensure the continued safety and growth of Lee Gilmer Memorial Airport.

Department Recommendation:

Adopt the resolution.

Department Director:

Chris Rotalsky

If funding is involved, are funds approved within the current budget?

Amount Requested:

$131,300

Source of Funds:

Airport Enterprise Fund

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
BR-2021-10 Property Acquisition from Rahab's Rope, Inc.	Resolution
Option for Avigation Fee Simple	Contract/Agreement/MOU

RESOLUTION BR-2021-10

Property Acquisition from Rahab's Rope, Inc.

WHEREAS, the governing body of the City of Gainesville, Georgia (the "City") has a desire to continue its efforts to provide aviation and economic opportunities for the citizens of the City at the airport; and

WHEREAS, the property owned by Rahab's Rope, Inc. (the "Seller"), located adjacent to the airport, as more particularly described in the Option described below, will be combined with other property owned by the City to ensure the continued safety and growth of the Gainesville airport; and

WHEREAS, the governing body for the City desires to purchase said property from the Seller.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville does hereby adopt and ratify the Option between the City and the Seller, with an effective date of December 14, 2020, and does hereby authorize the purchase of the property owned by the Seller and directs the Mayor, the City Manager and the City Attorney to execute the Option with the City and the Seller, as well as all other such documents and agreements that may be necessary to complete the closing of the purchase of the property.

Adopted this ____ day of _____, 2021.

_____

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

_____

Denise O. Jordan, City Clerk

City of Gainesville Airport REVISED OFFER
OPTION FOR AVIGATION FEE SIMPLE

GEORGIA, HALL COUNTY **Project: City of Gainesville Airport** **PARCEL: N/A**

Received of **City of Gainesville Airport**, the sum of One Dollar ($1.00), the receipt whereof is hereby acknowledged, and in consideration thereof, and in consideration of the benefits derived by me from the proposed project mentioned herein, I bind myself, my heirs, executors and assigns as follows:

If the said City of Gainesville Airport, shall within **120** days after date hereof pay me the sum of **$131,300.00** when the undersigned agrees to execute and deliver to the City of Gainesville Airport Fee Simple estate for land owned by the undersigned, to be used for safety/destruction of the City of Gainesville Airport being Parcel **N/A** consisting of **21.24 acres** of aviation fee simple.

SPECIAL PROVISIONS

Grantor may retain title to N/A for sum of $N/A which shall be deducted from the option price at the time of closing; PROVIDED, he will obligate and firmly bind himself and his successors in title to strictly and faithfully comply with each of the following conditions:

1. Grantor will convey the Property to the City "as is/where is" and the City will be responsible for the demolition and/or removal of any improvements located on the property.

2. The City will be responsible for all costs associated with the purchase of the Property, to include (but not limited to) any closing costs, attorney's fees, transfer taxes, or recording costs.

4. Grantor will leave on deposit with the City of Gainesville Airport the additional sum of $N/A which will be deducted from the option price at closing. This sum will be held as a cash performance bond conditioned on the strict and faithful performance of the aforesaid obligations.

Time is expressly made of the essence of this Special Provision, and in the event grantor fails to comply with aforesaid obligations, all sums held by the City of Gainesville Airport shall be retained as liquidated damages, and title to and the right to remove said structure shall vest in the City of Gainesville Airport.

OTHER PROVISIONS

It is agreed and understood that I, or any tenant now in possession or any other persons having a claim or interest in subject property, will have not less than two (2) months from date of execution of a deed to vacate the premises and that on vacating of said premises, only items of personal property will be removed, all items attached to the property and being classed as realty to remain. The above agreement to apply unless otherwise provided in Special Provision. If the City of Gainesville Airport agrees to allow the Grantor or tenant in possession to occupy the subject premises beyond the two-month period stated above, the person will be required to pay a rental fee of **$N/A**, payable each month in advance. Subsequent to the date of transfer of title to the City of Gainesville Airport and prior to the vacating of subject premises, the person in possession will hold the Airport harmless as to any claim in connection with the occupancy of said premises. The above option price includes payment for the property described above, together with all improvements wholly or partially situated thereon and the right to enter upon the adjacent lands not included in said required

DOT 663-A
Revised: 09-15-2010

property for the purpose of removing or demolishing such improvements.

Witness my hand and seal this 2nd day of December, 2020.

Rahab's Rope, Inc

By: Vicki Moore
Vicki Moore, CEO President

Attest: Madeline S Wirt
Madeline S. Wirt, Secretary

Signed, Sealed and Delivered
in the presence of:

Kimberly L Onyskiw
Notary Public

KIMBERLY L. ONYSKIW NOTARY PUBLIC My Commission Expires 02-02-2021 HALL COUNTY, GEORGIA

ACCEPTED: City of Gainesville Airport

BY: [signature] 12/14/20
(Date)

CITY OF GAINESVILLE

COUNCIL AGENDA REQUEST

Date Submitted: 2/3/2021

Presenter: Bryan Lackey

Item of Business: PR-2021-01 Chattahoochee Golf Course Renovations Project - Award of Contract

Meeting Date: 2/16/2021

Purpose of Request:

Award the Construction Contract to Wadsworth Golf Construction Co.

