



CITY OF DUNWOODY

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MEMORANDUM

To: Honorable Mayor and City Council
From: Lisa Ferguson, Accounting Manager
CC: Warren Hutmacher, City Manager
Date: March 9, 2009
Item: Georgia Fund 1 Investment Account

Background:

The City of Dunwoody collects a 5% Hotel/Motel tax. The General Fund receives a 3% share each month. The remaining 2% is designated for use in financing tourism related activities. The 2% portion has not been designated for a specific activity as of yet. After only two months of operation, the hotel/motel fund already has over \$120,000 of the 2% undesignated funds remaining in the cash account.

Discussion:

The Georgia Fund 1 local government investment pool historically offers a higher yield than a traditional bank account while offering liquidity with little risk. We anticipate that a decision concerning the budgeting of these funds will be made in less than one year's time. Therefore, traditional certificates of deposits are not appropriate for these funds because they do not offer the liquidity required to satisfy the situation.

Staff Recommendation:

Staff recommends opening a Georgia Fund 1 account for investment of idle Hotel/Motel funds.

For Customer Use:

_____ I have an existing Acct. # _____
 _____ This resolution is for:
 _____ New Account
 _____ Change to Existing Acct. # _____

For OTFS Use Only:

_____ Acct Approved _____ Auth Entered.
 _____ Audit _____ Wire Instructions
 _____ Addr Entered _____ Wire Templates
 Approval: _____ AD1 _____ AD2
 Res. form 2000A

GEORGIA FUND 1
(local government investment pool)
RESOLUTION TO AUTHORIZE INVESTMENT

WHEREAS, Ga. Code Ann. §§36-83-1 to 36-83-8 authorizes Georgia local governments and other authorized entities to invest funds through the local government investment pool, and
 WHEREAS, from time to time it may be advantageous to the _____ City of Dunwoody _____

_____ to deposit funds available for

 (Name of Local Government, Political Subdivision or State Agency)
 investment in Georgia Fund 1 (hereinafter referred to as the local government investment pool) as it may deem appropriate; and

WHEREAS, to provide for the safety of such funds deposited in the local government investment pool, investments are restricted to those enumerated by Ga. Code Ann. §36-83-8 under the direction of the State Depository Board, considering first the probable safety of capital and then the probable income to be derived; and

WHEREAS, such deposits must first be duly authorized by the governing body of the local government or authorized entity and a certified copy of the resolution authorizing such investment filed with the Director of the Office of Treasury and Fiscal Services; and

WHEREAS, such resolution must name the official(s) authorized to make deposits or withdrawals of funds in the local government investment pool; and

WHEREAS, Ga. Code Ann. §36-83-8 requires a statement of the approximate cash flow requirements of the participating government pertaining to the funds to accompany the authorization to invest such funds at the time such deposits are duly authorized;

NOW, THEREFORE BE IT RESOLVED by the _____ Dunwoody City Council _____
 (Board, Council or other Governing Body)

that funds of the _____ Dunwoody Hotel/Motel Tax _____ may be deposited
 from time to _____ (Local Government, Political Subdivision, or State Agency)
 time in the manner prescribed by law and the applicable policies and procedures for the local government investment pool.

BE IT FURTHER RESOLVED THAT:

- Any one of the following individuals shall be authorized to deposit and/or withdraw funds from the local government investment pool on behalf of such government or other authorized entity (if a listed individual is employed by an entity other than the depositor, indicate employer):

_____ Lisa Ferguson, JAT Consulting Services, Inc. _____ 678-382-6756 _____
 Name, Title, (Employer, if applicable) (Area Code) Phone Number
 Email: lisa.ferguson@dunwoodyga.gov

_____ Warren Hutmacher _____ 678-382-6700
 Email: warren.hutmacher@dunwoodyga.gov

_____ Ken Wright _____ 678-382-6700
 Email: ken.wright@dunwoodyga.gov _____

Email: _____

Email: _____

- All withdrawals from the local government investment pool shall be wired to the following participant's demand deposit account:

Suntrust _____ Dunwoody Hotel/Motel Tax Account _____
 (Local Bank Name) (Account Title)

061000104 _____ 1000084449064 _____ Atlanta, GA _____
 (ABA Number) (Account Number) (City, State)

(If applicable) Our local bank prefers to receive credit for wire transfers at the following correspondent bank:

