

**CITY OF PINE LAKE**  
**AGENDA**  
**January 10, 2023 at 7:00 PM**  
**Council Chambers**  
**459 Pine Drive, Pine Lake, GA**

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**NOTE: All attendees are reminded to silence cellular phones and other devices that may cause interruption of the session proceedings.**

**Call to Order**

**Announcements/Communication**

**Adoption of Agenda of the Day**

**Adoption of the Minutes**

- Regular Meeting – December 13, 2023
- Executive Session – December 13, 2022

**Public Comments – 3 minutes each please**

**Consent Agenda**

1. 2023 Appointments
  - a. City Attorney – Susan J. Moore
  - b. City Auditor – James Whitaker
  - c. City Engineer – Rich Edinger, Clarke Patterson Lee
  - d. Legal News Organ – Champion Newspaper
  - e. Municipal Court Judge – L’Erin Barnes Wiggins
  - f. Solicitor - Jonathan Kester

**Old Business**

1. Charter Amendment – Ordinance 2022-04 – Second Adoption
2. Proposed Financial Policies and Procedures Manual

**New Business**

1. SafeBuilt Contract Amendment
2. Letter of Engagement – Auditor Services – James Whitaker P.C. – For year ending December 31, 2022
3. Resolution R-01-2023 – To Set 2023 Qualifying Fees
4. Resolution R-02-2023 – Confirmation of December 13, 2022 Executive Session
5. Resolution R-03-2023 – FY2022 Budget Amendment

**REPORTS AND OTHER BUSINESS**

**Public Comments – 3 minutes each please**

**Staff Reports**

Administration  
Public Safety  
Public Works

**Reports/Comments**

Mayor  
City Council

**Information for “The Pine Lake News” eblast.**

**Adjournment**

**CITY OF PINE LAKE**  
**MEETING MINUTES**  
**December 13, 2022, 7:00 PM**  
**Council Chambers**  
**459 Pine Drive, Pine Lake, GA**

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**NOTE: All attendees are reminded to silence cellular phones and other devices that may cause interruption of the session proceedings.**

**Call to Order**

**Call to Order** - Mayor Melanie Hammet called the meeting to order at 7:00pm.

Present: Mayor Hammet, Mayor pro tem Jean Bordeaux and Council members Brandy Hall, Augusta Woods, Tracey Brantley and Nivea Castro. City Administrator ChaQuias Miller-Thornton, Chief of Police Sarai Y'Hudah-Green, City Attorney Susan Moore and Administrative Coordinator Missye Varner were also present.

**Announcements/Communication**

Mayor Hammet communicated that she received a text from Commissioner Steve Bradshaw and that the DeKalb County Board of Commissioners has approved the funding for installation and monthly utility costs for street lighting on Rockbridge Road from Allgood to Rowland.

**Adoption of Agenda of the Day**

Mayor Hammet amended the agenda by moving New Business Items #3 and #4 to the end of the Regular Council Meeting. Mayor Pro Tem Bordeaux motioned to adopt the amended agenda, seconded by Council member Brantley; the adoption of the amended agenda passed unanimously.

**Adoption of the Minutes**

- Regular Meeting – November 29, 2022
- Executive Session – November 29, 2022

Council Member Woods motioned to adopt the minutes, seconded by Mayor Pro Tem Bordeaux; the adoption of the minutes passed unanimously.

**Public Hearing** – To receive public comment on the FY2023 Budgets, as proposed.

Mayor Hammet opened the Public Hearing at 7:06pm to receive public comments and closed the hearing at 7:07pm because there were not any public comments.

**Public Comments – 3 minutes each please**

There were not any public comments.

**CITY OF PINE LAKE**  
**MEETING MINUTES**  
**December 13, 2022, 7:00 PM**  
**Council Chambers**  
**459 Pine Drive, Pine Lake, GA**

**Old Business**

1. Resolution R-14-2022 - Proposed FY2023 Budgets

Mayor Pro Tem Bordeaux motioned to adopt Resolution R-14-2022 – Proposed FY2023; seconded by Council Member Hall, the resolution passed unanimously. City Administrator Thornton informed Council that the revisions to the 2022 budgets have previously been approved by resolution of Mayor and Council.

2. Charter Amendment – Ordinance 2022-04 – Second Read and First Adoption

Council Member Castro performed the second read of the Ordinance, with a motion by Council Member Hall to consider first adoption of the Charter Amendment – Ordinance 2022-04 the motion was seconded by Council Member Woods. Upon a motion and second, the first adoption of Ordinance 2022-04 passed unanimously.

3. Ordinance Amendment – Ordinance 2022-05 – Second Read and Adoption

Council Member Brantley performed the second read of the Ordinance, with the motion by Council Member Brantley to adopt Ordinance Amendment – Ordinance 2022-05; seconded by Council Member Woods, the motion to adopt Ordinance 2022-05 passed unanimously.

4. Proposed Financial Policies and Procedures Manual

City Administrator Miller-Thornton presented the Proposed Financial Policies and Procedures Manual to Mayor and Council on November 29, 2023. Finding a need for additional review, Mayor and Council consented not to take any action on this item and it was placed on the January 10, 2023 regular meeting agenda.

**New Business**

1. Resolution R-15-2022 – Confirmation of November 29, 2022 Executive Session

Council Member Hall motioned to approve Resolution R-15-2022 – Confirmation of November 29, 2022 Executive Session; seconded by Council Member Woods; the resolution passed unanimously.

2. Water Storage Tanks – Potable Water Reservoirs

Mayor Hammet advised Council that the City should consider being proactive with regards to the establishment of adequate potable water supply. Councilmember Hall expressed that she would contact resources that she has regarding water supply regulations. City Administrator Thornton suggested consulting with DeKalb County Watershed and City Attorney Moore suggested consulting with Public Health.

**CITY OF PINE LAKE  
MEETING MINUTES  
December 13, 2022, 7:00 PM  
Council Chambers  
459 Pine Drive, Pine Lake, GA**

**REPORTS AND OTHER BUSINESS**

**Public Comments – 3 minutes each please**

There were not any public comments.

**Staff Reports**

Administration  
Public Safety  
Public Works

Copies of the Administration, Public Works and Public Safety reports are on file in City Hall for reviewing. Please email [missyevarner@pinelakega.net](mailto:missyevarner@pinelakega.net) to request copy or call 404-999-4931 to schedule an appointment to review the copy on file.

**Reports/Comments**

Mayor  
City Council

There were not any Mayoral or City Council comments.

**Information for “The Pine Lake News” eblast.**

**Lighting of the Lake and Cookie Exchange Well Attended.**

On Saturday, December 3rd residents and guests came together for the Lighting of the Lake and PLAIN Cookie Exchange. The Pine Lake Singfishers (community choir) performed a few songs, then, after the lighting of the Lake, they led the community in some holiday carol classics.

You may have noticed some differences in the reindeer configuration this year. This is due to several factors: the berm where the reindeer usually play has temporarily become inaccessible because of the condition of both bridges. (We will be getting bids on repair soon). Several of the reindeer were found to be inoperable and there was a shortage of electrical outlets at the new location. Next year will hopefully see a rehabilitated reindeer herd and even more beautiful lights on the lake.

**Oak Road Repair Project Out for Bid**

A request for bids for the repair of Oak Road and accompanying drainage issues has been put out. Bids are due by January 31st. This project is largely a SPLOST project and will be the first major SPLOST expenditure for the city.

**CITY OF PINE LAKE  
MEETING MINUTES  
December 13, 2022, 7:00 PM  
Council Chambers  
459 Pine Drive, Pine Lake, GA**

**2023 Budget Passed by Council**

The Council passed the 2023 budget which had been presented to Council by Mayor and City Administrator at the November 29th meeting.

**December 27th Council Meeting Cancelled due to Holidays**

The next Council meeting will be January 10th, 2023. The Mayor, Council, and Staff wish you all a wonderful holiday season.

New Business resumed.

**3. Executive Session to Discuss Personnel**

Mayor Hammet called for a motion to adjourn regular session and to convene executive session to discuss personnel.

**Adjournment of Regular Meeting**

Council Member Woods motioned to go into executive session at 7:44pm; seconded by Mayor Pro Tem Bordeaux, passed unanimously.

Executive Session was held and adjourned at 9.56pm.

New Business resumed.

**4. Employment Agreement between the City of Pine Lake and City Administrator ChaQuias Miller Thornton**

Councilmember Brantley made a motion to approve the Employment Agreement between the City of Pine Lake and City Administrator with a 5% increase in base salary (with base salary to include the 2022 contracted base salary plus the 2022 contracted compensation in lieu of employee health benefits), seconded by Mayor pro tem Jean Bordeaux. Motion passed unanimously.

**Adjournment**

Council Member Hall motioned to adjourn the December 13, 2022 regular session of Council at 10:04pm; seconded by Councilmember Castro, passed unanimously.

**CITY OF PINE LAKE  
EXECUTIVE SESSION MINUTES  
December 13, 2022  
7:44 PM  
Council Chambers  
459 Pine Drive Pine Lake, GA**

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Call to Order – Mayor Melanie Hammet called the meeting to order at 7:44pm.

Present: Mayor Hammet, Mayor pro tem Bordeaux, Council members Brantley, Castro, Hall and Woods. City Administrator ChaQuias Thornton and City Attorney Susan Moore were also present.

Mayor and Council discussed the terms for renewal of the Employment Agreement between the City of Pine Lake and City Administrator ChaQuias Miller Thornton.

City Administrator Thornton was excused from chambers.

Mayor and Council and City Attorney Moore continued discuss of the Agreement.

City Administrator Thornton re-entered the session and was asked questions regarding compensatory time and leave accumulation. Ms. Thornton engaged in extended conversation with Council regarding time commitment for the positions served by the Administrator and rendered suggestions regarding the management of time accruals overall.

On a motion by Council member Hall; seconded by Councilmember Castro and all voting “aye”, the meeting was adjourned at 9:56pm.

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Melanie Hammet, Mayor

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ChaQuias M. Thornton, City Administrator



# Memo

**DATE:** January 1, 2023  
**TO:** Pine Lake Community  
**FROM:** ChaQuias Thornton, City Administrator  
**RE:** Consent Agenda – Annual Appointments

The following annual appointments are due to be made for the 2023 year. Each of the positions are currently filled by those persons, companies or entities listed.

1. 2023 Appointments
  - a. City Attorney – Susan J. Moore
  - b. City Auditor – James Whitaker  
Note: Services relative to completion of the FY2022 audit are contingent upon council consideration of the Letter of the Engagement for Auditing Services for the year ending December 31, 2022. The Letter of Engagement is an item under new business.
  - c. City Engineer – Rich Edinger, Clarke Patterson Lee
  - d. Legal News Organ – Champion Newspaper
  - e. Municipal Court Judge – L’Erin Barnes Wiggins
  - f. Solicitor - Jonathan Kester – City Solicitor

Please let me know if you should have any questions regarding any of the proposed appointments and/or the terms under which each appointment is made.

Thank you,

CMThornton



# Memo

**DATE:** January 1, 2023  
**TO:** Pine Lake Community  
**FROM:** ChaQuias Thornton, City Administrator  
**RE:** Proposed Charter Change

During the regular meeting of Council on Tuesday, January 10, 2023, Mayor and Council will consider Second Adoption of Ordinance 2022-04 – Amending the Charter of the City of Pine Lake, GA.

