



September 16, 2025 5:30 pm

1. Call to Order by Mayor Jonathan McCollar
2. Invocation and Pledge of Allegiance by Mayor Pro Tem Shari Barr
3. Recognitions/Public Presentations:
 - A) Presentation of a retirement award to John Dekle, Sanitation Superintendent, retiring effective October 1, 2025 after 15 years of dedicated service to the City of Statesboro.
 - B) Presentation of a retirement award to Tommy Sims, Water & Sewer Supervisor, retiring effective October 1, 2025 after 19 years of dedicated service to the City of Statesboro.
 - C) Presentation of a Proclamation recognizing September 2025 as Deaf Awareness Month.
 - D) Presentation of a Proclamation recognizing September 2025 as National Recovery Month.
4. Public Comments (Agenda Item):
5. Consideration of a Motion to approve the Consent Agenda
 - A) Approval of Minutes
 - a) 09-02-2025 Council Minutes
 - b) 09-02-2025 Executive Session Minutes
 - c) 09-02-2025 Public Hearing Minutes - 2025 Millage Rate 6:30 pm
 - B) Consideration of a motion to approve the due date of December 20th 2025 for the City of Statesboro property tax bills.
6. Public Hearing and consideration of a motion to approve **Resolution 2025-25**: A Resolution setting the millage rate for Ad Valorem (Property) Taxes for the 2025 calendar year for the City of Statesboro, Georgia.
7. Public hearing and consideration of a motion to approve: **APPLICATION V 25-08-02**: Lindsay Martin requests a Variance to allow a permitted use in the HOC (Highway Oriented Commercial) district under Section 2.2.10 of the UDC for the property located 240 North Main Street (Tax Parcel # S26 000079 000).
8. Public hearing and consideration of a motion to approve: **APPLICATION V 25-08-05**: Cody Rogers requests a Variance from UDC Table 2.2.9-B-Dimensional Standards for the property located at 24087 Highway 80 East (Tax Parcel# MS84000102 103).
9. Second reading and consideration of a motion to approve **Ordinance 2025-09**: An Ordinance amending Chapter 6 of the Statesboro Code of Ordinance to allow for a Local Distillery alcohol license classification.

10. Consideration of motion to approve **Resolution 2025-26**: A resolution authorizing the Mayor to execute documents relating to financing for the construction of Fire Station #3 with the Georgia Municipal Association and Queensborough Bank. Said documents are as follows:
 - A) Installment Sale Agreement
 - B) Assignment and Transfer Agreement
 - C) Deed to Secure Debt and Security Agreement
 - D) Agreement Regarding Environmental Activity
 - E) Limited Warranty Deed
 - F) The financial terms of the Installment Sale Agreement
11. Consideration of a motion to approve **Resolution 2025-27**: A resolution approving application for the Lorrie Otto Seeds for Education Grant Program in the amount of \$400. No matching funds are required.
12. Consideration of a motion to approve **Resolution 2025-28**: A resolution approving application for the BRACE grant in the amount of \$2,500.00 from the Keep Georgia Beautiful Foundation. No matching funds are required.
13. Consideration of a motion to approve **Resolution 2025-29**: A Resolution approving application for the Recycling and Waste Diversion Grant for \$13,700 to support waste reduction efforts and recycling events managed by Keep Statesboro Bulloch Beautiful. No matching funds required from City of Statesboro.
14. Consideration of a motion to approve the purchase of 6 new patrol cars from Stivers Ford in the amount of \$239,520.00, and 2 unmarked detective vehicles from J.C. Lewis Ford in the amount of \$90,588.14 and the up-fitting for all 8 vehicles in the amount of \$250,299.02 done by West Chatham Warning Devices. This purchase will be funded using 2019 SPLOST funds.
15. Other Business from City Council
16. City Managers Comments
17. Public Comments (General)
18. Consideration of a Motion to enter into Executive Session to discuss “Personnel Matters” “Real Estate” and/or “Potential Litigation” in accordance with O.C.G.A 50-14-3(b)
19. Consideration of a Motion to Adjourn

A PROCLAMATION BY THE MAYOR AND CITY COUNCIL OF STATESBORO, GEORGIA

Deaf awareness month

- WHEREAS:** The International Day of the Deaf was established by the World Federation of the Deaf on September 28th and later expanded to a full week, now known as International Week of the Deaf People, which is observed annually during the last full week of September, and;
- WHEREAS:** In Georgia, roughly 2.3% of persons aged 25-64 identify as Deaf or Hard of Hearing, and over 375 infants are born annually with hearing loss in Georgia;
- WHEREAS:** Deaf Awareness Month is dedicated to promoting understanding, awareness, and appreciation of the Deaf community and the unique culture, language, and experiences of Deaf individuals;
- WHEREAS:** the month serves as an opportunity to celebrate the rich contributions of Deaf persons and to foster inclusivity, accessibility, and equal opportunities for all;
- WHEREAS:** it is important to recognize the importance of American Sign Language (ASL) and other sign languages as vital means of communication and cultural identity for Deaf individuals;
- WHEREAS:** increasing awareness and understanding can help eliminate misconceptions and barriers faced by Deaf and Hard-of-Hearing persons in education, employment, and daily life;
- WHEREAS:** addressing the distinct health difficulties encountered by the Deaf population, including access to healthcare and mental health services, and lobby for enhanced healthcare resources and assistance.

NOW, THEREFORE I, Jonathan McCollar, Mayor of the City of Statesboro along with Zeta Phi Beta Sorority, Incorporated, Iota Iota Zeta Chapter of Bulloch/Jenkins County do hereby proclaim the month of September as

Deaf Awareness Month

and urges the community to engage in events and activities that fosters awareness, inclusivity, and support for the Deaf and Hard of Hearing individuals and their families.

Dated this 16th day of September 2025.

Jonathan McCollar, Mayor

A PROCLAMATION BY THE MAYOR AND CITY COUNCIL OF STATESBORO, GEORGIA

NATIONAL RECOVERY MONTH

WHEREAS: behavioral health is an essential part of one's overall health and well-being; and

WHEREAS: recovery from addiction occurs every day through a variety of recovery support services and treatment programs; and

WHEREAS: prevention of substance use disorders works, treatment is effective and people recover across Georgia and around the nation; and

WHEREAS: millions of people across the United States are living happy, joyous, and free in long-term recovery; and

WHEREAS: the 2025 Georgia Recovers bus tour celebrates "Georgia Recovers in Communities" and recognizes we are never alone on this journey through recovery; and

WHEREAS: education throughout our communities about recovery and addiction is essential to combating the stigma and discrimination faced by many people in recovery; and

WHEREAS: to help more people experience and sustain long-term recovery, the Georgia Department of Behavioral Health and Developmental Disabilities, the Georgia Council for Recovery, and the Georgia General Assembly Working Group on Addiction and Recovery, invite all residents of the State of Georgia to participate in National Recovery Month.

NOW, THEREFORE I, Jonathan McCollar, Mayor of the City of Statesboro do hereby proclaim the month of September 2025 as:

NATIONAL RECOVERY MONTH

in Statesboro and call upon the people of Statesboro to observe this month with appropriate programs, activities, and ceremonies to support this year's Recovery Month theme, "Georgia Recovers in Communities."

IN WITNESS THEREOF, I have hereunto set my hand and caused the Seal of the City of Statesboro to be affixed this 16th day of September in the year two thousand and twenty-five.

Jonathan McCollar, Mayor



CITY OF STATESBORO
COUNCIL MINUTES
SEPTEMBER 2, 2025

Regular Meeting

50 E. Main St. City Hall Council Chambers

9:00 AM

1. Call to Order

Mayor Jonathan McColiar called the meeting to order

2. Invocation and Pledge

Pastor Mark Burgess gave the Invocation and Mayor McColiar led the Pledge of Allegiance.

ATTENDANCE

Attendee Name	Title	Status	Arrived
Jonathan McColiar	Mayor	Present	
Tangie Johnson	Councilmember	Present	
Paulette Chavers	Councilmember	Present	
Ginny Hendley	Councilmember	Absent	
John Riggs	Councilmember	Absent	
Shari Barr	Mayor Pro Tem	Present	

Other staff present: City Manager Charles Penny, Assistant City Manager Jason Boyles, IT Support Specialist Allen Schleder, City Attorney Cain Smith and City Clerk Leah Harden

3. Public Comments (Agenda Item): None

4. Consideration of a Motion to approve the Consent Agenda

A) Approval of Minutes

a) 08-19-2025 Work Session Minutes

b) 08-19-2025 Council Minutes

c) 08-19-2025 Executive Session Minutes

B) Consideration of a motion to surplus a 2013 Caterpillar 816F Compactor from the Solid Waste Division of Public Works and Engineering.

A motion was made to approve the consent agenda.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Tangie Johnson
SECONDER:	Councilmember Paulette Chavers
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

5. Public hearing to solicit input on the proposed 2025 millage rate for property taxes.

A motion was made to open the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Mayor Pro Tem Shari Barr
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

City Manager Charles Penny presented the City of Statesboro Fiscal Year 2026 operating budget. The objectives to this year's budget is to retain and recruit exceptional employees with an emphasis on public safety. The budget highlights show a 6% total expense decrease due to less transfers and an 8% increase in general fund expenses. Mr. Penny highlighted the city compensation and benefits that includes the continuance of pay for performance, and no increases to employee health benefits. Current and future opportunities are to position Statesboro for growth in the region and to keep the pay plan up to date. The concerns and unknowns are that nearly 25% of the total assessed property in Statesboro is tax exempt and we are still dealing with labor market challenges. Mr. Penny shared a graph comparing property tax millage rates with other communities around the state. The graph shows Statesboro somewhere in middle at 8.625. The current rates for Bulloch County are 11.350, the Board of Education at 10.400, and a proposed rate for the City of Statesboro of 8.625. While the city has experienced growth the tax base is smaller than that of the county which means it generates less revenue per mill than that of the county and board of education. Mr. Penny reviewed the General Fund and Fire Fund highlighting that the General Fund budget is 62.7% for salary and benefit costs. The police department budget is funded out of the General Fund and is \$12,665,715. In addition, the Fire Fund transfer from the General Fund is \$3,200,000. The estimated increase on a home with a \$250,000 value would be approximately \$66.25. Staff recommends keeping the millage rate at 8.625.

No one spoke for or against the proposed millage rate.

A motion was made to close the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Mayor Pro Tem Shari Barr
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

Mayor McCollar announced that another hearing would be held this evening at 6:30 pm in the Council Chambers.

6. Public hearing to solicit input regarding a multiyear installment sale agreement, subject to annual renewal, to be entered into between the City of Statesboro and Georgia Municipal Association, Inc., a Georgia nonprofit corporation, relating to the acquisition and construction of a new fire station in the City of Statesboro, Georgia.

A motion was made to open the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Mayor Pro Tem Shari Barr
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

No one spoke for or against the request.

A motion was made to close the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Mayor Pro Tem Shari Barr
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

7. Public hearing and first reading of Ordinance 2025-09: An Ordinance amending Chapter 6 of the Statesboro Code of Ordinance to allow for a Local Distillery alcohol license classification.

A motion was made to open the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Tangie Johnson
SECONDER:	Mayor Pro Tem Shari Barr
AYES:	Johnson, Chavers, Hendley, Riggs, Barr
ABSENT:	

Allen Muldrew with the Downtown Statesboro Development Authority spoke in favor of the request.

No one spoke against the request.

A motion was made to close the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Tangie Johnson
SECONDER:	Councilmember Paulette Chavers
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

A motion was made to approve the first reading and move forward for the second reading of **Ordinance 2025-09**: An Ordinance amending Chapter 6 of the Statesboro Code of Ordinance to allow for a Local Distillery alcohol license classification.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Paulette Chavers
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

8. Public Hearing & Consideration of a Motion to approve application for an alcohol license in accordance with The City of Statesboro alcohol ordinance Sec. 6-13 (a)

Reliance 17412 Inc.
Owner: Pashav Shah
Location: 17412 US 301
License Type: Package Sales – Beer and Wine Only

A motion was made to open the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Tangie Johnson
SECONDER:	Mayor Pro Tem Shari Barr
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

No one spoke for or against the request.

A motion was made to close the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Paulette Chavers
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

A motion was made to approve an application for an alcohol license in accordance with The City of Statesboro alcohol ordinance Sec. 6-13 (a) issued to Reliance 17412 Inc., Owner: Pashav Shah, Located: 17412 US 301, License Type: Package Sales – Beer and Wine Only.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Tangie Johnson
SECONDER:	Councilmember Paulette Chavers
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

- 9. Consideration of a motion to rescind the previous approval of the application submitted by Centurion Property 111 South, LLC dba South Apartments for funding under the Security enhancement Incentive Program in the amount of \$9,969.50, and conditionally approve an application submitted by Centurion Property 111 South, LLC dba South Apartment for funding under the Security Enhancement Incentive Program in the amount of \$13,000.00 subject to the fulfillment of all eligibility requirements.**

A motion was made to approve to rescind the previous approval of the application submitted by Centurion Property 111 South, LLC dba South Apartments for funding under the Security enhancement Incentive Program in the amount of \$9,969.50, and conditionally approve an application submitted by Centurion Property 111 South, LLC dba South Apartment for funding under the Security Enhancement Incentive Program in the amount of \$13,000.00 subject to the fulfillment of all eligibility requirements.

RESULT:	Approved (Unanimous)
MOVER:	Mayor Pro Tem Shari Barr
SECONDER:	Councilmember Paulette Chavers
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

10. Consideration of a motion to approve a Memorandum of Understanding with Pineland Behavioral Health and Developmental Disabilities authorizing the distribution of Statesboro Area Transit vouchers.

A motion was made to approve a Memorandum of Understanding with Pineland Behavioral Health and Developmental Disabilities authorizing the distribution of Statesboro Area Transit vouchers.

RESULT:	Approved (Unanimous)
MOVER:	Mayor Pro Tem Shari Barr
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

11. Consideration of a motion to approve the Fifth Amendment to the lease agreement with New Cingular Wireless PCS (AT&T) regarding the Claude Howard Water Tank at 600 Park Avenue to include upgrades to existing cellular equipment.

A motion was made to approve the Fifth Amendment to the lease agreement with New Cingular Wireless PCS (AT&T) regarding the Claude Howard Water Tank at 600 Park Avenue to include upgrades to existing cellular equipment.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Tangie Johnson
SECONDER:	Councilmember Paulette Chavers
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

12. Consideration of a motion to donate five (5) Motorola Portable Radios from the Statesboro Fire Department to the Citizens Assisting in Fire Emergencies (C.A.F.E.).

A motion was made to donate five (5) Motorola Portable Radios from the Statesboro Fire Department to the Citizens Assisting in Fire Emergencies (C.A.F.E.).

RESULT:	Approved (Unanimous)
MOVER:	Mayor Pro Tem Shari Barr
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

13. Consideration of a motion to approve a change order on the ENG-122k West Main Street Sidewalk Project with HD Construction in the amount of \$124,180.00, to be funded by TSPLOST.

A motion was made to approve a change order on the ENG-122k West Main Street Sidewalk Project with HD Construction in the amount of \$124,180.00, to be funded by TSPLOST.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Paulette Chavers
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

14. Consideration of a motion to approve the purchase of a 2026 HX260 International Dump truck from Roberts International Trucks in the amount of \$206,450.94 for the Solid Waste Disposal Division, to be funded by Solid Waste Disposal reserve funds and insurance total loss funds reimbursement.

A motion was made to approve the purchase of a 2026 HX260 International Dump truck from Roberts International Trucks in the amount of \$206,450.94 for the Solid Waste Disposal Division, to be funded by Solid Waste Disposal reserve funds and insurance total loss funds reimbursement.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Tangie Johnson
SECONDER:	Councilmember Paulette Chavers
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

15. Consideration of a motion to approve the purchase of one (1) 2025 Ford F-150 Supercab XL in the amount of \$41,178.00 and one (1) 2026 F-250 4x2 Superduty w/utility bed in the amount of \$55,253.00 from JC Lewis Ford for the Water & Sewer Division of the Public Utilities Department. These items to be purchased with funds approved in the FY2026 CIP Budget, WWD-136 funded by system revenues.

A motion was made to approve the purchase of one (1) 2025 Ford F-150 Supercab XL in the amount of \$41,178.00 and one (1) 2026 F-250 4x2 Superduty w/utility bed in the amount of \$55,253.00 from JC Lewis Ford for the Water & Sewer Division of the Public Utilities Department. These items to be purchased with funds approved in the FY2026 CIP Budget, WWD-136 funded by system revenues.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Tangie Johnson
SECONDER:	Mayor Pro Tem Shari Barr
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

16. Other Business from City Council None

17. City Managers Comments

City Manager Charles Penny shared that a second public hearing on the proposed 2025 millage rate would take place this evening at 6:30 pm in the council chambers. Mr. Penny brought attention to an annexation petition of 3.01 acres located at 355 Langston Chapel road. The property is for improvements to the existing Bird's Pond water retention area. Mr. Penny also shared that with the proposed changes to the massage therapy and salon ordinances, two stakeholder meetings will be held on Monday September 8, 2025 at 10:00 am and 4:00 pm.

18. Public Comments (General):

Anthony Hendrickson introduced his plans to launch a local Police Athletic League Program through his non-profit organization Lead by Example & Reverse the Trend, Inc. Mr. Hendrickson stated they have secured the former Habitat building on West Main Street and turn it into a place for mentoring, job readiness, and violence prevention programs.

Annie Bellinger voiced her concern of children swimming in the ditches stating the fee for the pool at Luetta Moore Park is too high. Ms. Bellinger raised another concern about tax rates increasing stating that longtime residents are being pushed to their breaking point. She also brought attention to a tree on Johnson Street that has a piece of tin in it from the last storm, which needs to be removed.

The city will send someone out to look at the tree situation. There are vouchers available at the Honey Bowen Building for the pool at Luetta Moore Park.

Marcus Toole representing Habitat for Humanity shared his support for Mr. Hendrickson's proposal and that this use of the former Habitat building is the highest possible use of that space.

19. Consideration of a Motion to enter into Executive Session to discuss "Personnel Matters" "Real Estate" and/or "Potential Litigation" in accordance with O.C.G.A 50-14-3(b).

At 9:57 a.m., a motion was made to enter into Executive Session to discuss "Personnel Matters" in accordance with O.C.G.A. 50-14-3(b).

RESULT:	Approved (Unanimous)
MOVER:	Mayor Pro Tem Shari Barr
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

At 10:23 a.m., a motion was made to exit Executive Session.

RESULT:	Approved (Unanimous)
MOVER:	Mayor Pro Tem Shari Barr
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

20. Consideration of a Motion to Adjourn

A motion was made to adjourn.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Tangie Johnson
SECONDER:	Councilmember Paulette Chavers
AYES:	Johnson, Chavers, Barr
ABSENT:	Councilmembers: Ginny Hendley and John Riggs

The meeting was adjourned at 10:23 a.m.

Jonathan McCollar, Mayor

Leah Harden, City Clerk



CITY OF STATESBORO
PUBLIC HEARING MINUTES
SEPTEMBER 2, 2025

Mayor & Council Work Session

50 East Main Street

6:30 PM

A Public Hearing was held on September 2, 2025, at 6:30 p.m. in the Council Chambers at City Hall, 50 East Main Street, to solicit input from the public on the proposed 2025 millage rate of 8.625 for property taxes.

Present were Mayor Jonathan McCollar, and Council Members: Tangie Johnson, Paulette Chavers, John Riggs (via zoom), and Shari Barr. Absent was Councilmember Ginny Hendley. Also present were City Clerk Leah Harden, City Attorney Cain Smith, City Manager Charles Penny, Assistant City Manager Jason Boyles, IT Support Specialist Alan Schleder, other city staff, news media, and members of the public.

1. Call to order
2. Public Hearing to solicit input on the proposed 2025 millage rate or property taxes.

A motion was made to open the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Mayor Pro Tem Shari Barr
SECONDER:	Councilmember Paulette Chavers
AYES:	Johnson, Chavers, Riggs, Barr
ABSENT:	Councilmembers: Ginny Hendley

City Manager Charles Penny presented the City of Statesboro Fiscal Year 2026 operating budget. The objectives for this year's budget is to retain and recruit exceptional employees with an emphasis on public safety. The budget highlights show a 6% total expense decrease due to less transfers and an 8% increase in general fund expenses. Mr. Penny highlighted the city compensation and benefits that includes the continuance of pay for performance, and no increases to employee health benefits. Current and future opportunities are to position Statesboro for growth in the region and to keep the pay plan up to date. Some of the concerns and unknowns are that nearly 25% of the total assessed property in Statesboro are tax exempt and we are still dealing with labor market challenges. Mr. Penny shared a graph comparing property tax millage rates with other communities around the state. The graph shows Statesboro somewhere in middle at 8.625. The current rates for Bulloch County are 11.350, the Board of Education at 10.400, and a proposed rate for the City of Statesboro of 8.625. While the city has experienced growth the tax base is small than that of the county which means it generates less revenue per mill than that of the county and board of education. Mr. Penny reviewed the General Fund and Fire Fund highlighting that the General Fund budget is 62.7% for salary and benefit costs. The police department budget is funded out of the General Fund and is \$12,665,715. In addition, the Fire Fund transfer from the General Fund is \$3,200,000. Property tax collection is about 12% of the total budget. The estimated increase on a homestead exempted home with a \$250,000 value would be approximately

\$66.25. We continue to have increased cost and if we roll the millage rate back, we will be reducing the revenue we have coming in, which would make it difficult to continue to provide the services our citizens have come to expect. Based on that staff recommends maintaining the current millage rate of 8.625.

No one spoke in favor of the request.

Phillip Morgan a resident of South Edgewood Drive spoke against the millage rate because of all the increases that are taking place with the Board of Education and the Bulloch County Commissioners. He stated his property taxes have doubled from last year to this year and because of that has caused his mortgage to increase.

Connie Moody a resident of Whitesville spoke against the millage rate stating it may cause people to lose their homes. Ms. Moody asked if taxes would go back down once the new revenue starts coming in.

Mayor Jonathan McCollar stated that since he has been in office the City of Statesboro has raised the millage rate twice. Each year the cost of the market is going up tremendously. During COVID there were supply chain issues and the cost of materials and labor have increased. The City of Statesboro works to maintain the current millage rate. Mayor McCollar stated that there will be an opportunity during the November election to vote for the Float Local Option Sales Tax (FLOST) which would allow the City to roll back the millage rate providing relief to property owners. The concerns that have been raised here tonight is what is happening across the board and the city is partnered with Action Pact to provide support for those individuals who are struggling to pay their utilities and rent and/or mortgage. We have to think long term in our role we are not looking at Statesboro today we are looking at Statesboro ten, twenty, thirty years down the line. We need to do the thing that is most responsible to ensure the stabilization of our community.

A motion was made to close the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Paulette Chavers
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Riggs, Barr
ABSENT:	Councilmembers: Ginny Hendley

Councilmember Paulette Chavers stated we are not increasing our millage rate we are maintaining our millage rate.

Mayor Pro Tem Shari Barr shared that she agrees with Councilmember Chavers and that we are pleased that staff has guided us to hold the millage rate but we do understand taxes are going up because the property values have gone up. Higher property values are nice when you are trying to refinance to get more money out of it or when you are ready to sell but if you are trying to stay there you are having to pay more taxes in the same house. So we understand it is a net increase but we are holding the line.

3. Adjourn

A motion was made to adjourn.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Paulette Chavers
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Chavers, Riggs, Barr
ABSENT:	Councilmembers: Ginny Hendley

The meeting was adjourned at 7:04 p.m.

Jonathan McCollar, Mayor

Leah Harden, City Clerk

Statesboro Property Tax Hearing FY2026

SEPTEMBER 2025

FY2026 Budget Objectives

2

- ▶ Retain and Recruit Exceptional Employees
- ▶ Emphasis on Public Safety

FY2026 Budget Highlights

3

- ▶ 6% Total Expense Decrease (Less Transfers)
 - ▶ FY 2025 Budget \$93,515,721
 - ▶ FY 2026 Budget \$87,958,100
- ▶ 8% General Fund Expense Increase
 - ▶ FY 2025 Budget \$25,340,025
 - ▶ FY 2026 Budget \$27,372,225

Compensation & Benefits Highlights

4

- ▶ Continue Pay for Performance for Employees
- ▶ No Increase in Employee Health Premiums

Current & Future Opportunities

5

- ▶ Position Statesboro for growth in the Region
- ▶ Keep Pay Plan Up to Date

Concerns & Unknowns

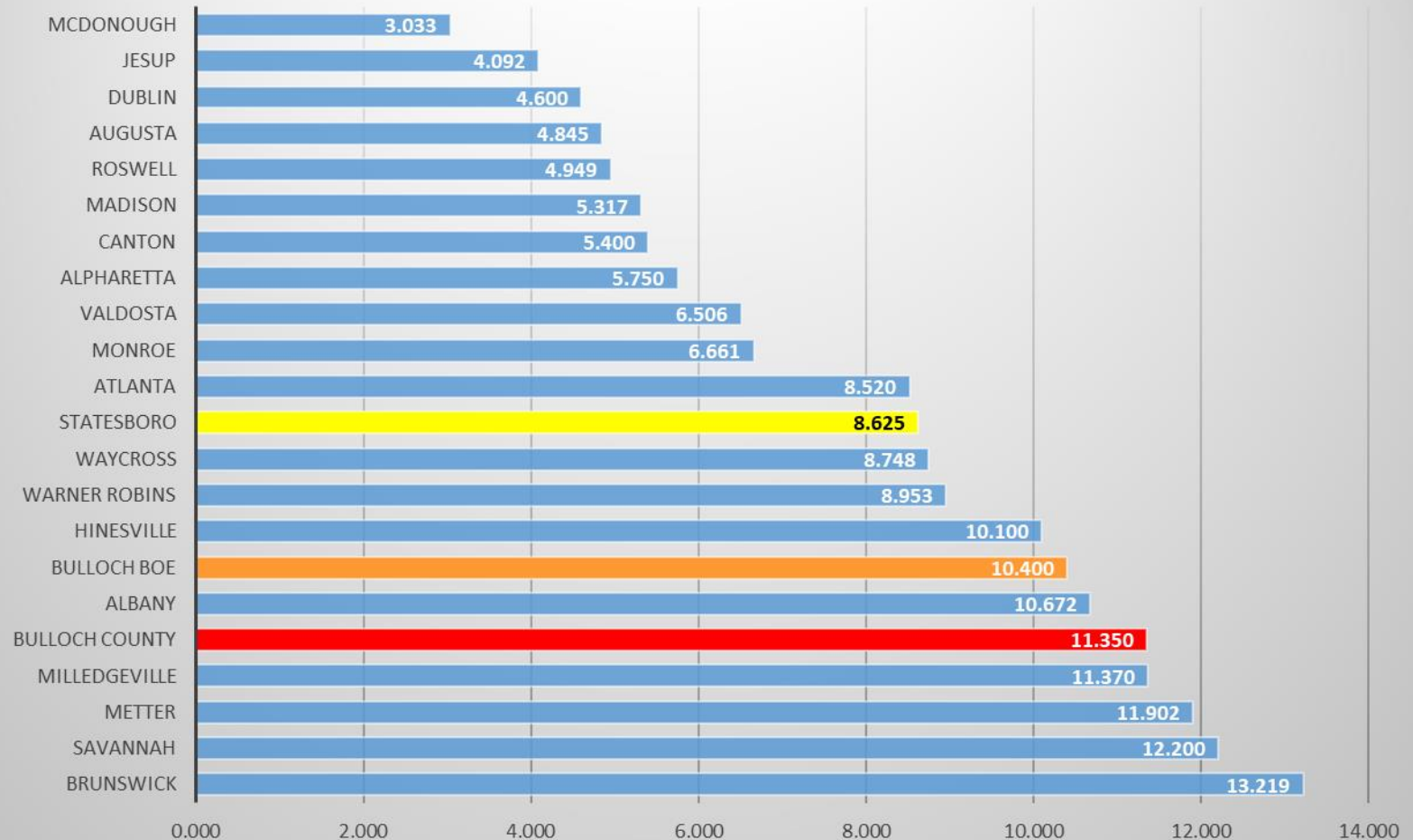
6

- ▶ Nearly 25% of the total assessed value for real and personal property is non-taxable
- ▶ Labor Market Challenge

Property Tax Millage Rates

7

FY2025 Millage Rates In Georgia



Current Local Property Millage Rates

Bulloch County

- 11.35, approximately \$3,790,000/mill

Board of Education

- 10.4, approximately \$3,775,000/mill

City of Statesboro

- 8.625, approximately \$1,220,000/mill

General Fund and Fire Fund Highlights

9

- ▶ Police Department Budget = \$12,665,715
- ▶ Transfer to Fire Department = \$3,200,000
- ▶ Property Tax Revenue: \$10,536,175

Property Tax Calculation

Example: \$250,000 House

House Value	\$ 250,000.00
Millage Rate	8.625
40% Assessed Value	\$ 100,000.00
Homestead Exemption	<u>\$ (2,000.00)</u>
Taxable Value	<u><u>\$ 98,000.00</u></u>
Taxes	\$ 845.25

Increase of \$66.25 a year

In Summary – 2026 Budget

11

- ▶ Recommend keeping the millage rate at 8.625

Questions?