History/Background:

Resolution BR-2021-03 approved improvements to be made to the Chattahoochee Golf Course and the golf course advisory committee selected a golf course designer to perform the design improvements. Public Utilities prepared the Request for Proposal contract documents for the Chattahoochee Golf Course Renovations and received Proposals from four contractors.

Facts & Issues for Consideration:

Public Utilities Staff has evaluated the four responses to our Request for Proposals for the Chattahoochee Golf Course Renovations project and recommends award of contract to Wadsworth Golf Construction Co.

Department Recommendation:

Authorize staff by resolution to award the construction contract to Wadsworth Golf Construction Co.

Department Director:

Rodger Hogan

If funding is involved, are funds approved within the current budget?

Amount Requested:

$1.7 million Total Project

Source of Funds:

Sale of Golf Course Lots / Chattahoochee Golf Course Fund

Finance Comments:

Administrative Comments:

ATTACHMENTS:

Description	Type
PR-2021-01 Chattahoochee Golf Course Renovations Project	Resolution
CIP Form	Attachments/Exhibits
Selection Team Presentation	Backup Material
Contractor Selection Sheet	Backup Material

RESOLUTION PR-2021-01

CHATTAHOOCHEE GOLF COURSE RENOVATIONS PROJECT
AWARD OF CONTRACT

WHEREAS, the City of Gainesville owns and operates the 183-acre Chattahoochee Golf Course, a public golf course on the banks of Lake Lanier; and

WHEREAS, as detailed in Resolution BR-2021-03, in order to maximize recreational opportunities for citizens of the City of Gainesville and surrounding areas, as well as minimize the public funds to be expended, the City of Gainesville and the Gainesville Redevelopment Authority (hereinafter referred to as the "Authority") wish to make improvements to the Chattahoochee Golf Course (hereinafter referred to as "Chattahoochee"), including but not limited to relocation of holes, sewer improvements, and renovation of the greens; and

WHEREAS, the Chattahoochee Golf Course Advisory Committee (hereinafter referred to as the "Advisory Committee") identified and discussed several golf course designers, with design qualifications and experience on similar projects to the proposed Chattahoochee improvements; and

WHEREAS, the Advisory Committee selected Bergin Golf Designs to perform the design of the Chattahoochee improvements, including but not limited to relocating holes and renovating greens, and Bergin Golf Designs completed the Chattahoochee improvements; and

WHEREAS, on January 4, 2021, the City of Gainesville made available the Request for Proposal contract documents and on January 7, 2021, conducted a mandatory pre-bid meeting, which several golf course contractors attended; and

WHEREAS, Proposals from four (4) golf course contractors were received on January 28, 2021, and thereafter a proposal evaluation and contractor selection was performed; and

WHEREAS, the Proposal from Wadsworth Golf Construction Company of the Midwest (hereinafter referred to as "Wadsworth"), in the amount of $1,449,601, was considered the most responsive that conformed to the Request for Proposals and was considered to be the most advantageous to the City of Gainesville; and

WHEREAS, the Water Resources staff has reviewed and evaluated the Proposal from Wadsworth and recommends the construction contract be awarded to Wadsworth in the amount of $1,449,601.

NOW, THEREFORE, BE IT RESOLVED THAT the governing body for the City of Gainesville hereby authorizes award of the construction contract to Wadsworth in the above recommended amount.

BE IT FURTHER RESOLVED THAT the total authorized expenditure for the project designed herein shall not exceed $1,700,000, as further described in the Project Summary attached to this Resolution, and that said expenditure shall be from the Chattahoochee Golf Course Fund.

BE IT FURTHER RESOLVED THAT the governing body for the City of Gainesville hereby authorizes the Mayor, City Manager and City Attorney to sign such documents that may be necessary to complete the project described herein.

Adopted this _____ day of _____, 2021.

RESOLUTION PR-2021-01

CHATTAHOOCHEE GOLF COURSE RENOVATIONS PROJECT
AWARD OF CONTRACT

C. Danny Dunagan, Jr., Mayor

This is to certify that I am City Clerk of the City of Gainesville. As such, I keep its official records, including its minutes. In that capacity, my signature below certifies this resolution was adopted as stated and will be recorded in the official minutes.