## ITEM HISTORY

During the regular meeting of Council on Tuesday, December 13, 2022, and in accordance with State law provisions, Mayor and Council entertained Second Read and First Adoption of Ordinance 2022-04.

Mayor Hammet and the Pine Lake City Council hosted a town hall meeting on Tuesday, November 15, 2022 (Beach House, 4580 Lakeshore Dr.) to discuss a proposed charter amendment (in the form of Ordinance 2022-04). Terrell Jacobs – Municipal Services Consultant at Georgia Municipal Association served as facilitator and Pine Lake's GMA District Representative Michael McPherson also attended the meeting and offered comments. Draft Ordinance 2022-04 will be formally introduced for first read during the November 29, 2022 regular meeting of Mayor and Council. The purpose of the proposed change is to:

1. Change the title of the Director of Administration to City Manager
2. Clarify charter language on the Administrative Duties of the Mayor and the City Manager
3. Clarify the power of the Mayor pro tem to vote as a member of Council when temporarily serving in the absence of the Mayor
4. Clarify actions to be take by resolution rather than ordinance
5. Remove certain municipal court fees

Proposed changes are eligible for amendment under "Home Rule". Through "Home rule" charter amendments, cities may amend their charters without need of the Georgia General Assembly as long as they don't violate federal or state law. Specifically, state law does not allow for "home rule" charter amendments that affect the composition and form of the municipal governing authority, the procedure for election and appointment of elected officials, actions defining any criminal offense, and actions adopting a form of taxation beyond that authorized by state law, among other restrictions. **Through amendments approved by the mayor and council, home rule allows cities to substantially self-govern.** These kinds of ordinance changes require that the city adopt the ordinance at two regular consecutive meetings not less than seven days or more than 60 days apart. The law also requires that cities publish the ordinance for three weeks within a period of 60 days immediately before the ordinance's final adoption.

The attached public notice is set to be published in the City's legal news organ of record (The Champion Newspaper) on 11/17/2022, 11/24/2022, and 12/01/2022. Dates of introduction, consideration, and adoptions of the ordinance are included in the notice.

If formally and sufficiently adopted by the Mayor and Council, the charter amendment will not take effect until a copy of the amendment and an affidavit from the county's legal organ attesting to the publication of



the notice have been filed with the Georgia Secretary of State. This an additional information on City Charters can be found at <https://www.gacities.com/Resources/GMA-Handbooks-Publications/City-Clerk-Handbook/City-Charters.aspx> .

Please do present any questions or comments that you may have regarding this matter.

CMThornton

ORDINANCE 2022-04

ORDINANCE AMENDING THE CHARTER OF THE CITY OF PINE LAKE TO CHANGE TITLE OF DIRECTOR OF ADMINISTRATION TO CITY MANAGER; TO CLARIFY INCONSISTENT CHARTER LANGUAGE ON ADMINISTRATIVE DUTIES OF MAYOR AND OF CITY MANAGER; TO CLARIFY THE POWER OF THE MAYOR PRO TEM TO VOTE AS A MEMBER OF COUNCIL WHEN TEMPORARILY SERVING AS MAYOR; TO CLARIFY ACTIONS TO BE TAKEN BY RESOLUTION RATHER THAN ORDINANCE; TO REMOVE CERTAIN MUNICIPAL COURT FEES; TO PROVIDE FOR SEVERABILITY, AN EFFECTIVE DATE AND FOR OTHER PURPOSES

Whereas, the Georgia General Assembly has provided municipalities the power to amend their charters pursuant to Code section 36-35-3(b)(1) subject to certain limitations set forth in Code section 36-35-6; and

Whereas, the City Council of the City of Pine Lake has determined it to be in the best interests of the City to clarify and change certain provisions of its Charter allowed and permitted by State Law; and

Whereas, current provisions of the City's Charter assign some of the same administrative duties to the mayor and the director of administration and the City Council has determined it to be in the best interests of the City to clarify responsibility for these duties; and

Whereas, the changes herein are not intended to substantively and materially alter the duties or responsibilities specifically given to a particular elective official by the Charter; and

Whereas, the changes herein are not intended to and do not alter any of the executive powers of the mayor or the veto power of the mayor; and

Whereas, the City Council of the City of Pine Lake has determined to change the job title of the director of administration to city manager; and

Whereas, the City Council of the City of Pine Lake has determined to clarify the power of the mayor pro tempore to vote as a member of the city council when temporarily serving as mayor; and

Whereas, the City Council has determined to repeal certain municipal court fees enumerated in the City's Charter; and

Whereas, at the time of final adoption, a notice containing a synopsis of this proposed Charter amendment shall have been published in the official organ of the county once a week for three weeks within a period 60 days immediately preceding its final adoption; and

Whereas, a copy of this Charter amendment is on file in the office of the city clerk and in the office of the Clerk of Superior Court of DeKalb County, Georgia; and

Whereas, in accordance with Code section 36-35-5, a copy of this Charter amendment, a copy of the required notice of publication, and an affidavit of a duly authorized representative of the newspaper in which the notice was published, to the effect that the notice has been published as provided in this chapter, will be filed with the Secretary of State and in the office of the Clerk of Superior Court of DeKalb County, Georgia;

Now, therefore, the Mayor and City Council of the City of Pine Lake hereby ordain as set forth herein:

#### SECTION 1.

Article II, Section 2.28 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“Section 2.28 Chief executive officer.

The mayor shall be the chief executive of this city. Except as provided to other city officials, the mayor shall possess all of the executive and administrative power granted to the city under the Constitution and laws of the State of Georgia, and all the executive and administrative powers contained in this Charter.”

#### SECTION 2.

Article II, Section 2.29 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“Section 2.29 Powers and duties of mayor.

As the chief executive of this city, the mayor shall:

- (1) Preside at council meetings and see that all laws and ordinances of the city are faithfully executed;
- (2) Appoint and remove all officers, department heads and employees of the city, except as otherwise provided in this Charter;
- (3) ~~Except as provided to the city manager in this Charter, exercise~~ Exercise supervision over all executive ~~and administrative~~ work of the city ~~and provide for the coordination of administrative activities;~~
- (4) ~~Prepare and submit~~ Provide advice to the city manager on preparation and submission to the city council of a recommended operating budget and recommended capital budget;
- (5) ~~Submit~~ Review prior to submission to the city council at least once a year a statement covering the financial conditions of the city, and from time to time such other information as the city council may request;
- (6) Call special meetings of the city council as provided for in section 2.19(b);
- (7) Recommend to the city council such measures relative to the affairs of the city, improvement of the government, and promotion of the welfare of its inhabitants as he may deem expedient;

- (8) Approve or disapprove ordinances as provided in section 2.31;
- (9) Require any department or agency of the city to submit written reports whenever he deems it expedient; and
- (10) Perform such other duties as may be required by law, this Charter, or ordinance.
- ~~(11) The mayor shall provide council with an organizational chart that identifies all directors and the departments of city government that have been legally activated."~~

### SECTION 3.

Article II, Section 2.32 is amended by inserting at the end thereof the following sentence:

“When the mayor pro tempore is temporarily serving as mayor and is presiding at meetings of the city council, the mayor pro tempore shall retain the right to vote as a member of the city council.”

### SECTION 4.

Article III, Section 3.10 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“Section 3.10 Administrative and service departments.

- (a) Except as otherwise provided in this Charter, the City Council by ordinance shall prescribe the functions or duties and establish, abolish, or alter all non-elective offices as necessary for proper administration of the government.
- (b) Except as otherwise provided by this Charter or by law, the directors of departments and other appointed officers of the city shall be appointed solely on the basis of their respective administrative and professional qualifications.
- (c) All appointive officers and directors of departments shall receive such compensation as prescribed by the budget adopted by the city council ~~ordinance~~.
- (d) There shall be a director of each department. Each director shall be subject to the direction of the city manager and shall be responsible for the administration, the affairs, and the operation of the director’s department. The city manager may serve as director of a department. An individual may serve as director of more than one department.
- (e) All directors under the supervision of the city manager ~~mayor~~ shall be ~~nominated~~ recommended by the city manager for nomination by the mayor with confirmation of appointment by the city council. The mayor may reject candidates recommended by the city manager to serve as director. The city manager may recommend to the mayor the suspension or removal of directors under the city manager’s supervision. The ~~Upon mayor approval, may suspend or remove directors under his supervision but~~ such action shall not be effective for ten calendar days following the mayor giving written notice of such action and the reasons thereof to the director involved and to the city council. The director involved may appeal to the city council during the ten-day notice period. After a

hearing on the tenth day from date of notice, the council may override the mayor's action by a vote of four councilmembers. The following administrative officers shall not be considered "directors" whom the mayor may suspend or remove under this section: city attorney, ~~director of administration~~ city manager and city clerk; the foregoing administrative officers shall only be subject to removal as otherwise allowed under this Charter by law. Acting directors may serve until a quorum of the city council affirmatively requests a permanent director to be appointed, subject to regular city council approval.

- (f) The mayor may temporarily suspend any director or ~~other~~ direct reports for ethics violations. Permanent suspension or termination of select employees is provided for in other provisions of this section. Unless specifically otherwise addressed, the mayor has full authority to suspend or terminate direct reports.”

#### SECTION 5.

Article III, Section 3.11 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“Section 3.11 Boards, commissions and authorities.

- (a) The city council shall create by ordinance or resolution such boards, commissions and authorities to fulfill any investigative, quasi-judicial or quasi-legislative function the city council deems necessary, and shall by ordinance or resolution establish the composition, period of existence duties and powers thereof.
- (b) All members of boards, commissions and authorities of the city shall be appointed by the city council for such terms of office and in such manner as shall be provided by ordinance or resolution, except where other appointing authority, terms of office or manner of appointment is prescribed by this Charter or by law.
- (c) The city council, by ordinance or resolution, may provide for the compensation and reimbursement for actual and necessary expenses of the members of any board, commission or authority.
- (d) Except as otherwise provided by charter, by ordinance or by other law, no member of any board, commission or authority shall hold any elective office in the city.
- (e) Any vacancy on a board, commission, or authority of the city shall be filled for the unexpired term in the manner prescribed for [the original appointment, except as otherwise provided by this Charter, by ordinance or by other law.
- (f) No member of a board, commission or authority shall assume office until ~~he~~ such member has executed and filed with the clerk of the city an oath obligating ~~himself~~ to perform faithfully and impartially the duties of his office, such oath to be prescribed by ordinance and administered by the mayor.
- (g) Any member of a board, commission or authority may be removed from office for cause by a vote of three members of the city council.
- (h) Except as otherwise provided by this Charter or by law, each board, commission or authority of the city shall elect one of its members as ~~chairman~~ and one member as vice-~~chairman~~, and may elect as its secretary one of its members or may appoint as secretary an employee of the city. Each board, commission or authority of the city

government may establish such bylaws, rules and regulations, not inconsistent with this Charter, an ordinance of the city, or law, as it deems appropriate and necessary for the fulfillment of its duties or the conduct of its affairs. Copies of such bylaws, rules and regulations shall be filed with the clerk of the city.”

## SECTION 6.

Article III, Section 3.13 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“Section 3.13. ~~Director of Administration.~~ City manager.