RESOLUTION 2025-25: A RESOLUTION SETTING THE MILLAGE RATE FOR AD VALOREM (PROPERTY) TAXES FOR THE 2025 CALENDAR YEAR FOR THE CITY OF STATESBORO, GEORGIA.

THAT WHEREAS, cities in Georgia rely upon the ad valorem (property) tax as one of the major sources of revenue to finance general government operations and capital outlay acquisitions; and

WHEREAS, Chapter 5 of Title 48 of the Official Code of Georgia authorizes cities to levy an ad valorem tax, and details the requirements necessary to do so; and

WHEREAS, the City of Statesboro has complied with those requirements, including the advertisement of the proposed millage rate and a five-year history of levies; percentage increases; and whether a rollback of the millage rate was required; and

WHEREAS, after careful consideration of the FY 2026 Operating Budget and Capital Budget, the growth in the tax digest from new construction, and the recommendation from the City Clerk that the millage rate be increased by 0.676 mills for the 2025 tax year;

NOW THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Statesboro, Georgia assembled this 16th day of September 2025, as follows:

Section 1. That the millage rate for ad valorem (property) tax purposes for calendar year 2025 is hereby set at _____ mills on all of the taxable real and personal property within the corporate limits of the City of Statesboro, Georgia, after applying all legal exemptions, credits, tax relief grants, and similarly authorized deductions.

Section 2. The City Clerk is hereby authorized, empowered, and directed to have the necessary tax bills prepared and mailed, and to use any and all statutorily-approved methods to collect said property taxes in a timely manner.

Passed and adopted this 16 day of September, 2025.

CITY OF STATESBORO, GEORGIA

By: _____
Jonathan McCollar, Mayor

Attest: _____
City Clerk

CITY OF STATESBORO

COUNCIL

Tangie Johnson, District 1
Paulette Chavers, District 2
Ginny Hendley, District 3
John Riggs, District 4
Shari Barr, District 5



Jonathan McCollar, Mayor
Charles Penny, City Manager
Leah Harden, City Clerk
Cain Smith, City Attorney

50 EAST MAIN STREET • P.O. BOX 348
STATESBORO, GEORGIA 30459-0348

To: Charles Penny, City Manager and Leah Harden, City Clerk

From: Justin Williams, Director of Planning & Development

Date: September 8, 2025

RE: September 16, 2025 City Council Agenda Items

Policy Issue: *Unified Development Code: Variance Request*

Recommendation: Planning Commission recommends Approval of the Variance Request

Background: Lindsay Martin requests a Variance to allow a permitted use in HOC (Highway Oriented Commercial) district under Section 2.2.10 of the UDC for the property located 240 North Main Street (Tax Parcel # S26 000079 000).

Budget Impact: None

Council Person and District: Johnson (District 1)

Attachments: Development Services Report V 25-08-02



City of Statesboro-Department of Planning and Development

ZONING SERVICES REPORT

P.O. Box 348
Statesboro, Georgia 30458

(912) 764-0630
(912) 764-0664 (Fax)

V 25- 08-02 ZONING VARIANCE REQUEST	
LOCATION:	240 North Main Street
PETITIONER/REPRESENTATIVE	Lindsay Martin
EXISTING ZONING:	HOC (Highway Oriented Commercial)
PROPOSED ZONING:	N/A
OVERLAYS/DISTRICTS:	N/A
FUTURE LAND USE CLASSIFICATION	Emerging Business Area
TOTAL ACRES:	0.69-acres (30,056.4 square feet)
PARCEL TAX MAP #:	S26 000079 000
COUNCIL DISTRICT:	District 1 (Johnson)
EXISTING USE:	Vacant Single-family house
VARIANCE REQUEST(S):	Variance to the permitted use in HOC (Highway Oriented Commercial) Section 2.2.10

Planning Commission: September 2, 2025

City Council: September 16, 2025

STAFF/PLANNING COMMISSION RECOMMENDATION

V 25-08-02 Conditional Approval

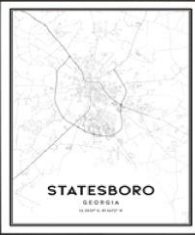
DETAILED DISCUSSION	
HISTORY	
<p>The single-family house was constructed in 1920, according to the Tax Assessor website. The petitioner purchased the property in June of 2024. Since 1993, the neighborhood has evolved from a single-family house to commercial oriented businesses.</p>	
REQUEST	
<p>The petitioner is requesting a variance from Section 2.2.10 of permitted uses allowed in HOC (Highway Oriented Commercial). Group homes are not listed as a permitted use per the UDC in this district.</p>	

Case# V-25-08-02
240 North Main Street
Parcel: S26 000079 000

Location Map



City of Statesboro
Planning & Development

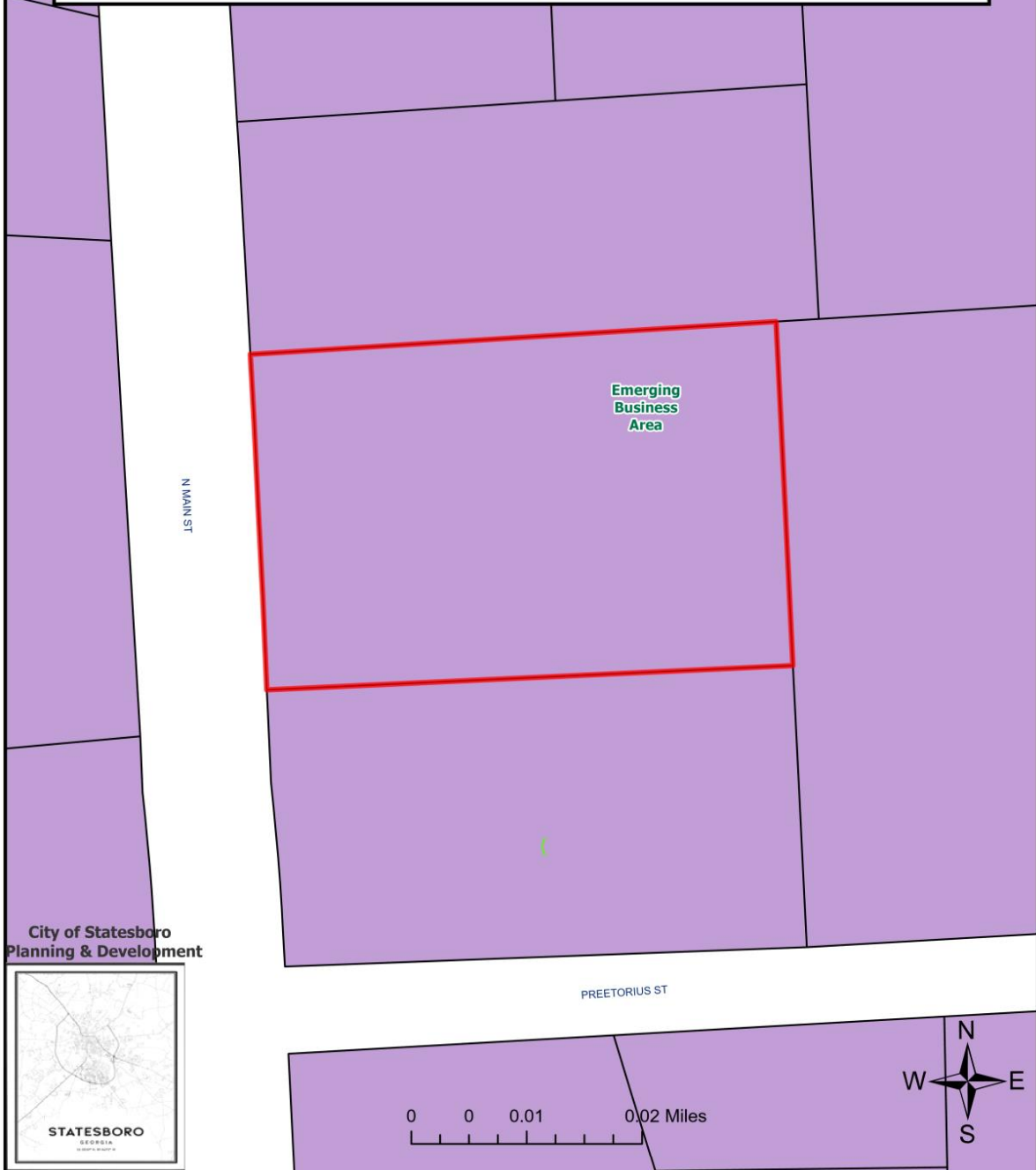


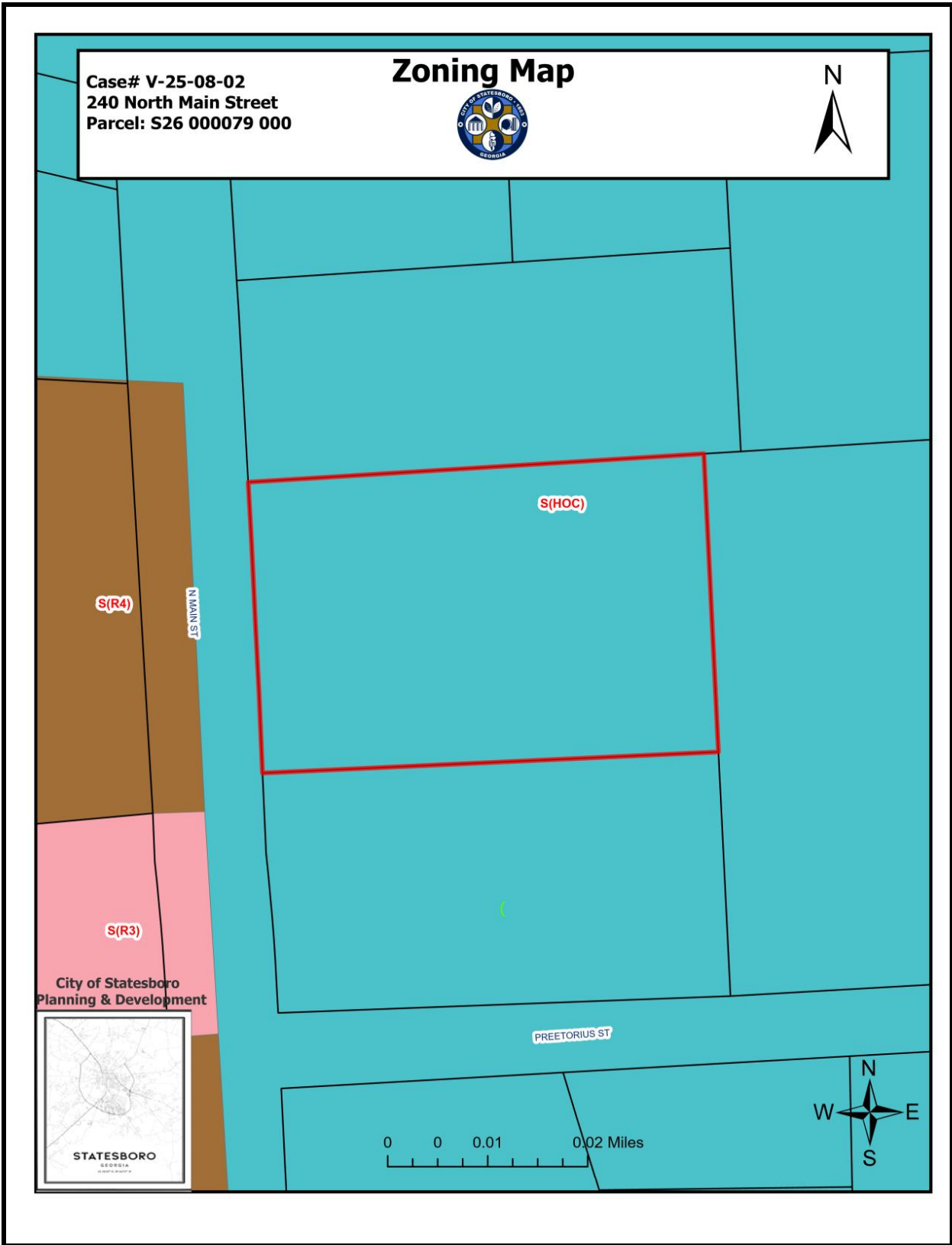
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Case# V-25-08-02
240 North Main Street
Parcel: S26 000079 000

Future Land Use Map





SURROUNDING LAND USES/ZONING		
Location	Zoning Information	Land Use
North	HOC (Highway Oriented Commercial)	Duplex
Northeast	HOC (Highway Oriented Commercial)	Vacant
East	HOC (Highway Oriented Commercial)	Single-Family House
Northwest	HOC (Highway Oriented Commercial)	Commercial
Southeast	HOC (Highway Oriented Commercial)	Single-Family House
South	HOC (Highway Oriented Commercial)	Office
Southwest	R-2 (Townhouse Residential District)	Duplex
West	R-4 (High Density Residential District)	Apartments

SITE CHARACTERISTICS	
Overlay/District	None
Acreage	0.69-acres (30,056.4 sq ft.)
Lot	150 x 200 sq ft lot with an existing single-family house
Flooding	None on the parcel or nearby.
Wetlands	None on the parcel or nearby.
Easements	None on the parcel or nearby.

SITE DESIGN DETAILS
UDC Section 2.2.10- HOC (Highway Oriented Commercial District)
<u>Parking requirements:</u> one (1) per two (2) beds

STAFF SUMMARY AND ANALYSIS

The petitioner is requesting a variance from UDC Section 2.2.10 for a change of use allowed by the UDC. The petitioner is requesting to be allowed to use the existing house as a men's group recovery home. The site has accompanying parking spaces and it is close local businesses and the intersection of North Main Street and East Parrish Street.

The *City of Statesboro 2024 Comprehensive Master Plan* shows this area as a part of the "Emerging Business Area," which are primarily located on major arterials at or near to their intersections, these areas serve as gateways to specific areas of activity in the city. Careful attention to developmental standards, signage, landscaping, and similar elements shall be encouraged to boost a distinct sense of place.

The request is consistent with the comprehensive plan and remains consistent with the character of surrounding area. The historic house establishes a distinct sense of place that serves our community.

ENVIRONMENTAL SITE ANALYSIS

The subject property is not in a special flood hazard area, and does not contain wetlands.

COMMUNITY FACILITIES AND TRANSPORTATION

Property is connected to city utilities.

ZONING VARIANCE STANDARDS OF REVIEW

The *Statesboro Unified Development Code* provides for the award of variances by the City Council from the zoning regulations. Section 2.7.4 of the *Unified Development Code Ordinance* states that the Mayor and Council shall consider the following criteria:

- 1. There are special conditions pertaining to the land or structure in question because of its size, shape, topography, or other physical characteristic and that condition is not common to other land or buildings in the general vicinity or in the same zoning district;**

Analysis: No, there are no special conditions pertaining to the land. However, the structure in question is a historic home which has been historically a residential dwelling. The proposed use of a group home would allow the historic house to continue to be as such, but a different type of residential use. The location was most recently an attorney's office use.

2. The special conditions and circumstances do not result from the actions of the applicant;

Analysis: The applications and request for the variance to allow permitted uses under the UDC is not a result of the applicant's actions. In addition, the fair Housing Act limits the restriction of uses for individual with disabilities.

3. The application of the ordinance to this particular piece of property would create an unnecessary hardship;

Analysis: No, petitioner may use the property with allowed permitted uses according to the UDC.

4. Relief, if granted, would not cause substantial detriment to the public good or impair the purposes and intent of the zoning regulations.

Analysis: No, there would be no substantial detriment to the public good and it would not impair the purposes and intent of the zoning regulations.

5. In analyzing all requests, care should be taken to ensure that development remains consistent with the *Statesboro Comprehensive Plan* and the *Statesboro Zoning Ordinance* and that serve to mitigate negative effects of the use to the surrounding area's character, uses, and zones.

Analysis: The proposed variance of an unpermitted use (Group Home) in the HOC district remains aligned with the Comprehensive Plan's goal for this specific area of the city by allowing different types of residential uses to be utilize the existing historic house. Thus, remaining consistent with the City of Statesboro Zoning Ordinance which would maintain the surrounding area's historic character, uses, and zones.

Based upon review of the proposed use and surrounding area, it's the opinion of Staff that the provided analysis is demonstrating that the existing residential house to be used as a group home is an allowable use, though a group house is not an outright allowable use in the HOC district, it does allow different types of residential uses. Therefore, the proposed variance does meet the review criteria on the Standards of Review.



Subject property: view of the property from ROW on North Main Street, facing east.



View of property to south of the subject property, facing southeast.



View of the property to north of the subject property, facing northeast.



View of the property to the northwest of the subject property, facing northwest.



View of the property west of the subject property, facing west.



View of the property southwest of the subject property, facing southwest.

STAFF/PLANNING COMMISSION RECOMMENDATION

Staff recommends. If this petition is approved by the Mayor and City Council, it should be subject to the applicant's agreement to following enumerated condition(s) shall apply:

1. Approval of the variance does not grant the right to alter the building without appropriate permitting.

At the regularly scheduled meeting of the Planning Commission on September 2, 2025, the Commission recommended approval of the request and staff conditions with a 6-0 vote.

CITY OF STATESBORO

COUNCIL

Tangie Johnson, District 1
Paulette Chavers, District 2
Ginny Hendley, District 3
John Riggs, District 4
Shari Barr, District 5



Jonathan McCollar, Mayor
Charles Penny, City Manager
Leah Harden, City Clerk
Cain Smith, City Attorney

50 EAST MAIN STREET • P.O. BOX 348
STATESBORO, GEORGIA 30459-0348

To: Charles Penny, City Manager and Leah Harden, City Clerk

From: Justin Williams, Director of Planning & Development

Date: September 8, 2025

RE: September 16, 2025 City Council Agenda Items

Policy Issue: *Unified Development Code: Variance Request*

Recommendation: Planning Commission Recommends Approval of the Variance Request

Background: Cody Rogers requests a Variance from UDC Table 2.2.9-B-Dimensional Standards for a property located at 24087 Highway 80 East (Tax Parcel# MS84000102 103).

Budget Impact: None

Council Person and District: Barr (District 5)

Attachments: Development Services Report V 25-08-05



City of Statesboro-Department of Planning and Development

ZONING SERVICES REPORT

P.O. Box 348
Statesboro, Georgia 30458

(912) 764-0630
(912) 764-0664 (Fax)

V 25- 08-05 ZONING VARIANCE REQUEST	
LOCATION:	24087 Highway 80 East
PETITIONER/REPRESENTATIVE	Raising Cane's Restaurants, LLC/EMC Engineering Services - Cody Rogers
EXISTING ZONING:	MX (Mixed-Use)
PROPOSED ZONING:	N/A
OVERLAYS/DISTRICTS:	None
FUTURE LAND USE CLASSIFICATION	Activity Centers/Regional Centers
TOTAL ACRES:	1.53-acres (66,646.80 sq ft)
PARCEL TAX MAP #:	MS84000102-003
COUNCIL DISTRICT:	District 5 (Barr)
EXISTING USE:	Restaurant
VARIANCE REQUEST(S):	Variance from the UDC Section 2.2.9 - Table 2.2.9-B – Dimensional Standards.

Planning Commission: September 2, 2025

City Council: September 16, 2025

STAFF/PLANNING COMMISSION RECOMMENDATION

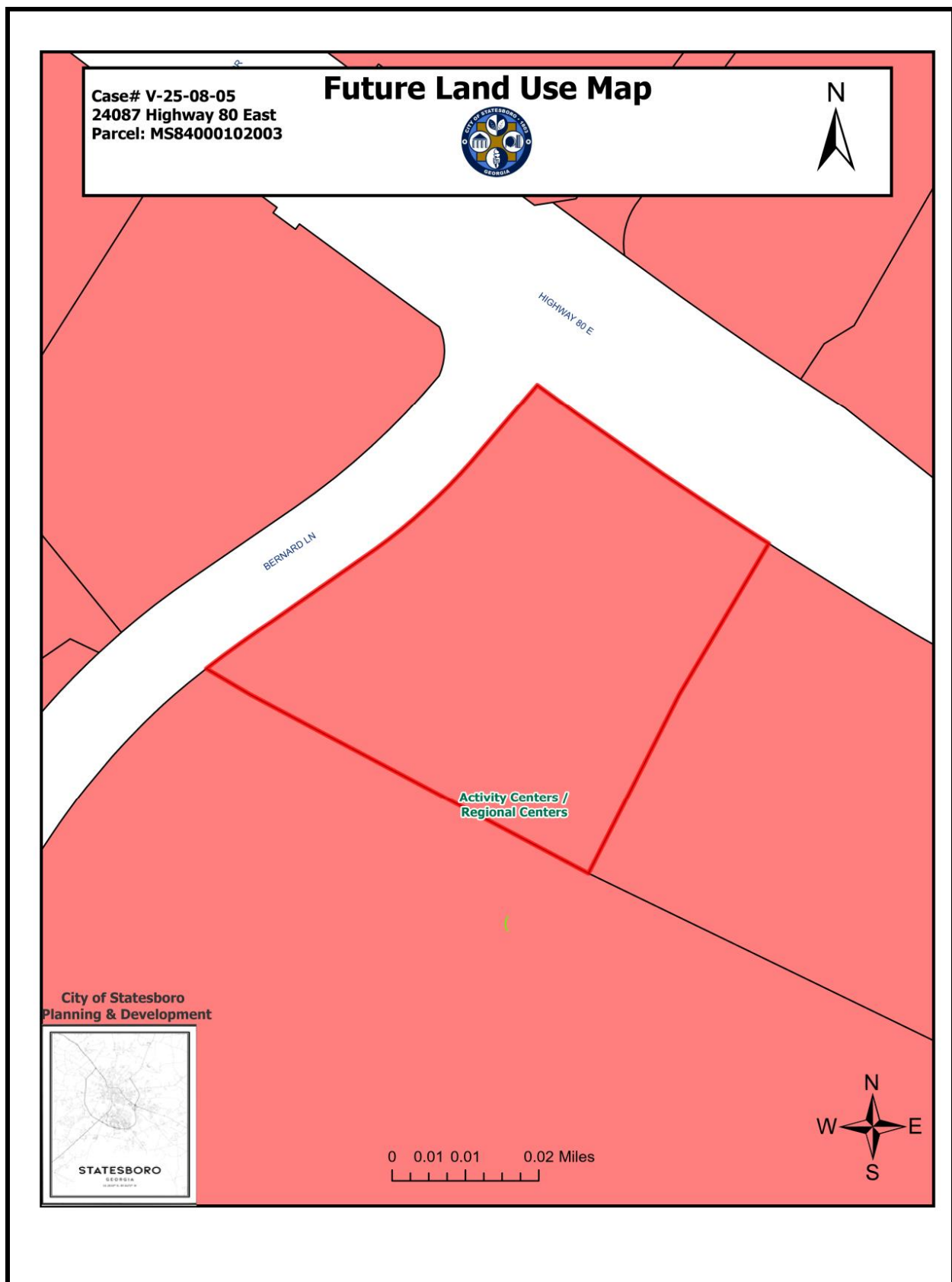
V 25-08-02 Conditional Approval

DETAILED DISCUSSION
HISTORY
<p>The property and the surrounding area were developed into a commercial/retail spaces in the late 1990s. It has been a restaurant since about 1998. Prior the property and surrounding area was farmland with houses on what was once called Savannah Road which is today known as Highway 80/Northside Drive East.</p>
REQUEST
<p>The petitioner is requesting a variance from Section 2.2.9 – Table 2.2.9-B Dimensional Standards for MX (Mixed-Use District), which requires a twenty-five (25) foot max. building setback. The proposed project for a new building, with a 75-foot building setback, to allow vehicle queuing and a double drive thru on site.</p>

Case# V-25-08-05
24087 Highway 80 East
Parcel: MS84000102003

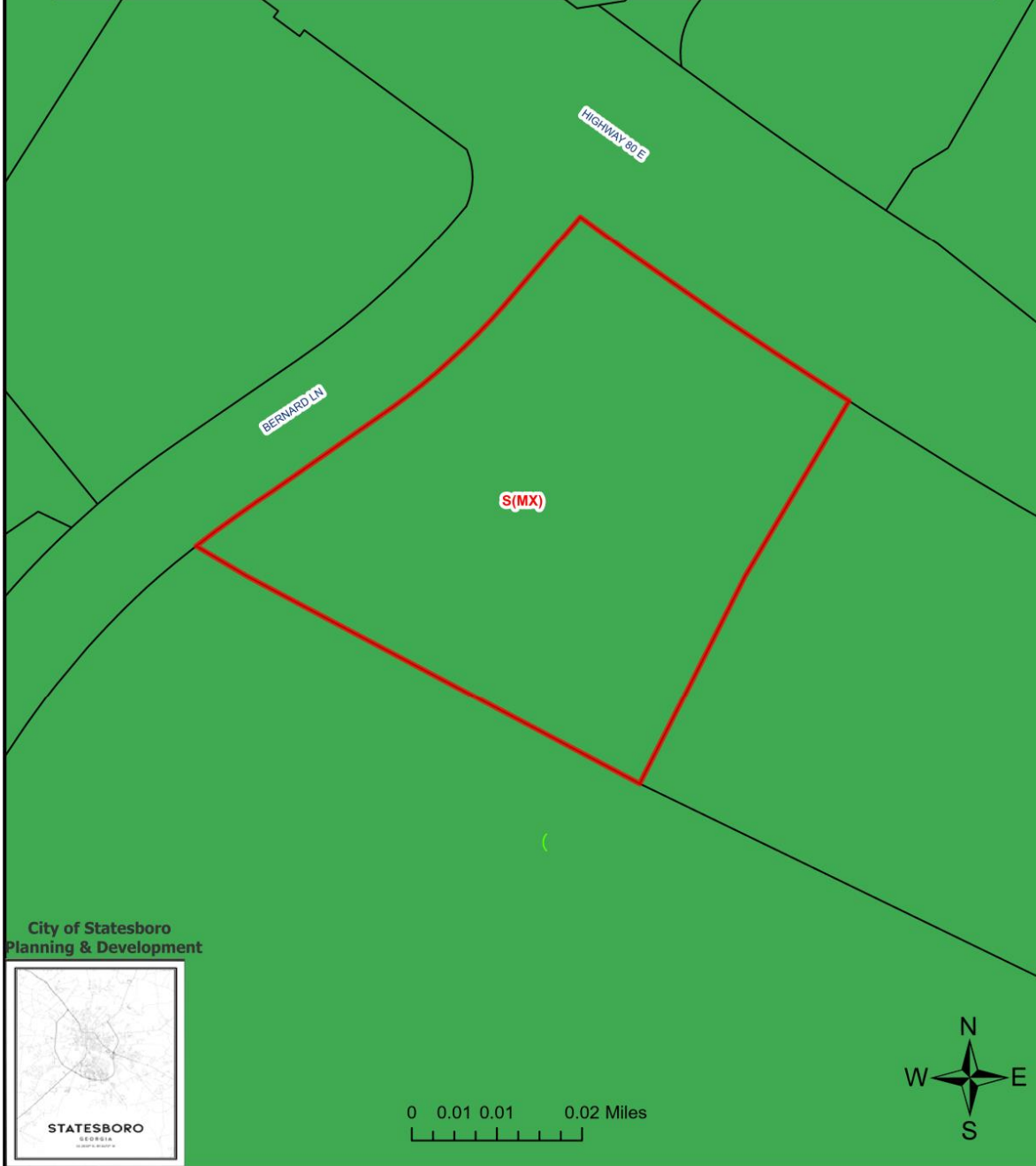
Location Map





Case# V-25-08-05
24087 Highway 80 East
Parcel: MS84000102003

Zoning Map



SURROUNDING LAND USES/ZONING		
Location	Zoning Information	Land Use
North	MX (Mixed-Use District)	Restaurant
Northeast	MX (Mixed-Use District)	Restaurant
East	MX (Mixed-Use District)	Restaurant
Northwest	MX (Mixed-Use District)	Retail
Southeast	MX (Mixed-Use District)	Retail
South	MX (Mixed-Use District)	Retail
Southwest	MX (Mixed-Use District)	Retail
West	MX (Mixed-Use District)	Gas Station

SITE CHARACTERISTICS	
Overlay/District	None
Acreage	1.53-acres
Lot	The parcel sits on the corner of Northside Drive East and Bernard Lane. Ingress/Egress on Bernard Lane and two other access points from Lowe's parking lot creating connectivity between multiple businesses.
Flooding	None on this parcel or nearby.
Wetlands	None on this parcel or nearby.
Easements	There are two easements in the ROW of Northside Drive East, a telephone easement and a utility easement.

SITE DESIGN DETAILS	
UDC Section 2.2.9-Table 2.2.9-B	
Required:	Proposed:
Max building setback twenty-five (25) feet	75 feet building setback

STAFF SUMMARY AND ANALYSIS

The petitioner is requesting a variance from UDC Section 2.2.9 – Table 2.2.9-B Dimensional Standards of the max building setback of twenty-five (25) feet to a 75-foot building setback, to allow a double drive-thru lane and accompanying parking lot to service a new restaurant, Raising Cane's.

The *City of Statesboro 2024 Comprehensive Master Plan* shows this area as a part of the "Activity Centers/ Regional Centers," which is an area where primarily dominated by auto-oriented and large surface parking lots. The area may evolve overtime into pedestrian oriented shopping, office, and entertainment places.

The request is consistent with the comprehensive plan and the City of Statesboro development patterns. This specific area is dominated by businesses to service motorists and is aligned with the character of area.

ENVIRONMENTAL SITE ANALYSIS

The subject property is not in a special flood hazard area, and does not contain wetlands.