_____ (Bank Name) _____ (City) _____ (Account Number)

Additional Bank Account (if applicable):

_____		_____
(Local Bank Name)	(Account Title)	
_____	_____	_____
(ABA Number)	(Account Number)	(City, State)

Correspondent Bank (if applicable):

_____	_____	_____
(Bank Name)	(City)	(Account Number)

3. The local government investment pool shall mail the monthly statements of account to:

Accounting Manager _____	_____
	(Attention)
PO Box 888074 _____	_____
	(Address)
Dunwoody, GA 30356 _____	_____
	(Address)

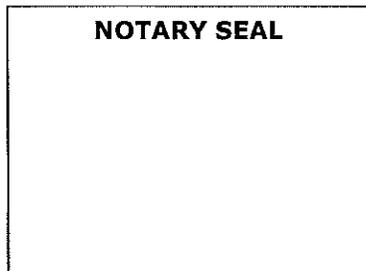
(City, State & Zip)	

4. Changes in the above authorization shall be made by cancellation or replacement resolution delivered to the Office of Treasury and Fiscal Services. Until such a replacement resolution is received by the Office of Treasury and Fiscal Services, the above authorized individuals, local government demand account instructions and statement mailing address(es) shall remain in full force and effect.

5. The following schedule represents the period in which existing balances are currently expected to remain invested in the local government investment pool:

- _____ % 30 days or less;
- _____ % more than 30 days but less than 90 days;
- _____ % 90 days or longer.
- 100 %

Entered at _____, Georgia this _____ day of _____ 20__.



 (Signature of Head of Governing Authority)
 Ken Wright _____
 (Please Print or Type - Head of Governing Authority)
 Mayor _____
 (Title)

Sworn to and subscribed before me this _____ day of _____ 20__.

(Notary Public)

Please complete and return an original copy to:

Georgia Fund 1	Telephone: (404) 651-8964 or (404) 656-2993
Office of Treasury and Fiscal Services	Toll Free: (800) 222-6748
200 Piedmont Avenue	Fax: (404) 656-9048
Suite 1204, West Tower	
Atlanta, GA 30334-5527	

Georgia Fund 1 (local government investment pool) deposits are not guaranteed or insured by any bank, the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board, the State of Georgia or any other agency.

EARNINGS COMPARISON

**STATE OF GEORGIA
OFFICE OF TREASURY & FISCAL SERVICES
GEORGIA FUND 1
(NET OF ADMINISTRATIVE FEE)**

Calendar Year - 365 Day Basis

	2005	2006	2007	2008	2009
JANUARY	2.32	4.32	5.30	4.20	1.03
FEBRUARY	2.51	4.50	5.30	3.54	0.83
MARCH	2.62	4.59	5.31	3.00	
APRIL	2.79	4.76	5.29	2.38	
MAY	2.99	4.93	5.28	2.15	
JUNE	3.08	5.06	5.30	2.21	
JULY	3.24	5.25	5.30	2.24	
AUGUST	3.44	5.29	5.27	2.26	
SEPTEMBER	3.61	5.33	5.13	2.35	
OCTOBER	3.77	5.32	4.94	2.16	
NOVEMBER	3.98	5.31	4.71	2.00	
DECEMBER	4.18	5.32	4.53	1.50	
AVERAGE	3.21	5.00	5.14	2.50	0.93

**STANDARD & POOR'S RATED
GOVERNMENT INVESTMENT POOL INDEX**

Calendar Year - 365 Day Basis

	2005	2006	2007	2008	2009
JANUARY	1.96	4.05	5.12	4.13	0.86
FEBRUARY	2.12	4.20	5.12	3.24	0.70
MARCH	2.28	4.33	5.14	2.82	
APRIL	2.46	4.49	5.14	2.29	
MAY	2.64	4.63	5.09	2.06	
JUNE	2.76	4.79	5.10	2.06	
JULY	2.93	4.97	5.10	2.08	
AUGUST	3.11	5.06	5.09	2.12	
SEPTEMBER	3.31	5.09	5.06	2.17	
OCTOBER	3.49	5.10	4.95	1.79	
NOVEMBER	3.70	5.10	4.76	1.54	
DECEMBER	3.98	5.12	4.59	1.36	
AVERAGE	2.89	4.74	5.02	2.31	0.78