- (a) The mayor shall appoint a ~~director of administration~~ city manager, subject to confirmation by the city council., The mayor and city council shall fix the city manager’s compensation. The city manager shall be appointed solely on the basis of that person’s administrative, executive, and professional qualifications. who shall be responsible for the operation and supervision of departments providing administrative services as defined by ordinance; shall perform the general duties of treasurer, accountant and fiscal officer; shall be responsible for the collection of all taxes, licenses, fees and other monies belonging to the city and subject to the provisions of this Charter and the ordinances of the city; and to enforce all laws of Georgia relating to the collection of delinquent taxes and sale or foreclosure for nonpayment of taxes by the city. In addition, the director of administrative services shall be responsible for the maintenance of municipal court records and collection of fines as established by ordinance and state laws and shall perform such other duties as required. Except as otherwise provided by this Charter or by law, the direction [director] of administration city manager shall not be subject to termination or removal by the mayor or the city council acting alone, but only upon the joint action of the mayor and a majority vote of the city council at a regularly scheduled meeting.

~~The director of administration shall solicit bids and proposals for city auditing services once every three years and shall review those bids and make a recommendation to the mayor and council for the purposes of the appointment of the city auditor.~~

~~The director of administration shall solicit bids and proposals for legal services by a qualified municipal attorney at least once every five years [and] shall review those bids and make recommendation to the mayor and council for the purposes of the appointment of a city attorney.~~

- (b) The city manager shall be the chief administrative officer of the city. The city manager shall report to the mayor and be responsible to the city council for the administration of all city affairs placed in the city manager’s charge by or under this charter. As the chief administrative officer, the city manager shall:

- (1) Direct and supervise the administration and operation of all departments, offices, and agencies of the city, except as otherwise provided by this charter or by law;
- (2) Shall serve as the director of administration;
- (3) Attend all city council meetings, except for closed meetings held for the purposes of deliberating on the appointment, discipline, or removal of the city manager or held for the purpose of receiving legal advice regarding the city manager, and have the right to take part in discussion, but the city manager may not vote;
- (4) Perform the general duties of treasurer, accountant, and fiscal officer;
- (5) See that all laws, provisions of this charter, and acts of the city council, subject to enforcement by the city manager or by officers subject to the city manager's direction and supervision, are faithfully executed;
- (6) Prepare and submit to the city council a recommended operating budget and recommended capital budget;
- (7) Submit to the city council and make available to the public, at least annually, a statement covering the financial condition of the city and a report on the administrative activities of the city as of the end of each fiscal year;
- (8) Make such other reports as the city council may require concerning the operations of the city departments, offices, and agencies subject to the city manager's direction and supervision;
- (9) Keep the city council advised as to the financial condition and future needs of the city, and make such recommendations to the city council concerning the affairs of the city as the city manager deems desirable; ~~and~~
- (10) Provide council with an organizational chart that identifies all directors and the departments of city government that have been legally activated;
- (11) Be responsible for the administration of court service operations, maintenance of municipal court records and collection of fines as established by ordinance and state law; and
- (12) Perform other such duties as are specified in this charter or as may be required by the city council."

## SECTION 7.

Article III, Section 3.14 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“Section 3.14 City clerk.

The mayor shall appoint a city clerk who shall not be a member of the city council, said appointment being subject to confirmation by the city council. The city clerk shall be the custodian of the official city seal; maintain city council records required by this Charter; and perform such other duties as may be required by the city council and as are imposed upon that officer by state law. Except as otherwise provided in this Charter or by law, the city clerk shall not be subject to termination or removal by the mayor or the city council acting alone, but only

upon the joint action of the mayor and a concurring majority of the city council sitting at a regularly scheduled meeting of the city council. In the event that an appointment is not made to the city clerk position, the city manager shall serve as city clerk.”

#### SECTION 8.

Article III, Section 3.15 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“3.15 Administrative affairs.

- (a) The mayor shall acknowledge the city manager’s ~~administrator’s~~ recommendation of an auditor, ~~pursuant to the Charter, article III, section 13(b)~~ and make the appointment, or provide a written rejection of the recommendation, within ten days of the recommendation. The mayor's appointment of an auditor shall be subject to confirmation of the city council. The auditor shall be responsible for auditing and annual revenues and expenditures pursuant to state and federal law.
- (b) The city manager shall solicit bids and proposals for city auditing service once every three years and shall review those bids and make a recommendation to the mayor and council for the purposes of the appointment of the city auditor.
- (c) The city manager shall solicit bids and proposals for legal services by a qualified municipal attorney at least once every five years and shall review those bids and make a recommendation to the mayor and council for the purpose of the appointment of the city attorney.”

#### SECTION 9.

Article III, Section 3.17 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“Section 3.17 Position classification and pay plans.

The mayor shall be responsible for ~~the preparation of~~ reviewing a position classification and pay plan prepared by the city manager, which shall be submitted to the city council for approval. Such plan may apply to all employees of the city and any of its agencies, departments, boards, commissions or authorities. When a pay plan has been adopted, the city council shall not increase or decrease the salary range applicable to any position except by amendment of such pay plan. For purposes of this section, all elected and appointed city officials are not city employees.”

#### SECTION 10.

Article III, Section 3.18 is amended by deleting said section in its entirety and inserting in lieu thereof the following:



“Section 3.18 Personnel policies.

The city council shall adopt rules and regulations consistent with this Charter concerning:

- ~~(1) The method of employee selection and probationary periods of employment; and~~
- ~~(2) The administration of a position classification and pay plan, methods of promotion and applications of services ratings thereto, and transfer of employees within the classification plan; and~~
- ~~(3)~~ (1) Hours of work, vacation, sick leave and other leaves of absence, overtime pay and the order and manner in which layoffs shall be effected; and
- ~~(4)~~ (2) Such dismissal hearings as due process may require; and
- ~~(5)~~ (3) Such other personnel policies and notices as may be necessary to provide for the adequate and systematic handling of personnel affairs.”

#### SECTION 11.

Article IV, Section 4.13.is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“4.13 Jurisdiction; powers.

- (a) The municipal court shall try and punish violations of this Charter, all city ordinances and such other violations as provided by law.
- (b) The municipal court shall have authority to punish those in its presence for contempt, provided that such punishment shall not exceed \$200.00 or ten days in jail.
- (c) The municipal court may fix punishment for offenses within its sole jurisdiction not exceeding a fine of \$1,000.00 or imprisonment for six months or both such fine and imprisonment or may fix punishment by fine, imprisonment or alternative sentencing as now or hereafter provided by law and may impose any punishment up to the maximums specified by general law for offenses with its concurrent jurisdiction. The jailer of DeKalb County is required to receive all such prisoners delivered to him by the municipal court.
- (d) The municipal court shall have authority to establish a schedule of fees to defray the cost of operation and shall be entitled to reimbursement of the actual cost of meals, transportation and caretaking of prisoners bound over to superior courts for violations of state law.
  - ~~(a) The municipal court shall add twelve dollars (\$12.00) to the amount of every fine assessed for all traffic and vehicle violations or violations of the city codes and ordinances.~~
  - ~~(b) Twelve dollars (\$12.00) from every fine collected shall be allocated to pay for fuel costs for the police department.~~
- (e)The municipal court shall have authority to establish bail and recognizances to ensure the presence of those charged with violations before said court and shall have

discretionary authority to accept cash or personal or real property as surety for the appearance of persons charged with violations. Whenever any person shall give bail for ~~his~~ appearance and shall fail to appear at the time fixed for trial, ~~his~~ such person's bond shall be forfeited by the judge presiding at such time, and an execution issued thereon by serving the defendant and his sureties with a rule nisi at least two days before a hearing on the rule nisi. In the event that cash or property is accepted in lieu of bond for security for the appearance of a defendant at trial and if such defendant fails to appear at the time and place fixed for trial, the cash so deposited shall be on order of the judge declared forfeited to the city, or the property so deposited shall have lien against it for the value forfeited, which lien shall be enforceable in the same manner and to the same extent as a lien for city property taxes.

(f) The municipal court shall have the same authority as superior courts to compel the production of evidence in the possession of any party; to enforce obedience to its orders, judgments and sentences; and to administer such oaths as are necessary.

(g) The municipal court shall have the authority to bind prisoners over to the appropriate court when it appears by probable cause that state law has been violated.

(h) Each judge of the municipal court may compel the presence of all parties necessary to a proper disposal of each case by the issuance of summonses, subpoenas and warrants which may be served as executed by any officer as authorized by this Charter or by law.

(i) Each judge of the municipal court shall be authorized to issue warrants for the arrest of persons charged with offenses against any ordinance of the city, and each judge of the municipal court shall have the same authority as a magistrate of the state to issue warrants for offenses against state laws committed within the city.

(j) The municipal court is specifically vested with all the jurisdiction and powers throughout the geographic area of this city granted by law to municipal courts and particularly by such laws as authorize the abatement of nuisances and prosecution of traffic violations.

(k) The chief municipal court judge shall perform such other duties as required for proper administration of the municipal court.”

## SECTION 12.

Article VI, Section 6.24 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“Section 6.24 Operating budget.

On or before a date fixed by the city council but not later than 45 days prior to the beginning of each fiscal year, the ~~mayor~~ city manager shall submit to the mayor and city council a proposed

operating budget for the ensuing fiscal year. The budget shall be accompanied by a message from the ~~mayor~~ city manager containing a statement of the general fiscal policies of the city, the important features of the budget, explanations of major changes recommended for the next fiscal year, a general summary of the budget, and such other comments and information as ~~he~~ the city manager may deem pertinent. The operating budget, the capital improvement budget, the budget message, and all supporting documents shall be filed in the office of the city clerk and shall be open to public inspection.”

#### SECTION 13.

Article VI, Section 6.25(a) is amended by deleting said subsection in its entirety and inserting in lieu thereof the following:

“(a) The city council may amend the operating budget proposed by the ~~mayor~~ city manager, except that the budget as finally amended and adopted must provide all expenditures required by state law or by other provisions of this Charter and for all debt service requirements for the ensuing fiscal year. The total appropriations from any fund shall not exceed the estimated fund balance, reserves, and revenues.”

#### SECTION 14.

Article VI, Section 6.27 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“Section 6.27 Changes in appropriation.

The city council by ~~ordinance~~ resolution may make changes in the appropriations contained in the current operating budget at any regular meeting or special or emergency meeting called for such purposes, but any additional appropriations may be made only from an existing unexpended surplus.”

#### SECTION 15.

Article VI, Section 6.28(a) is amended by deleting said subsection in its entirety and inserting in lieu thereof the following:

“Section 6.28 Capital improvement budget.

- (a) On or before a date fixed by the city council but not later than 45 days prior to the beginning of each fiscal year, the ~~mayor~~ city manager shall submit to the mayor and city council a proposed capital improvement budget with ~~his~~ recommendations as to the means of financing the improvements proposed for the ensuing fiscal year. The city council shall have the power to accept, with or without amendments, or reject the proposed program and proposed means of financing. The city council shall not

authorize an expenditure for the construction of any building, structure, work or improvement unless the appropriations for such project are included in the capital improvement budget, except to meet a public emergency as provided in section 2.24 of this Charter.”

SECTION 16.

Article VI, Section 6.31 is amended by deleting said section in its entirety and inserting in lieu thereof the following:

“Section 6.31 Centralized purchasing.