ZONING VARIANCE STANDARDS OF REVIEW

The *Statesboro Unified Development Code* provides for the award of variances by the City Council from the zoning regulations. Section 2.7.4 of the *Unified Development Code Ordinance* states that the Mayor and Council shall consider the following criteria:

- 1. There are special conditions pertaining to the land or structure in question because of its size, shape, topography, or other physical characteristic and that condition is not common to other land or buildings in the general vicinity or in the same zoning district;**

Analysis: The particular physical surroundings, shape, topographical condition, or other physical or environmental conditions of the specific property involved would result in a particular hardship upon the owner due to the placements of the existing easements.

- 2. The special conditions and circumstances do not result from the actions of the applicant;**

Analysis: The telephone and utility easements existed and run with the parcel.

- 3. The application of the ordinance to this particular piece of property would create an unnecessary hardship;**

Analysis: Yes, due to property shape and existing impediments, the applicants would not be able to construct a double drive-thru lane and the queue of vehicles may result in traffic issues on Bernard Lane.

4. Relief, if granted, would not cause substantial detriment to the public good or impair the purposes and intent of the zoning regulations.

Analysis: No, it would not cause substantial detriment to the public good or impair the purposes and intent of the zoning regulations.

5. In analyzing all requests, care should be taken to ensure that development remains consistent with the *Statesboro Comprehensive Plan* and the *Statesboro Zoning Ordinance* and that serve to mitigate negative effects of the use to the surrounding area's character, uses, and zones.

Analysis: The proposed restaurant and accompanying parking lot remains consistent with the subject site's character area "Activity Centers/ Regional Centers," as stated in the *2024 Comprehensive Master Plan*.

Based upon the review of the current conditions of the parcel, including existing restrictions, it is the opinion of Staff that the provided analysis demonstrates the request does meet the review criteria of the Standards of Review. In addition, the variance request is consistent with UDC and the Comprehensive Plan. It would allow the property owner to use the property to it fullest potential and create a safe environment for motorists travelling on Bernard Land and Northside Drive East, as well as the surrounding businesses.



Subject property: view of the property from ROW on Highway 80 East, facing south.



View of the property to the northwest of the subject, facing northwest.



View of the property to the southeast of the subject property, facing southeast.



View of the property north of the subject property, facing north.

STAFF/PLANNING COMMISSION RECOMMENDATION

Staff recommends **Approval of V 25-08-05**. If this petition is approved by the Mayor and City Council, it should be subject to the applicant's agreement to following enumerated condition(s) shall apply:

1. The applicant must submit a Tree & Landscaping plan in conformance with the Unified Development Code requirements.

At the regularly scheduled meeting of the Planning Commission on September 2, 2025, the Commission recommended approval of the request and staff conditions with a 6-0 vote.

CITY OF STATESBORO



COUNCIL

Tangie Johnson, District 1
Paulette Chavers, District 2
Ginny Hendley, District 3
John Riggs, District 4
Shari Barr, District 5

Jonathan McCollar, Mayor
Charles Penny, City Manager
Leah Harden, City Clerk
I. Cain Smith, City Attorney

50 EAST MAIN STREET • P.O. BOX 348
STATESBORO, GEORGIA 30459-0348

To: Charles Penny, City Manager
Jason Boyles, Assistant City Manager

From: Cain Smith, City Attorney

Date: September 8, 2025

RE: September 16, 2025 City Council items

Policy Issue: Second Reading and consideration of motion to amend Section 6-3 to allow for a Local Distillery alcohol license classification

Recommendation:
Approval

Background:

Local investors are contemplating putting a micro distillery downtown. Current local law does not allow this, but state law does. Measure was moved forward for First Reading at the August 19, 2025 work session with measure brought forward from First Reading on September 2, 2025

Budget Impact: Unknown

Council Person and District: All

Attachment: Proposed ordinance language

Ordinance 2025-09:

Local distillery means an establishment in which malt beverages and distilled spirits are manufactured, subject to the barrel production and sales limitations prescribed in O.C.G.A. § 3-4-24.2 and 3-5-36. Local distilleries shall be licensed to sell distilled spirits, beer, malt beverages or wines and must derive at least 40 percent of its total annual gross food and beverages sales from the sale of prepared meals with package sales exempted from this calculation. Local distilleries shall be considered as Pubs for the purposes of [section 6-9](#) and license fee determination. Local distilleries shall not be required to obtain a city issued package license for off premises retail sales of distilled spirits produced within the licensed establishment.

CITY OF STATESBORO



COUNCIL

Tangie Johnson, District 1
Paulette Chavers, District 2
Ginny Hendley, District 3
John Riggs, District 4
Shari Barr, District 5

Jonathan McCollar, Mayor
Charles Penny, City Manager
Leah Harden, City Clerk
I. Cain Smith, City Attorney

50 EAST MAIN STREET • P.O. BOX 348
STATESBORO, GEORGIA 30459-0348

To: Charles Penny, City Manager
Jason Boyles, Assistant City Manager

From: Cain Smith, City Attorney

Date: September 9, 2025

RE: September 16, 2025 City Council items

Policy Issue: Consideration of blanket resolution authorizing the Mayor to execute the following six documents relating to the financing and construction of Fire Station #3 through GMA's Bricks and Mortar program:

- A. Installment Sale Agreement
- B. Transfer Agreement
- C. Deed to Secure Debt
- D. Environmental Agreement
- E. Limited Warranty Deed
- F. The financial terms of the Installment Sale Agreement

Recommendation:

Approval

Background:

City seeks to finance the construction of Fire Station 3 through selling the real property to GMA and then buying back from GMA in an installment sale.

Budget Impact: Three million eight hundred seventy five thousand dollar loan at 4.5% interest

Council Person and District: Shari Barr District 5

Attachment: Authorizing resolution and referenced exhibit documents

RESOLUTION 2025-26: A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF STATESBORO AUTHORIZING, AMONG OTHER THINGS, THE EXECUTION OF DOCUMENTS RELATING TO THE CONSTRUCTION OF A NEW FIRE STATION FOR THE CITY OF STATESBORO.

WHEREAS, the City of Statesboro, Georgia (the “City”) has solicited bids for the sale of certain property owned by the City (the “Property”) on the condition that the buyer of the Property construct and equip a new fire station for the City (the Project”) on the Property in accordance with plans and specifications selected by the Mayor and City Council and to lease or sell the Project back to the City on terms and conditions acceptable to the Mayor and City Council, and the City desires to approve the Project and the financing thereof; and

WHEREAS, the Mayor and City Council of the City have heretofore determined that it is in the best interest of the City to sell the Project to the winning bidder for the sale of the Property (the “Seller”), pursuant to a Limited Warranty Deed, dated as of the date of their delivery (the “Limited Warranty Deed”); and

WHEREAS, a notice of public sale of the Property required by O.C.G.A. Section 36-37-6, as amended, was published on August 14, 2025, and sealed bids were due on September 3, 2025; and

WHEREAS, the City proposes to purchase the Project from the Seller in accordance with an Installment Sale Agreement, to be dated as of its date of execution and delivery (the “Installment Sale Agreement”); and

WHEREAS, the Seller’s interest in the Installment Sale Agreement will be assigned to Queenborough National Bank & Trust Company, a national banking corporation (the “Bank”) pursuant to an Assignment and Transfer Agreement, to be dated as of its date of execution and delivery (the “Transfer Agreement”), between the Seller, as assignor, and the Bank, as assignee; and

WHEREAS, the Seller will execute a Deed to Secure Debt and Security Agreement, to be dated as of its date of execution and delivery (the “Deed”) in favor of the Bank; and

WHEREAS, the Seller and the Bank have requested that the City execute and deliver an Agreement Regarding Environmental Activity, to be dated as of its date of execution and delivery (the “Environmental Agreement”), among the City, the Seller and the Bank; and

WHEREAS, attached hereto are forms of the following documents:

<u>Exhibit A</u>	Installment Sale Agreement,
<u>Exhibit B</u>	Transfer Agreement,
<u>Exhibit C</u>	Deed,
<u>Exhibit D</u>	Environmental Agreement,
<u>Exhibit E</u>	Limited Warranty Deed, and
<u>Exhibit F</u>	The financial terms of the Installment Sale Agreement.

NOW, THEREFORE, BE IT RESOLVED, AND IT IS HEREBY RESOLVED by the Mayor and City Council of the City of Statesboro as follows:

Section 1. Findings. The obligation of the City to make the payments under the Installment Sale Agreement is annually renewable as provided therein. The obligation of the City to make such payments will not constitute a debt of the State of Georgia or any political subdivision or municipal corporation of the State of Georgia, including the City, within the meaning of any constitutional or statutory limitation on indebtedness. The Installment Sale Agreement does not directly or contingently obligate the City to make any payments beyond those appropriated for the City's then current calendar year.

The City held a public hearing required by O.C.G.A. Section 36-60-13, as amended (the "Act") on September 2, 2025, which is prior to the date of closing, and satisfies all the other requirements contained in the Act.

Section 2. Approval of Winning Bid. The Mayor and the City Council hereby approve the Seller as the winning bidder for the sale of the Property. The City approves the agreements and sale of the Property to the Seller.

Section 3. Authorization of Installment Sale Agreement. The form, terms and provisions of the Installment Sale Agreement presented at this meeting are hereby approved, and all of the terms and provisions thereof are hereby incorporated herein by this reference as if the Installment Sale Agreement was set out in this Resolution in its entirety. The Mayor and the Clerk are hereby authorized, empowered and directed to execute, acknowledge and deliver the Installment Sale Agreement. The Installment Sale Agreement shall be in substantially the form now before this meeting and hereby approved, or with such changes therein as may be deemed necessary by the persons executing the same to accomplish the purposes of the transactions contemplated therein and in this Resolution. The execution of the Installment Sale Agreement shall constitute conclusive evidence that the Installment Sale Agreement and any and all changes thereto have been approved by the persons executing the same.

Section 4. Consent to Transfer Agreement. The Mayor and City Council hereby consent to the form of the Transfer Agreement presented at this meeting, or with such changes as may be hereafter made as shall be in furtherance of the transactions contemplated therein and in this Resolution and as shall not be inconsistent with or contrary to the matters contemplated therein and in this Resolution. The Mayor and City Council hereby further consent to the execution and delivery of the Transfer Agreement by the parties thereto.

Section 5. Consent to Deed. The Mayor and City Council hereby consent to the form of the Deed presented at this meeting, or with such changes as may be hereafter made as shall be in furtherance of the transactions contemplated therein and in this Resolution and as shall not be inconsistent with or contrary to the matters contemplated therein and in this Resolution. The Mayor and City Council hereby further consent to the execution and delivery of the Deed by the parties thereto.

Section 6. Authorization of Environmental Agreement. The form, terms and provisions of the Environmental Agreement presented at this meeting are hereby approved, and all

of the terms and provisions thereof are hereby incorporated herein by this reference as if the Environmental Agreement was set out in this Resolution in its entirety. The Mayor and the Clerk are hereby authorized, empowered and directed to execute, acknowledge and deliver the Environmental Agreement. The Environmental Agreement shall be in substantially the form now before this meeting and hereby approved, or with such changes therein as may be deemed necessary by the persons executing the same to accomplish the purposes of the transactions contemplated therein and in this Resolution. The execution of the Environmental Agreement shall constitute conclusive evidence that the Environmental Agreement and any and all changes thereto have been approved by the persons executing the same.

Section 7. Authorization of Limited Warranty Deed. The form, terms and provisions of the Limited Warranty Deed presented at this meeting are hereby approved, and all of the terms and provisions thereof are hereby incorporated herein by this reference as if the Limited Warranty Deed was set out in this Resolution in its entirety. The Mayor and the Clerk are hereby authorized, empowered and directed to execute, acknowledge and deliver the Limited Warranty Deed. The Limited Warranty Deed shall be in substantially the form now before this meeting and hereby approved, or with such changes therein as may be deemed necessary by the persons executing the same to accomplish the purposes of the transactions contemplated therein and in this Resolution. The execution of the Limited Warrantys Deed shall constitute conclusive evidence that the Limited Warranty Deed and any and all changes thereto have been approved by the persons executing the same.

Section 8. General Authority. The Mayor and the City Clerk are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the documents herein authorized and as may be necessary to carry out the purposes and intents of this Resolution.

If the Mayor shall not be able to execute the documents herein authorized, the Mayor Pro Tem is hereby authorized to execute the documents on behalf of the City. If the City Clerk shall not be able to execute the documents herein authorized, the Deputy City Clerk is hereby authorized to execute the documents on behalf of the City.

Section 9. Appropriation of Minimum Annual Appropriated Amount. The City hereby appropriates available and uncommitted funds in its budget for the current fiscal year in the amount of the Minimum Annual Appropriated Amount (as defined in the Installment Sale Agreement).

Section 10. Bank Qualification Designation. The Installment Sale Agreement is hereby designated as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The aggregate face amount of all tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code) issued by the City and the entities with whom aggregation is required pursuant to Section 265(b)(3)(E) of the Code is not reasonably expected to exceed \$10,000,000 during the year 2025.

Section 11. Authorization of IRS Form 8038-G. Any officer of the City is hereby authorized to sign and file or cause to be filed a completed Internal Revenue Service Form 8038-G as required by Section 149(e) of the Code.

Section 12. Authorization of Federal Tax Certificate. Any officer of the City is hereby authorized to execute a federal tax certification in order to comply with Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder.

Section 13. Actions Ratified, Approved and Confirmed. All acts and doings of the officers, employees or agents of the City which are in conformity with the purposes and intents of this Resolution are hereby ratified, approved and confirmed.

Section 14. No Personal Liability. No stipulation, obligation or agreement contained in this Resolution or in the documents authorized hereby shall be deemed to be a stipulation, obligation or agreement of any officer, agent or employee of the City in his or her individual capacity, and no such officer, agent or employee shall be personally liable or be subject to personal liability or accountability.

Section 15. Severability of Invalid Provisions. If any one or more of the agreements or provisions contained in this Resolution or the documents authorized hereby shall be held contrary to an express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other valid agreements and provisions.

Section 16. Terms of Loan. The financial terms of the Installment Sale Agreement are set forth in the attached Exhibit F prepared by the Bank.

Section 17. Repealing Clause. All resolutions or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 18. Effective Date. This Resolution shall take effect immediately upon its adoption.

Adopted this 16th day of September, 2025.

CITY OF STATESBORO, GEORGIA

(SEAL)

By: _____
Mayor

Attest:

By: _____
Clerk

CLERK'S CERTIFICATE

The undersigned Clerk of the City, DOES HEREBY CERTIFY that the foregoing pages of typewritten matter pertaining to an Installment Sale Agreement constitute a true and correct copy of the Resolution adopted on September 16, 2025, by the Mayor and City Council in a regular meeting, which was open to the public, and the original of said Resolution appears of record in the minute book of the Mayor and City Council which is in my custody and control.

WITNESS my hand and the official seal of the City of Statesboro, Georgia this 16th day of September, 2025.

(SEAL)

Clerk

EXHIBIT “A”

Installment Sale Agreement

After recording return to:

Jonathan B. Pannell
Gray Pannell & Woodward LLP
323 East Congress Street
Savannah, GA 31401

INSTALLMENT SALE AGREEMENT

Dated as of October 2, 2025

between the

GEORGIA MUNICIPAL ASSOCIATION, INC.

as Seller

and the

CITY OF STATESBORO, GEORGIA

as Purchaser

THE RIGHTS OF THE GEORGIA MUNICIPAL ASSOCIATION, INC. HEREUNDER (WITH CERTAIN LIMITED EXCEPTIONS) HAVE BEEN ASSIGNED TO QUEENSBOROUGH NATIONAL BANK & TRUST COMPANY.

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INSTALLMENT SALE AGREEMENT

THIS INSTALLMENT SALE AGREEMENT (the “Installment Sale Agreement”), dated as of October 2, 2025, by and between the GEORGIA MUNICIPAL ASSOCIATION, INC., a Georgia nonprofit corporation, as seller (the “Originator”), and the CITY OF STATESBORO, GEORGIA, a municipal corporation of the State of Georgia, as purchaser (the “City”). QUEENSBOROUGH NATIONAL BANK & TRUST COMPANY (the “Escrow Agent”) is executing an Acknowledgment hereof attached to this Installment Sale Agreement in order to enter into its agreement to the provisions hereof which are applicable to it, but it is not considered to be a party.

W I T N E S S E T H

WHEREAS, the City is a municipal corporation of the State of Georgia, validly existing under the Constitution and laws of the State of Georgia; and

WHEREAS, after publishing notices of public sale of the property (as more fully described in Exhibit B hereto and hereinafter referred to as the “Property”) on August 14, 2025, as required by O.C.G.A. Section 36-37-6, as amended, and after receipt of sealed bids on September 3, 2025, the Mayor and City Council of the City have determined that it is in the best interest of the City to sell the Property at public sale to the Originator; and

WHEREAS, the City has the power, pursuant to the laws of the State of Georgia, including particularly Section 36-60-13 of the Official Code of Georgia Annotated (“O.C.G.A.”), as amended, to enter into purchase or lease purchase contracts of all kinds for the acquisition and construction of goods, materials, real and personal property, services and supplies; and

WHEREAS, the Originator agrees to acquire, construct and equip a new fire station for the City, as more fully described in Exhibit C hereto (the “Facility” and together with the Property, the “Project”); and

WHEREAS, the City agrees to purchase the Project from the Seller in accordance with this Installment Sale Agreement; and

WHEREAS, the obligations of the City to make payments hereunder shall be payable only from funds lawfully appropriated by the City for such purpose and shall not constitute a pledge of the full faith and credit of the City within the meaning of any constitutional debt limitations; and

WHEREAS, the taxing power of the City is not and may not be pledged in any way, directly, indirectly, or contingently, to secure any moneys due under this Installment Sale Agreement; and

WHEREAS, the Originator and the City have duly authorized the execution and delivery of this Installment Sale Agreement; and

WHEREAS, the term of this Installment Sale Agreement expires April 1, 2046, subject to the City's right to terminate this Installment Sale Agreement effective as of each December 31 during the term of this Installment Sale Agreement; and

WHEREAS, at the request of the City, the Originator proposes to assign this Installment Sale Agreement to Queensborough National Bank & Trust Company, a national banking corporation (the "Lender");

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I.

DEFINITIONS AND EXHIBITS

Section 1.1. Definitions and Rules of Construction.

Unless the context otherwise requires, the capitalized terms used herein shall, for all purposes of this Installment Sale Agreement, have the meanings specified herein. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa. The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Installment Sale Agreement, refer to this Installment Sale Agreement as a whole.

"Authorized City Representative" means that person at the time designated to act on behalf of the City by written certificate furnished to the Seller and the Lender containing the specimen signature of such person or persons and signed on behalf of the City by the Mayor.

"Business Day" means a day which is not (a) a Saturday, and Sunday, or a legal holiday on which banking institutions in the State of Georgia are authorized by law or executive order to close or (b) a day on which the New York Stock Exchange is authorized or obligated by law or executive order to close.

"Calendar Year" means the twelve-month period extending from January 1 to the next succeeding December 31.

"City" means the City of Statesboro, Georgia, and its successors and assigns.

"City Documents" means the Warranty Deeds, this Installment Sale Agreement and the Environmental Agreement.

"Closing Date" means the date of the execution and delivery of this Installment Sale Agreement.

"Completion Date" means that date determined in accordance with Section 4.2(g) of this Installment Sale Agreement.

“Environmental Agreement” means the Agreement Regarding Environmental Activity of even date herewith by and among the City, the Originator and the Lender.

“Escrow Agent” means Queensborough National Bank & Trust Company, its successors and assigns.

“Escrow Fund” means the fund created pursuant to Section 3.3(a) hereof.

“Event of Non-appropriation” means a nonrenewal by the City of this Installment Sale Agreement for an Installment Sale Year for which this Installment Sale Agreement has not previously been renewed, determined by (i) the City’s failure, on or before the 20th day before each Fiscal Year, to appropriate the Minimum Annual Appropriated Amount, or (ii) actual written notice from the City to the Seller prior to the first business day of the next Fiscal Year that the City will terminate this Installment Sale Agreement at the end of the current Fiscal Year. The Seller, in its sole discretion, may waive an Event of Non-appropriation upon request by the City.

“Facility” means the facility described in Exhibit C hereto, and by this reference incorporated herein.

“Fiscal Year” means July 1 through June 30, or such other fiscal year as the City may designate.

“Installment Payment” means a Principal Payment and the corresponding Interest Payment. The principal component of and the interest component of the Installment Payments are described in Exhibit A Schedule 2 hereto.

“Installment Sale Amount” means the amount as set forth in Exhibit A Schedule 1 attached hereto and hereby incorporated herein, representing the amount advanced by the Seller for the financing of the Project.

“Installment Sale Year” means a Fiscal Year or portion thereof within the Term of this Installment Sale Agreement.

“Interest Payment” means a payment required by Section 4.4(a)(ii) hereof, representing interest on the Installment Sale Amount.

“Lender” means Queensborough National Bank & Trust Company, a national banking corporation, and its successors and assigns.

“Minimum Annual Appropriated Amount” means an amount equal to the sum of (i) the Principal Payments coming due in such Fiscal Year as set forth in this Installment Sale Agreement; (ii) the Interest Payments coming due in such Fiscal Year as set forth in this Installment Sale Agreement; and (iii) any amounts owing or expected to come due during the Fiscal Year pursuant to Section 5.1(c) hereof.

“Originator” means Georgia Municipal Association, Inc. and its successors and assigns.

“Originator Documents” means this Installment Sale Agreement, the Security Deed and the Transfer Agreement.

“Permitted Encumbrances” means those exceptions to title described in Exhibit D to the Security Deed, which exceptions are acceptable to the Lender.

“Principal Payment” means a payment required by Section 4.4(a)(i) hereof, representing a scheduled principal payment of the Installment Sale Amount.

“Project” means together, the Facility and the Property.

“Property” means that real property more particularly described in Exhibit B hereto, and by this reference incorporated herein.

“Purchase Price” means the unpaid Principal Payments and accrued Interest Payments as set forth in Exhibit A to this Installment Sale Agreement.

“Qualified Investments” means the following:

(i) Bonds or obligations of counties, municipal corporations, school districts, political subdivisions, authorities, or bodies of the State or other states;

(ii) Bonds or other obligations of the United States or of subsidiary corporations of the United States Government which are fully guaranteed by such government;

(iii) Obligations of and obligations guaranteed by agencies or instrumentalities of the United States Government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;

(iv) Bonds or other obligations issued by any Public Housing Agency or Municipal Corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States Government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States Government;

(v) Certificates of deposit of national or state banks located within the state which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan associations located within this state which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan

association, or building and loan association acting as depository, custodian, or trustee for any such bond proceeds. The portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State or with a trust office within the State, of one or more the following securities in an aggregate principal amount equal at least to the amount of such excess; direct and general obligations of the State or other states or of any county or municipal corporation in this state, obligations of the United States or subsidiary corporations included in paragraph (ii) hereof, obligations of the agencies and instrumentalities of the United States Government included in paragraph (iii) hereof, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities included in paragraph (iv) hereof;

(vi) Securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(a) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in paragraphs (ii) and (iii) hereof and repurchase agreements fully collateralized by any such obligations;

(b) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(c) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and

(d) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State;

(vii) Interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys; and

(viii) the local government investment pool created in Chapter 83 of Title 36 of

the Official Code of Georgia Annotated, as amended;

(ix) any other investments authorized by the laws of the State of Georgia.

“Security Deed” means the Deed to Secure Debt and Security Agreement of even date herewith with respect to the Project made by the Originator in favor of the Lender.

“Seller” means the Originator and its successors and assigns, including after the Closing Date, the Lender.

“State” means the State of Georgia.

“Term” shall have the meaning specified in Section 4.3 hereof.

“Transfer Agreement” means that certain Assignment and Transfer Agreement of even date herewith to be executed by the Originator and the Lender pursuant to which certain interests of the Originator in this Installment Sale Agreement shall be transferred to the Lender.

“Warranty Deed” means the Warranty Deed, dated as of October 2, 2025, from the City in favor of the Seller.

Section 1.2. Exhibits.

The following Exhibits are attached to, and by reference made a part of, this Installment Sale Agreement:

Exhibit A: Schedule 1: Basic Terms

Schedule 2: Installment Payment Amounts

Exhibit B: Description of Property

Exhibit C: Description of Facility

Exhibit D: Certificate of Appropriation

Exhibit E: Requisition

ARTICLE II.

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of the City.

The City represents, covenants and warrants to the Seller as follows:

(a) Due Organization and Existence. The City is a municipal corporation, duly organized and existing under the Constitution and laws of the State and will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as such.

(b) No Violations. Neither the execution and delivery of the City Documents and each of the other documents entered into by the City in connection herewith, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound, or constitutes a default under any of the foregoing, or, except as provided in the City Documents, results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the City, or upon the Project. The City is not in default under any indenture, loan agreement, mortgage, deed of trust or similar document relating to the borrowing of moneys or any other material contract, lease, or commitment to which it is a party or by which it is bound.

(c) Execution and Delivery. The City has duly authorized and executed the City Documents in accordance with the Constitution and laws of the State.

(d) No Litigation. There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the City, which singly or in the aggregate, if adversely determined, would adversely affect the validity or enforceability of the City Documents or any of the other related agreements or would adversely affect the City's ability to satisfy its obligations hereunder or thereunder in a timely manner.

(e) Compliance with Laws and Regulations. The execution and delivery by the City of the City Documents, all of the other related agreements and the performance of the City's obligations hereunder and thereunder are not in contravention of any laws, orders, regulations or ordinances. The City is in compliance with all laws, orders, regulations and ordinances of all federal and state authorities, the failure to comply with would have a material adverse effect on the enforceability of the City Documents or its ability to satisfy its obligation hereunder or thereunder in a timely manner.

(f) Tax Covenants. This Installment Sale Agreement is being entered into by the City in compliance with the conditions necessary for the Interest Payments payable by the City to be excluded from the gross income of the Seller for federal income tax purposes pursuant to the provisions of Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code") relating to obligations of the State or political subdivisions thereof. It is the intention of the City

that the Interest Payments be and remain excluded from gross income for federal income tax purposes, and, to that end, the City hereby covenants as follows:

(i) It will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion of the Interest Payments from income under Section 103 of the Code.

(ii) It will not directly or indirectly take or omit to take any action in a way that would cause this Installment Sale Agreement to be a “private activity bond” within the meaning of Section 141 of the Code.

(iii) It will not directly or indirectly use or permit the use of the Installment Sale Amount, or any other funds of the City or take or omit to take any action that would cause this Installment Sale Agreement to be an “arbitrage bond” within the meaning of Section 148 of the Code. To that end, the City will comply with all requirements of Section 148 of the Code, including without limitation Section 148(f) thereof, to the extent applicable to this Installment Sale Agreement.

(iv) This Installment Sale Agreement is not and shall not be “federally guaranteed” as defined in Section 149(b) of the Code.

(v) The City does hereby designate this Installment Sale Agreement as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code. The City hereby represents, covenants and warrants to the Seller that the aggregate face amount of all tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code) issued by the City and any entities with whom aggregation is required pursuant to Section 265(b)(3)(E) of the Code during the Calendar Year in which this Installment Sale Agreement is entered into is not reasonably expected to exceed \$10,000,000.

(g) Due Authorization. The City has duly authorized and approved all of the terms and conditions of the Transfer Agreement and the Security Deed.

(h) Reporting Requirements. The City will cause the following documents or information to be delivered to the Seller and the Lender:

(i) immediately upon becoming aware thereof, notice of the occurrence of any Event of Default specified in Section 8.1 hereof; and

(ii) within thirty (30) days of its adoption of its annual budget, which shall be in conformity with Georgia law, a copy of such budget and a certificate of the City certifying that the Minimum Annual Appropriated Amount has been appropriated for the Fiscal Year; and

(iii) within 270 days of each Fiscal Year end, commencing with Fiscal Year 2025, the audited financial statements of the City, which audit shall be conducted by an accountant (or a firm thereof) in accordance with the Generally Accepted Auditing Standards (GAAS) acceptable to the Lender; and

(iv) such other information as the Lender shall reasonably request.

(j) No Pecuniary Interest. No employee of the City has any direct or indirect pecuniary interest in, or will receive or has agreed to receive any compensation with respect to, any contract, lease, purchase, sale, or employment made or to be made in connection with the proposed transaction contemplated by the performance of this Installment Sale Agreement.

(k) Bidding Requirements. All requirements have been, or will be, met and procedures have occurred, or will occur, in order to ensure the enforceability of this Installment Sale Agreement, and the City has complied or will comply with such public bidding requirements as may be applicable to this Installment Sale Agreement and the acquisition, construction and installation by the City (in its capacity as agent for the Seller) of the Project.

(l) Government Use. During the term hereof, the Project will be used for the purpose of performing one or more essential governmental or proprietary functions of the City, consistent with the permissible scope of the City's authority.

(m) Party Walls. The Facility is either separate or completely severable from any existing buildings or other improvements to real property owned by the City, with the result that the Facility would be marketable independent from any other real or personal property.