ATTEST:

Denise O. Jordan, City Clerk

CHATTAHOOCHEE GOLF COURSE RENOVATIONS
PROJECT SUMMARY

PROJECT:	**Chattahoochee Golf Course Renovations Project**	
PROJECT NUMBER:		
RESOLUTION NUMBER:	**PR-2021-01**	
CHECK ONE: NEW PROJECT	**X**	**ADDITIONAL FUNDING:**
ACCOUNT NO.		**ACCOUNT REQUEST**
	PROJECT DEVELOPMENT & DESIGN	
8101	Project Development	
8102	Facility Design/Bidding Service	$125,000.00
8103	Geotechnical	
8104	Laboratory	
8105	Survey	
8106	Other	
8107	Legal Services	
	SUBTOTAL	$125,000.00
	LAND/EASEMENT ACQUISITION	
8201	Survey	
8202	Legal Services	
8203	Land Agent Services	
8204	Land Purchase	
8205	Easement Acquisition	
	SUBTOTAL	$0.00
	CONSTRUCTION	
8301	Construction Admin. Services	
8302	Resident Inspection Services	
8303	Legal Services	$1,500.00
8304	Contracted Construction Cost	$1,449,601.00
8305	City-Furnished Materials (Irrigation Materials)	$65,000.00
8306	Other (Construction Contingency)	$43,899.00
	SUBTOTAL	$1,560,000.00
	SALARIES	
1100	Salaries	$15,000.00
	SUBTOTAL	$15,000.00
	TOTAL	$1,700,000.00

NOTE: The breakdown of the total project cost may change at the discretion of the Project Manager.

City of Gainesville

SELECTION TEAM PRESENTATION

RFP for the Chattahoochee Golf Course Renovations Project

- 13 Golf Course Contractors Received Contract Documents
- 10 Golf Course Contractors Attended Pre-Proposal Conference
- 4 Golf Course Contractors submitted proposals
- 1 of the 4 Golf Course Contractors submitted a non-responsive proposal

Review of the proposal process:

- Request for Proposals were advertised on December 6th, December 13th, December 20th, and December 27th.
- Mandatory Pre-Proposal Conference was held on January 7, 2021
- Addendum No. 1 - sent out January 15, 2021
- Addendum No. 2 – sent out January 22, 2021
- Proposals were received on January 28, 2021.

Review of the selection process:

- The review team included Bill Bergin, Rodger Hogan, Barclay Fouts, and Robert Simmons. Each team member was provided a proposal from each of the three golf course contractors. Each team member individually scored their proposals and forwarded their Contractor Selection Sheet to Mr. Simmons. Mr. Simmons input the scores from all four team members into the Contractor Selection Summary Sheet.
- **Duininck** – is located in Prinsburg, MN and has been in business for over 30 years. The company specializes in golf course construction projects.
- **Signet Golf Associates II, Inc**. – is located in Pinehurst NC and has been in business for 12 years. The company specializes in golf course construction projects.
- **Wadsworth Golf Construction Co.** – is located in Plainfield IL and has been in business for over 60 years. The company specializes in golf course construction projects.

The evaluation criteria used to rate the candidates is listed below:

Proposed Technical Solution	15%
Project Understanding, Approach, Team and Timeline	30%
References and Experience	20%
Project Cost	35%

CONTRACTOR	**OVER ALL SCORE**	**PRICE**
Duininck	249.20	$1,586,123.25
Signet Golf Associates II, Inc.	266.00	$1,262,518.30
Wadsworth Golf Construction Co.	291.14	$1,449,601.00

CHATTAHOOCHEE GOLF COURSE RENOVATIONS PROJECT

Request for Proposal Contractor Selection Sheet

		Proposed Technical Approach	Project Understanding, Approach, Team and Timeline	References and Experience	Project Cost	Total Points*
Wadsworth Golf Constr. Co.		54	111	70	56.14	**291.14**
Duininck Golf		51	102	64	32.2	**249.2**
Signet Golf Association		28.5	63	52	122.5	**266**
		Proposed Technical Approach **15%**	Project Understanding, Approach, Team and Timeline **30%**	References and Experience **20%**	Project Cost **35%**	Total Pts*
		SCORE 1 - 10	***SCORE 1 - 10***	***SCORE 1 - 10***	***SCORE 1 - 10***	
Bill Bergin	**Wadsworth Golf Constr. Co.**	9	9	9	4.01	72.535
	Duininck Golf	9	9	9	2.3	66.55
	Signet Golf Association	8	6	6	8.75	72.625
Rodger Hogan	**Wadsworth Golf Constr. Co.**	8	9	8	4.01	69.035
	Duininck Golf	8	8	8	2.3	60.05
	Signet Golf Association	4	5	6	8.75	63.625
Barclay Fouts	**Wadsworth Golf Constr. Co.**	10	10	9	4.01	77.035
	Duininck Golf	10	10	8	2.3	69.05
	Signet Golf Association	2	5	8	8.75	64.625
Robert Simmons	**Wadsworth Golf Constr. Co.**	9	9	9	4.01	72.535
	Duininck Golf	7	7	7	2.3	53.55
	Signet Golf Association	5	5	6	8.75	65.125

Contractor	Price
Wadsworth Golf Constr. Co.	$ 1,449,601.00
Duininck Golf	$ 1,586,123.25
Signet Golf Association	$ 1,262,518.30

Price	Rating 1 to 10
$1,200,000	10
$1,250,000	9
$1,300,000	8
$1,350,000	7
$1,400,000	6
$1,450,000	5
$1,500,000	4
$1,550,000	3
$1,600,000	2
$1,650,000	1

Each evaluation is best possible scoring out of 400 points*