The city council shall by ordinance or resolution prescribe the procedures for a system of centralized purchasing for the city.”

SECTION 17.

In the event any portion of this ordinance amending the Charter shall be declared or adjudged invalid or unconstitutional for any reason, it is the intention of the City Council of the City of Pine Lake that such adjudication shall in no manner affect the other sections, sentences, clauses or phrases of this ordinance which shall remain in full force and effect as if the invalid or unconstitutional section, sentence, clause or phrase were not originally a part of this ordinance.

SECTION 18.

All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.

SECTION 19.

This ordinance shall be effective upon successful compliance with the requirements of O.C.G.A. § 36-35-5 or January 11, 2023, whichever occurs later.

So Ordained upon second adoption date below.

First Adoption: \_\_\_\_\_

Second Adoption: \_\_\_\_\_

MAYOR AND CITY COUNCIL OF PINE LAKE, GEORGIA

\_\_\_\_\_  
Melanie Hammet, Mayor

\_\_\_\_\_  
Jean Bordeaux, Mayor Pro Tempore

ATTEST:

\_\_\_\_\_  
ChaQuias Miller Thornton, City Admin./City Clerk

Approved as to Form:

\_\_\_\_\_  
Susan J. Moore, City Attorney

\_\_\_\_\_  
Tracey Brantley

\_\_\_\_\_  
Nivea Castro

\_\_\_\_\_  
Brandy Hall

\_\_\_\_\_  
Augusta Woods

# Financial Policies and Procedures Manual

## City of Pine Lake, GA

### I. Purpose and Objective

The City of Pine Lake has a responsibility to carefully account for public funds, to manage municipal finances wisely, and to plan for the provision of public services. Sound financial policies are necessary to carry out these objectives responsibly and efficiently.

The broad purpose of the following financial policies is to enable the City of Pine Lake to achieve and maintain a long-term positive financial condition. The key values of the City's financial management include fiscal integrity, prudence, planning, accountability, honesty, and openness. Specifically, the purpose is to provide guidelines for planning, directing, and maintaining day-to-day financial affairs. The following policies are administered in accordance with Federal, State and local laws and ordinances. In the event of an actual conflict, Federal, State and local laws and ordinances shall control.

The City of Pine Lake's financial policies set forth below are the basic framework for its overall financial management.

### II. Operating Budget

#### A. Preparation

Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The "operating budget" is the City's annual financial operating plan. The annual budget includes the operating departments of the general fund, the SPLOST and capital improvement funds, an enterprise fund and other approved funds that may be established as needed. The budget encompasses a fiscal year that begins on January 1 and ends on December 31. The budget is prepared by the City **Administrator** with the cooperation of City staff, on a basis that is consistent with generally accepted accounting principles.

1. Proposed Budget – A proposed budget shall be prepared annually by the City **Administrator** with participation of staff consistent with provisions of the City Charter and state budget laws. The proposed budget will be transmitted to the Mayor and Council for its review, in accordance with City Charter provisions, and with sufficient time given to address policy and fiscal issues.

- a. The budget shall include (1) revenues, (2) personnel costs, (3) operating and maintenance supply costs, (4) general services costs, and (5) capital and other (non-capital) costs.
  - b. The budget review process shall include at least one public hearing. At the time the proposed budget is transmitted to members of the Mayor and Council by the City **Administrator**, a copy will be made available for public inspection at City Hall, advertised in a local newspaper of general circulation and posted on the City's website. No earlier than seven days after the proposed budget is transmitted to the Mayor and Council and at least seven days in advance of budget adoption, a public hearing will be held to give the public an opportunity to comment on the proposed budget. Notice of public hearing must be advertised at least seven days in advance of the public hearing.
  - c. The Mayor and Council, by December 27 of each year, will adopt an annual budget for the ensuing fiscal year at a public meeting. The annual budget shall be advertised at least one week prior to the meeting.
2. Adoption – The budget shall be adopted by the approval of a budget resolution that specifies the anticipated revenues by appropriate categories and the proposed expenditure by appropriate categories for each fund covered by the budget. Amendments to the budget must be approved by resolution. The budget shall be adopted at the fund level, which is the legal level of budgetary control. The current year's budget may be adjusted to reflect changes in local economy, changes in priorities or services needs, receipt of unbudgeted revenues and for unanticipated expenditures.

**B. Balanced Budget**

The operating budget will be balanced with anticipated revenues, including appropriated assigned fund balance equal to proposed expenditures. All funds within the budget shall also be balanced.

**C. Reporting**

Periodic financial reports will be prepared by the City **Administrator** or her/his designee. These reports will enable the City **Administrator** to monitor and control the budget. Summary financial and budgetary reports should be presented by the City Administrator to the Mayor and Council at least quarterly or upon request.

**D. Control and Accountability**

Each Department Head is responsible for ensuring that department expenditures do not exceed budgeted funds. Departments cannot exceed appropriations described in the budget without approval of the Mayor and Council. Failure to achieve budgetary control will be evaluated and investigated by the City **Administrator**.

**E. Budget Transfers**

Contingent upon remaining within the confines of the total department budget, each Department Head has the authority to recommend inter-departmental budget transfers to the City **Administrator**. Funds within departmental budget line items can be transferred by action of the City **Administrator**.

**III. Capital Budget Policies and Capital Improvement Plan**

**A. Scope**

A capital projects plan will be developed and updated annually. A five-year Capital Improvement Program will assist in the planning, acquisition, and financing of capital projects.

Capital outlay is generally defined as an individual item with an estimated minimum cost of \$5,000 with a life expectancy of more than two years but less than 10 years.

A major capital project is generally defined as a non-recurring capital expenditure that has an expected useful life of more than 10 years and an estimated total cost of \$25,000 or more. Examples include parks improvements, streetscapes, computer systems, trucks, loaders, and expansion of facilities.

Major capital projects will be budgeted in the Capital Improvement Fund reflecting all available resources. With the involvement of responsible staff, the City Administrator will prepare the capital budget annually. The City's capital budget will be adopted with the operating budget.

**B. Control**

All capital outlay expenditures must be approved as part of each department budget or in the Capital Improvement Fund. Before committing to a budgeted capital outlay expenditure, the City **Administrator** or designee must verify fund availability. All major capital projects must be reviewed by the City **Administrator** and presented to and approved by the Mayor and Council.

**C. Program Planning**

The capital budget provides annual funding for long-term capital projects identified in the Capital Improvement Program (CIP). During the annual budget process, major capital projects are placed in the capital improvement fund, the SPLOST fund, the Stormwater Utility fund, or any other such fund



adequately and appropriately established by Mayor and Council to account for capital projects revenue and expenses. Other capital outlay is placed in a departmental operating budget.

Citywide capital improvements are assessed and prioritized based on the City's objectives and goals, the City's comprehensive work plan, the Mayor and Council's work plan and availability of funding.

**D. Timing**

During each fiscal year, the City Administrator will work with City staff to schedule the appropriate timing of capital purchases to ensure the availability of funds.

**E. Reporting**

Periodic financial reports will be provided to enable the City Administrator to monitor and control the capital budget and to enable the staff to manage their capital budgets.

#### IV. Fund Balance Policy

**A. Definition.**

Fund balance is the cumulative difference between revenues and expenditures at the end of the City's fiscal year. The practice of conservative revenue estimates and carefully monitored expenditures may result in a fund balance. The City intends to maintain an unreserved unassigned fund balance in the general fund between thirty-three and fifty percent of the operating budget or an amount equal to 4-6 months' operating expenses. The City does not budget for contingencies and therefore, must rely on the fund balance for emergency expenditures. In some years, the City may budget to use fund balance for one-time expenditures while remaining within the acceptable level for fund balance. Fund balance may not be used to support long-term, recurring operating expenditures.

1. If fund balance is used to support one-time capital and one-time non-operating expenditures, the Mayor and Council must appropriate the funds.
2. If, at the end of the fiscal year, the fund balance falls below the targeted range, City staff will present a plan to the Mayor and Council for aligning the fund balance with the policy.

**B. Fund Balance Classifications.**

In accordance with the Governmental Accounting Standards Board (GASB) Statement 54, the City recognizes the following five classifications of fund balance for financial reporting purposes:

1. Nonspendable – non-cash assets such as inventories or prepaid items.
2. Restricted – funds legally restricted for specific purposes, such as grant funds.

3. Committed – amounts that can only be used for specific purposes pursuant to a formal vote of the Mayor and Council.
4. Assigned – amounts intended to be used for specific purposes. The Mayor and Council can choose to delegate this authority.
5. Unassigned – residual spendable fund balance after subtracting all above amounts and are available for any legal purpose.

**C. Spending Prioritizations.**

1. When an expenditure is incurred that would qualify for payment with either restricted or unrestricted funds, it will be paid from restricted funds.
2. When an expenditure is incurred that qualifies for payment from either of the three unrestricted fund balance categories, it will be applied in the following order:

a. Committed, b. Assigned, and c. Unassigned.

**D. Committed Fund Balance.** The Mayor and Council may commit fund balance by a formal vote prior to the government’s fiscal year-end for that fiscal year. Future modification or rescission of committed funds must likewise be accomplished by a formal vote of the Mayor and Council prior to fiscal year-end.

**E. Special Revenue Funds.** Pursuant to the requirements of Accounting Statement 54 of the Governmental Accounting Standards Board (GASB), the Mayor and Council will commit- all the revenue received by Special Revenue funds for the exclusive use of respective program’s operating expenditures:

**F. Assigned Fund Balance.** The Mayor and Council expressly delegates to the City Administrator the authority under this policy to assign funds for particular purposes.

**V. Accounting, Audits, and Financial Reporting**

The City shall maintain a system of financial monitoring, control, and reporting for all operations and funds to provide effective means of ensuring that overall City goals and objective are met.

**A. Accounting Records and Reporting**

The City will maintain its accounting records in accordance with state and federal laws and regulations and in a manner to facilitate an efficient audit process. The City will report its financial condition and results of operations in accordance with state regulations and Generally Accepted Accounting Principles (GAAP) described in Governmental Accounting, Auditing, and Financial Reporting (GAAFR). The City’s accounts shall be kept in such a

manner as to show fully the financial conditions of the City. In addition, the books shall be open to the public during business hours.

The City will maintain a Chart of Accounts that complies with requirements of the State of Georgia and is in accordance with generally accepted accounting principles.

#### **B. Auditing**

1. An independent auditor or auditing firm will annually perform the City's financial audit. The auditor must be a Certified Public Accountant (CPA) that can demonstrate that s/he has the capability to conduct the City's audit in accordance with generally accepted auditing standards.
2. Upon direction from the Mayor and City Council, and inline with Charter provisions of the City, the City **Administrator** should periodically solicit proposals for professional independent auditor services.
3. A copy of the audit will be sent to the State Auditor who will respond with comments regarding compliance. Results of the annual audit shall be provided to the Mayor and Council in a timely manner.

#### **C. Simplified Fund Structure**

The City will attempt to minimize the number of funds. Funds will be categorized in accordance with generally accepted accounting principles (GAAP) for reporting purposes.

#### **E. Financial Reporting**

Internal financial reports will be prepared that are sufficient to plan, monitor, and control the City's financial affairs. Monthly accounting reports are meant to transmit information regarding the financial situation of the City. These regular reports are made available to the Mayor and Council, City Administrator, and staff as necessary.