(n) Environmental Condition of Project. The City hereby represents and warrants to the Lender and the Originator, and each of their successors and assigns, that to the best of its knowledge: (i) the Project is now and will continue to be in full compliance in all material respects with all federal, state and local environmental laws and regulations, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), Public Law No. 96510, 94 Stat. 2767, 42 USC 9601 *et seq.*, and the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), Public Law No. 99-499, 100 Stat. 1613, and (ii)(A) as of the date hereof or the date of said disbursement, there were no hazardous materials, substances, wastes or other environmentally regulated substances (including, without limitation, any materials containing asbestos) located on, in or under the Property or used in connection therewith, except as fully disclosed to the Lender in writing, or (B) the City has fully disclosed to the Lender in writing the existence, extent and nature of any such hazardous materials, substances, wastes or other environmentally regulated substances, which the City is legally authorized and empowered to maintain on, in or under the Project or use in connection therewith, and the City has obtained or will obtain, and will maintain, all material licenses, permits and approvals required with respect thereto, and is in all material respects in full compliance with all of the terms, conditions and requirements of such licenses, permits and approvals.

The City further warrants and represents that it will promptly notify the Lender and the Originator of any change in the nature or extent of any hazardous materials, substances or wastes maintained on, in or under the Project or used in connection therewith, and will transmit to the Lender and the Originator copies of any citations, orders, notices or other material governmental or other communication received with respect to any other hazardous materials, substances, wastes or other environmentally regulated substances affecting the Project.

(o) Obligations Under Security Deed. The City hereby covenants and agrees to perform and discharge each obligation that the Originator has agreed to cause the City to perform or discharge in the Security Deed.

(p) Compliance with O.C.G.A. Section 36-60-13. The principal amount of all contracts executed pursuant to O.C.G.A. Section 36-60-13 (the “Act”), when added to the amount of debt incurred by the City pursuant to Article IX, Section V, Paragraph I of the Constitution of the State of Georgia, does not exceed 10% of the assessed value of all taxable property within the City. The property being financed pursuant to this Installment Sale Agreement has not been the subject of a referendum which failed to receive the approval of the voters of the City within the immediately preceding four Calendar Years. A public hearing has been held by the City regarding the Project and the financing thereof pursuant to this Installment Sale Agreement. A notice of the public hearing was published once a week for two weeks prior to the hearing in a newspaper of general circulation within the City. The average annual payments on the aggregate of all contracts executed pursuant to the Act with respect to real property do not exceed 7.5% of the governmental fund revenues of the City for the Calendar Year preceding the delivery of this Installment Sale Agreement. The outstanding principal balance on the aggregate of all contracts executed pursuant to the Act with respect to real property does not exceed \$25,000,000.

(q) The representations of the City contained in this Installment Sale Agreement and any certificate, document, written statement, or other instrument furnished to the Lender by or on behalf of the City in connection with the transactions contemplated hereby do not contain any untrue statement of a material fact relating to the City and do not omit to state a material fact relating to the City necessary in order to make the statements contained herein and therein relating to the City not misleading. Nothing has come to the attention of the City that would materially and adversely affect or in the future may (so far as the City can now reasonably foresee) materially and adversely affect the transactions contemplated by this Installment Sale Agreement, which has not been set forth in writing to the Lender or in the certificates, documents, and instruments furnished to the Lender by or on behalf of the City prior to the date of execution of this Installment Sale Agreement in connection with the transactions contemplated hereby.

(r) The balance sheet of the City as of June 30, 2021 and the statement of revenues, expenditures, and changes in fund balances and the statement of cash flows for the year ended June 30, 2021 (copies of which, audited by Williamson & Co., CPA’s, certified public accountants and advisors, have been furnished to the Lender) present fairly the financial position of the City as of June 30, 2021, and the results of its operations and its cash flows for the year ended June 30, 2021, with such exceptions as may be disclosed in the audit report. Since June 30, 2021, there has been no material adverse change in the financial position or results of operations or cash flows of the City.

Section 2.2. Representations, Covenants and Warranties of the Originator.

The Originator represents, covenants and warrants to the City as follows:

(a) Due Organization and Existence. The Originator is a duly created nonprofit corporation of the State and will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as such.

(b) No Violations. Neither the execution and delivery of the Originator Documents and each of the other documents entered into by the Originator in connection herewith, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Originator is now a party or by which the Originator is bound, or constitutes a default under any of the foregoing, or, except as provided in the Originator Documents, results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Originator, or upon the Project. The Originator is not in default under any indenture, loan agreement, mortgage, deed of trust or similar document relating to the borrowing of moneys or any other material contract, lease, or commitment to which it is a party or by which it is bound.

(c) Execution and Delivery. The Originator has duly authorized and executed the Originator Documents in accordance with the Constitution and laws of the State.

(d) No Litigation. There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the Originator, which singly or in the aggregate, if adversely determined, would adversely affect the validity or enforceability of the Originator Documents or any of the other related agreements or would adversely affect the Originator's ability to satisfy its obligations hereunder or thereunder in a timely manner.

(e) Compliance with Laws and Regulations. The execution and delivery by the Originator of the Originator Documents, all of the other related agreements and the performance of the Originator's obligations hereunder and thereunder are not in contravention of any laws, orders, regulations or ordinances. The Originator is in compliance with all laws, orders, regulations and ordinances of all federal and state authorities, the failure to comply with would have a material adverse effect on the enforceability of the Originator Documents or its ability to satisfy its obligation hereunder or thereunder in a timely manner.

ARTICLE III.

SALE OF PROJECT

Section 3.1. Sale of the Project; Title.

In consideration of the representations and undertakings of the City in this Installment Sale Agreement, the Seller hereby agrees to sell to the City, and the City hereby agrees to purchase from the Seller, in accordance with the provisions of this Installment Sale Agreement, all the Seller's right, title and interest in and to the Project, and each and every component thereof, as the same may be affected by Permitted Encumbrances; provided, however, that the title to the Project and every component thereof shall be subordinate and subject to the prior lien and encumbrance of the Security Deed until all Installment Payments hereunder, or the Purchase Price, shall have been paid in full, together with all other obligations arising hereunder and any other amounts secured by the Security Deed ("Payment in Full"). Until Payment in Full shall occur, title to the Project shall remain in the Seller. If an Event of Default or an Event of Non-appropriation with respect to this Installment Sale Agreement occurs, the City will then (or, in the case of an Event of Non-appropriation, on the date through which City has paid, or appropriated moneys sufficient to pay the applicable Installment Payments) surrender peaceably possession of the Project to the Seller in good condition and repair, normal wear and tear excepted. The Seller will have all legal and equitable rights and remedies to enforce its rights, including but not limited to, the right to take possession of the Project, and to sell or relet same. On request, the City shall execute and deliver to Seller such instruments as necessary or desirable to vest or confirm in the Seller or its assignee all right, title and interest of City in the Project. After Payment in Full, the Seller shall transfer the Project to the City by limited warranty deed and bill of sale. After Payment in Full, upon the request of the City, the Seller will cancel or cause to be cancelled of record the Security Deed. The City agrees that it will pay all expenses and taxes, if any, applicable to or arising from any transfer of title as herein provided. Notwithstanding anything herein to the contrary, this Installment Sale Agreement, said limited warranty deed and the rights of the City hereunder and thereunder are expressly made subject and subordinate to the prior lien and encumbrance of the Security Deed.

Section 3.2. Warranties.

THE SELLER MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AND HEREBY EXPRESSLY DISCLAIMS ANY WARRANTY, AS TO THE CONDITION OF THE PROJECTS OR THAT IT WILL BE SUITABLE FOR THE CITY'S PURPOSES OR NEEDS.

Section 3.3. Escrow Fund.

(a) There is hereby created a special segregated account to be known as the "City of Statesboro, Georgia 2025 Installment Sale Agreement Escrow Fund" (the "Escrow Fund"). The Lender is hereby designated as the custodian of the Escrow Fund. The City shall deposit the Installment Sale Amount into the Escrow Fund. The moneys and securities on deposit in the Escrow Fund shall be held separate and apart from all other funds of the City and the Lender and will be held in trust by the Escrow Agent. The Escrow Fund is the City's property, but the City may withdraw amounts in the Escrow Fund only as provided in Section 4.2 and only for the

application from time to time of the payment of costs of acquiring the Property and acquiring, constructing and installing the Project as set forth in Section 4.3(b) (“costs of the Project”). Pending such application such amounts shall be subject to a lien in favor of the Lender to secure the City’s obligations under this Installment Sale Agreement.

(b) For so long as the Escrow Agent is Truist, the Escrow Agent shall invest and reinvest moneys on deposit in the Escrow Fund in a public funds money rate savings account that meets the requirements of Section 159-30 of the General Statutes of the State of North Carolina, as amended, and is an authorized investment under Georgia law. Otherwise, the Escrow Agent shall invest and reinvest moneys on deposit in the Escrow Fund in Qualified Investments as directed by the City in writing by an Authorized City Representative. The City shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Escrow Agent for the reinvestment of any maturing investment. Accordingly, the Escrow Agent shall not be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Escrow Fund, and the City agrees to and does hereby release the Escrow Agent, the Originator and the Lender from any such liability, cost, expenses, loss or claim. Interest on the Escrow Fund shall become part of the Escrow Fund, and gains and losses on the investment of the moneys on deposit in the Escrow Fund shall be borne by the Escrow Fund. All earnings or moneys in the Escrow Fund shall be used for costs of the Project or otherwise applied in accordance with Section 3.3(l).

(c) Unless the Escrow Fund is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Fund shall be disbursed by the Escrow Agent in payment of amounts described in Section 4.2(b) hereof upon receipt of written requisition(s) from the Seller, as is more fully described in Section 4.2 hereof. If the amounts in the Escrow Fund are insufficient to pay such amounts, the City shall provide any balance of the funds needed to complete the acquisition, construction and installation of the Project. Any moneys remaining in the Escrow Fund after the Completion Date shall be applied as provided in Section 3.3(l) hereof.

(d) The Escrow Fund shall be terminated at the earliest of: (i) the final distribution of amounts in the Escrow Fund; (ii) written notice given by the Seller of the occurrence of an Event of Default or an Event of Non-appropriation by the City under this Installment Sale Agreement is received by the Escrow Agent; or (iii) the termination of this Installment Sale Agreement. Upon an Event of Default or an Event of Non-appropriation, the moneys on deposit in the Escrow Fund shall, at the option of the Lender, be applied as set forth in Section 3.3(l).

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder and, to the extent permitted by law, the City agrees to and does hereby release and indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Installment Sale Agreement; and in connection therewith, and to the extent permitted by law, does indemnify the Escrow Agent and its members, officers, directors, agents and counsel against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim. The Escrow Agent shall be vested with a lien on and is hereby granted a security interest in all property deposited hereunder, for indemnification, for reasonable attorneys' fees, court costs, for any suit, interpleader or otherwise, or any other expense, fees or charges of any character or nature, which may be incurred by the Escrow Agent by reason of disputes arising between the City and the Seller as to the correct interpretation of this Installment Sale Agreement and instructions given to the Escrow Agent hereunder, or otherwise, with the right of Escrow Agent, regardless of the instructions aforesaid, to hold the said property until and unless said additional expenses, fees and charges shall be fully paid.

(g) If the City and the Seller shall be in disagreement about the interpretation of this Installment Sale Agreement, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. The Escrow Agent shall be reimbursed by the City for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Installment Sale Agreement until a final judgment in such action is received.

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection to rely on the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(i) [Intentionally omitted.]

(j) If an amount shall be held in the Escrow Fund from and after the third anniversary of the Closing Date, the City shall direct the Escrow Agent to invest such amount only in (i) obligations described in Section 103 of the Code (excluding "private activity bonds," as defined in Section 141 of the Code) or (ii) securities for which there is an established market, including U.S. Treasury Obligations, State and Local Government Series and for which market price is paid, such securities to have a yield not in excess of the yield on this Installment Sale Agreement, unless the City shall deliver an opinion of Bond Counsel to the effect that investment at a higher rate will not cause this Installment Sale Agreement to become an "arbitrage bond" within the meaning of Section 148 of the Code and will not otherwise adversely affect the exclusion of the Interest Payments on this Installment Sale Agreement from gross income for federal income tax purposes.

(k) So long as no Event of Non-appropriation or Event of Default occurs hereunder, moneys on deposit in the City's Escrow Fund shall be subject to the interest of the Escrow Agent described in paragraph (f) above, and then to the beneficial interest of the City as provided herein.

(l) The Escrow Agent will apply any amounts remaining in the Escrow Fund after the Completion Date (the “Excess Funds”) to the prepayment of the Installment Sale Agreement, as follows: (X) first, to any Interest Payment accrued and unpaid to the prepayment date, (Y) next to the payment of any Principal Payment then due and payable, and (Z) then to the prepayment, in inverse order of maturity and without premium, of the outstanding principal components of the Installment Payments; provided however, that in no event will Lender apply any funds in the manner set forth herein if it is advised in an opinion of Bond Counsel delivered by the City that such a use of funds could adversely affect the exclusion from gross income of federal income tax purposes of the interest component of the Installment Payments. Such prepayment, however, will not affect any other City payment obligation under the City Documents. The Escrow Agent will notify the City of any withdrawal from the Escrow Fund made under this Section 3.3(l) with respect to Excess Funds and in the notice will describe its application of the funds withdrawn.

ARTICLE IV.

DEPOSIT TO THE ESCROW FUND; AGREEMENT TO ACQUIRE, CONSTRUCT AND INSTALL THE PROJECTS; TERMINATION OF INSTALLMENT SALE AGREEMENT; INSTALLMENT PAYMENTS; APPROPRIATION

Section 4.1. Deposit to Escrow Fund.

The Originator will transfer its interest in this Installment Sale Agreement to the Lender pursuant to the Transfer Agreement upon payment of the Installment Sale Amount and will cause the Installment Sale Amount to be deposited in the Escrow Fund. Upon satisfaction of the requirements of Sections 4.2(c) and (i) hereof, the Escrow Agent will apply the amounts in the Escrow Fund for costs related to the Project. The City agrees to pay any such costs of the Project and costs of issuance in excess of amounts available therefor in the Escrow Fund. Neither the Lender nor the Originator have any obligation for any costs and expenses incurred by the City with respect to the Project or the financing thereof.

Section 4.2. Acquisition and Construction of Project.

(a) Acquisition, Construction and Installation Contracts. The Originator hereby appoints the City as its agent for purposes of acquiring, constructing, and installing the Project. Such appointment is irrevocable and is coupled with an interest. The City will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition, construction, and installation of the Project, with moneys available in the Escrow Fund. The City represents the estimated costs of the Project are within the funds estimated to be available therefor, and the Seller makes no warranty or representation with respect thereto. Prior to a disbursement from the Escrow Fund, there shall be filed with the Escrow Agent a requisition containing the information specified in Section 4.2(c). Neither the Originator, the Escrow Agent nor the Lender shall be liable under any of the acquisition, construction or installation contracts, if applicable. The City shall obtain all necessary permits and approvals, if any, for the acquisition, construction, and installation of the Project, and the operation and maintenance thereof, which may hereafter become applicable to the Project.

(b) Authorized Escrow Fund Disbursements. Disbursements from the Escrow Fund may be made for the purpose of paying (said term to include the reimbursement of the City for advances from its other funds to accomplish the purposes hereinafter described) the cost of acquiring, constructing, and installing the Project, including the purchase of the Property, and shall also include:

- (i) the cost of indemnity and fidelity bonds to insure the faithful completion of any construction contract pertaining to the Project;
- (ii) fees and expenses of architects for the preparation of plans and supervising the acquisition, construction, and installation of the Project, if applicable;

(iii) all payments, including those for labor, contractors, builders and materialmen, incurred under the terms of a construction contract for the acquisition, construction, and installation of the Project;

(iv) all costs of engineering and architectural services, including the costs of the City incurred in connection with test borings and environmental assessments, if any, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or consequent to the proper construction of the Project, if applicable; and

(v) costs of issuance associated with this Installment Sale Agreement.

(c) Requisition Procedure. No disbursement from the Escrow Fund shall be made unless and until the Seller has approved such requisition. Prior to disbursement from the Escrow Fund there shall be filed with the Escrow Agent a requisition for such payment stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due in the form of Exhibit E hereto. Each such requisition submitted by the City shall include or similar forms approved by the Lender itemizing all costs to be paid with the requisitioned advance and copies of bills, invoices or other documents supporting the payments requested and shall be signed by an Authorized City Representative and approved by the Lender and shall contain a certificate of the City to the effect that:

(i) insofar as such obligation was incurred for work, material, supplies or equipment in connection with the Facility, such work was actually performed, or such material, supplies or equipment was actually installed in or about the Facility or delivered at the site of the work for that purpose;

(ii) an obligation in the stated amount has been incurred by the City, and that the same is a proper charge against the Escrow Fund and has not been paid, and stating that the bill, invoice or statement of account for such obligation, or a copy thereof, is on file with the City;

(iii) the Authorized City Representative has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interests which should be satisfied or discharged before such payment is made;

(iv) such requisition contains no item representing payment on account, or any retained percentages which the City is, at the date of such certificate, entitled to retain; and

(v) the Project are insured in accordance with the Installment Sale Agreement.

(d) Construction. The City has entered into a construction contract. The City shall cause the construction to be carried on continuously in a good and workman like manner in accordance with the plans and specifications, all applicable ordinances and statutes, and in accordance with the requirements of all regularly constituted authorities having jurisdiction over the same. The City shall cause the Facility to be constructed entirely on the Property and will ensure (i) that the Facility does not encroach upon nor overhang any easement or right of way, and (ii) the Facility, when constructed, will be wholly within the building restriction lines, however

established, and will not violate applicable use or other restrictions contained in prior conveyances or applicable protective covenants, ordinances or restrictions. The City shall cause all utility lines, septic systems and streets serving the Facility to be completed in accordance with health department standards and other applicable regulations of any governmental agency having jurisdiction. The City will promptly correct any structural defect in the improvements or any departure from the plans and specifications.

(e) Conditional Assignment of Construction Documents. The City shall conditionally assign to the Seller all the City's rights, title and interest in the construction contract and the plans and specifications. The City shall obtain any consent of the general contractor, or the architect selected and hired by the City in connection with the construction of the Facility to such assignments.

(f) Right of Entry and Inspection. The Lender and its representatives and agents shall have the right to enter upon the Property and inspect the Project and the improvements thereto from time to time, and the City will cause any contractor or sub-contractor, if any, to cooperate with the Lender and its representatives and agents during such inspections. No right of inspection or approval contained herein shall be deemed to impose upon the Lender any duty or obligation whatsoever to undertake any inspection or to make any approval. No inspection made or approval given by the Lender shall be deemed to impose upon the Lender any duty or obligation whatsoever to identify or correct any defects in the improvements or to notify any person with respect thereto, and no liability shall be imposed upon the Lender, and no warranties (either express or implied) are made by the Lender as to the quality or fitness of any improvement, any such inspection and approval being made solely for the benefit of the Lender.

(g) Completion of Project. The City shall use its best efforts to cause the acquisition, construction, and installation of the Project to be completed without undue delay, unforeseeable delays beyond the reasonable control of the City only excepted. Promptly upon completion of the acquisition, construction, and installation of the Project, the City shall deliver to the Lender, (a) a certificate of the City executed by an Authorized City Representative stating (i) the Project have been completed and date of such completion and (ii) that all of the costs of said acquisition, construction, and installation have been determined and paid (or that all of such costs have been paid less specified claims which are subject to dispute and for which a retention in the Escrow Fund is to be maintained in the full amount of such claims until such dispute is resolved), (b) a certificate of a duly authorized officer or agent of the architects, engineers or supervising contractors selected and hired by the City in connection with the construction of the Facility stating the fact and date of completion, (c) a copy of the certificate(s) of occupancy, and (d) proof of insurance coverage with respect to the Project required by this Installment Sale Agreement.

(h) Payment and Performance Bonds. Each contractor entering into a contract for the construction of the Facility shall be required to furnish a performance bond and a labor and material payment bond as required by O.C.G.A. Section 36-91-1 *et seq.*, as amended, or other applicable provisions of law, copies of which shall be provided to the Seller and the Escrow Agent. In the event of any material default by a contractor under any construction contract or in the event of a material breach of warranty with respect to any materials, workmanship or performance, the City shall promptly proceed, either separately or in conjunction with others, to pursue diligently its remedies against such contractor and/or against each surety of any bond securing the performance

of such construction contract. The net proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, remaining after deduction of expenses incurred in such recovery (including, without limitation, attorney's fees and costs), and after reimbursement to the City of any amounts theretofore paid by the Lender and not previously reimbursed to the City for correcting or remedying the default or breach of warranty which gave rise to the proceedings against the contractor or surety, shall be paid to the Escrow Agent for deposit into the Escrow Fund and (i) used as agreed by the City and the Seller to remedy any damage, omission, or defect, or (ii) if the City and the Seller agree that no such remedial work is required, used as provided in Section 4.4(a)(i) hereof.

(i) Conditions to Disbursement. Without limitation of the other conditions described herein, the Seller shall not be obligated to authorize any requisition of amounts from the Escrow Fund until it has been provided with and approved (if appropriate) (A) a file stamped copy of the Security Deed, (B) evidence that the insurance required by Section 5.2 hereof has been obtained, (C) evidence of payment and performance bonds pursuant to the construction contract(s), (D) adequate assurances that there have been deposited in the Escrow Fund sufficient monies to complete the Facility, (E) an independent flood certification, and (F) any other documents that the Seller may reasonably request, each in form and substance satisfactory to the Seller and its counsel. No disbursement from amounts from the Escrow Fund alone shall serve to alter these conditions.

Section 4.3. Term of Installment Sale Agreement.

The Term of this Installment Sale Agreement shall commence on the date hereof and shall end on April 1, 2046. This Installment Sale Agreement shall renew automatically from Fiscal Year to Fiscal Year until there occurs an Event of Non-appropriation. This Installment Sale Agreement may be terminated only in accordance with the following paragraph.

The Term of this Installment Sale Agreement will terminate upon the earliest of any one of the following events:

(i) Purchase Option. Upon the exercise by the City of its option to prepay the Purchase Price of the entire Project as provided in Section 4.5 and to terminate the Installment Sale Agreement pursuant to Section 4.7, and the payment of the Purchase Price and any other amounts owing hereunder.

(ii) Payment in Full. Payment in full of the Installment Payments on April 1, 2046.

(iii) By City's Election to Terminate the Installment Sale Agreement Upon Non-appropriation. The occurrence of an Event of Non-appropriation.

The parties intend that this Section 4.3 operate in conformity with, and not in contravention of, O.C.G.A. Section 36-60-13, as amended. In the event that any provision of this Section 4.3 is determined to conflict with O.C.G.A. Section 36-60-13, as amended, this Section 4.3 shall be interpreted and implemented in a manner consistent with said statute.

In the event of the occurrence of an Event of Non-Appropriation and in accordance with the terms of the Security Deed, the City agrees to surrender peaceably possession of the Project to

the Seller or its assignee or transferee on the date of such default or termination in good condition and repair, normal wear and tear excepted, and the City, upon the demand of the Seller, shall transfer the Project to the Seller or its assignees by limited warranty deed. The Seller and its transferees and assignees will have all legal and equitable rights and remedies to enforce their respective rights, including but not limited to, the right to take possession of the Project, free of rent.

Section 4.4. Installment Payments.

(a) Obligation to Pay. Certain payments due hereunder shall be made as follows:

(i) Principal Payments. Principal Payments specified in Exhibit A Schedule 2 hereto shall be paid by the City on each date specified therein during the term of this Installment Sale Agreement to the Lender.

(ii) Interest Payments. Interest Payments specified in Exhibit A Schedule 2 hereto shall be paid by the City on each date specified therein during the term of this Installment Sale Agreement to the Lender.

If the Installment Payment date is not a Business Day, the foregoing payments shall be made on the next succeeding Business Day. Notwithstanding the foregoing, the last payment shall be in the amount needed to pay all Principal Payment and Interest Payment due hereunder. All payments shall be made in immediately available funds by check or wire transfer in accordance with written directions provided by the Lender.

(b) Unconditional Obligation. The obligations of the City to make the payments required in Section 4.4(a) hereof or otherwise due hereunder and to perform and observe the other agreements on its part contained herein shall not be affected by any abatements, reductions, set-offs, diminutions, defenses, counterclaims and recoupments for or on account of any claims which City may have, any insolvency, bankruptcy, reorganization or similar proceedings by or against the City, or any other circumstance, happening or event similar to any of the foregoing; nor except as otherwise expressly provided herein, shall this Installment Sale Agreement terminate. Until expiration or termination of the Term, the City (i) will not suspend or discontinue any payments provided for in Section 4.4(a) hereof, (ii) will perform and observe all of its other agreements contained in this Installment Sale Agreement, and (iii) will not terminate the Term for any cause, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, any defects in any component of the Project, any obsolescence of any component of the Project for any reason whatsoever, eviction or constructive eviction, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of Georgia or any political subdivision of either or any failure of the Seller to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Installment Sale Agreement. Nothing contained in this Section shall be construed to release the Seller from the performance of any of the agreements on its part herein contained; and if the Seller should fail to perform any such agreement, the City may institute such action against the Seller as the City may deem necessary to compel performance or recover its damages for nonperformance as long as such action shall not impair or affect the agreements on the part of the City contained in

the preceding sentence and to make the payments specified in Section 4.4(a) hereof or otherwise due hereunder. The City may, however, at its own cost and expense and in its own name or in the name of the Seller, prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to insure the acquisition, construction and installation of the Project or to secure or protect its right of possession, occupancy and use hereunder, and in such event the Seller hereby agrees to cooperate fully with the City and to take all lawful action which is required to effect the substitution of City for the Seller in any such action or proceeding if the City shall so request.

(c) Sale and Transfer. The City understands and agrees that pursuant to the Transfer Agreement, the Originator will sell and transfer the Installment Sale Agreement and all of its rights, title and interest hereunder to the Lender (except for certain retained rights), and the City assents to such transfer.

(d) Current Obligation Only. The provisions of this Section 4.4(d) apply notwithstanding any provisions to the contrary in this Installment Sale Agreement. The Installment Payments and all other payments due hereunder constitute expenses of the City, and the City's obligations hereunder are from year to year only and do not constitute a mandatory payment obligation of the City in any ensuing Installment Sale Year beyond the Installment Sale Year for which this Installment Sale Agreement has last been renewed, and are not in contravention of O.C.G.A. Section 36-60-13, as amended. No provision hereof shall be construed or interpreted as creating a general obligation or other indebtedness of the City or the State within the meaning of any constitutional or statutory debt limitation. Neither the execution, delivery, and performance of this Installment Sale Agreement nor the transfer thereof directly or indirectly obligates the City to make any payments hereunder beyond those coming due in the Installment Sale Year for which this Installment Sale Agreement has last been renewed. No judgment may be entered against the City or the State of Georgia for failure to pay any amounts due hereunder, except to the extent that the City has theretofore incurred liability to pay any such amounts through its actual use of the Project or through its lawful appropriations or budgeting of such amounts. Nothing in this Installment Sale Agreement shall require the City to levy a tax to make payments under this Installment Sale Agreement.

Section 4.5. Accelerated Purchase Option.

Beginning after April 1, 2026, on any payment date, upon five (5) days' prior written notice from the City to the Seller and the Lender, and provided that there is then existing no Event of Default or event which with notice or lapse of time, or both, could become an Event of Default or no Event of Non-appropriation, the City will have the right to prepay at anytime, all of the outstanding Principal Payments by paying to the Lender, as assignee of the Seller, the amount of Principal Payments to be prepaid, subject to the following redemption prices plus accrued interest:

<u>Redemption Date</u>	<u>Redemption Price</u>
April 1, 2026 through March 31, 2027	102%
April 1, 2027 through March 31, 2028	101
April 1, 2028 and thereafter	100

Section 4.6. Covenant as to Appropriation.

In the event this Installment Sale Agreement is not otherwise terminated, the City covenants and agrees that it will cause the appropriate officers of the City (i) to request that the governing body appropriate, or determine not to appropriate, no later than the twentieth (20th) day before the end of the then current Fiscal Year, the Minimum Annual Appropriated Amount for the succeeding Fiscal Year, and (ii) to take such further action (or cause the same to be taken) as may be necessary or desirable to assure the availability of moneys appropriated to make all payments due hereunder, including all such actions for such purpose as may be required under O.C.G.A. Section 36-60-13, as amended. The City will provide a Certificate of Appropriation in the form of Exhibit D attached hereto, or a notice that no such appropriation has been made, to the Seller by the twentieth (20th) day before the end of the Fiscal Year. To the extent permitted by law, the City hereby agrees that if it intends to terminate this Installment Sale Agreement, its governing body shall adopt a resolution specifically making a determination to terminate this Installment Sale Agreement; provided, however, failure to adopt such resolution shall not be deemed to mean that this Installment Sale Agreement has not been terminated if an Event of Non-appropriation otherwise has occurred.

Section 4.7. Termination of Installment Sale Agreement on Prepayment.

Upon the exercise by the City of its option to prepay all Principal Payments pursuant to Section 4.5 hereof with respect to the Project, the satisfaction of all conditions set forth in Section 4.5 and the payment of all other amounts due hereunder, the City shall be deemed to have terminated this Installment Sale Agreement.

Section 4.8. Tax Treatment of Installment Payments. This Installment Sale Agreement is entered into on the basis that the interest portion of the Installment Payments is not includable in the gross income of Lender for federal income tax purposes and that the Installment Sale Agreement is a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code.

ARTICLE V.

MAINTENANCE; TAXES; INSURANCE; AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments.

