



CITY OF DUNWOODY

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Dunwoody, GA 30350
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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 time (Local Government, Political Subdivision, or State Agency)
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)

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

(Bank Name) (City) (Account Number)

Accounting Manager _____ (Attention)
PO Box 888074 _____ (Address)
Dunwoody, GA 30356 _____ (Address)
_____ (City, State & Zip)

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 %

NOTARY SEAL

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

(Notary Public)

Georgia Fund 1
Office of Treasury and Fiscal Services
200 Piedmont Avenue
Suite 1204, West Tower
Atlanta, GA 30334-5527

Telephone: (404) 651-8964 or (404) 656-2993
Toll Free: (800) 222-6748
Fax: (404) 656-9048

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