### **VI. Revenues**

#### **A. Characteristics**

The City shall strive for the following characteristics in its revenue structure:

1. Simplicity – The City shall strive to maintain a simple revenue structure to reduce compliance costs for the taxpayer and/or service recipient. A corresponding decrease in the City's cost of collection and a reduction in avoidance to pay should result.

2. Equity – The City shall make every effort to maintain equity in its revenue system. The City shall seek to minimize subsidization between entities, funds, service, customer classes, and utilities.
3. Adequacy – The City shall require that a balance in the revenue system be achieved. The revenue structure’s base shall have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.
4. Administration – The benefits of a revenue source shall exceed the cost of levying and collecting that revenue. The price of collection shall be reviewed periodically for effectiveness as a part of the indirect cost of service analysis.
5. Diversification and Stability – The City shall strive to maintain a diversified and stable revenue structure to shelter it from short-term fluctuations in any single revenue source. The revenue mix shall combine elastic and inelastic revenue sources to minimize the effect of economic downturns.
6. Conservative Estimates – Revenues will be estimated realistically and prudently. Revenues of a volatile nature will be estimated conservatively. Conservative revenue estimates based on prior year collections may be used for revenue projections.

## **B. Issues**

The following considerations and issues will guide the City in its revenue policies concerning specific sources of funds:

1. Non-Recurring Revenues – One-time or non-recurring revenues shall not be used to finance current ongoing operations. Non-recurring revenues should be used only for non-recurring expenditures and will not be used for budget balancing purposes.
2. Property Tax Revenues – All real and business personal property located within the City shall be valued at 40% of the fair market value for any given year based on the current appraisal supplied to the City by the DeKalb County Board of Tax Assessors.
3. User-Based Fees and Service Charges – For services associated with a user fee or charge, the direct and indirect costs of that service shall be offset by a fee where possible. There will be an annual review of fees and charges to ensure that the fees provide adequate coverage of cost. The Mayor and Council shall set schedules of fees and charges.

4. Intergovernmental Revenues (Federal/State/Local) – These revenue sources will be expended only for the intended purpose of grant aid. It must be clearly understood that operational requirements set up because of a grant or aid could be discontinued once the term and conditions of the project have terminated.
5. Revenue Monitoring – Revenues received shall be compared to budgeted revenues. The City Administrator or designee will investigate significant variances.

## VII. Purchasing

### A. Intent

The purpose of this policy is to provide guidance for the procurement of goods and services in compliance with procurement provisions of the City and the State of Georgia. The goal of this policy is to establish, foster, and maintain the following principles:

1. To consider the best interests of the City in all transactions;
2. To purchase without prejudice, seeking to obtain the maximum value for each dollar expenditure with maximum quality standards; and,
3. To subscribe to and work for honesty and truth in buying.

### B. Vendors

The City will make every effort to obtain high quality goods and services at the best possible price. All procurement procedures will be conducted in a fair and impartial manner with avoidance of any impropriety. All qualified vendors have access to City business. No bidder will be arbitrarily or capriciously excluded. It is the intent of the City that competition be sought to the greatest practical degree. The conditions of the contract shall be made clear in advance of the competition. Specifications shall reflect the needs of the City.

#### 1. Solicitation of Vendors and Submission of Bids

When a single purchase for a good is (to the extent that it exists):

- a. \$500-\$2,000 a minimum of three email or fax quotations is required. Results of quotations and awards to be recorded and filed.
- b. \$2,000 up to \$3,500 a minimum of three written quotations is required to be submitted. Results of quotations and award to be recorded and filed.
- c. \$3,500 up to \$10,000 a minimum of three written quotations is required to be submitted. City Council is to award the bid.

- d. Above \$10,000 requires solicitation of advertised formal sealed bids. City Administrator is to make recommendation to City Council who awards the bid.

Each department must attempt to obtain a minimum of three bids from different sources. If three sources are not possible, the seeker of the bid must attempt to obtain as many vendors as possible. Each purchase recommendation shall document the competitive bidding process with records of the vendor and bids received.

The City **Administrator** has full authority to determine and obtain professional and contractual services as provided for in the approved budget and shall document the process. When possible and practical, competitive quotes for professional and contractual services should be obtained. If competitive quotes are not possible, the City **Administrator** must document the competitive quote process with records of the vendor and the quotes received.

2. Interest of City Officials in Expenditure of Public Funds

No official of the City of Pine Lake will be interested directly or indirectly in any transaction with, sale to, work for, or contract of the City or any department of government or service involving the expenditure of public funds in violation of the City's "Ethics Ordinance" without reporting such conflict to the Mayor and City Council and receiving approval. The City shall not use a vendor who is a member of the immediate family of a Mayor or Council member, City Attorney, City **Administrator**, or City staff.

3. Request for Proposal

It is suggested that, whenever practical and appropriate, a Request For Proposal (RFP) process be used for procuring products and services. The RFP should specify the service, evaluation criteria, and terms and conditions required by the City. Large purchases should be advertised in the legal organ and other venues as time and advertising funds allow.

4. Award of Bids

Bids are awarded to the lowest responsive and responsible bidder. A responsive bid is one that conforms in all material respects to the need of the City. Responsible means a bidder who has the capability to perform the requirements. City Administrator is to make recommendation to City Council who awards the bid.

5. Local Bidder Preference  
If all other relevant factors are met, the City **Administrator** is authorized to negotiate with and select a local vendor if the local vendor's bid is within 10% of the lowest offer. A current City of Pine Lake business license is required to be considered as a local vendor.
6. Equal Opportunity  
The City of Pine Lake will provide an equal opportunity for all businesses to participate in City contracts regardless of sex, race, color, religion, national origin, political affiliation, age, disability, sexual orientation, sexual identification, or -gender identification. The City will seek to ensure that the opportunity to participate in the purchasing process, including bidding, negotiations and contract awards is open to minority-owned and operated firms. The City will not knowingly conduct business with contractors that discriminate or permit discrimination against persons because of sex, race, color, religion, national origin, political affiliation, age, disability, sexual orientation, sexual identification, or gender identification.
7. Contractors to provide drug-free workplace  
Successful bidders must certify that they and their subcontractors provide a drug-free workplace for their employees.
8. Ineligible Vendors  
Any person, firm, or corporation who is in arrears to the City for taxes or fees, will not be qualified to bid on any purchase until their account has been cleared. No requisition will be approved for such vendors.
9. State Contracts  
The City is authorized to use state contracts in lieu of issuing bids to vendors or buying locally when it is to the economic advantage of the City or deemed appropriate by the City **Administrator**. The state contract price may be used to establish the maximum price for a good or service.
10. Cooperative Purchasing.  
The City is authorized to use government cooperative purchasing agreements as approved by the Mayor and Council in lieu of issuing bids to vendors or buying locally when it is to the economic advantage of the City of deemed appropriate by the City **Administrator**.
11. Back-up Policy and Emergency Purchases  
The City should strive to decrease dependency on single-source vendors to achieve maximum efficiency in its purchases. To achieve the City's fiscal independence, it is strongly suggested that each department have back-up vendors for each recurring and/or large purchase.

In cases of emergency, a contract outside the scope of the approved budget may be awarded upon recommendation of the City **Administrator** and approval of the Mayor without competitive bidding, but the procurement shall be made with as much competition as the circumstances allow (i.e., informal quotes). An emergency is defined as a threat to life or property, or an unforeseen situation that curtails or greatly diminishes an essential service as determined by the City **Administrator**.

### **C. Purchasing Authority**

#### **1. Purchasing of Goods**

The City Administrator shall have the authority to purchase non-budgeted, individual goods costing less than \$2,500 each as long as costs remain within the approved budget. Effort will be made to solicit a minimum of three competitive prices for items. To the extent that an emergency condition exists, or an item is supplied by only one source, the City **Administrator** shall make the appropriate notation on the purchase order.

#### **2. Monitoring of Purchases**

The City **Administrator** will monitor purchases to assure compliance with City policy.

### **D. Purchase Order (PO)**

A “Purchase Order” (PO) cannot be issued unless sufficient funds are available in the budget, in compliance with City policy.

The following is the established City procedure for use of purchase orders:

1. An item or service is required and sufficient funds exist in the approved budget to cover the cost of the item or service.
2. A PO is requested from the City **Administrator** or designee. The City Administrator certifies that funds are available to cover the cost of the purchase, prepares the PO and issues approval.
3. The item or service is ordered by a department.
4. The item or service is received and verified by the department.
5. The department provides documentation of the purchase, or the City is invoiced by a vendor for the required item or service.
6. The invoice and PO are reviewed and authorized by the City **Administrator**.
7. Payment to the vendor is generated.



## E. Petty Cash

Petty cash is used to make small cash disbursements for those purchases that must be made quickly and without prior notice on a contingency basis.

Each department may have a petty cash expense account. Petty Cash is incurred as an expense for each department. The petty cash account must be replenished by a Purchase Order (PO) for the individual department. Petty Cash is monitored at least twice a year (but may be done more frequently) to verify account balances.

The following is the City's procedure for petty cash:

1. Petty cash request form is completed. The Petty Cash request form contains details of the request and documented account numbers.
2. The City **Administrator** or designee approves the petty cash request.
3. The requesting party then receives petty cash.
4. Once the purchase is made, a receipt must be obtained.
5. The receipt is then attached to the request form and returned to the petty cash box.

On a regular basis, but no less than twice a year (but may be done more frequently), a PO must be issued for the department's purchases to replenish and balance the cash box.

## F. City Credit Cards

### 1. General

For the purpose of this policy, the term 'credit card' equates to 'financial transaction card' as defined by O.C.G.A. § 16-9-30.

The City **Administrator** will be issued a city credit card. Per City **Administrator** recommendation and approval by Mayor and Council, management level employees may be issued a city credit card. The credit card is to be used for **City business only** to purchase goods, services, or for specific expenditures incurred under approved conditions. All purchases utilizing a city credit card must be in accordance with city policy and state law. The cardholder or designee is the only person authorized use the credit card.

Before being issued a city credit card under this policy and state law, all authorized cardholders shall sign and accept an agreement with the city that the cardholder will use the city credit card only in accordance with the policies of the city.

## 2. Regulations of Use

The established monthly credit card limit for the City Administrator is \$10,000. The City Administrator is authorized to approve credit limits not to exceed \$1,000 for management level employees whose use has been approved by Mayor and City Council.

City credit cards may not be used for the following:

- a. Any purchases for personal use.
- b. Cash refunds or advances.
- c. Items specifically restricted by this policy, unless a special exemption is granted by the Mayor.
- d. Purchases or transactions in violation of purchasing policy, transactional limits or state law.

City credit cards may be used for official city business to purchase goods and/or services that are not prohibited by this policy or state law.

## 3. Roles and Responsibilities

The City Administrator is designated as the administrator of the city's credit cards. The administrator's responsibilities shall include, but not be limited to:

- a. Serve as liaison between the city's cardholders and the issuer(s) of such cards.
- b. Maintain the cardholder agreement for all cardholders.
- c. Provide instruction, training, and assistance to cardholders.
- d. Upon receipt of information indicating fraudulent use or lost/stolen cards, report such incident to the appropriate parties, including the issuer, in a timely manner.
- e. Conduct monthly review and audit of credit card transactions.
- f. Recommend the credit card issuer and system for documenting credit card transactions by cardholders.
- g. Make available for public inspection those documents related to purchases using city credit cards in accordance with O.C.G.A. § 36-80-24.