(a) Maintenance and Operation. During the term of this Installment Sale Agreement, the City shall, at its own expense, maintain, manage and operate the Project and all the improvements therein in good order, condition and repair, ordinary wear and tear excepted. The Seller shall not be responsible to provide security service, custodial service, janitor service, power, gas, telephone, light, heating, water, or any other public utility services. It is understood and agreed that in consideration of the payment by the City of the Installment Payments herein provided for, the Seller is only obligated to provide for the financing of the Project in the manner and to the extent herein provided, and neither the Lender nor the Originator shall have any obligation to incur any expense of any kind or character in connection with the management, operation or maintenance of the Project during the term of this Installment Sale Agreement.

(b) Alterations. The City will not make any alterations, additions or improvements to the Project without Seller's prior written consent; provided, however, that if such alterations, additions or improvements shall not diminish the value or utility of the Project, or impair the condition thereof, below the value, utility or condition thereof immediately prior to such alteration, addition or improvement (assuming the Project was then of the value or utility and in the condition required to be maintained by the terms of this Installment Sale Agreement), such written consent shall not be unreasonably denied. All property incorporated or installed in or attached to or added to the Project, as the result of such alteration, addition or improvement shall, without further act, be subject to the Security Deed. The City may, at any time, remove and not replace such property, if no Default or Event of Default has occurred and is continuing and such property (i) is in addition to, and not in replacement of or substitution for, any property originally incorporated or installed in or attached to the Project on the date hereof or any part in replacement of, or substitution for, any such property, (ii) is not required to be incorporated or installed in or attached or added to the Project pursuant to this Section 5.1, and (iii) can be removed from the Project without diminishing or impairing the value, utility or condition which the Project would have had at such time had such alteration, addition or improvement not occurred, as certified in writing by the City to the Seller.

(c) Liens and Taxes. The City shall keep the Project free and clear of all levies, liens, mortgages and encumbrances except for Permitted Encumbrances and those created under this Installment Sale Agreement, the Security Deed and the Transfer Agreement. The City shall pay, when due, all charges and taxes (local, state and federal) which may now or hereafter be imposed upon the leasing, rental, sale, purchase, possession, ownership or use of the Project, whether imposed upon or payable by the Lender, the Originator or the City. If the City fails to pay said charges and taxes when due, the Seller shall have the right, but shall not be obligated, to pay said charges and taxes. If the Seller pays any charge or tax for which the City is responsible or liable under this Installment Sale Agreement, the City shall reimburse the Seller therefor plus interest on any unreimbursed amounts from the date of payment by the Seller until the date of reimbursement.

Section 5.2. Insurance.

The City will, at its expense, maintain at all times during the Term, (i) fire, vandalism, malicious mischief, and extended coverage and property damage insurance with respect to the Project in an amount equal to the full insurable value of the Project, (ii) single limit comprehensive general liability insurance in an amount satisfactory to the Seller, and (iii) flood insurance (if applicable). All such insurance policies shall have deductible amounts acceptable to the Seller, and shall be issued by such insurers as the City shall deem appropriate and satisfactory to the Seller. If in furtherance of its obligation under the preceding sentence the City procures an insurance policy, or participates in an "interlocal risk management agency," as such term is defined in O.C.G.A. Section 36-85-1, or causes the Project to be covered under an existing policy, each such insurance policy or pool will name the City as an insured and the Seller or their respective assigns as a loss payee, and will contain a clause requiring the insurer to give and the Seller at least thirty (30) days' prior written notice of any alteration in the terms of such policy or the cancellation thereof. The proceeds of any such insurance policies will be payable to the City, the Seller, or their respective assigns, as their interests may appear. All general liability insurance policies related to the Project shall name the Lender as an additional insured.

In the event of any loss, theft, destruction, damage, vandalism, injury or accident involving the Project or in the event that title to, or the temporary or permanent use of, the Project or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, prior to the payment of all the Installment Payments specified in the Installment Sale Agreement for the Project, the City will (i) promptly provide the Seller with written notice thereof, pay the net proceeds of insurance or condemnation of the Escrow Agent for the Escrow Fund and make available to the Seller all information and documentation relating thereto, (ii) promptly requisition from the Escrow Fund and use the net insurance proceeds received in connection with such casualty if any, together with other funds (including the City's own funds as described in this Section)(A) to repair or restore the Project to its condition prior to such casualty; or (B) to exercise its purchase option with respect to the Project under Section 4.5 hereof and (iii) promptly upon satisfaction of the requirement set forth in clause (ii)(A) above certify to the Seller in writing that any restored facility is as valuable as the Project. In the event of any loss, damage, theft, vandalism or destruction of the Project or any part thereof prior to the payment in full of the unpaid Installment Payments specified in the Installment Sale Agreement, and the proceeds of any insurance maintained hereunder are insufficient to repair or replace the Project so damaged, the City shall (i) exercise its purchase option under Section 4.5 hereof or (ii) fully repair the Project to its condition prior to such loss, theft, damage, vandalism or destruction or replace it using its own funds. The Seller shall not be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise, or settlement of any loss agreed to by the Seller.

ARTICLE VI.

DISCLAIMER OF WARRANTIES; CERTAIN PAYMENT OBLIGATIONS

Section 6.1. Disclaimer of Warranties.

NEITHER THE ORIGINATOR NOR THE LENDER MAKES ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE CITY OF THE PROJECTS. In no event shall the Originator or the Lender be liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Installment Sale Agreement for the existence, furnishing, functioning of the City's use and possession of the Project.

Section 6.2. City's Right to Enforce Warranties.

The Originator hereby irrevocably appoints the City its agent and attorney-in-fact during the Term of this Installment Sale Agreement, so long as the City shall not be in default hereunder and so long as there is no Event of Non-appropriation hereunder, to assert from time to time whatever claims and rights, including without limitation, warranty claims, claims for indemnification and claims for breach of any representations respecting the Project which the Seller may have against any vendor or contractor. The City's sole remedy for the breach of any such warranty, indemnification or representation shall be against the vendor or contractor with respect thereto, and not against the Seller, nor shall such matter have any effect whatsoever on the rights and obligations of the Seller with respect to this Installment Sale Agreement, including the right to receive full and timely Installment Payments and all other payments due hereunder. The City shall be entitled to retain any and all amounts recovered as a result of the assertion of any such claims and rights, provided, that the City shall apply such amounts as may be required to the repair of defects or omissions in the Project that occasioned such claims. The Seller shall, upon the City's request and at the City's expense, do all things and take all such actions as the City may request in connection with the assertion of any such claims and rights.

Section 6.3. Certain Payment Obligations.

To the extent permitted by law, the City shall and hereby agrees to pay to the Originator, the Escrow Agent, the Lender and any successors, assigns, directors, officers, agents or subrogees the amounts of any and all claims, losses, damages, actions, proceedings, expenses, or liabilities, including reasonable legal fees and expenses and court costs, arising out of or in connection with their services in assisting with the provision or financing of the Project, but not due to the gross negligence or wrongful acts of such parties or breach of their obligations hereunder, including but not limited to claims, losses, damages, actions, proceedings, expenses, or liabilities arising out of (i) the use, maintenance, condition or management of, the Project by the City, (ii) any breach or default on the part of the City in the performance of any of its obligations under this Installment Sale Agreement, (iii) any act or negligence of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Project, (iv) any act or negligence of any assignee or sublessee of the City with respect to the Project, (v) the acquisition, construction, and installation of the Project or the authorization of payment of the costs thereof by the City, (vi) the breach by

the City of any representation or warranty of the City contained in this Installment Sale Agreement or made by the City in connection herewith, or (vii) their enforcing any covenants of the City in this Installment Sale Agreement.

In case any action is brought against any party that may be entitled to payment in connection with any matter contemplated under this Section 6.3, and it notifies the City of the commencement thereof, the City will be entitled to participate in, and, to the extent that it chooses to do so, to assume the defense thereof (including the employment of counsel), and the City shall assume the payment of all fees and expenses relating to such defense and shall have the right to negotiate and consent to settlement thereof. Notwithstanding the foregoing, if the defendants in any such action include such an indemnified party and the City, or include more than one indemnified party, and there are legal defenses available to such an indemnified party that are different from or additional to those available to the City or another defendant indemnified party, and which are likely to cause a conflict of interest between the City and such indemnified party, or between other defendant indemnified parties, such indemnified party shall have the right to employ separate counsel in such action (and the City shall not be entitled to assume the defense thereof on behalf of such indemnified party), and in such event the reasonable fees and expenses of such counsel shall be borne by the City. Nothing contained in this Section 6.3 shall preclude any indemnified party, at its own expense, if indemnity is available, from retaining additional counsel to represent such party in any action with respect to which indemnity may be sought from the City hereunder.

The provision of this Section 6.3 shall survive termination of this Installment Sale Agreement for any reason to the extent that the obligation arose during the Term hereof.

ARTICLE VII.

SUCCESSORS, ASSIGNMENT, PLEDGING, SALE AND AMENDMENT

Section 7.1. Assignment by the Originator.

Except for the absolute assignment to the Lender of its rights under this Installment Sale Agreement and for the Security Deed as provided herein, the Originator will not sell the Project and will not assign this Installment Sale Agreement, or its right to receive Installment Payments from the City (i) without an opinion of Bond Counsel to the effect that the proposed sale or assignment will not adversely affect the exclusion from gross income for federal income tax purposes of the Interest Payments, and (ii) without the written consent of the Lender. In addition, no such other assignment or reassignment of the right to receive payments under this Installment Sale Agreement shall be effective unless and until the City shall have received a duplicate original counterpart of the document by which the assignment or reassignment is made, disclosing the name and address of each such assignee. The City hereby acknowledges receipt of the Transfer Agreement for purposes of this Section. During the term hereof, the City shall keep, or cause to be kept, a complete and accurate record of all such assignments and reassignments received in form necessary to comply with Section 149(a) of the Code, and the regulations, proposed or existing, from time to time promulgated thereunder.

Upon the Originator's assignment of this Installment Sale Agreement to the Lender pursuant to the Transfer Agreement, all references in this Installment Sale Agreement to the Seller shall be deemed to be references to the Lender and the Lender shall have the right to proceed directly against the City for all payments due hereunder.

Section 7.2. Assignment and Sublease by the City.

Except with the consent of the Lender, this Installment Sale Agreement may not be assigned by the City, and the Originator and the City may not sell or sublease the Project or enter into any rental agreement with respect thereto unless the Lender shall consent to such sale or sublease and the City shall deliver an opinion of Bond Counsel to the effect that such sale or sublease will not adversely affect the exclusion from gross income for federal income tax purposes of the Interest Payments.

ARTICLE VIII.

EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined.

The following shall be “Events of Default” under this Installment Sale Agreement and the terms “Events of Default” and “Default” shall mean, whenever they are used in this Installment Sale Agreement, any one or more of the following events:

- (i) Failure by the City to make any payment required to be paid hereunder and to be received by the Seller on or before the date required for such payment.
- (ii) Failure by the City to observe and perform any of its obligations under Sections 4.6, 5.1 or 5.2 hereof.
- (iii) An Event of Non-appropriation.
- (iv) Failure by the City to observe and perform any other covenant, condition or agreement on its part to be observed or performed herein or otherwise with respect hereto, other than as referred to in clause (i) or (ii) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Seller.
- (v) Failure by the City generally to pay its debts as the same become due, or the subjection of any right or interest of the City under this Installment Sale Agreement to any execution, garnishment or attachment, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the filing of a petition applicable to the City in any insolvency proceedings.
- (vi) An event of default under the Security Deed.

Section 8.2. Remedies on Default and Non-appropriation.

Whenever any Event of Default referred to in Section 8.1 hereof shall have occurred and is continuing, or an Event of Non-appropriation shall have occurred, the Seller may take any one or more of the following remedial steps:

- (a) The Seller may declare all unpaid installments of amounts payable under Section 4.4(a) hereof through the last Installment Sale Year for which this Installment Sale Agreement has been renewed to be immediately due and payable, whereupon the same shall become immediately due and payable. If payments are accelerated pursuant to this Section 8.2(a), subject to the provisions of Section 4.4(d) hereof, the amount then due and payable by the City shall be the sum of (1) the aggregate unpaid Principal Payments due in the last Installment Sale Year for which this Installment Sale Agreement has been renewed, (2) the aggregate unpaid Interest Payments due in the last Installment Sale Year for which this Installment Sale Agreement has been renewed, (3) any other amounts which may be owing to the Seller pursuant to this Installment Sale Agreement for the last Installment Sale Year for which this Installment Sale Agreement has been renewed;

(b) With or without terminating this Installment Sale Agreement, retake possession of the Project wherever situated, without any court order or other process of law and without liability for entering the premises, and lease, sublease, or make other disposition of the Project for use over a term in a commercially reasonable manner; provided that the City shall remain directly liable for the amount actually appropriated for the purchase or rental of the Project and unpaid by the City during the then current Installment Sale Year;

(c) The Seller may exercise its remedies under the Security Deed;

(d) The Seller may require the City to furnish copies of all books and records of the City pertaining to the Project; and

(e) The Seller may take whatever action at law or in equity which may appear necessary or desirable to collect the amounts due, or to enforce performance and observance of any obligation, agreement or covenant of the City under this Installment Sale Agreement.

In the event that a Default or an Event of Default shall occur, the interest shall accrue on the outstanding principal balance and any other amounts owed hereunder at the lesser of (a) the then effective interest rate with respect to this Installment Sale Agreement plus 2 percent or (b) the maximum rate permitted by law.

Section 8.3. Non-appropriation.

Upon an Event of Non-appropriation, the City shall not be obligated to make the Installment Payments and other payments provided for herein beyond the last day of the last Installment Sale Year for which this Installment Sale Agreement has been renewed.

Section 8.4. No Remedy Exclusion.

No remedy conferred herein upon or reserved to the Seller is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Installment Sale Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Seller to exercise any remedy reserved to them in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article or by law.

Section 8.5. Agreement to Pay Attorneys' Fees and Expenses.

In the event that the City should default under any of the provisions hereof and the Originator, the Lender or the Escrow Agent should employ attorneys or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the City contained herein, the City agrees that it will on demand therefor pay to the Originator, the Lender or the Escrow Agent, as the case may be, the reasonable fees of such attorneys and such other expenses so incurred by the Originator, the Lender or the Escrow Agent.

Section 8.6. No Additional Waiver Implied by One Waiver.

In the event any agreement contained in this Installment Sale Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE IX.

MISCELLANEOUS

Section 9.1. Notices.

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received five (5) days after deposit in the United States mail in certified form, postage prepaid, at the following addresses:

If to the City:	City of Statesboro 50 E. Main Street Statesboro, GA 30458 Attn: Mayor
with a copy to:	I. Cain Smith, Esq. 50 E. Main St. Post Office Box 348 Statesboro, GA 30458
If to the Originator:	Georgia Municipal Association, Inc. 201 Pryor Street Atlanta, Georgia 30303 Attention: Director, Financial Services
with a copy to:	Counsel to Georgia Municipal Association, Inc. 201 Pryor Street Atlanta, Georgia 30303 Attention: Rusi Patel, Esq.
If to the Lender:	Queensborough National Bank & Trust Company 7393 Hodgson Memorial Dr. Savannah, Ga 31406 Attn: Brian L. Dart

Any party, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 9.2. Binding Effect.

This Installment Sale Agreement shall inure to the benefit of and shall be binding upon the Seller and the City and their respective successors and the assigns of Seller.

Section 9.3. Severability.

In the event any provision of this Installment Sale Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.4. Amendments, Changes and Modifications.

This Installment Sale Agreement may not be amended or any of its terms modified without the written consent of the Lender.

Section 9.5. Further Assurances and Corrective Instruments.

The Seller and the City agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto or to the Security Deed and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project hereby agreed to be sold or intended so to be or for carrying out the expressed intention of this Installment Sale Agreement.

Section 9.6. Execution in Counterparts.

This Installment Sale Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

Section 9.7. Applicable Law.

This Installment Sale Agreement shall be governed by and construed in accordance with the laws of the State.

Section 9.8. Survival.

The provisions of this Installment Sale Agreement shall survive the Closing Date and the transfer and sale of the Project.

Section 9.9. Security Agreement.

The City hereby grants the Seller a security interest in its rights under this Installment Sale Agreement and the architect contracts and construction contracts relating to the Project. Upon an Event of Default or any Event of Non-appropriation (but only upon such events), the Lender shall be entitled to exercise the City's rights under this Installment Sale Agreement.

Section 9.10. Limited Liability.

Notwithstanding anything herein or in the Security Deed, Transfer Agreement, Environmental Agreement or closing documents to the contrary, the liability of Seller and Lender with respect to their obligations hereunder or thereunder shall be limited to their interest in the Project, and no personal liability, whether express, implied, or arising by operation of law, is assumed by Seller and Lender, nor shall any personal liability or responsibility be asserted or

enforceable against Seller and Lender, all such personal liability or responsibility being hereby expressly waived by City.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the City and the Originator have caused this Installment Sale Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

Signed, sealed and delivered
in the presence of:

**GEORGIA MUNICIPAL ASSOCIATION,
INC.**

Unofficial Witness

By: _____
Executive Director

Notary Public

[SEAL]

My Commission Expires:

Attest:

[NOTARIAL SEAL]

By: _____
Name: [_____] _____
Title: [_____] _____

Signed, sealed and delivered
in the presence of:

CITY OF STATESBORO, GEORGIA

Unofficial Witness

By: _____
Mayor

[SEAL]

Notary Public

My Commission Expires:

Attest:

[NOTARIAL SEAL]

By: _____
City Clerk

QUEENSBOROUGH NATIONAL BANK &
TRUST COMPANY, as Escrow Agent

By: _____
Name: [_____] _____
Title: [_____]

EXHIBIT A

SCHEDULE 1

BASIC TERMS:

INSTALLMENT SALE AMOUNT: \$3,875,000.00

INTEREST RATE: 4.50%*

* Based upon a 360-day year comprised of twelve thirty-day months.

SCHEDULE 2

INSTALLMENT PAYMENT AMOUNTS

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
4/1/2026			\$86,703.13	\$86,703.13	
6/30/2026					\$86,703.13
10/1/2026			87,187.50	87,187.50	
4/1/2027	\$63,000	4.500%	87,187.50	150,187.50	
6/30/2027					237,375.00
10/1/2027			85,770.00	85,770.00	
4/1/2028	66,000	4.500%	85,770.00	151,770.00	
6/30/2028					237,540.00
10/1/2028			84,285.00	84,285.00	
4/1/2029	69,000	4.500%	84,285.00	153,285.00	
6/30/2029					237,570.00
10/1/2029			82,732.50	82,732.50	
4/1/2030	72,000	4.500%	82,732.50	154,732.50	
6/30/2030					237,465.00
10/1/2030			81,112.50	81,112.50	
4/1/2031	75,000	4.500%	81,112.50	156,112.50	
6/30/2031					237,225.00
10/1/2031			79,425.00	79,425.00	
4/1/2032	170,000	4.500%	79,425.00	249,425.00	
6/30/2032					328,850.00
10/1/2032			75,600.00	75,600.00	
4/1/2033	177,000	4.500%	75,600.00	252,600.00	
6/30/2033					328,200.00
10/1/2033			71,617.50	71,617.50	
4/1/2034	185,000	4.500%	71,617.50	256,617.50	
6/30/2034					328,235.00
10/1/2034			67,455.00	67,455.00	
4/1/2035	194,000	4.500%	67,455.00	261,455.00	
6/30/2035					328,910.00
10/1/2035			63,090.00	63,090.00	
4/1/2036	203,000	4.500%	63,090.00	266,090.00	
6/30/2036					329,180.00
10/1/2036			58,522.50	58,522.50	
4/1/2037	212,000	4.500%	58,522.50	270,522.50	
6/30/2037					329,045.00
10/1/2037			53,752.50	53,752.50	

4/1/2038	221,000	4.500%	53,752.50	274,752.50	
6/30/2038					328,505.00
10/1/2038			48,780.00	48,780.00	
4/1/2039	231,000	4.500%	48,780.00	279,780.00	
6/30/2039					328,560.00
10/1/2039			43,582.50	43,582.50	
4/1/2040	242,000	4.500%	43,582.50	285,582.50	
6/30/2040					329,165.00
10/1/2040			38,137.50	38,137.50	
4/1/2041	252,000	4.500%	38,137.50	290,137.50	
6/30/2041					328,275.00
10/1/2041			32,467.50	32,467.50	
4/1/2042	264,000	4.500%	32,467.50	296,467.50	
6/30/2042					328,935.00
10/1/2042			26,527.50	26,527.50	
4/1/2043	276,000	4.500%	26,527.50	302,527.50	
6/30/2043					329,055.00
10/1/2043			20,317.50	20,317.50	
4/1/2044	288,000	4.500%	20,317.50	308,317.50	
6/30/2044					328,635.00
10/1/2044			13,837.50	13,837.50	
4/1/2045	301,000	4.500%	13,837.50	314,837.50	
6/30/2045					328,675.00
10/1/2045			7,065.00	7,065.00	
4/1/2046	314,000	4.500%	7,065.00	321,065.00	
6/30/2046					328,130.00
TOTALS	\$3,875,000		\$2,329,233.13	\$6,204,233.13	\$6,204,233.13

EXHIBIT B

DESCRIPTION OF PROPERTY

All that certain lot, tract, or parcel of land situate, lying and being in the 1209th G. M. District, City of Statesboro, Bulloch County, Georgia, and being more particularly described as follows:

COMMENCING a 1/2" iron rebar found at the intersection of the eastern right-of-way of Bernard Lane, (60' public right-of-way) and the northern right-of-way of Brannen Street (80' public right-of-way), having a coordinate value of North 884221.78 and East 782712.28, according to the State Plane Coordinate System, NAD83 (2011), U.S. Survey Foot, Georgia East Zone; THENCE along the right-of-way of Brannen Street, S 64°12'55" E a distance of 427.79' to a point; THENCE S 44°24'38" E a distance of 236.21' to a 5/8" iron rebar set, having a coordinate value of North 883866.96 and East 783262.78, according to the State Plane Coordinate System, NAD83 (2011), U.S. Survey Foot, Georgia East Zone, said point also being known as the POINT OF BEGINNING; THENCE departing aforesaid right-of-way, N 25°47'48" E a distance of 262.03' to a 5/8" iron rebar set; THENCE S 55°07'53" E a distance of 177.55' to a 5/8" iron rebar set; THENCE S 59°53'35" E a distance of 41.27' to a 5/8" iron rebar set; THENCE S 30°06'25" W a distance of 178.59' to a 5/8" iron rebar set; THENCE with a curve turning to the right, having an arc length of 46.01', a radius of 170.00', a chord bearing of S 37°51'35" W and a chord length of 45.87', to a 5/8" iron rebar set; THENCE S 45°36'45" W a distance of 73.03' to a 5/8" iron rebar set on the northern right-of-way of Brannen Street; THENCE along the right-of-way, N 44°24'38" W a distance of 179.31' to a 5/8" iron rebar set, the said POINT OF BEGINNING.

Said Parcel 12 contains 1.301 Acres (56,680 Square Feet) of land, more or less. being shown on a plat for Grantee by EMC Engineering Services, Inc, and recorded on 12/18/2024 at Deed Book 70 Page 83.

EXHIBIT C

DESCRIPTION OF FACILITY

The Facility will consist of the acquisition, construction and installation of a new fire station for the City.

EXHIBIT D

CERTIFICATE OF APPROPRIATION

Re: Installment Sale Agreement, dated as of October 2, 2025 (the “Installment Sale Agreement”) between the City of Statesboro, Georgia and Georgia Municipal Association, Inc.

The undersigned officers of the City of Statesboro, Georgia (the “City”) hereby certify that the Minimum Annual Appropriated Amount for the current fiscal year, that is, Installment Payments of \$_____, (as such terms are defined in the referenced Installment Sale Agreement), are within such City’s operating budget or budgets for the fiscal year ending June 30, 20____, and an appropriation of funds for such fiscal year has been made and is available therefor.

Dated: _____, 20__.

CITY OF STATESBORO, GEORGIA

By: _____
Mayor

By: _____
Clerk

EXHIBIT E

ESCROW FUND REQUISITION

[Date]

Email requisitions to: GFProjectfunds@truist.com

Requisition Team

[BANK]

Direct Dial: (____) ____ - ____ or (____) ____ - ____

RE: Request for disbursement of funds from the Escrow Fund related to the Installment Sale Agreement, dated _____, 20____ (the "Installment Sale Agreement"), between the Georgia Municipal Association and the City of Statesboro, Georgia (the "City").

To Whom It May Concern,

Pursuant to the terms and conditions of the Installment Sale Agreement, the City requests the disbursement of funds from the Escrow Fund established under the Installment Sale Agreement for the following Project Costs:

This is requisition number ____ from the Escrow Fund.

Disbursements will be to the City.

Amount: \$ _____

Attach copies of applicable vendor invoices or complete below spreadsheet of expenditures to requisition when submitting.

Payee's Name
and Address

Invoice Number

Dollar Amount

Purpose

Project Description:

Location of Equipment/Project:

To receive funds via wire transfer please include:

ABA Routing Number:

Account Number:

Physical address of City: 50 East Main Street, Statesboro, Georgia 30458

Attention: _____

The City makes this requisition pursuant to the following representations:

1. The City has appropriated in its current Fiscal Year funds sufficient to pay the Installment Payments and estimated other payments required under the Installment Sale Agreement due in the current calendar year.

The purpose of this disbursement is for partial payment of the cost of the Project provided for under the Installment Sale Agreement referenced above. Insofar as such obligation was incurred for work, material, supplies or equipment in connection with the Project, such work was actually performed, or such material, supplies or equipment was actually installed in or about the Project were delivered at the site of the work for that purpose.

2. The requested disbursement has not been subject to any previous requisition.
3. No notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable herein to any of the persons, firms or corporations named herein has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this requisition.
4. This requisition contains no items representing payment on account of any percentage entitled to be retained on the date of this requisition.
5. No Event of Default is continuing under the Installment Sale Agreement and no event or condition is existing which, with notice or lapse of time or both, would become an Event of Default.
6. The City shall allow Lender to deliver and file, or cause to be filed, any Uniform Commercial Code financing statements with respect to the Project or portion of the Project that Lender may request to evidence its security interest.
7. The City has in place insurance on this portion of the Project that complies with the insurance provisions of the Installment Sale Agreement.
8. Each amount requested for payment in this requisition either (a) represents a reimbursement to the City for a cost of the Project expenditure previously made, and such reimbursement complies with the provisions of the Code (generally, an issuer may reimburse a prior expenditure out of tax-exempt bond proceeds if (i) the City has declared its "official intent" to reimburse the expenditure no later than 60 days after the date the

expenditure is paid *and* (ii) the expenditure is being reimbursed no later than the end of the permitted “reimbursement period” of at least 18 months, and at most 3 years, from the date the expenditure was paid), or (b) will be used by the City promptly upon the receipt of funds from Lender to make payments for costs of the Project to third parties described in this requisition.

Capitalized terms used in this requisition have the meaning ascribed in the Installment Sale Agreement.

Attached is evidence that the amounts shown in this requisition are properly payable at this time, such as bills, receipts, invoices, architects' payment certifications or other appropriate documents.

IF REQUEST IS FINAL REQUEST, CHECK HERE ☐.

CITY OF STATESBORO, GEORGIA

By: _____

Printed Name: _____

Title: _____

EXHIBIT “B”

Transfer Agreement

After recording return to:

Jonathan B. Pannell
Gray Pannell & Woodward LLP
323 East Congress Street
Savannah, Georgia 31401

STATE OF GEORGIA

COUNTY OF BULLOCH

ASSIGNMENT AND TRANSFER AGREEMENT

THIS ASSIGNMENT AND TRANSFER AGREEMENT (hereinafter referred to as this "Agreement") is made as of this 2nd day of October, 2025, by and between GEORGIA MUNICIPAL CORPORATION, INC., a Georgia nonprofit corporation (hereinafter referred to as "Originator"), and QUEENSBOROUGH NATIONAL BANK & TRUST COMPANY, a national banking corporation (hereinafter referred to as "Lender").

W I T N E S S E T H:

WHEREAS, Originator has entered into an Installment Sale Agreement (the "Installment Sale Agreement") of even date herewith with the City of Statesboro, Georgia (the "City") with respect to a certain project (the "Project"); and

WHEREAS, Lender has agreed to purchase and service the Installment Sale Agreement;

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt and adequacy thereof being hereby acknowledged, Originator and Lender hereby covenant and agree as follows:

(a) Originator hereby absolutely assigns, transfers, conveys and sets over to Lender all the right, title and interest of Originator in, under, by virtue of the Installment Sale Agreement without recourse to the Originator (except for Originator's right to indemnification

and attorney's fees). The Lender shall be deemed for all purposes the "Seller" under the Installment Sale Agreement, and shall have all rights, powers, remedies and responsibilities of Seller thereunder.

(b) In addition to the Installment Sale Agreement, Originator hereby transfers to Lender the following original documents given in connection with the closing of the Installment Sale Agreement:

(i) a certified copy of the Resolution approving the Installment Sale Agreement adopted by the Mayor and Council of the City;

(ii) an Execution, Signature and No-Litigation Certificate of the City;

(iii) opinion of I. Cain Smith, Esq.;

(iv) a Deed to Secure Debt and Security Agreement from Originator to the Lender with respect to the Project securing all obligations scheduled under the Installment Sale Agreement (the "Security Deed");

(v) opinion of Gray Pannell & Woodward LLP;

(vi) an Agreement Regarding Environmental Activity with respect to the Project from the City in favor of Originator and Lender; and

(vii) all construction contracts and architect contracts related to the Project.