The credit card holder is responsible for documentation and safekeeping of the credit card during the employee's issuance. A receipt for each transaction must be obtained by the employee when a purchase is made using the City credit card. This receipt shall be dated, and a description of the service or item purchased, and account codes shall be written on the back of every receipt or otherwise

documented during the monthly statement reconciliation process. Each month, the credit card holder must submit on a timely basis documentation of credit card purchases with the credit card statement. Late submittal of credit card documentation may result in credit card privileges being cancelled.

The same standards for credit cards of receipts, documentation, reconciliation, and cancellation shall apply to membership/store cards offered by merchants such as warehouse clubs and hardware stores when an organizational account is maintained by the City.

#### 4. Violations

Violation of the city's credit card policy or state law regarding the use of government-issued credit cards may result in suspension or revocation of city credit card privileges. Violation of the city's credit card policy may constitute a violation of the city's Personnel Rules and Regulations and the cardholder may be subject to disciplinary action including, but not limited to, reprimand, suspension, demotion, or termination.

Nothing in this ordinance shall preclude the City from referring misuse of a credit card for criminal prosecution.

If a cardholder inadvertently makes a transaction in violation of city policy, the cardholder must report the transaction to the card administrator or in the case of the City **Administrator** to the Mayor, within five business days of receipt of the card transaction statement. The cardholder will be responsible for immediately reimbursing the City the full amount of the unacceptable transaction.

#### **G. Expense Reimbursements**

Receipts for City business related expenses requiring reimbursement from the City of Pine Lake must be submitted to the City **Administrator** with an expense reimbursement form within 60 days of the date the expense was incurred. Each receipt shall be dated and contain a description of the service or item purchased and account codes shall be written on the back of every receipt. The appropriate departmental supervisor must approve each expense reimbursement form and forward it to the City Administrator for final approval. Failure to submit the required documentation will result in forfeiture of the reimbursement.

#### **H. Travel Expenses**

When City business travel requires advance payment to the employee for estimated travel expenses, a travel expense/reimbursement form shall be submitted to the accounting office no less than two weeks before the travel date. Within 60 days of the final day of travel, all receipts with dates and a description

of the service or item purchased will be submitted to the City **Administrator**, or if for the City **Administrator**, to the Mayor for verification purposes. If documented expenses exceed the travel advance, a reimbursement will be provided to the employee. If documented expenses are less than the travel advance, the employee will provide the City with the difference between the advance and actual expenses. Failure to provide the appropriate documentation will result in the advance being reported as income on the employee's W-2 and may result in disciplinary action or criminal prosecution.

## VIII. Grants

### A. **Scope**

The purpose of this policy is to provide direction in the application, acceptance and administration of funds awarded through grants to the City from other local governments, the state or federal government, non-profit agencies, philanthropic organizations and the private sector.

### B. **Application and Acceptance of Grants.**

1. The Mayor and Council must approve the application of and acceptance of any grants.
2. The merits of a particular program will be assessed as if it were funded with local tax dollars. Local tax dollars will not be used to make up for losses of intergovernmental aid without first reviewing the program and its merits as a budgetary increment. Therefore, no grant will be accepted that will incur management and reporting costs greater than the grant amount.

### C. **Grant Administration.**

1. Prior to the receipt or expenditure of grant revenues, the City **Administrator** must be provided with the following information prior to receiving grant revenues or making purchases against the grant:
  - a. Copy of grant application
  - b. Notification of grant award
  - c. Financial reporting and accounting requirements including separate account codes and/or bank accounts.
  - d. Schedule of grant payments
2. Each department is responsible for the management of its grant funds and periodic reporting.

## IX. Fixed Assets

Keeping an accurate record of the City's fixed assets is important for a myriad of reasons. Some of the most important reasons that the City needs to keep a good record of fixed assets are: for financial statement information, for insurable values, for control and accountability, for maintenance scheduling and cost analysis, for estimating and accounting for depreciation, for preparation of capital and operating budgets, and for debt management.

### A. Fixed Asset Criteria

A fixed asset is defined as a financial resource meeting all the following criteria:

1. It is tangible in nature.
2. It has a useful life of greater than one year.
3. It is not a repair part or supply item.
4. It has a value equal to, or greater than, the capitalization threshold of \$5,000.

### B. General Policy

1. **Responsibility.**  
The City **Administrator** or her/his designee is ultimately responsible for the proper recording, acquisition, transfer, and disposal of all City assets. City property may not be acquired, transferred, or disposed of without first providing proper documentation. A fixed asset information form must accompany each step.

2. Recording of Fixed Assets

Unless otherwise approved by the City **Administrator**, all recordable fixed assets must be recorded within thirty calendar days after receipt and acceptance of the asset.

Assets will be capitalized at acquisition cost, including expenses incurred in preparing the asset for use.

Donated assets shall be recorded at fair market value as determined by the City **Administrator** or designee. Fair market value may be defined as, but is not limited to, an average of documented prices for equivalent items from three separate vendors.

The City will recognize acquisition costs based on individual unit prices. Assets should not be grouped. For example, in acquiring equipment, if three personal computers (PC) were acquired simultaneously at \$2,000 each, this would not be an asset of \$6,000 consisting of 3 PCs. Instead, it would be three separate acquisitions of \$2,000 and would not be considered a fixed asset.

For equipment purchases, title is considered to pass at the date the equipment is received. Similarly, for donated assets, title is considered to pass when the asset is available for the agency's use and when the agency assumes responsibility for maintaining the asset.

Constructed assets are transferred from the construction in progress account to the related building, improvements other than buildings, or equipment accounts when they become operational. Constructed buildings, for example, are assumed to be operational when an authorization to occupy the building is issued, regardless of whether final payments have been made on all the construction contracts.

### 3. Acquisition of Fixed Assets

There are various methods by which assets can be acquired. The asset acquisition method determines the basis for valuing the asset. Fixed assets may be acquired in the following ways:

- New purchases
- Donations
- Transfers from other City departments
- City surplus
- Internal/external construction
- Lease purchases
- Trade-in
- Forfeiture or condemnation

### 4. Lease Purchases

Assets may be lease-purchased through installment purchases (an agreement in which title passes to the City) or through lease financing arrangements (an agreement in which title may or may not pass).

### 5. Transfer of Fixed Assets

An asset transfer between departments usually represents the sale of an item by one department to another and may be treated as a new purchase. A transfer between related departments under the same control, may, if desired, be treated as a transfer rather than sale. That is, the asset is recorded under the new Department with original acquired date and

funding amount. Transfers of assets requires the approval of the City Administrator.

A fixed asset form must be sent to the City **Administrator** for all transfers.

6. Sale of Fixed Assets, Non-Fixed Assets, and Confiscated Goods

The City is interested in full realization of the value of goods it purchases and therefore must assure that all surplus is disposed to the economic advantage of the City, in compliance with City policy.

Sale of fixed assets and other surplus goods must be to the highest, responsible bidder and must be conducted by sealed bid or by auction, including online auctions or the use of contracted auction services.

Public Works or the designated contractor is responsible for receiving, storing, and safeguarding all auction materials before, during, and after the auction.

7. Reporting

The City **Administrator** will periodically issue a request for surplus goods available for auction. Staff will submit a description form for each auction item. This form will include at minimum a description of the item, serial number, fixed assets number, estimate of value, date of sale, and amount of sale. Large quantities of similar items may be reported on one form, unless it is a Fixed Asset.

The original fixed asset form and the description form in the same file after a fixed asset has been declared surplus.

8. Disposing of goods. .

a. Advertising

Prior to any auction, the City will provide a list of surplus items that are available for use by city departments. Departments will have ten (10) working days from the distribution of the list to request a transfer of the item to their department. Items will be distributed on a first-come, first-served basis. If the item is not claimed for departmental transfer within ten working days it will be auctioned to the highest, responsible bidder.

The auction must be publicized in accordance with O.C.G. A. § 36-37-6 and other applicable state laws.

At the conclusion of an auction a list of unsold items will be published on the City's web site for donation to non-profit organizations on a first-come, first-served basis.

b. Conflict of Interest.

Members of the public may participate as buyers at public sales, in sealed bids, and auctions. Mayor or Council members or an employee whether full-time, part-time or temporary, of the City of Pine Lake, member of the employee's household and/or the employee's immediate family, or any person acting on the employee's behalf may not participate in public sales if the employee has had any role in declaring the item surplus, processing the item or related paperwork, or offering it for sale.

c. Posting items for sale.

The City Administrator or her/his designee will be responsible for managing electronic City seller accounts, such as eBay, GovDeals and posting items for bid. S/he will determine the most efficient communication and listing procedures..

d. Estimating the value of items for sale.

Department heads or their designees are responsible for providing an estimate of the value of fixed assets and confiscated goods designated for auction. Pricing of an item will be determined by reviewing the same or similar items for sale on an electronic auction service. Vehicle estimates will be determined by using Kelly's Blue Book or a similar source. A reserve amount is required for all vehicle sales and estimates over \$500 dollars. Before listing an item for auction the estimated value or reserve amount must be approved by City Administrator.

e. Collection of purchased items.

The buyer is responsible for pick-up and all shipping costs incurred. Vehicles will not be shipped but require pick-up at a location designated by the city Administrator.

f. Forms of Payment.

The City will accept cash, money orders, and cashier checks.

g. Public Safety items.

The sale of certain Public Safety items requires a release form for public and/or non-emergency use. The Police Chief is responsible for ensuring the proper disposal according to state and federal laws regarding these items. A signed release form from the buyer acknowledging proper use is required at the time of pick-up. The release form will be kept with the description form.



9. Recording of the sale

The date of sale, amount of sale, and signature of the buyer will be recorded on the item description form.

The City Administrator or her/his designee will compare the submitted description forms to the record of sale provided by electronic auction service. A report will be prepared by the accounting office including at minimum the list of items sold, the sale price, the buyer contact information, and listing fees paid.

Revenues from the sale of confiscated goods will be issued to the Police Department. Revenues from the sale of all other goods will be issued to the appropriate fund.

Procedures for the recording of the sale will be in accordance with GAAP.

10. Disposal of Fixed Assets, Non-Fixed Assets, and Confiscated Goods

When an asset is disposed of, its value is removed from the financial balances reported and from inventory reports; however, the asset record, including disposal information, remains on file in hardcopy form for three years, after which time it is purged from the system according to general accepted accounting principles. This preserves an audit trail for disposed items and facilitates departmental comparisons between actual or historical useful life information with useful life guidelines. Such comparisons permit a more precise definition of an asset's useful life than those provided by the Internal Revenue Service (IRS), or other guidelines initially used.

A disposal action is appropriate only when certain conditions occur resulting in an asset no longer being in the possession of the agency. Assets no longer in use, which remain in the possession of the department, are considered surplus property and not a disposal.

Fixed assets may be disposed of in any one of seven ways:

- a. Sale or trade-in
- b. Abandonment/Retirement
- c. Lost or stolen
- d. Transfer
- e. Disassembled (taking parts and employing them for like uses within the department, such as is often the practice in computer or vehicle maintenance).
- f. Casualty loss

g. Donation to a 501 (c3) non-profit organization

The city should try to obtain the highest value out of the disposed item. If another city department does not need the item, then it should be put up for auction or sealed bid. If the item is not suitable for sale or does not meet reserve requirements, then it can be donated to a non-profit organization.

Only when the asset is no longer in possession of the department, due to one of the seven reasons listed above, is disposal action appropriate.

Assets are “abandoned” or “retired” when there is no longer any use for them in the Department, they are of no use to any other City department, they cannot be repaired, transferred, cannibalized, sold, or traded in. Meaning that, there is no safe and appropriate use for the abandoned goods to the City or for others.

Stolen items must be reported to Pine Lake Police and a police report filed. A copy of this report must accompany the disposal record.

Casualty losses must be documented within 24 hours of loss and reported to the City’s Administrative Coordinator immediately for follow-up with the City’s insurance carrier.

Disassembled items are considered surplus and are disposed of by noting the disassembly on the disposal record. Ideally, this method will allow departments to look at disassembled items on the disposal report and assess what surplus parts may be available. Departments will send documentation of items cannibalized to the City Administrator and all remaining costs and accumulated depreciation will be removed from appropriate asset accounts in the general fixed asset fund.

All assets no longer in the possession of the department, due to one of these six qualifying conditions and after submission of all appropriate documentation to the City Administrator, will be removed from the master departmental asset file and considered disposed.

Department management is responsible for reviewing disposal reports, evaluating causes and trends leading to disposals, and implementing procedures to more effectively manage and control disposals when the dispositions represent problems, inefficiencies, and/or the incurrence of unnecessary cost.

**C. Disposal of Items of De Minimus Value**

In accordance with O.G.G.A. § 36-37-6(b), the City may dispose of property with an estimated value of \$500 or less without advertisement or the acceptance of bids. The City Administrator or her/his designee is

authorized to approve the disposal of property with an individual value not exceeding \$500 in such manner as s/he judges appropriate. Such disposal may include recycling or transfer to a waste collection site in addition to any of the options described in section B (10) of this policy. In such cases, the department will document the property to be disposed of through a physical log and photographs; and, when practical, provide an estimated value of the property, either individually or as a lot.

## **X. Investments**

### **A. Scope**

This investment policy applies to all funds under the City of Pine Lake's Control.

### **B. Objectives**

The following investment objectives shall be met with this policy:

1. Safety – Preservation of principal shall always be the foremost objective in any investment transaction involving City funds. Those investing funds on the City's behalf must first ensure that capital losses are avoided by limiting credit and interest risk. Credit risk is the risk of loss due to the failure of the security issues or backer. Interest risk is the risk that market value portfolios will fall due to an increase in general interest rates.
2. Liquidity – The second objective shall be the maintenance of sufficient liquidity within the investment portfolio. The City's investment portfolio shall be structured such that securities mature at the time when cash is needed to meet anticipated demands (static liquidity). Additionally, since all possible cash demands cannot be anticipated, the portfolio should maintain some securities with active secondary or resale markets (dynamic liquidity).
3. Return on Investment – The third objective shall be the realization of competitive investment rates, relative to the risk being assumed. However, yield on the City's investment portfolio is of secondary importance compared to the safety and liquidity objectives described above.

### **C. Delegation of Authority**

The overall management of the investment program is the responsibility of the City **Administrator**. Responsibility for daily investment activities will be assigned by the City **Administrator**. The City **Administrator** may designate a consultant or an employee or employees to assist with the management and implementation of the City's investment program.

Responsibilities to fulfill this authority include securing approval from the Mayor and Council to open or close accounts with banks, brokers, and dealers; arranging for the safekeeping of securities; and securing the execution of necessary documents by the Mayor.

A system of internal controls over investments is established and reviewed by the City's independent auditors. The controls are designed to prevent losses of public funds arising from fraud, error, misrepresentation by third parties, unanticipated changes in financial markets, and/or imprudent action by staff and City officials. No person may engage in an investment transaction except as provided for under the terms of the policy.

**D. Authorized Investments**

All investment activity is required to follow Chapter 83 of Title 36 of the *Official Code of Georgia*, which establishes guidelines for local government investment procedures.

The City of Pine Lake may invest funds subject to its control and jurisdiction in the following:

1. Certificates of Deposit (CD's) issued by banks insured by the Federal Deposit Insurance Corporation (FDIC). Deposits in excess of FDIC coverage must be collateralized by securities with a market value equal to at least 110% of the deposit. Only those securities described in Georgia Code 50-17-59 can be pledged as collateral;
2. Certificates of Deposit (CD's) issued by savings and loans associations insured by the Federal Savings and Loan Insurance Corporation (FSLIC). Deposits in excess of the FSLIC coverage must be collateralized by securities equal to at least 110% of the deposit. Only those securities described in Georgia Code 50-17-59 can be pledged as collateral;
3. Obligations issued by the United States government;
4. Obligations fully insured or guaranteed by the United States government or a United States government agency;
5. Obligation of any corporation of the United States government;
6. Obligation of the state of Georgia or of other states;
7. Obligation of other political subdivision of the state of Georgia;
8. The Local Government Investment Pool of the state of Georgia

managed by the State Department of Administrative Services, Fiscal Division;

9. Repurchase agreements (REPO's) issued by commercial banks insured by the FDIC and collateralized by securities described in Georgia Code 50-17-59 with a market value equal to at least 103% of the Repurchase Agreements' maturity value;
10. Repurchase agreements (REPO's) issued by primary dealers supervised by the Federal Reserve Bank of New York and collateralized by securities described in Georgia Code 50-17-59 with a market value of at least 103% of the Repurchase Agreements' maturity value; and
11. Prime Banker's Acceptances.

**E. Prudence**

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Under the "prudent person" standard, investments shall be made with judgment and care, under circumstances then prevailing, which persons of ordinary 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 revenue to be gained.

The **City Administrator** and all designees acting in accordance with 1) written procedures, 2) this investment policy, and 3) exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse development.

**F. Diversification**

Diversification is a key component of portfolio security. Therefore with investments, the City shall endeavor to maintain an adequate level of diversification among its investments. The City shall not be over invested in any one type of instrument or financial institution. This limitation shall not apply to the Local Government Investment Pool or direct obligations of the United States government.

**G. Maturities**

To achieve the objective of adequate liquidity within City's portfolio, the City shall attempt to match investment maturities with anticipated cash flow requirements. Unless matched to a specific cash flow, the maximum

maturity of any instrument in the City's portfolio may not exceed two years from the date of acquisition by the City. To preserve liquidity and to lessen market risk, not more than 25% of the total portfolio may mature more than one year beyond the date of calculation. The maturity of non-negotiable time deposits may not exceed one year.

**H. Safekeeping and Custody**

All investment securities purchased by the City of Pine Lake shall be delivered against payment and shall be held in a third-party safekeeping account by the trust department of a bank insured by the Federal Deposit Insurance Corporation. The City **Administrator**, or his/her designee, shall be responsible for the selection of a financial institution for this purpose, as well as the execution of a written safekeeping agreement with the trustee.

**I. Ethics and Conflicts of Interest**

Officers and employees involved in the investment process will refrain from personal business activity that would conflict with proper execution of the investment program, or which would impair their ability to make impartial investment decisions. Employees and investment officials will disclose to the City **Administrator** any material financial interests in financial institutions that conduct business with the City, and they will further disclose any large personal financial/investment positions that would be related to the performance of the City's portfolio. Employees and investment officials will subordinate their personal investment transactions to those of the City – particularly regarding the time of purchases and sales.

**J. Relationships with Banks and Brokers**

The City of Pine Lake in selecting depositories, objective business criteria will be used. The creditworthiness of the institutions will be a fundamental consideration.

**K. Report on Deposits and Investments**

Periodic investment reports will be submitted to the City **Administrator**. Reports should include the following: an average daily balance of investment in each investment category; a current portfolio yield for each investment type and for the portfolio as a whole; an average daily balance of uninvested collected funds; an average daily balance of uncollected funds; and a percent of available funds invested. The report shall also provide a list of investments and accrued interest as of the last day of the quarter.

**L. Performance Evaluation**

The City **Administrator**, or her/his designees, will seek to achieve a market average rate of return on the City's portfolio. Given the special safety and liquidity needs of the City, the basis used to determine whether market yields are being achieved shall be the six-month Treasury Bill.

## XI. Debt

### A. Policy Statement

Debt results when one borrows from an individual or an institution. The borrower receives funds to acquire resources for current use with an obligation for repayment later. The debt from borrowing generally must be repaid with interest.

The goal of the City's debt policy is to maintain a sound fiscal position. The City strives to balance service demands and the amount of debt incurred but also realizes that too much debt may have detrimental effects as well. When the City of Pine Lake utilizes debt financing, it will ensure the debt is financed soundly and conservatively.

### B. Conditions for Using Debt

Debt financing of capital improvements and equipment will be done only when one or more of the following four conditions exist:

1. When non-continuous projects (those not requiring continuous annual appropriations) are desired;
2. When it can be determined that future users will receive a benefit from the improvement;
3. When it is necessary to provide basic services to residents and taxpayers; or,
4. When total debt, including that issued by overlapping government entities, does not constitute an unreasonable burden to residents and taxpayers.

### C. Sound Financing of Debt

When the City utilizes debt financing, it will ensure that the debt is soundly financed by:

1. Taking a prudent and cautious stance toward debt, incurring debt only when necessary;
2. Conservatively projecting the revenue sources that will be used to pay the debt;
3. Ensuring that the term of any long-term debt incurred by the City shall not exceed the expected useful life of the asset for which the debt is incurred and shall be limited to capital improvements only;
4. Determining that the benefits of the improvement exceed the costs, including interest costs;
5. Maintaining a debt service coverage ratio which ensures that combined debt service requirements will not exceed revenues pledged for the payment of debt;
6. Analyzing the impact of debt service on total annual fixed costs before bonded long-term debt is issued; and,

7. Maintaining total debt service for general obligation debt that does not exceed 10 percent of the net operating revenues. Net operating revenues are all general fund revenues available after accounting for transfers between other City funds.

#### **D. Post-Issuance Tax Compliance for Tax-Exempt Debt**

The City shall comply with all federal and state laws, rules and regulations related to the issuance of debt.

1. Responsibility- The City **Administrator** shall be responsible for reviewing the requirements and responsibilities of the City under the Policy with bond counsel on or before the closing date of any Debt issued by the City.
2. Dissemination and Training- The policy shall be disseminated to all relevant staff in the City and to the auditor. Appropriate training will be provided to all personnel directly involved in the administration of tax-exempt debt to ensure they comply with the provisions of the Policy. The City **Administrator** shall consult as appropriate with qualified attorneys with respect to the content of such training.
3. Review- The City **Administrator** shall annually conduct a due diligence review of all Debt currently outstanding to ensure proper compliance with each of the provisions of the Policy. If the City **Administrator** discovers non-compliance with any provisions of the Policy, steps necessary to correct the noncompliance will be taken within ten (10) business days of the conclusion of the annual due diligence review. Records of all corrective action taken shall be retained in accordance with the Policy.
4. Provisions
  - a. Record Keeping- All records relating to the Debt needed to comply with Section 6001 of the Internal Revenue Code of 1986, as amended (the "Code") shall be maintained. These records shall be kept in paper or electronic form and shall include, among other things, (i) basic records relating to the transaction (including the bond documents, the opinion of bond counsel, etc.), (ii) documents evidencing the expenditure of the proceeds of the Debt, (iii) documentation evidencing the use of Debt-financed property by public and private entities (e.g., copies of management contracts, leases and research agreements) and (iv) documentation pertaining to any investment of Debt proceeds (including the purchase and sale of securities, SLG subscriptions, yield calculations for each class of investments, actual investment income received from the investment of the proceeds of the Debt, guaranteed investment contracts and rebate calculations. Such records must be maintained as long as the Debt is outstanding, plus three years after the final payment or redemption date of the respective Debt.