(c) In consideration of the assignment contemplated by Paragraph (a) hereof, the Lender shall fund the Installment Sale Amount referred to in the Installment Sale Agreement in the amount of \$3,875,000 on the date hereof. No further payment or advance from Lender to Originator or the City shall be required and the purchase and sale of the Installment Sale Agreement will be immediately effective.

(d) Originator hereby irrevocably directs the City under the Installment Sale Agreement to pay to Lender all installment payments, receipts and other amounts accruing or due under the Installment Sale Agreement and to otherwise regard Lender as "Seller" under the Installment Sale Agreement.

(e) This Agreement shall not operate to place upon Originator or Lender any responsibility for the operation, control, care, management, ownership or repair of the Project.

(f) Originator covenants, agrees, represents and warrants that Originator will not sell, assign, transfer, mortgage or pledge the Installment Sale Agreement or any of the installment payments, receipts and other amounts arising with respect to the Project to any person, firm or corporation other than Lender; that no installment payments, receipts and other amounts arising with respect to the Project or under the Installment Sale Agreement or any part thereof, has been or will be anticipated, waived, released, discounted or otherwise discharged or

compromised. Originator agrees that it will cooperate to enforce or secure the performance of each and every obligation, covenant, condition and agreement to be performed by the City under the Installment Sale Agreement.

(g) Originator agrees to execute and deliver to Lender, at any time or times during which this Agreement shall be in effect, such further instruments as Lender may reasonably require to make effective this Agreement or any Assignment and the several covenants of Originator herein or therein contained.

(h) Lender shall have the right to further assign and transfer the Installment Sale Agreement and all collateral therefor, and to enter into participations with respect thereto; provided, reasonable notice of such assignment or transfer shall be given to the City.

(i) No change, amendment, modification or cancellation or discharge hereof, or of any part hereof, shall be valid unless Lender and Originator shall have consented thereto in writing. This Agreement contains the entire agreement of the parties.

(j) The terms, covenants and conditions contained herein shall inure to the benefit of, and bind, Lender and Originator and their respective legal representatives, successors and assigns. There shall be no third party beneficiaries of this Agreement.

(k) This Agreement shall be construed and enforced in accordance with the laws of the State of Georgia.

(l) Unless the context requires otherwise, capitalized terms used herein shall have the meanings ascribed thereto in the Installment Sale Agreement.

IN WITNESS WHEREOF, Originator and Lender have executed this Agreement,
the day and year first above written.

Signed, sealed and delivered
in the presence of:

GEORGIA MUNICIPAL ASSOCIATION,
INC.

Unofficial Witness

By: _____
Executive Director

[SEAL]

Notary Public

Attest:

My Commission Expires:

By: _____
Director of Local Government Services

[NOTARIAL SEAL]

Signed, sealed and delivered
in the presence of:

Unofficial Witness

Notary Public

My Commission Expires:

[NOTARIAL SEAL]

QUEENSBOROUGH NATIONAL BANK &
TRUST COMPANY

By: _____
Name: _____
Title: _____

EXHIBIT “C”

Deed

After recording return to:

Jonathan B. Pannell
Gray Pannell & Woodward LLP
323 East Congress Street
Savannah, Georgia 31401

DEED TO SECURE DEBT AND SECURITY AGREEMENT

THIS INSTRUMENT, made and entered into as of this 2nd day of October, 2025, by and between GEORGIA MUNICIPAL ASSOCIATION, INC., a Georgia nonprofit corporation (“ORIGINATOR”), and QUEENSBOROUGH NATIONAL BANK & TRUST COMPANY, a national banking corporation (“SECURED PARTY”), having an address at 7393 Hodgson Memorial Dr., Savannah, Georgia 31406.

WITNESSETH:

1.01. THAT FOR AND IN CONSIDERATION of the sum of \$10.00 and other valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, and in order to secure the indebtedness and other obligations of Originator hereinafter set forth, Originator does hereby grant, bargain, sell, convey, assign, transfer, pledge, and set over unto Secured Party, and grant a security interest in, the following described property (the “Project”): (a) all those certain tracts, pieces or parcels of land (and any easements or other interests in land) more particularly described in Exhibit “A-1” hereto (the “Land”); (b) all buildings, structures and improvements of every nature whatsoever now or hereafter situated on, under or above the Land as described in Exhibit “B-1” hereto; and all right, title and interest of Originator in all furnishings, furniture, fixtures, machinery, apparatus, equipment, fittings, appliances, building supplies and materials, warranties, documents, accounts, general intangibles, goods, inventory and goodwill related thereto (including

THIS INSTRUMENT DOES NOT SECURE A “LONG TERM NOTE” AS DEFINED IN OFFICIAL CODE OF GEORGIA ANNOTATED SECTION 48-6-60(3) AND DOES NOT SECURE A NOTE; THEREFORE, IT IS NOT SUBJECT TO THE INTANGIBLE RECORDING TAX, AS PROVIDED IN OFFICIAL CODE OF GEORGIA ANNOTATED SECTION 48-6-61 AND RULE 560-11-8-0.14 OF THE GEORGIA DEPARTMENT OF REVENUE. THIS INSTRUMENT SECURES AN INSTALLMENT SALE AGREEMENT THAT MAY BE TERMINATED EACH YEAR.

any names or symbols by which the premises is known) and all other articles of personal property of every kind and nature whatsoever described including, but not limited to those described in Exhibit "C-1" hereto, tangible or intangible, now, heretofore or hereafter acquired with the proceeds of any obligation secured by this Instrument; and all extensions, additions, improvements, betterments, renewals and replacements, substitutions, or proceeds of any of the foregoing, and all inventory, accounts, chattel paper, documents, equipment, fixtures and general intangibles constituting proceeds acquired with cash proceeds of any of the property described hereinabove; all of which foregoing items are hereby declared and shall be deemed to be fixtures and accessions to the Land and a part of the Project as between the parties hereto and all persons claiming by, through or under them, and which shall be deemed to be a portion of the security for the indebtedness herein described and to be secured by this Instrument, a portion of the above described collateral being located upon the Land; (c) all easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights, minerals, flowers, shrubs, crops, trees, timber and other emblements now or hereafter located on the Land or under or above the same or any part or parcel thereof, and all estates, rights, titles, interests, tenements, hereditaments and appurtenances, reversions and remainders whatsoever, in any way belonging, relating or appertaining to the Project or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Originator; (d) all right, title and interest of Originator in any and all leases, rental agreements and arrangements of any sort now or hereafter affecting the Project or any portion thereof and providing for or resulting in the payment of money to Originator for the use of the Project or any part thereof, whether the user enjoys the Project or any part thereof as tenant for years, invitee, licensee, tenant at sufferance or otherwise, and irrespective of whether such leases, rental agreements and arrangements be oral or written (the "Leases") and guaranties of the performance or obligations of any tenants or lessees thereunder (the "Tenants"), together with all income, rents, issues, profits and revenues from the Leases (including all tenant security deposits and all other tenant deposits, whether held by Originator or in a trust account and all other deposits and escrow funds relating to any Leases), and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Originator in and to the same; (e) all right, title and interest of Originator in, to and under all franchise agreements, management contracts, service contracts, utility contracts, leases of equipment, documents relating to the construction of any improvements on the Project (including any and all construction contracts, architectural contracts, engineering contracts, designs, plans, specifications, drawing, surveys, tests, reports, bonds and governmental approvals) and all other contracts, licenses and permits now or hereafter affecting the Project or any part thereof and all guaranties and warranties with respect to any of the foregoing (the "Contracts"); (f) all right, title and interest of Originator in any insurance policies or binders now or hereafter relating to the Project, including any unearned premiums thereon; (g) all right, title and interest of Originator in any and all awards, payments, proceeds and the right to receive the same, either before or after any foreclosure hereunder, as a result of any temporary or permanent injury or damage to, taking of or decrease in the value of the Project by reason of casualty, condemnation or otherwise; (h) all claims and causes of action arising from or otherwise related to any of the foregoing; and (i) all proceeds of any of the property described above.

1.02. TO HAVE AND TO HOLD the Project and all parts, rights, members and appurtenances thereof, to the use, benefit and behoof of Secured Party, IN FEE SIMPLE forever; and Originator covenants that Originator is lawfully seized of the Project as aforesaid and has good

right to convey the same, that the same are unencumbered except for those matters expressly set forth as exceptions in Exhibit "D" hereto, and Originator does warrant and will forever defend the title thereto against the claims of all persons claiming through it, except as to the matters set forth as exceptions in Exhibit "D" hereto.

1.03. THIS INSTRUMENT is a deed passing the title to the Project to Secured Party and is made under the laws of the State of Georgia relating to deeds to secure debt, and is not a mortgage, and is given to secure the payment of the following described obligations (collectively, the "Obligations"): (a) the payment of all the obligations of City of Statesboro, Georgia, a municipal corporation of the State of Georgia (the "City") described in the Installment Sale Agreement (defined below in this paragraph), notwithstanding the termination of the Installment Sale Agreement or the invalidity of the Installment Sale Agreement as to the City in whole or in part; the Installment Sale Agreement is in the principal amount of THREE MILLION EIGHT HUNDRED SEVENTY-FIVE DOLLARS (\$3,875,000.00) and may be renewed on an annual basis for a term through April 1, 2046, together with all renewals, modifications, consolidations, replacements and extensions thereof; (b) the payment of all obligations described in the Environmental Agreement (hereafter defined), together with all renewals, modifications and extensions thereof; (c) any and all additional advances made or costs or expenses incurred by Secured Party to protect or preserve the Project or the security interest created hereby, or for taxes, assessments or insurance premiums as provided in the Installment Sale Agreement and the Environmental Agreement, or for performance of any of Originator's obligations hereunder or for any purpose referred to in Section 2.03 hereof, or for any other purpose provided herein (whether or not the original Originator remains the owner of the Project at the time of such advances are made or costs or expenses incurred); and (d) any other amounts owed hereunder or secured hereby, including, without limitation, those amounts set forth in Sections 2.03, 3.02(e) and 4.05. For purposes of this Instrument, the term "Installment Sale Agreement" shall mean the Installment Sale Agreement of even date herewith by and between Originator and the City, which has been assigned by Originator to Secured Party pursuant to the Assignment and Transfer Agreement of even date herewith by and between the Originator and the Secured Party (the "Transfer Agreement"); and the term "Documents" shall mean this Instrument, the Transfer Agreement, the Installment Sale Agreement, the Agreement Regarding Environmental Activity of even date herewith by the City in favor of the Originator and the Secured Party (the "Environmental Agreement") and any other documents to or of which Secured Party, the Originator or the City is a party or beneficiary now or hereafter evidencing, securing or otherwise relating to the Obligations or the Project. This Instrument is expressly made prior and senior to the Installment Sale Agreement and to the conveyance of the Project made pursuant thereto.

1.04. SHOULD THE OBLIGATIONS BE PAID according to the tenor and effect thereof when the same shall become due and payable, and should Originator perform all covenants herein contained in a timely manner, then this Instrument shall be canceled and surrendered.

1.05. NOTWITHSTANDING ANYTHING HEREIN OR IN THE OTHER DOCUMENTS OR CLOSING DOCUMENTS TO THE CONTRARY, THE LIABILITY OF ORIGINATOR WITH RESPECT TO ITS OBLIGATIONS HEREUNDER OR THEREUNDER SHALL BE LIMITED TO ITS INTEREST IN THE PROJECTS, AND NO PERSONAL LIABILITY OR RESPONSIBILITY, WHETHER EXPRESS, IMPLIED, OR ARISING BY OPERATION OF LAW, IS ASSUMED BY ORIGINATOR, NOR SHALL ANY PERSONAL

LIABILITY OR RESPONSIBILITY BE ASSERTED OR ENFORCEABLE AGAINST THE UNDERSIGNED, ALL SUCH PERSONAL LIABILITY OR RESPONSIBILITY BEING HEREBY EXPRESSLY WAIVED BY SECURED PARTY. Originator agrees that Secured Party and Obligor may extend, modify, forbear, or make any other accommodations with regard to the terms of this Instrument or the Obligations without Originator's consent and without releasing the Originator hereunder or modifying or affecting this Instrument as to such Originator's interest in the Project.

COVENANTS AND AGREEMENTS

2.01. Security Agreement. This Instrument is hereby made and declared to be a security agreement encumbering each and every item of personal property included herein as a part of the Project, in compliance with the provisions of the Uniform Commercial Code as enacted in the jurisdiction applicable thereto (the "Code"). The remedies for any violation of the covenants, terms and conditions of the security agreement contained in this Instrument shall be as prescribed herein, or as prescribed by general law, or as prescribed by the Code, all at Secured Party's election in the discretion of Secured Party. Any notice of sale, disposition or other action by Secured Party with respect to personal property which is a part of the Project sent to Originator in accordance with the provisions hereof relating to communications at least ten (10) days prior to such action shall constitute adequate and reasonable notice to Originator of such action. The mention in any financing statement or statements of rights in and to (a) the proceeds of any insurance policy, or (b) any award in eminent domain proceedings for a taking or for loss of value, or (c) Originator's interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the Project, whether pursuant to a lease or otherwise, shall not in any way limit any of the rights of Secured Party as determined by this Instrument or affect the priority of Secured Party's security interest granted hereby or by any other recorded document, it being understood and agreed that such mention in such financing statement or statements is solely for the protection of Secured Party in the event any court shall at any time hold with respect thereto, that notice of Secured Party's priority of interest, to be effective against all persons or against a particular class of persons, must be filed in the Code records. The names of the "Debtor" and the "Secured Party" (which are Originator and Secured Party, respectively), the address of the "Secured Party" from which information concerning the security interest may be obtained, and the address of "Debtor," are as set forth in Section 4.04, hereof; and a statement indicating the types, or describing the items, of collateral is set forth hereinabove. Originator agrees to furnish Secured Party with notice of any change in the name, identity, residence, principal place of business or mailing address of Originator within ten (10) days of the effective date of any such change.

2.02. Further Assurances: After-Acquired Property. Originator shall, and shall cause the City to, execute and/or deliver (and pay the costs of preparation and recording thereof) to Secured Party, upon demand, any further instrument or instruments so as to evidence, reaffirm, correct, perfect, continue or preserve the obligations of Originator or the City under the Documents, the collateral at any time securing or intended to secure the Documents, and the first and prior legal security title and interest of Secured Party to all or any part of the Project, whether now owned or hereafter acquired by Originator or the City. Upon any failure of Originator or the City so to do, Secured Party may make, execute, record, file, re-record and/or re-file any and all such instruments for and in the name of Originator or the City, and Originator hereby, and shall cause the City to, irrevocably appoint Secured Party agent and attorney-in-fact to do so. The security title of this

Instrument and the security title created hereby will automatically attach, without further act, to all after-acquired property attached to or used in the operation of the Project or any part thereof.

2.03. Expenses. There shall be included in the Obligations secured hereby all costs and expenses of any kind (including fees of attorneys, auditors, appraisers and inspectors) paid or incurred by Secured Party relating to the Obligations or the Documents, including those paid or incurred in connection with the commitment, negotiation, documentation, preparation, closing, disbursement, or administration of the Obligations or any one or more of the Documents, or in connection with the collection of any insurance or other proceeds or enforcement of any rights of Secured Party under or relating to this Instrument or the other Documents, including the costs of any suits or proceedings or disputes of any kind in which Secured Party is made or appears as a party plaintiff or defendant or which are, in the judgment of Secured Party, expedient to preserve or protect its interest in the Project (including condemnation, insolvency, bankruptcy or probate proceedings, administrative proceedings, proceedings relating to enforcement of laws or regulations, forfeiture proceedings, and appeals at all levels of appeal, whether before or after entry of judgment or other determination). There shall be included in the Obligations secured hereby all interest and penalties owing on account of the Obligations or any one or more of the Documents, including any interest or penalties arising on account of failure or delay in payment of any of the items referred to in this provision. There shall be included in the Obligations secured hereby all costs and expenses (including reasonable attorney's fees and fees of auditors, appraisers and inspectors) in connection with the collection of the Obligations, or any portion thereof, after maturity (whether in due course or by acceleration). All such costs, expenses, penalties and interest paid or incurred by Secured Party shall be considered due and payable immediately upon their incurrence.

2.04. Conveyance or Encumbrance. The Originator (except to the City as contemplated by the Installment Sale Agreement) shall not encumber, pledge, convey, transfer or assign any or all of its interests in the Project, or execute or consent to any instrument or matter which might affect the title to the Project, or acquire any portion of the personal property covered by this Instrument subject to any charge or lien, without the prior written consent of Secured Party, which consent shall be given or withheld by Secured Party at its discretion.

2.05. Condemnation. Upon condemnation of the Project or any part thereof, this Instrument shall become a lien, charge and encumbrance upon the proceeds or award realized as a result of any such proceeding or of any settlement or payment made in lieu of any such proceeding ("Condemnation Proceeds"). Originator hereby grants to Secured Party a security interest in any Condemnation Proceeds and hereby agrees to execute such further assignments of the Condemnation Proceeds as Secured Party may require. Originator further covenants and agrees that Secured Party may (and is hereby authorized and empowered but not required to) collect and receive any Condemnation Proceeds and, if received by Originator, it shall pay over and deliver immediately to Secured Party all Condemnation Proceeds to be held by Secured Party and applied as follows: In the event the entire Project shall be taken by condemnation or in settlement of any threat of condemnation, then any Condemnation Proceeds shall be paid to Secured Party and applied in payment in whole or in part to the Obligations, whether or not then due and payable, and any excess shall be delivered to the parties legally entitled thereto. In the event of a partial taking of the Project, the portion of the Condemnation Proceeds necessary to prevent impairment of the security of this Instrument, as determined by Secured Party in Secured Party's sole

discretion, shall be set aside, withheld or paid over to Secured Party and applied to the Obligations, whether or not then due and payable, and the excess of such award or proceeds shall be delivered to Originator or other parties legally entitled thereto. Upon any partial taking of the Project, this Instrument shall continue in full force as security for the unpaid portion of the Obligations.

DEFAULT AND REMEDIES

3.01. Defaults. The term “Default,” wherever used in this Instrument, shall mean any one or more of the following events: (a) a failure in payment of any portion of the Obligations; or (b) the breach or failure by Originator or the City to perform, observe and satisfy all other terms, covenants, conditions and agreements contained in this Instrument or in any of the other Documents and the continuance thereof for a period of thirty (30) days after the giving of notice thereof to the defaulting party by either the non-defaulting party or the Secured Party (which notice may be given as provided in the Installment Sale Agreement); or (c) any warranty or representation of Originator or the City contained in this Instrument or in any other of the Documents, or any material information relating to the Obligations or the Documents given to Secured Party by the City or Originator, or by any other party on behalf of or at the request of Originator or the City, being untrue or misleading in any material respect; or (d) a levy shall be made under any process on the Project or any part thereof; or (e) the assertion of any claim of priority to this Instrument, by title, lien or otherwise in any legal or equitable proceeding; or (f) the City commences the process of liquidation or dissolution, or its statutory authority is revoked; or (g) the subjection of the Project to actual or threatened waste, or the removal, demolition, or alteration of any part thereof without the prior written consent of Secured Party; or (h) any mechanic’s, materialmen’s, laborer’s, statutory or other lien is filed against the Project or any portion thereof and not totally released or removed as a lien against the Project and every part thereof (by bonding, payment or otherwise) within thirty (30) days after the date of filing thereof; or (i) any suit shall be filed against Originator or the City which, if adversely determined, could reasonably be expected substantially to impair the ability of Originator to perform each and every one of its obligations under the Documents; or (j) all or any substantial portion of the Project shall be taken through condemnation, or any portion of the Project shall be damaged by or taken through condemnation and the value thereof shall, in the discretion of Secured Party, be materially diminished, either temporarily or permanently; or (k) the occurrence of an Event of Default or an Event of Nonappropriation under the Installment Sale Agreement; or (l) the failure of this Instrument to grant to Secured Party a valid, binding and enforceable first lien on and/or security title in and to the Project, or the failure of any one or more of the Documents to be legal, valid, binding upon and enforceable against all parties thereto (other than Secured Party), or the claim by any party (other than Secured Party) to any one or more of the Documents that any one or more of the Documents is not legal, valid, binding upon and enforceable against all parties thereto (other than Secured Party).

3.02. Rights of Lender Upon Default. If a Default shall have occurred, then all of the Obligations shall, at the option of Secured Party, immediately be deemed due and payable without notice or demand, time being of the essence, and Secured Party, at its option, may do any one or more of the following (and, if more than one, either concurrently or independently, and in such order as Secured Party may determine in its discretion), in addition to its other remedies under the Documents, all without regard to the adequacy or value of the security for the Obligations:

(a) Enter upon and take possession of the Project without the appointment of a receiver, or an application therefor; at its option, operate the Project; at its option, exclude Originator, the City and their agents, employees and assigns wholly therefrom; at its option, employ a managing agent of the Project; and at its option, exercise any one or more of the rights and powers of Originator to the same extent as Originator could, either in its own name, or in the name of Originator; and receive the rents, incomes, issues and profits of the Project. Secured Party shall have no obligation to discharge any duties of a landlord to any Tenant or to incur any liability as a result of any exercise by Secured Party of any rights hereunder; and Secured Party shall not be liable for any failure to collect rents, issues, profits or revenues, nor liable to account for any rents, issues, profits or revenues unless actually received by Secured Party.

(b) Apply, as a matter of strict right, without notice and without regard to the solvency of any party bound for its payment, for the appointment of a receiver to take possession of and to operate the Project and to collect and apply the incomes, rents, issues, profits and revenues thereof.

(c) Pay, perform or observe any term, covenant or condition of this Instrument and any of the other Documents and all payments made or costs or expenses incurred by Secured Party in connection therewith shall be secured hereby. The necessity for any such actions and the amounts to be paid shall be determined by Secured Party in its discretion. Secured Party is hereby empowered to enter and to authorize others to enter upon the Project or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to Originator, the City or any person in possession holding under Originator or the City. Originator hereby acknowledges and agrees that the remedies set forth in this Paragraph 3.02(c) shall be exercisable by Secured Party, and any and all payments made or costs or expenses incurred by Secured Party in connection therewith shall be secured hereby.

(d) Sell the Project or any part of the Project at one or more public sale or sales at the usual place for conducting sales of the county in which the Land or any part of the Land is situated, to the highest bidder for cash, in order to pay the Obligations, and all expenses of sale and of all proceedings in connection therewith, including reasonable attorney's fees, after advertising the time, place and terms of sale once a week for four (4) weeks immediately preceding such sale (but without regard to the number of days) in a newspaper in which sheriff's sales are advertised in said City, all other notice being hereby waived by Originator. At any such public sale, Secured Party may execute and deliver to the purchaser a conveyance of the Project or any part of the Project in fee simple, with full warranties of title, and to this end Originator hereby constitutes and appoints Secured Party the agent and attorney-in-fact of Originator to make such sale and conveyance, and thereby to divest Originator and the City of all right, title and equity that Originator or the City may have in and to the Project and to vest the same in the purchaser or purchasers at such sale or sales, and all the acts and doings of said agent and attorney-in-fact are hereby ratified and confirmed, and any recitals in said conveyance or conveyances as to facts essential to a valid sale shall be binding upon Originator. The aforesaid power of sale and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, and shall not be exhausted by one exercise thereof but may be exercised until full payment of

all of the Obligations. In the event of any sale under this Instrument by virtue of the exercise of the powers herein granted, or pursuant to any order in any judicial proceeding or otherwise, the Project may be sold as an entirety or in separate parcels and in such manner or order as Secured Party in its discretion may elect, and if Secured Party so elects, Secured Party may sell the personal property covered by this Instrument at one or more separate sales in any manner permitted by the Code, and one or more exercises of the powers herein granted shall not extinguish nor exhaust such powers, until the entire Project is sold or the Obligations are paid in full. Secured Party may, at its option, sell the Project subject to the rights of any tenants of the Project, and the failure to make any such tenants parties to any foreclosure proceedings and to foreclose their rights will not be asserted by Originator to be a defense to any proceedings instituted by Secured Party to collect the Obligations. If the Obligations are now or hereafter further secured by any chattel mortgages, pledges, contracts of guaranty, assignments of lease or other security instruments, Secured Party may at its option exhaust the remedies granted under any of said security either concurrently or independently, and in such order as Secured Party may determine in its discretion. Upon any foreclosure sale, Secured Party may bid for and purchase the Project and shall be entitled to apply all or any part of the Obligations as a credit to the purchase price. In the event of any such foreclosure sale by Secured Party, Originator shall be deemed a tenant holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of law applicable to tenants holding over. In case Secured Party shall have proceeded to enforce any right, power or remedy under this Instrument by foreclosure, entry or otherwise or in the event Secured Party commences advertising of the intended exercise of the sale under power provided hereunder, and such proceeding or advertisement shall have been withdrawn, discontinued or abandoned for any reason, then in every such case (i) Originator and Secured Party shall be restored to their former positions and rights, (ii) all rights, powers and remedies of Secured Party shall continue as if no such proceeding had been taken, (iii) each and every Default declared or occurring prior or subsequent to such withdrawal, discontinuance or abandonment shall be deemed to be a continuing Default, and (iv) neither this Instrument, nor the Obligations, nor any other Document shall be or shall be deemed to have been reinstated or otherwise affected by such withdrawal, discontinuance or abandonment; and Originator hereby expressly waives the benefit of any statute or rule of law now provided, or which may hereafter be provided, which would produce a result contrary to or in conflict with this sentence.

(e) Secured Party may apply any moneys and proceeds received by Secured Party as a result of the exercise by Secured Party of any right conferred under this Section 3.02, notwithstanding anything in the Documents to the contrary, in such order as Secured Party in its discretion may elect against (i) all costs and expenses, including reasonable attorneys' fees, incurred in connection with the operation of the Project, the performance of the lessor's obligations under the Leases and the collection of the rents thereunder; (ii) all costs and expenses, including reasonable attorneys' fees, incurred in the collection of any or all of the Obligations, including those incurred in seeking to realize on or to protect or preserve Secured Party's interest in any other collateral securing any or all of the Obligations; (iii) any or all unpaid principal on the Obligations; (iv) any other amounts owing under the Documents; and (v) accrued interest and charges on any or all of the foregoing. Any residual after such application shall be paid to the City.

GENERAL CONDITIONS

4.01. No Waiver: Remedies Cumulative. No delay or omission by Secured Party to exercise any right, power or remedy accruing upon any Default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such Default, or acquiescence therein, and every right, power and remedy given by this instrument to Secured Party may be exercised from time to time and as often as may be deemed expedient by Secured Party. No consent or waiver, expressed or implied, by Secured Party to or of any Default shall be deemed or construed to be a consent or waiver to or of any other Default. No delay, indulgence, departure, act or omission by Secured Party shall release, discharge, modify, change or otherwise affect the obligations of Originator or the City or any subsequent purchaser of the Project or any part thereof, or preclude Secured Party from exercising any right, privilege or power granted herein or alter the security title, security interest or lien hereof. No right, power or remedy conferred upon or reserved to Secured Party hereunder is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or under the other Documents or now or hereafter existing at law, in equity or by statute.

4.02. No Obligation to Third Parties. The Documents are made solely for the benefit of Secured Party. No tenant nor any party involved with the construction of any improvements on any part of the Project nor any other party whatsoever shall have standing to bring any action against Secured Party as the result of the Documents, or to assume that Secured Party will exercise any remedies provided herein, and no party other than Secured Party shall be deemed to be a beneficiary of any provision of the Documents, any and all of which may be freely waived in whole or in part by Secured Party in its discretion at any time. Nothing contained in the Documents shall be deemed to impose upon Secured Party any liability for the performance of any obligation of Originator under any of the Documents, Leases or Contracts. Nothing contained in this Section 4.02 is intended to deprive Originator or the City of the benefit of any covenant by Secured Party in favor of Originator or the City contained in the Documents.

4.03. Miscellaneous. This Instrument shall inure to the benefit of and be binding upon Originator and Secured Party and their respective heirs, executors, legal representatives, successors, successors-in-title and assigns, subject to all restrictions on transfers herein. The Documents (and any interest therein) are assignable by Secured Party, and any assignment of the Documents by Secured Party shall operate to vest in the assignee all rights and powers conferred upon and granted to Secured Party by the Documents; and, in the event of any such assignment of the entire interest of Secured Party in the Documents, Secured Party shall be relieved of all obligations and liabilities under the Documents; the Documents may not be assigned by Originator without the prior consent of Secured Party, which may be given or withheld at the discretion of Secured Party. Reasonable notice of such assignment shall be given to the City. The Documents may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge or termination is sought. The Documents contain the entire agreement between Originator and Secured Party and between the Originator and the City relating to the transactions contemplated hereby and supersede entirely any and all prior written or oral agreements with respect thereto; and Originator and Secured Party hereto acknowledge and agree that there are no contemporaneous oral agreements with respect to the subject matter hereof. Nothing contained in the Documents shall be construed to create an

agency, partnership or joint venture between Originator, the City and Secured Party. All personal pronouns used in the Documents whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles of articles and sections in the Documents are for convenience only and in no way define, limit, amplify or describe the scope or intent of any provisions thereof. If more than one person or entity constitutes Originator, all of the provisions of the Documents referring to Originator shall be construed to refer to each such person or entity individually as well as collectively. When anything is described in the Documents in general terms and one or more examples or components of what has been described generally is associated with that description (whether or not following the word “including”), the examples or components shall be deemed illustrative only and shall not be construed as limiting the generality of the description in any way. Wherever in the Documents the approval or consent of Secured Party is required or permitted, or wherever a requirement of Secured Party or the standard of acceptability or satisfaction of Secured Party must be determined, such approval, consent or determination of Secured Party shall not be unreasonably exercised; provided, however, that wherever it is indicated that such approval, consent or determination is to be given or made at the option or in the discretion or judgment of Secured Party, then Secured Party may grant or withhold such approval or consent or make such determination without restriction in its sole and absolute discretion. If any provisions of the Documents or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of each of the Documents and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law. Time is of the essence with respect to each and every covenant, agreement and obligation of Originator under the Documents. All exhibits referred to in the Documents are by such reference incorporated into the Documents as if fully set forth therein.