- b. Use of Proceeds- A list of all property financed with the proceeds of the Debt shall be created and maintained. The use of such property shall be monitored to ensure that such use does not constitute “private business use” within the meaning of the Code. Without limiting the foregoing, each contract, including but not limited to management contracts and leases, relating to such property shall be reviewed by legal counsel prior to the execution of such contract. The list of property shall be reviewed at least annually to ensure that none of the property has been sold.
- c. Remedial Action- If property financed with the proceeds of the Debt is used in a manner that constitutes “private business use” or the property is sold, the remediation provisions of Treasury Regulation § 1.141-12 shall be carried out in consultation with bond counsel.
- d. Yield Restriction- If bond counsel advises that a fund or account needs to be yield restricted (i.e., not invested at a yield in excess of the Debt), the moneys on deposit in such fund or account shall be invested in United States Treasury Obligations – State and Local Government Series, appropriate “yield reduction payments” shall be made if permitted by the Code or the City Administrator shall establish other procedures to ensure that such fund or account is yield restricted.
- e. Rebate- At the time the Debt is issued, the City Administrator or designee shall determine if s/he reasonably expects that one of the arbitrage rebate exceptions will be satisfied. If the arbitrage rebate exception relates to the time period over which the proceeds of the Debt are spent, the City Administrator shall verify that the appropriate expenditures have been made at each milestone. If one of the milestones is not satisfied or the City Administrator does not reasonably expect that one of the arbitrage rebate exceptions will be satisfied, an outside arbitrage rebate consultant shall be retained unless the City Administrator has determined that positive arbitrage will not be earned.



# Memo

**DATE:** January 1, 2023  
**TO:** Pine Lake Community  
**FROM:** ChaQuias Thornton, City Administrator  
**RE:** SAFEbuilt Contract Amendment

On December 13, 2022 the Administration Office was presented with the attached contract amendment, as proposed, for services provided to the City by SAFEBuilt. SAFEBuilt serves as the City's building official, fire marshal, and development plan review provider.

SAFEBuilt representative has presented that because of the increase in overhead costs across the nation, SAFEbuilt will institute a 4% increase in their hourly rates, effective January 1, 2023.

Attached is the proposed amendment for Mayor and Council review and consideration.

NOTE: SAFEBuilt was made aware that the Council would not meet again to consider the proposed amendment until its regular meeting of January 10<sup>th</sup>, 2023 – which is after the proposed effective date of the amendment.

Please let me know if you should have any questions regarding.

Thank you,

CMThornton

**AMENDMENT ONE  
AGREEMENT  
BETWEEN CITY OF PINE LAKE, GEORGIA  
AND SAFEbuilt GEORGIA, LLC**

**This Amendment is entered into to amend the Professional Services Agreement** previously entered into on September 25, 2012, by and between City of Pine Lake, Georgia, (Municipality) and SAFEbuilt Georgia, LLC, formerly known as Safe Built Georgia, Inc., a wholly owned subsidiary of SAFEbuilt, LLC, (Corporation). Municipality and Corporation shall be jointly referred to as the “Parties”.

**Amendment Effective Date:** Amendment is effective on January 01, 2023, following full execution by both Parties.

**RECITALS AND REPRESENTATIONS**

Parties entered into a Professional Services Agreement (Agreement), by which both Parties established the terms and conditions for service delivery on September 25, 2012; and

Parties hereto now desire to amend the Agreement as set forth herein; and

**NOW, THEREFORE**

Agreement is hereby amended as set forth below:

- A. Agreement, Attachment B shall reflect a rate increase based on the Consumer Price Index (CPI). Agreement, Attachment B shall be replaced in its entirety as follows:

FEE SCHEDULE

- ✓ Municipality and Consultant will review the Municipal Fee Schedule and valuation tables annually to discuss making adjustments to reflect increases in the costs incurred by Consultant to provide Services.
- ✓ Beginning January 01, 2023 and annually thereafter, the hourly and flat rates listed shall be increased based upon the annual increase in the Department of Labor, Bureau of Labor Statistics or successor thereof, Consumer Price Index (United States City Average, All Items (CPI-U), Not Seasonally adjusted, All Urban Consumers, referred to herein as the “CPI”) for the Municipality or, if not reported for the Municipality the CPI for cities of a similar size within the applicable region from the previous calendar year, such increase, however, not to exceed 4% per annum. The increase will become effective upon publication of the applicable CPI data. If the index decreases, the rates listed shall remain unchanged.
- ✓ Consultant fees for Services provided pursuant to this Agreement will be as follows:

Building Official and Administration Services	\$119.60 per hour (2 hour minimum)
Flood Plan Manager Services	\$119.60 per hour (2 hour minimum)
Construction Inspection Services	
Residential Building Permit Fees	80% of permit fee
Commercial Building Permit Fees	80% of permit fee
City owned projects	25% of normal permit fee
Disaster & Emergency Response Services	No Charge
Permit Software Services	No Charge

**All other provisions of the original Agreement shall remain in effect, to the extent not modified by Amendment.**

IN WITNESS HEREOF, the undersigned have caused this Amendment to be executed in their respective names on the dates hereinafter enumerated.



Gary Amato, CAO  
SAFEbuilt Georgia, LLC

December 13, 2022

Date

\_\_\_\_\_  
Signature  
City of Pine Lake, Georgia

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name & Title  
City of Pine Lake, Georgia



# Memo

**To:** Mayor and City Council  
**From:** ChaQuias Thornton, City Administrator  
**Date:** January 6, 2023  
**Re:** Letter of Engagement for Audit Services – FY2022 Audit

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I have requested draft of the Letter of Engagement for audit services to be conducted relative to the City's annual 2022 fiscal year audit. To-date, I have not received the draft. I anticipate being able to present the draft to Council no later than the January 31<sup>st</sup>, 2023 regular session of Council.

Thank you,

CMThornton



# Memo

**To:** Mayor and City Council  
**From:** ChaQuias Thornton, City Administrator  
**Date:** January 1, 2023  
**Re:** Resolution R-01-2023 – To Set Qualifying Fees for the Election 2023

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Pine Lake Code of Ordinances, Chapter 2 – ADMINISTRATION, ARTICLE III. – ELECTIONS, Sec. 2-100. - Qualification fees, provides the following:

“The qualifying fees are to be set and published by the governing body not later than February 1 of any year in which a general primary, nonpartisan election or general election is to be held, and at least 35 days prior to the special primary or election, pursuant to O.C.G.A. § 21-2-131 et seq. Such fees, if any, shall be paid to the municipal superintendent at the time a candidate files his or her notice of candidacy.

General Election for the position of Mayor and for two Council seats is set to be held in November of 2023. Qualifying fees for the position of Mayor is set at \$36.00 (3% of the annual salary of \$1,200 for the position of Mayor). Qualifying fees for the position of Council Member is set at \$18.00 (3% of the annual salary of \$600 for the position of Council).

Thank you,

CMThornton

**RESOLUTION# R-01-2023**

**A RESOLUTION TO SET THE QUALIFYING FEE FOR THE  
OFFICE OF MAYOR AND THE OFFICE OF COUNCIL MEMBER  
FOR THE 2023 CALENDAR YEAR**

**WHEREAS**, O.C.G.A. § 21-2-131 (a)(1)(A) requires the governing authority of any county or municipality, not later than February 1 of any year in which a general primary, nonpartisan election, or general election is to be held, and at least 35 days prior to the special primary or election in case of a special primary or election, shall fixed and publish a qualifying fee for each county or municipal office to be filled in the upcoming primary or election.

**WHEREAS**, O.C.G.A. § 21-2-131 (a)(1)(A) also provides that such qualifying fee shall be three percent of the total gross salary of the office paid in the preceding calendar year including all supplements authorized by law if a salaried office.

**NOW, THEREFORE, BE IT RESOLVED**, by the governing authority of the City of Pine Lake, Georgia, that the qualifying fee for the municipal offices to be filled in the upcoming general municipal election for the 2023 calendar year be set as follows:

1. \$36.00 for the position of Mayor.
2. \$18.00 for the position of Council Member.

**BE IT FURTHER RESOLVED** that any and all resolutions or any part thereof in conflict with this resolution are hereby repealed. This resolution shall be effective immediately upon its adoption.

**ADOPTED** by the Mayor and Council of the City of Pine Lake, this \_\_\_\_\_ day of January, 2023.

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Melanie Hammet, Mayor  
City of Pine Lake, Georgia

ATTEST:

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ChaQuias Miller-Thornton City Admin/City Clerk  
City of Pine Lake, Georgia

**RESOLUTION**  
**R-02-2023**

WHEREAS, a quorum of the City Council of the City of Pine Lake, Georgia, entered into executive session on December 13, 2022 as allowed by O.C.G.A. §50-14-4 for the purpose of discussing personnel matters; and,

WHEREAS, at the close of discussion of each subject, the City Council of the City of Pine Lake, Georgia, did vote to close the executive session and begin open session; and,

WHEREAS, the members present were: Mayor Hammet; Mayor pro tern Bordeaux; and, Council members Brantley, Castro, Hall, and Woods.

WHEREAS, the members voting for closure were: Mayor pro tern Bordeaux; and, Council members Brantley, Castro, Hall, and Woods.

NOW, THEREFORE, BE IT RESOLVED, and it is hereby resolved, by the City Council of the City of Pine Lake, Georgia, that:

- 1) Each member of the City Council of the City of Pine Lake, Georgia present for the meeting does hereby confirm that to the best of her knowledge, the said subject matter of the executive sessions were devoted to matters within the relevant exception as set forth above; and,
- 2) That the actions taken in executive session and discussion of the same are hereby ratified; and,
- 3) That the City Council of the City of Pine Lake, Georgia does hereby authorize and direct the Mayor to execute an affidavit in order to comply with O.C.G.A. §50-14-4(b); and,
- 4) That the affidavit be included and filed with the official minutes of the meetings and shall be in a form which substantially complies with the requirements of the statute.

This \_\_\_\_\_ day of January, 2023.

\_\_\_\_\_  
Melanie Hammet, Mayor

ATTEST:

\_\_\_\_\_  
ChaQuias M. Thornton, Administrator/Acting City Clerk





# Memo

**To:** Mayor and City Council  
**From:** ChaQuias Thornton, City Administrator  
**Date:** January 6, 2023  
**Re:** Resolution R-03-2023 – FY2023 Budget Amendment

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I am continuing to draft the FY2022 Budget Amendment and expect to present the same to Council during the January 10, 2023 council meeting for consideration during the Tuesday, January 31, 2023 council meeting. The proposed amendment will be based in encumbrances incurred no later than December 31, 2022 and 2022 revenue received or expected to be received within 60 days of year end.

As a general rule, the Administration has 60 days from year end to present/make necessary adjustments to the previous year's budget.

Thank you,

CMThornton