4.04. Communications. Unless and except as otherwise specifically provided herein, any and all notices, elections, approvals, consents, demands, requests and responses thereto (“Communications”) permitted or required to be given under the Documents shall be in writing, signed by or on behalf of the party giving the same, and shall be deemed to have been properly given and shall be effective upon the earlier of receipt thereof or deposit in the United States mail, postage prepaid, certified with return receipt requested to the other party at the address of such other party set forth hereinbelow or at such other address within the continental United States as such other party may designate by notice specifically designated as a notice of change of address and given in accordance herewith; provided, however, that the time period in which a response to any such Communication must be given shall commence on the date of receipt thereof; and provided further that no notice of change of address shall be effective with respect to Communications sent prior to the time of receipt thereof. Receipt of Communications under the Documents shall occur upon actual delivery (whether by mail, telecopy transmission, messenger, courier service, or otherwise) to any person who is Originator or an officer or general partner of Originator at any location where such person may be found, or to an officer, partner, agent or employee of Originator or Secured Party, at the address of such party set forth hereinbelow, subject to change as provided hereinabove. An attempted delivery in accordance with the foregoing, acceptance of which is refused or rejected, shall be deemed to be and shall constitute delivery; and an attempted delivery in accordance with the foregoing by mail, messenger, or courier service (whichever is chosen by the sender) which is not completed because of changed address of which no notice has been received by the sender in accordance with this provision shall also be deemed

to be and constitute receipt. Any such Communication, if given to Secured Party, shall be addressed as follows, subject to change as provided hereinabove:

Queensborough National Bank & Trust Company
7393 Hodgson Memorial Dr.
Savannah, Ga 31406
Attn: Brian L. Dart

and, if given to Originator, must be addressed as follows, subject to change as provided hereinabove:

Georgia Municipal Association, Inc.
201 Pryor Street
Atlanta, Georgia 30303
(678) 686-6364 (Fax)
Attention: Darin Jenkins, Director, Financial Services

With a copy to:

Counsel to Georgia Municipal Association, Inc.
201 Pryor Street
Atlanta, Georgia 30303
(678) 686-6364 (Fax)
Attention: Rusi Patel, Esq.

With a copy to:

City of Statesboro
50 E. Main Street
Statesboro, GA 30458
Attn: City Manager

4.05. Additional Obligations. There shall be included in the Obligations secured hereby all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including attorneys' fees and expenses) imposed upon or incurred by Secured Party by reason of (a) any claim for brokerage fees or other such commissions relating to the Project or the Obligations, or (b) the condition of the Project, or (c) failure to pay recording, mortgage, intangibles or similar taxes, fees or charges relating to the Installment Sale Agreement or any one or more of the Documents, or (d) the Documents or any claim or demand whatsoever which may be asserted against Secured Party by reason of any alleged action, obligation or undertaking of Secured Party relating in any way to the Obligations or to any matter contemplated by the Documents. In the event Secured Party incurs any liability, loss or damage arising out of or in any way relating to the transaction contemplated by the Documents (including any of the matters referred to in this section), the amounts of such liability, loss or damage shall be added to the Obligations, shall bear interest at the interest rate specified in the Installment Sale Agreement from the date incurred until paid and shall be deemed payable and due on its incurrence.

4.06. Greater Estate. In the event that Originator is the owner of a leasehold estate with respect to any portion of the Project and Originator obtains a fee estate in such portion of the Project, then, such fee estate shall automatically, and without further action of any kind on the part of Originator, be and become subject to the security title and lien hereof.

4.07. Applicable Law. This Instrument shall be interpreted, construed and enforced according to the laws of the State of Georgia.

IN WITNESS WHEREOF, Originator has executed this Instrument under seal, as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

**GEORGIA MUNICIPAL
ASSOCIATION, INC.**

Unofficial Witness

By: _____
Executive Director

Notary Public

[SEAL]

My Commission Expires:

Attest:

[NOTARIAL SEAL]

By: _____
Name: _____
Title: _____

Secured Party has executed this Instrument for the purpose of becoming a signatory to the security agreement set forth herein.

Signed, sealed and delivered
in the presence of:

**QUEENSBOROUGH NATIONAL BANK
& TRUST COMPANY**

Unofficial Witness

By: _____

Name: _____

Title: _____

Notary Public

My Commission Expires:

[NOTARIAL SEAL]

EXHIBIT "A-1"

DESCRIPTION OF THE LAND:

All that certain lot, tract, or parcel of land situate, lying and being in the 1209th G. M. District, City of Statesboro, Bulloch County, Georgia, and being more particularly described as follows:

COMMENCING a 1/2" iron rebar found at the intersection of the eastern right-of-way of Bernard Lane, (60' public right-of-way) and the northern right-of-way of Brannen Street (80' public right-of-way), having a coordinate value of North 884221.78 and East 782712.28, according to the State Plane Coordinate System, NAD83 (2011), U.S. Survey Foot, Georgia East Zone; THENCE along the right-of-way of Brannen Street, S 64°12'55" E a distance of 427.79' to a point; THENCE S 44°24'38" E a distance of 236.21' to a 5/8" iron rebar set, having a coordinate value of North 883866.96 and East 783262.78, according to the State Plane Coordinate System, NAD83 (2011), U.S. Survey Foot, Georgia East Zone, said point also being known as the POINT OF BEGINNING; THENCE departing aforesaid right-of-way, N 25°47'48" E a distance of 262.03' to a 5/8" iron rebar set; THENCE S 55°07'53" E a distance of 177.55' to a 5/8" iron rebar set; THENCE S 59°53'35" E a distance of 41.27' to a 5/8" iron rebar set; THENCE S 30°06'25" W a distance of 178.59' to a 5/8" iron rebar set; THENCE with a curve turning to the right, having an arc length of 46.01', a radius of 170.00', a chord bearing of S 37°51'35" W and a chord length of 45.87', to a 5/8" iron rebar set; THENCE S 45°36'45" W a distance of 73.03' to a 5/8" iron rebar set on the northern right-of-way of Brannen Street; THENCE along the right-of-way, N 44°24'38" W a distance of 179.31' to a 5/8" iron rebar set, the said POINT OF BEGINNING.

Said Parcel 12 contains 1.301 Acres (56,680 Square Feet) of land, more or less, being shown on a plat for Grantee by EMC Engineering Services, Inc, and recorded on 12/18/2024 at Deed Book 70 Page 83.

EXHIBIT “B”

DESCRIPTION OF FACILITIES:

All buildings, structures and improvements of every nature whatsoever now or hereafter situated on, under or above the Land.

EXHIBIT “C”

DESCRIPTION OF EQUIPMENT:

All furnishings, furniture, fixtures, machinery, apparatus, equipment, fittings, appliances, building supplies and materials, warranties, documents, accounts, general intangibles, goods, inventory, and goodwill related thereto (including any names or symbols by which the premises is known) and all other articles of personal property of every kind and nature whatsoever refinanced with the proceeds of the Installment Sale Agreement relating to the Facilities.

EXHIBIT “D”

PERMITTED ENCUMBRANCES:

1. Taxes for the year 2025, and subsequent years, not yet due and payable.
2. Such state of facts as would be disclosed by an accurate survey and inspection of the premises.
3. Those encumbrances consented to in writing by the Secured Party.

EXHIBIT “D”

Environmental Agreement

AGREEMENT REGARDING ENVIRONMENTAL ACTIVITY

THIS AGREEMENT REGARDING ENVIRONMENTAL ACTIVITY (this “Agreement”) is made as of this 2nd day of October, 2025, by the **CITY OF STATESBORO, GEORGIA**, a municipal corporation of the State of Georgia (“City”), in favor of **QUEENSBOROUGH NATIONAL BANK & TRUST COMPANY**, a national banking corporation (“Lender”), and **GEORGIA MUNICIPAL ASSOCIATION, INC.**, a Georgia nonprofit corporation (“Originator”) (Lender and Originator being referred to as “Seller” herein, each individually having full benefit of the obligations of the City hereunder).

ARTICLE 1

BACKGROUND AND AGREEMENT

A. Background. Seller has agreed to extend credit to the City in the principal amount of \$3,875,000.00, evidenced by an Installment Sale Agreement (the “Installment Sale Agreement”) in the aforesaid principal amount, which has been assigned by Originator to Lender. Lender’s rights under the Installment Sale Agreement are secured by a Deed to Secure Debt and Security Agreement (the “Security Deed”) made by Originator in favor of Lender, of even date herewith, conveying an interest in certain real property (the “Project”) located in the City of Statesboro, Georgia and described in Exhibit A attached hereto. The Installment Sale Agreement, the Security Deed and all other documents evidencing, securing or otherwise relating to the Installment Sale Agreement are herein referred to collectively as the “Documents.” Due to the concerns of Seller relating to Hazardous Substances, Seller is unwilling to enter into or fund the Installment Sale Agreement without the receipt by Seller of this Agreement, which is given by the City as an agreement, separate and distinct from the Documents, to induce Seller to enter into the Documents.

B. Statement of Agreement. For and in consideration of the sum of \$10.00 and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the City, the City does hereby make the following certifications, representations and warranties to, and covenants and agreements with, Seller.

ARTICLE 2

DEFINITIONS

In addition to the other terms defined herein, the following terms shall have the meanings set forth in this Article II.

A. “Affected Property” means any property other than the Project which is affected by the Use of the Project or by any Environmental Activity related to the Project.

B. “Environmental Activity” means any actual, proposed or threatened use, storage, holding, existence, release, emission, discharge, generation, processing, abatement, removal, disposition, handling or transportation of any Hazardous Substance from, to, upon, in, under or above the Project or otherwise relating to the Project or the Use of the Project or relating to any

Affected Property, or any other activity or occurrence that causes or would cause any such event to exist.

C. “Environmental Requirements” means all “Super Fund” or “Super Lien” laws relating to any Hazardous Substance or Environmental Activity, and all other present and future federal, state and local laws, statutes, authorizations, judgments, decrees, concessions, grants, franchises, agreements, ordinances, codes, rules, regulations, orders and other governmental restrictions and requirements regulating, relating to or imposing liability or a standard of conduct concerning the environment or any Hazardous Substances or Environmental Activity including, without limitation, the following, as the same may be amended from time to time, and all regulations promulgated thereunder or in connection therewith:

Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Super Fund Amendments and Reauthorization Act of 1986, 42 U.S.C. 9601 *et seq.* (“CERCLA”).

Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901 *et seq.*

Clean Air Act, 42 U.S.C. 7401-7626.

Water Pollution Control Act (commonly referred to as the Clean Water Act), 33 U.S.C. 1251 *et seq.*

Federal Insecticide, Fungicide, and Rodenticide Act, as amended by the Federal Environmental Pesticide Control Act of 1972 and by the Federal Pesticide Act of 1978, 7 U.S.C. 136 *et seq.*

Toxic Substances Control Act, 15 U.S.C. 2601 *et seq.*

Safe Drinking Water Act, 42 U.S.C. 300(f) *et seq.*

Occupational Safety and Health Act, 42 U.S.C. 651 *et seq.*

National Environmental Policy Act, 42 U.S.C. 4321 *et seq.*

Hazardous Materials Transportation Act, 49 U.S.C. 1471 *et seq.*

Refuse Act, 33 U.S.C. 407 *et seq.*

Emergency Planning And Community Right-To-Know Act, 42 U.S.C. 1101 *et seq.*

Georgia Hazardous Site Response Act, O.C.G.A. § 12-8-90 *et seq.*

D. “Hazardous Substance” means any substance which is a “hazardous substance” (as defined in CERCLA), or any other substance or material defined, designated, classified or considered as hazardous or toxic waste, hazardous or toxic material, or a hazardous, toxic, radioactive, regulated or dangerous substance or air pollutant under any Environmental Requirement.

E. “Indemnitees” means the Seller and each of its predecessors, successors and assigns, and each past and present, direct and indirect, parent, subsidiary and affiliated entity of each of the foregoing, and each past and present employee, agent, attorney-in-fact, attorney-at-law, representative, officer, director, shareholder, partner, participant and joint venturer of each of the foregoing, and each heir, executor, administrator, successor and assign of each of the foregoing; references in this paragraph to “any” of such parties shall be deemed to mean “any one or more” of such parties; and references in this sentence to “each of the foregoing” shall mean and refer cumulatively to each party referred to in this sentence up to the point of such reference.

F. “Proximate Property” means the property located in such proximity to the Project that the Project might be affected by Related Activity thereon.

G. “Related Activity” means any Use, activity, condition, circumstance or state of facts existing or occurring other than with respect to the Project or Affected Property which would, if existing or occurring with respect to the Project or Affected Property, constitute an Environmental Activity.

H. “Use” means the use, ownership, leasing, development, construction, maintenance, management, operation or occupancy.

ARTICLE 3

CERTIFICATIONS, REPRESENTATIONS AND WARRANTIES

A. Investigation. The City certifies, represents and warrants to Seller that it has duly investigated the present and past uses of the Project, as to whether the Project or any Proximate Property is or has been the site of storage of or contamination by any Hazardous Substances or the subject of any other Environmental Activity.

B. Related Liability. The City certifies, represents and warrants to Seller that the City has given no release or waiver of liability that would waive or impair any claim based on any Environmental Activity to a previous owner of the Project or to any party who may be potentially responsible for the Project; and that the City has no liability, absolute or contingent in connection with any Environmental Activity.

C. Compliance Except as previously disclosed to the Seller and the Lender in writing, the City certifies, represents and warrants to Seller that: (a) to its best knowledge, the City and the Project are in compliance in all material respects with all applicable Environmental Requirements; and (b) no investigations, inquiries, orders, hearings, actions or other proceedings by or before any governmental agency are pending or, to the best knowledge of the City, threatened in connection with any Environmental Activity or alleged Environmental Activity; and (c) the City has no knowledge, after due investigation, of the presence of any Hazardous Substances upon the Project; and (d) the City has no knowledge, after due investigation, of any facts or circumstances existing upon, in, under or above the Project or relating to the Project which may violate any applicable Environmental Requirement; and (e) the Use of the Project for its intended purpose will not result in any Environmental Activity in violation of any applicable Environmental Requirements; and (f) to the best knowledge of the City, after due inquiry, there is no Related Activity upon, in, under or above any Proximate Property; and (g) the City has not engaged in any Environmental Activity

and, to the best knowledge of the City, after due investigation, no Environmental Activity has otherwise occurred, and no notice, order, directive, complaint or other communication, written or oral, has been made or issued by any governmental agency or other person or entity alleging the occurrence of any Environmental Activity in violation of any Environmental Requirements; and (h) the City has obtained and will at all times continue to obtain and maintain all licenses, permits or other governmental or regulatory approvals or consents, if any, necessary to comply with all Environmental Requirements relating to the Project and any Affected Property, and the City is and shall continue at all times to be in compliance with said licenses, permits, approvals or consents; and (i) to the best knowledge of the City, no other property now or previously owned by the City is under investigation with respect to, or is or has been in violation of any Environmental Requirement during the period of time that the City owned such property, except as disclosed in writing to the Lender.

ARTICLE 4

COVENANTS, AGREEMENTS, AND INDEMNITY

A. Performance. The City shall at all times, at its sole expense, comply with, and cause the Project to comply with, all applicable Environmental Requirements relating to the Project or the ownership of the Project or relating to any Affected Property, and the City shall not engage in or otherwise permit the occurrence of any Environmental Activity in violation of any applicable Environmental Requirement.

B. Notice. The City shall immediately notify Seller if the City becomes aware of (a) the presence of any Hazardous Substances or other environmental problem or liability with respect to the Project, any Affected Property or any Proximate Property; or (b) any lien, action or notice resulting from violation or alleged violation of, or action pursuant to, any Environmental Regulation as the same pertains to the Project, or any other property now or previously owned by the City, or any Affected Property, or any Proximate Property; or (c) the institution of any investigation, inquiry or proceeding concerning the City or the Project or any Affected Property pursuant to any Environmental Requirement; or (d) the discovery of any occurrence, condition or state of facts which would render any representation contained in this Agreement incorrect in any respect if made at the time of such discovery.

C. Indemnity. To the extent permitted by law, the City shall indemnify, defend and save and hold harmless each Indemnitee from and against any and all claims, demands, defenses, set-offs, counterclaims, damages, disbursements, losses, judgments, liens, liabilities, penalties, objections, injuries, fines, litigation, lawsuits and other proceedings and costs and expenses (including attorneys' fees and disbursements and the reasonable charges of the Indemnitee's internal legal counsel, including fees in appellate and bankruptcy proceedings) which accrue against or are incurred by Seller and arise directly or indirectly from or out of or in any way connected with (a) the failure of any certification, representation or warranty contained in this Agreement to be true and correct in all respects; or (b) the presence of any Hazardous Substance upon the Project or any Affected Property; or (c) the occurrence of any Environmental Activity or any failure of the City or any other person or entity to comply with all applicable Environmental Requirements relating to the Project or the Use of the Project or relating to any Affected Property; or (d) any investigation, inquiry, order, hearing, action or other proceeding by or before any

governmental agency in connection with any actual or alleged Environmental Activity; or (e) the occurrence of any Related Activity or the violation of any Environmental Requirement in connection with any other property owned by the City, which occurrence or violation gives or may give rise to any rights whatsoever in any party whatsoever with respect to the Project; or (f) any failure of the City to perform any covenant set forth in this Agreement; or (g) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnitee which directly or indirectly relates to, arises from or is based on any of the matters described in clauses (a) through (f) of this section or any allegation of such matters. The foregoing indemnity is in no way conditioned upon fault on the part of the City or upon any other event, occurrence, matter or circumstance, except as specifically set forth above in this section.

ARTICLE 5

GENERAL CONDITIONS

A. Unconditional Obligations. The obligations of the City under this Agreement are unconditional. The City hereby expressly waives and renounces (to the extent it may lawfully do so) any and all claims, defenses and other rights which are dependent upon an allegation or proposition contrary to the foregoing provisions of this section.

B. Costs and Expenses. To the extent permitted by law, the City shall pay to each Indemnitee all costs and expenses (including attorneys' fees and disbursements and the reasonable charges of the Indemnitee's legal counsel, including fees in appellate and bankruptcy proceedings) incurred by any Indemnitee in connection with this Agreement or the enforcement of the terms of this Agreement.

C. No Waiver: Remedies Cumulative. No delay or omission by any Indemnitee to exercise any right or remedy accruing upon any default hereunder shall exhaust or impair any such right or remedy or shall be construed to be a waiver of any such default, or acquiescence therein, and every right and remedy given by this Agreement to any Indemnitee may be exercised from time to time and as often as may be deemed expedient by any Indemnitee. No consent or waiver, express or implied, by any Indemnitee to or of any default shall be deemed or construed to be a consent or waiver to or of any other default. No delay, indulgence, departure, act or omission by any Indemnitee shall release, discharge, modify, change or otherwise affect the liability or other obligation of the City or any surety or guarantor, or preclude any Indemnitee from exercising any right, privilege or remedy granted herein. No right or remedy conferred upon or reserved to any Indemnitee hereunder is intended to be exclusive of any other right or remedy, but each and every such right and remedy shall be cumulative and concurrent and shall be in addition to every other right and remedy given hereunder or under any other agreement between the City and any Indemnitee or now or hereafter existing at law, in equity or by statute.

D. Communications. Any and all notices, elections, approvals, consents, demands, requests and responses thereto ("Communications") permitted or required to be given under this Agreement shall be in writing signed by or on behalf of the party giving the same, and shall be deemed to have been properly given and shall be effective upon being personally delivered, or upon being deposited in the United States mail, postage prepaid, certified with return receipt

requested, to the other party at the address of such other party set forth below or at such other address within the continental United States as such other party may designate by notice specifically designated as a notice of change of address and given in accordance herewith; provided, however, that the time period in which a response to any Communication must be given shall commence on the date of receipt thereof; and provided further that no notice of change of address shall be effective until the date of receipt thereof. Personal delivery to a party or to any officer, partner, agent or employee of such party at said address shall constitute receipt. Rejection or other refusal to accept or inability to deliver because of changed address of a which no notice has been received shall also constitute receipt. Any Communication, if given to Lender, shall be addressed as follows:

Queensborough National Bank & Trust Company
7393 Hodgson Memorial Dr.
Savannah, Ga 31406
Attn: Brian L. Dart

if given to Originator, shall be addressed as follows:

Georgia Municipal Association, Inc.
201 Pryor Street
Atlanta, Georgia 30303
Attention: Darin Jenkins, Financial Services Program Manager

and, if given to the City, shall be addressed as follows:

City of Statesboro
50 E. Main Street
Statesboro, GA 30458
Attn: City Manager

with a copy to:

I. Cain Smith, Esq.
50 E. Main St.
Post Office Box 348
Statesboro, GA 30458

E. Miscellaneous. This Agreement shall inure to the benefit of and be binding upon the City and Seller and the other Indemnitees and their respective heirs, executors, legal representatives, successors and assigns. All personal pronouns used in this Agreement whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles of articles and sections in this Agreement are for convenience only and in no way define, limit, amplify or describe the scope or intent of any provisions hereof. If any provisions hereof or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law. This Agreement is assignable by Seller, and any

assignment by Seller shall operate to vest in the assignee all rights and powers conferred upon and granted to Seller hereby. Time is of the essence with respect to each and every covenant, agreement and obligation of the City hereunder. The provisions hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge or termination is sought. This Agreement constitutes the entire agreement between the City and Seller relating to Hazardous Substances affecting the Project or any Affected Property and the indemnity set forth hereinabove. This Agreement shall be construed so that it may be enforced by either Lender or Originator, acting independently for their own account, or by Lender and Originator jointly, at their option.

F. Transfers and Survival. The parties hereto contemplate that liability may arise hereunder after full payment or termination of the Installment Sale Agreement, and that liability may arise hereunder prior to full payment of the Installment Sale Agreement and remain unpaid after full payment of the Installment Sale Agreement, and it is specifically agreed that this Agreement (including the indemnity provided hereby) shall survive the full payment of the Installment Sale Agreement, the foreclosure of the Security Deed, the transfer of the Project, and all other events relating to the Installment Sale Agreement or the Project. The City hereby acknowledges and agrees that the benefits of this Agreement (including said indemnity) shall continue in favor of Indemnitees notwithstanding any transfer or assignment hereof by the Indemnitees or any of them, and shall also run to transferees and assignees hereof as additional Indemnitees.

G. Applicable Law. This Agreement shall be interpreted, construed and enforced according to the laws of the State of Georgia.

IN WITNESS WHEREOF, the City has executed this Agreement under seal, as of the day and year first above written.

CITY OF STATESBORO, GEORGIA

[SEAL]

By: _____
Mayor

Attest: _____
Clerk

Originator and Lender have executed this Instrument for the purposes of becoming a signatory hereto and acknowledging their rights hereunder.

**QUEENSBOROUGH NATIONAL BANK &
TRUST COMPANY**

By: _____
Name: _____
Title: _____

GEORGIA MUNICIPAL ASSOCIATION, INC.

By: _____
Executive Director

EXHIBIT A

LEGAL DESCRIPTION

All that certain lot, tract, or parcel of land situate, lying and being in the 1209th G. M. District, City of Statesboro, Bulloch County, Georgia, and being more particularly described as follows:

COMMENCING a 1/2" iron rebar found at the intersection of the eastern right-of-way of Bernard Lane, (60' public right-of-way) and the northern right-of-way of Brannen Street (80' public right-of-way), having a coordinate value of North 884221.78 and East 782712.28, according to the State Plane Coordinate System, NAD83 (2011), U.S. Survey Foot, Georgia East Zone; THENCE along the right-of-way of Brannen Street, S 64°12'55" E a distance of 427.79' to a point; THENCE S 44°24'38" E a distance of 236.21' to a 5/8" iron rebar set, having a coordinate value of North 883866.96 and East 783262.78, according to the State Plane Coordinate System, NAD83 (2011), U.S. Survey Foot, Georgia East Zone, said point also being known as the POINT OF BEGINNING; THENCE departing aforesaid right-of-way, N 25°47'48" E a distance of 262.03' to a 5/8" iron rebar set; THENCE S 55°07'53" E a distance of 177.55' to a 5/8" iron rebar set; THENCE S 59°53'35" E a distance of 41.27' to a 5/8" iron rebar set; THENCE S 30°06'25" W a distance of 178.59' to a 5/8" iron rebar set; THENCE with a curve turning to the right, having an arc length of 46.01', a radius of 170.00', a chord bearing of S 37°51'35" W and a chord length of 45.87', to a 5/8" iron rebar set; THENCE S 45°36'45" W a distance of 73.03' to a 5/8" iron rebar set on the northern right-of-way of Brannen Street; THENCE along the right-of-way, N 44°24'38" W a distance of 179.31' to a 5/8" iron rebar set, the said POINT OF BEGINNING.

Said Parcel 12 contains 1.301 Acres (56,680 Square Feet) of land, more or less, being shown on a plat for Grantee by EMC Engineering Services, Inc, and recorded on 12/18/2024 at Deed Book 70 Page 83.

EXHIBIT “E”

Limited Warranty Deed

After recording return to:

Jonathan B. Pannell
Gray Pannell & Woodward LLP
323 East Congress Street
Savannah, Georgia 31401

STATE OF GEORGIA
BULLOCH COUNTY

LIMITED WARRANTY DEED

THIS INDENTURE, made this October 2, 2025, between CITY OF STATESBORO, a municipal corporation of the State of Georgia (hereinafter referred to as “Grantor”), by and through the Mayor of the City of Statesboro, and GEORGIA MUNICIPAL ASSOCIATION, INC., a nonprofit corporation of the State of Georgia (hereinafter referred to as “Grantee”).

W I T N E S S E T H:

GRANTOR, in consideration of the sum of Ten and no/100 Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold, and conveyed, and does hereby grant, bargain, sell and convey unto Grantee, all that tract or parcel of land described in the attached Exhibit A, which is incorporated herein by reference, subject only to the matters described in Exhibit B attached hereto and made a part hereof by reference.

TO HAVE AND TO HOLD the said tract or parcel of land, with all and singular the rights, members, and appurtenances thereof, to the same being, belonging, or in anywise appertaining, to the only proper use, benefit and behoof of Grantee, its successors and assigns, forever in FEE SIMPLE.

AND GRANTOR WILL WARRANT and forever defend the right and title to above described property unto Grantee, its successors and assigns, against the claims of all persons owning, holding or claiming by, through or under Grantor, excepting only claims based on the matters described in Exhibit B.

IN WITNESS WHEREOF, Grantor has caused this Indenture to be executed by its duly authorized officials, under the seal of Grantor, the day and year above written.

CITY OF STATESBORO, GEORGIA

By: _____
Mayor

(Seal)

ATTEST:

City Clerk

Signed, sealed and delivered
in the presence of:

Witness

Notary Public

EXHIBIT A

All that certain lot, tract, or parcel of land situate, lying and being in the 1209th G. M. District, City of Statesboro, Bulloch County, Georgia, and being more particularly described as follows:

COMMENCING a 1/2" iron rebar found at the intersection of the eastern right-of-way of Bernard Lane, (60' public right-of-way) and the northern right-of-way of Brannen Street (80' public right-of-way), having a coordinate value of North 884221.78 and East 782712.28, according to the State Plane Coordinate System, NAD83 (2011), U.S. Survey Foot, Georgia East Zone; THENCE along the right-of-way of Brannen Street, S 64°12'55" E a distance of 427.79' to a point; THENCE S 44°24'38" E a distance of 236.21' to a 5/8" iron rebar set, having a coordinate value of North 883866.96 and East 783262.78, according to the State Plane Coordinate System, NAD83 (2011), U.S. Survey Foot, Georgia East Zone, said point also being known as the POINT OF BEGINNING; THENCE departing aforesaid right-of-way, N 25°47'48" E a distance of 262.03' to a 5/8" iron rebar set; THENCE S 55°07'53" E a distance of 177.55' to a 5/8" iron rebar set; THENCE S 59°53'35" E a distance of 41.27' to a 5/8" iron rebar set; THENCE S 30°06'25" W a distance of 178.59' to a 5/8" iron rebar set; THENCE with a curve turning to the right, having an arc length of 46.01', a radius of 170.00', a chord bearing of S 37°51'35" W and a chord length of 45.87', to a 5/8" iron rebar set; THENCE S 45°36'45" W a distance of 73.03' to a 5/8" iron rebar set on the northern right-of-way of Brannen Street; THENCE along the right-of-way, N 44°24'38" W a distance of 179.31' to a 5/8" iron rebar set, the said POINT OF BEGINNING.

Said Parcel 12 contains 1.301 Acres (56,680 Square Feet) of land, more or less. being shown on a plat for Grantee by EMC Engineering Services, Inc, and recorded on 12/18/2024 at Deed Book 70 Page 83.

EXHIBIT B

Permitted Encumbrances

[NONE.]

EXHIBIT “F”

The financial terms of the Installment Sale Agreement

The Installment Sale Amount (as defined in the Installment Sale Agreement) shall be an amount equal to \$3,875,000.00.

The interest rate shall be fixed at 4.50%.

The term shall be 20.5 years maturing on April 1, 2046.

See attached term sheet provided by Queenborough National Bank & Trust Company.

[Term Sheet Attached.]



Summary of Recommended Proposal

Queensborough Bank

Issuance Amount: \$3,875,000

Term 20 Years

Rate: 4.50%
(Fixed until Final Maturity)

Prepayment: Closing to April 1, 2026: Non-Callable
April 1, 2026 to April 1, 2030: 102%
April 1, 2030 and thereafter: 100%

Bank Fees: \$0

Closing Date: October 2, 2025

In review of the proposals offered, Davenport discussed with City staff who determined the Queensborough Bank proposal was the best option due to the proposal offering the lowest interest rate that was fixed until maturity, while still offering favorable prepayment provisions. The interest rate provided is the exact rate that Davenport provided in the planning estimates.

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City of Statesboro, Georgia
Installment Sale Agreement (Fire Station Project), Series 2025
Final Numbers

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SOURCES AND USES OF FUNDS

Georgia Municipal Association
City of Statesboro, Georgia
Installment Sale Agreement (Fire Station Project), Series 2025
Final Numbers

Sources:	
<hr/>	
Bond Proceeds:	
Par Amount	3,875,000.00
<hr/>	
	3,875,000.00
<hr/>	
Uses:	
<hr/>	
Project Fund Deposits:	
Project Fund	3,800,000.00
<hr/>	
Cost of Issuance:	
Cost of Issuance	75,000.00
<hr/>	
	3,875,000.00
<hr/>	

BOND SUMMARY STATISTICS

Georgia Municipal Association
City of Statesboro, Georgia
Installment Sale Agreement (Fire Station Project), Series 2025
Final Numbers

Dated Date	10/02/2025
Delivery Date	10/02/2025
Last Maturity	04/01/2046
Arbitrage Yield	4.500014%
True Interest Cost (TIC)	4.500014%
Net Interest Cost (NIC)	4.500000%
All-In TIC	4.703797%
Average Coupon	4.500000%
Average Life (years)	13.358
Duration of Issue (years)	9.844
Par Amount	3,875,000.00
Bond Proceeds	3,875,000.00
Total Interest	2,329,233.13
Net Interest	2,329,233.13
Total Debt Service	6,204,233.13
Maximum Annual Debt Service	329,180.00
Average Annual Debt Service	302,686.53
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	3,875,000.00	100.000	4.500%	13.358
	3,875,000.00			13.358

	TIC	All-In TIC	Arbitrage Yield
Par Value	3,875,000.00	3,875,000.00	3,875,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		-75,000.00	
- Other Amounts			
Target Value	3,875,000.00	3,800,000.00	3,875,000.00
Target Date	10/02/2025	10/02/2025	10/02/2025
Yield	4.500014%	4.703797%	4.500014%

BOND PRICING

Georgia Municipal Association
City of Statesboro, Georgia
Installment Sale Agreement (Fire Station Project), Series 2025
Final Numbers

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	04/01/2027	63,000	4.500%	4.500%	100.000
	04/01/2028	66,000	4.500%	4.500%	100.000
	04/01/2029	69,000	4.500%	4.500%	100.000
	04/01/2030	72,000	4.500%	4.500%	100.000
	04/01/2031	75,000	4.500%	4.500%	100.000
	04/01/2032	170,000	4.500%	4.500%	100.000
	04/01/2033	177,000	4.500%	4.500%	100.000
	04/01/2034	185,000	4.500%	4.500%	100.000
	04/01/2035	194,000	4.500%	4.500%	100.000
	04/01/2036	203,000	4.500%	4.500%	100.000
	04/01/2037	212,000	4.500%	4.500%	100.000
	04/01/2038	221,000	4.500%	4.500%	100.000
	04/01/2039	231,000	4.500%	4.500%	100.000
	04/01/2040	242,000	4.500%	4.500%	100.000
	04/01/2041	252,000	4.500%	4.500%	100.000
	04/01/2042	264,000	4.500%	4.500%	100.000
	04/01/2043	276,000	4.500%	4.500%	100.000
	04/01/2044	288,000	4.500%	4.500%	100.000
	04/01/2045	301,000	4.500%	4.500%	100.000
	04/01/2046	314,000	4.500%	4.500%	100.000
		3,875,000			

Dated Date	10/02/2025	
Delivery Date	10/02/2025	
First Coupon	04/01/2026	
Par Amount	3,875,000.00	
Original Issue Discount		
Production	3,875,000.00	100.000000%
Underwriter's Discount		
Purchase Price	3,875,000.00	100.000000%
Accrued Interest		
Net Proceeds	3,875,000.00	

BOND DEBT SERVICE

Georgia Municipal Association
City of Statesboro, Georgia
Installment Sale Agreement (Fire Station Project), Series 2025
Final Numbers

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2026			86,703.13	86,703.13
06/30/2027	63,000	4.500%	174,375.00	237,375.00
06/30/2028	66,000	4.500%	171,540.00	237,540.00
06/30/2029	69,000	4.500%	168,570.00	237,570.00
06/30/2030	72,000	4.500%	165,465.00	237,465.00
06/30/2031	75,000	4.500%	162,225.00	237,225.00
06/30/2032	170,000	4.500%	158,850.00	328,850.00
06/30/2033	177,000	4.500%	151,200.00	328,200.00
06/30/2034	185,000	4.500%	143,235.00	328,235.00
06/30/2035	194,000	4.500%	134,910.00	328,910.00
06/30/2036	203,000	4.500%	126,180.00	329,180.00
06/30/2037	212,000	4.500%	117,045.00	329,045.00
06/30/2038	221,000	4.500%	107,505.00	328,505.00
06/30/2039	231,000	4.500%	97,560.00	328,560.00
06/30/2040	242,000	4.500%	87,165.00	329,165.00
06/30/2041	252,000	4.500%	76,275.00	328,275.00
06/30/2042	264,000	4.500%	64,935.00	328,935.00
06/30/2043	276,000	4.500%	53,055.00	329,055.00
06/30/2044	288,000	4.500%	40,635.00	328,635.00
06/30/2045	301,000	4.500%	27,675.00	328,675.00
06/30/2046	314,000	4.500%	14,130.00	328,130.00
	3,875,000		2,329,233.13	6,204,233.13

BOND DEBT SERVICE

Georgia Municipal Association
City of Statesboro, Georgia
Installment Sale Agreement (Fire Station Project), Series 2025
Final Numbers

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2026			86,703.13	86,703.13	
06/30/2026					86,703.13
10/01/2026			87,187.50	87,187.50	
04/01/2027	63,000	4.500%	87,187.50	150,187.50	
06/30/2027					237,375.00
10/01/2027			85,770.00	85,770.00	
04/01/2028	66,000	4.500%	85,770.00	151,770.00	
06/30/2028					237,540.00
10/01/2028			84,285.00	84,285.00	
04/01/2029	69,000	4.500%	84,285.00	153,285.00	
06/30/2029					237,570.00
10/01/2029			82,732.50	82,732.50	
04/01/2030	72,000	4.500%	82,732.50	154,732.50	
06/30/2030					237,465.00
10/01/2030			81,112.50	81,112.50	
04/01/2031	75,000	4.500%	81,112.50	156,112.50	
06/30/2031					237,225.00
10/01/2031			79,425.00	79,425.00	
04/01/2032	170,000	4.500%	79,425.00	249,425.00	
06/30/2032					328,850.00
10/01/2032			75,600.00	75,600.00	
04/01/2033	177,000	4.500%	75,600.00	252,600.00	
06/30/2033					328,200.00
10/01/2033			71,617.50	71,617.50	
04/01/2034	185,000	4.500%	71,617.50	256,617.50	
06/30/2034					328,235.00
10/01/2034			67,455.00	67,455.00	
04/01/2035	194,000	4.500%	67,455.00	261,455.00	
06/30/2035					328,910.00
10/01/2035			63,090.00	63,090.00	
04/01/2036	203,000	4.500%	63,090.00	266,090.00	
06/30/2036					329,180.00
10/01/2036			58,522.50	58,522.50	
04/01/2037	212,000	4.500%	58,522.50	270,522.50	
06/30/2037					329,045.00
10/01/2037			53,752.50	53,752.50	
04/01/2038	221,000	4.500%	53,752.50	274,752.50	
06/30/2038					328,505.00
10/01/2038			48,780.00	48,780.00	
04/01/2039	231,000	4.500%	48,780.00	279,780.00	
06/30/2039					328,560.00
10/01/2039			43,582.50	43,582.50	
04/01/2040	242,000	4.500%	43,582.50	285,582.50	
06/30/2040					329,165.00
10/01/2040			38,137.50	38,137.50	
04/01/2041	252,000	4.500%	38,137.50	290,137.50	
06/30/2041					328,275.00
10/01/2041			32,467.50	32,467.50	
04/01/2042	264,000	4.500%	32,467.50	296,467.50	
06/30/2042					328,935.00
10/01/2042			26,527.50	26,527.50	
04/01/2043	276,000	4.500%	26,527.50	302,527.50	
06/30/2043					329,055.00
10/01/2043			20,317.50	20,317.50	
04/01/2044	288,000	4.500%	20,317.50	308,317.50	
06/30/2044					328,635.00
10/01/2044			13,837.50	13,837.50	
04/01/2045	301,000	4.500%	13,837.50	314,837.50	

BOND DEBT SERVICE

Georgia Municipal Association
 City of Statesboro, Georgia
 Installment Sale Agreement (Fire Station Project), Series 2025
 Final Numbers

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/30/2045					328,675.00
10/01/2045			7,065.00	7,065.00	
04/01/2046	314,000	4.500%	7,065.00	321,065.00	
06/30/2046					328,130.00
	3,875,000		2,329,233.13	6,204,233.13	6,204,233.13

NET DEBT SERVICE

Georgia Municipal Association
City of Statesboro, Georgia
Installment Sale Agreement (Fire Station Project), Series 2025
Final Numbers

Period Ending	Principal	Coupon	Interest	Total Debt Service	Net Debt Service
06/30/2026			86,703.13	86,703.13	86,703.13
06/30/2027	63,000	4.500%	174,375.00	237,375.00	237,375.00
06/30/2028	66,000	4.500%	171,540.00	237,540.00	237,540.00
06/30/2029	69,000	4.500%	168,570.00	237,570.00	237,570.00
06/30/2030	72,000	4.500%	165,465.00	237,465.00	237,465.00
06/30/2031	75,000	4.500%	162,225.00	237,225.00	237,225.00
06/30/2032	170,000	4.500%	158,850.00	328,850.00	328,850.00
06/30/2033	177,000	4.500%	151,200.00	328,200.00	328,200.00
06/30/2034	185,000	4.500%	143,235.00	328,235.00	328,235.00
06/30/2035	194,000	4.500%	134,910.00	328,910.00	328,910.00
06/30/2036	203,000	4.500%	126,180.00	329,180.00	329,180.00
06/30/2037	212,000	4.500%	117,045.00	329,045.00	329,045.00
06/30/2038	221,000	4.500%	107,505.00	328,505.00	328,505.00
06/30/2039	231,000	4.500%	97,560.00	328,560.00	328,560.00
06/30/2040	242,000	4.500%	87,165.00	329,165.00	329,165.00
06/30/2041	252,000	4.500%	76,275.00	328,275.00	328,275.00
06/30/2042	264,000	4.500%	64,935.00	328,935.00	328,935.00
06/30/2043	276,000	4.500%	53,055.00	329,055.00	329,055.00
06/30/2044	288,000	4.500%	40,635.00	328,635.00	328,635.00
06/30/2045	301,000	4.500%	27,675.00	328,675.00	328,675.00
06/30/2046	314,000	4.500%	14,130.00	328,130.00	328,130.00
	3,875,000		2,329,233.13	6,204,233.13	6,204,233.13

PROOF OF ARBITRAGE YIELD

Georgia Municipal Association
City of Statesboro, Georgia
Installment Sale Agreement (Fire Station Project), Series 2025
Final Numbers

Date	Debt Service	PV Factor	Present Value to 10/02/2025 @ 4.5000141148%
04/01/2026	86,703.13	0.978115945	84,805.71
10/01/2026	87,187.50	0.956592545	83,402.91
04/01/2027	150,187.50	0.935542767	140,506.83
10/01/2027	85,770.00	0.914956188	78,475.79
04/01/2028	151,770.00	0.894822616	135,807.23
10/01/2028	84,285.00	0.875132082	73,760.51
04/01/2029	153,285.00	0.855874838	131,192.77
10/01/2029	82,732.50	0.837041349	69,250.52
04/01/2030	154,732.50	0.818622289	126,667.47
10/01/2030	81,112.50	0.800608541	64,939.36
04/01/2031	156,112.50	0.782991184	122,234.71
10/01/2031	79,425.00	0.765761496	60,820.61
04/01/2032	249,425.00	0.748910947	186,797.11
10/01/2032	75,600.00	0.732431193	55,371.80
04/01/2033	252,600.00	0.716314076	180,940.94
10/01/2033	71,617.50	0.700551615	50,171.76
04/01/2034	256,617.50	0.685136007	175,817.89
10/01/2034	67,455.00	0.670059618	45,198.87
04/01/2035	261,455.00	0.655314985	171,335.38
10/01/2035	63,090.00	0.640894806	40,434.05
04/01/2036	266,090.00	0.626791943	166,783.07
10/01/2036	58,522.50	0.612999413	35,874.26
04/01/2037	270,522.50	0.599510387	162,181.05
10/01/2037	53,752.50	0.586318187	31,516.07
04/01/2038	274,752.50	0.573416280	157,547.56
10/01/2038	48,780.00	0.560798279	27,355.74
04/01/2039	279,780.00	0.548457937	153,447.56
10/01/2039	43,582.50	0.536389143	23,377.18
04/01/2040	285,582.50	0.524585923	149,812.56
10/01/2040	38,137.50	0.513042432	19,566.16
04/01/2041	290,137.50	0.501752955	145,577.35
10/01/2041	32,467.50	0.490711903	15,932.19
04/01/2042	296,467.50	0.479913808	142,278.85
10/01/2042	26,527.50	0.469353325	12,450.77
04/01/2043	302,527.50	0.459025225	138,867.75
10/01/2043	20,317.50	0.448924395	9,121.02
04/01/2044	308,317.50	0.439045832	135,365.51
10/01/2044	13,837.50	0.429384648	5,941.61
04/01/2045	314,837.50	0.419936057	132,211.62
10/01/2045	7,065.00	0.410695382	2,901.56
04/01/2046	321,065.00	0.401658047	128,958.34
6,204,233.13			3,875,000.00

Proceeds Summary

Delivery date	10/02/2025
Par Value	3,875,000.00
Target for yield calculation	3,875,000.00

FORM 8038 STATISTICS

Georgia Municipal Association
City of Statesboro, Georgia
Installment Sale Agreement (Fire Station Project), Series 2025
Final Numbers

Dated Date 10/02/2025
Delivery Date 10/02/2025

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Bond Component:						
	04/01/2027	63,000.00	4.500%	100.000	63,000.00	63,000.00
	04/01/2028	66,000.00	4.500%	100.000	66,000.00	66,000.00
	04/01/2029	69,000.00	4.500%	100.000	69,000.00	69,000.00
	04/01/2030	72,000.00	4.500%	100.000	72,000.00	72,000.00
	04/01/2031	75,000.00	4.500%	100.000	75,000.00	75,000.00
	04/01/2032	170,000.00	4.500%	100.000	170,000.00	170,000.00
	04/01/2033	177,000.00	4.500%	100.000	177,000.00	177,000.00
	04/01/2034	185,000.00	4.500%	100.000	185,000.00	185,000.00
	04/01/2035	194,000.00	4.500%	100.000	194,000.00	194,000.00
	04/01/2036	203,000.00	4.500%	100.000	203,000.00	203,000.00
	04/01/2037	212,000.00	4.500%	100.000	212,000.00	212,000.00
	04/01/2038	221,000.00	4.500%	100.000	221,000.00	221,000.00
	04/01/2039	231,000.00	4.500%	100.000	231,000.00	231,000.00
	04/01/2040	242,000.00	4.500%	100.000	242,000.00	242,000.00
	04/01/2041	252,000.00	4.500%	100.000	252,000.00	252,000.00
	04/01/2042	264,000.00	4.500%	100.000	264,000.00	264,000.00
	04/01/2043	276,000.00	4.500%	100.000	276,000.00	276,000.00
	04/01/2044	288,000.00	4.500%	100.000	288,000.00	288,000.00
	04/01/2045	301,000.00	4.500%	100.000	301,000.00	301,000.00
	04/01/2046	314,000.00	4.500%	100.000	314,000.00	314,000.00
		3,875,000.00			3,875,000.00	3,875,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	04/01/2046	4.500%	314,000.00	314,000.00		
Entire Issue			3,875,000.00	3,875,000.00	13.3576	4.5000%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	75,000.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00

DISCLAIMER

Georgia Municipal Association
City of Statesboro, Georgia
Installment Sale Agreement (Fire Station Project), Series 2025
Final Numbers

The enclosed information relates to an existing or potential municipal advisor engagement.

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Version 01.01.2025 - ML/CH/DJG/RC/CR

CITY OF STATESBORO

COUNCIL

Tangie Johnson, District 1
Paulette Chavers, District 2
Ginny Hendley, District 3
John Riggs, District 4
Shari R Barr, District 5



Jonathan McCollar, Mayor
Charles Penny, City Manager
Leah Harden, City Clerk
Cain Smith, City Attorney

50 EAST MAIN STREET • P.O. BOX 348
STATESBORO, GEORGIA 30459-0348

To: Charles W. Penny, City Manager
Jason Boyles, Assistant City Manager

From: Brad Deal, P.E., Director of Public Works and Engineering
Marcos Trejo, P.E., Assistant Director of Public Works and Engineering
Timeka Shannon, Keep Statesboro-Bulloch Beautiful Coordinator

Date: September 8, 2025

RE: Lorrie Otto Seeds for Education Grant Program

Policy Issue: *Consideration of a motion to apply for the Lorrie Otto Seeds for Education Grant Program in the amount of \$400.*

Background: Keep Statesboro-Bulloch Beautiful (KSBB) requests approval to apply for the Lorrie Otto Seeds for Education Grant Program through the Wild Ones non-profit organization to support beautification projects at the Statesboro Community Garden. This donor-funded program awards \$100–\$500 for native plant gardens and landscaping. In collaboration with the Community Garden Club, KSBB proposes to install pollinator pockets using four metal raised bed containers donated by the Bulloch County Boys and Girls Club and improve the natural landscapes around this greenspace. Grant funds would be used to acquire native plants and seeds while directly engaging youth from pre-K through high school in planning, planting, and caring for these gardens. This initiative will enhance the Community Garden as an outdoor learning space, support pollinator populations, benefit resident-grown fruits and vegetables, and advance KSBB's beautification efforts.

Budget Impact: No matching funds from the City of Statesboro are required.

Council Person and District: All

Attachments: Resolution

**RESOLUTION 2025-27: A RESOLUTION APPROVING SUBMISSION OF AN APPLICATION FOR
THE LORRIE OTTO SEEDS FOR EDUCATION GRANT THROUGH WILD ONES: NATIVE PLANTS,
NATURAL LANDSCAPES**

WHEREAS, the Mayor and City Council are committed to promoting beautification, sustainability, and environmental stewardship within the community; and

WHEREAS, the Mayor and City Council support KSBB, in collaboration with the Community Garden Club, to enhance the Statesboro Community Garden by installing pollinator pockets using raised bed containers donated by the Bulloch County Boys and Girls Club; and

WHEREAS, grant funds would be used to acquire native plants and seeds, while also directly engaging youth from pre-K through high school in planning, planting, and caring for the gardens, thereby strengthening community education and supporting pollinator populations; and

WHEREAS, City staff will prepare an application for submission by the established deadline; and

WHEREAS, no local match for the application is required; and

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of Statesboro, Georgia, as follows:

Section 1: The Mayor and City Council hereby approve the submission of an application for the Lorrie Otto Seeds for Education Grant through Wild Ones: Native Plants, Natural Landscapes.

Section 2: The Mayor, City Manager, or City Manager's designee is authorized to execute any necessary documents and take all actions required to implement the project if awarded funding.

Adopted this ____ day of _____, 2025.

By: Jonathan McCollar, Mayor

Attest: Leah Harden, City Clerk

CITY OF STATESBORO

COUNCIL

Tangie Johnson, District 1
Paulette Chavers, District 2
Ginny Hendley, District 3
John Riggs, District 4
Shari R Barr, District 5



Jonathan McCollar, Mayor
Charles Penny, City Manager
Leah Harden, City Clerk
Cain Smith, City Attorney

50 EAST MAIN STREET • P.O. BOX 348
STATESBORO, GEORGIA 30459-0348

To: Charles W. Penny, City Manager
Jason Boyles, Assistant City Manager

From: Brad Deal, P.E., Director of Public Works and Engineering
Marcos Trejo, P.E., Assistant Director of Public Works and Engineering
Timeka Shannon, Keep Statesboro-Bulloch Beautiful Coordinator

Date: September 8, 2025

RE: BRACE Grant Program

Policy Issue: Consideration of a motion to apply for the Keep Georgia Beautiful Foundation's BRACE Grant Program in the amount of \$2,500.

Background: Keep Statesboro-Bulloch Beautiful (KSBB) is seeking approval to apply for the Keep Georgia Beautiful Foundation BRACE Grant Program, funded through the Solid Waste Trust Fund. This \$2,500 grant requires no match and would support KSBB's litter prevention efforts by providing supplies such as litter grabbers, trash bags, and gloves, as well as a kayak, canoe, and/or john boat to expand monthly roadway and waterway cleanups with volunteers. Reducing litter and blight protects our natural beauty, wildlife, and water quality, while also enhancing property values and attracting families and businesses. Approval to apply for this grant will help KSBB continue creating clean, green, and beautiful spaces for our community.

Budget Impact: No matching funds required from City of Statesboro.

Council Person and District: All

Attachments: Resolution

Budget Impact: No matching funds from the City of Statesboro are required.

Council Person and District: All

Attachments: Resolution

**RESOLUTION 2025-28: A RESOLUTION APPROVING SUBMISSION OF AN APPLICATION FOR THE
BRACE GRANT THROUGH THE KEEP GEORGIA BEAUTIFUL FOUNDATION**

WHEREAS, the Mayor and City Council understand the importance of reducing litter, blight, and illegal dumping on public property in Georgia communities; and

WHEREAS, the Mayor and City Council support litter prevention initiatives and are committed to fostering clean, green, and beautiful spaces throughout the community, while also providing meaningful volunteer opportunities that engage residents and community groups;

WHEREAS, City staff will prepare an application for submission by the established deadline; and

WHEREAS, no local match for the application is required; and

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of Statesboro, Georgia, as follows:

Section 1: The Mayor and City Council hereby approve the submission of an application for the BRACE Grant through the Keep Georgia Beautiful Foundation.

Section 2: The Mayor, City Manager, or City Manager's designee is authorized to execute any necessary documents and take all actions required to implement the project if awarded funding.

Adopted this ____ day of _____, 2025.

By: Jonathan McCollar, Mayor

Attest: Leah Harden, City Clerk

CITY OF STATESBORO

COUNCIL

Tangie Johnson, District 1
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Jonathan McCollar, Mayor
Charles Penny, City Manager
Leah Harden, City Clerk
Cain Smith, City Attorney

50 EAST MAIN STREET • P.O. BOX 348
STATESBORO, GEORGIA 30459-0348

To: Charles W. Penny, City Manager
Jason Boyles, Assistant City Manager

From: Brad Deal, P.E., Director of Public Works and Engineering
Marcos Trejo, P.E., Assistant Director of Public Works and Engineering
Timeka Shannon, Keep Statesboro-Bulloch Beautiful Coordinator

Date: September 8, 2025

RE: Solid Waste Trust Fund (SWTF) Grant Program

Policy Issue: Consideration of a motion to apply for the Recycling and Waste Diversion (RWD) Grant offered by the Environmental Protection Division (EPD) in the amount of \$13,700.

Background: Keep Statesboro-Bulloch Beautiful (KSBB) requests approval to apply for the Recycling and Waste Diversion (RWD) Grant through the Georgia Environmental Protection Division (EPD) as part of the Solid Waste Trust Fund (SWTF) Grant Program in the amount of \$13,700. If awarded, funds will be used to contract a paper shredding truck two times per year, giving residents a secure way to properly dispose of and recycle sensitive paper documents. The grant will also cover contracted services with GreenRock and Sensible Recycling at the fourth annual Recycle Fest next fall, a one-day event where residents can recycle hard-to-recycle materials such as glass, metals, plastics, non-rechargeable batteries, old prescription medications, and electronics. In addition, KSBB will purchase desk side collection bins to support ongoing collection and diversion efforts.

Recycle Fest represents a true community collaboration, bringing together non-profit organizations, local boards and commissions, and the City's Streets Division to provide valuable recycling opportunities that keep materials out of the landfill, repurpose usable items, and repair broken goods. Under the direction of the KSBB Coordinator, this event fulfills key affiliate requirements and advances KSBB's mission to improve recycling rates and reduce waste. Furthermore, the grant would fund a recycling pilot program with local schools or City and County administrative offices, partnering with GreenRock or Savannah Shredding to provide contracted recycling services. These partners would collect and track recycling data, which would be reported back to the Environmental Protection Division by the KSBB Coordinator.

Budget Impact: No matching funds from City are required. Initial purchases would be made from the Multiple Grant Fund (if grant is awarded), and reimbursed by the RWD Grant.

Council Person and District: All

Attachments: Resolution

RESOLUTION 2025-29: A RESOLUTION APPROVING SUBMISSION OF AN APPLICATION FOR THE RECYCLING AND WASTE DIVERSION GRANT OFFERED BY THE ENVIRONMENTAL PROTECTION DIVISION AS PART OF THE SOLID WASTE TRUST FUND GRANT PROGRAM

WHEREAS, the Mayor and City Council are committed to advancing waste reduction, recycling, and environmental stewardship in the community through Keep Statesboro-Bulloch Beautiful (KSBB); and

WHEREAS, the Mayor and City Council support projects that reduce solid waste and improve the recovery rate of valuable recyclable materials; and

WHEREAS, grant funds would be used to support semi-annual shred events, the annual Recycle Fest, and a recycling pilot program with local schools to promote long-term waste reduction practices through education and engagement; and

WHEREAS, City staff will prepare an application for submission by the established deadline; and

WHEREAS, this reimbursement-type grant requires no local matching funds; and

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of Statesboro, Georgia, as follows:

Section 1: The Mayor and City Council hereby approve the submission of an application for the Recycling and Waste Diversion Grant Program offered by the Georgia Environmental Protection Division as part of the Solid Waste Trust Fund Grant Program.

Section 2: The Mayor, City Manager, or City Manager's designee is authorized to execute any necessary documents and take all actions required to implement the project if awarded funding.

Adopted this ____ day of _____, 2025.

By: Jonathan McCollar, Mayor

Attest: Leah Harden, City Clerk



STATESBORO POLICE DEPARTMENT

Ph 912-764-9911

25 West Grady Street, Statesboro, Georgia 30458

Fx 912-489-5050

TO: Charles Penny, City Manager

FROM: Mike Broadhead, Chief of Police

DATE: September 16, 2025

RE: Patrol Car Purchases

POLICY ISSUE: Purchase of Patrol Cars

RECOMMENDATION: That Council approve the purchase of 6 new patrol cars and 2 unmarked detective vehicles.

BACKGROUND: Each year the police department needs to purchase vehicles to keep the fleet healthy. The PD requests that Council approve the purchase of six (6) new patrol vehicles and two (2) unmarked vehicles for detectives. A bid process was handled by the City's Director of Central Services. The low bid for the patrol cars was Stivers Ford, and the low bid for the detective cars was JC Lewis Ford. Additionally, the police department requires funds be available for "up-fitting" the patrol cars which includes: on-board computers, emergency lights, cameras (integrated body worn and dash camera) software, push bumpers, prisoner compartment, exterior graphics, and labor. This equipment will be purchased following the city's purchasing policy, and includes prices obtained through the state bid process, a sole source contract (Patrol PC) and by "piggy-backing" on existing government contracts. The award to Stivers Ford for 6 patrol cars is \$293,520 (\$46,925 for each vehicle. plus warranty of \$1995 each, for a total of \$48,920 each). The award to JC Lewis Ford for 2 vehicles is in the amount \$90,558.14 (Ford Explorer and F150 Pickup). The up-fitting cost is \$250,299.02 through West Chatham Warning Devices. The use of this vendor ensures equipment compatibility between existing and future cars. Total budget request for 8 vehicles and up-fitting is \$634,377.16. These funds were budgeted through 2019 SPLOST.

BUDGET IMPACT: Police vehicles were approved as part of the 2019 SPLOST expenditures.

COUNCIL DISTRICT: All

ATTACHMENTS: N/A