



Finance Committee Meeting Commission Chamber - 1/29/2019

ATTENDANCE:

Present: Hons. Hardie Davis, Jr., Mayor; D. Williams, Vice Chairman;
M. Williams and Frantom, members.
Absent: Hon. Fennoy, Chairman.

FINANCE

1. Update on 1998 Pension Plan. **(Requested by Commissioner Sammie Sias)** **Item Action:**
Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve receiving this item as information. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Marion Williams	Passes

2. Approve Excess Worker's Compensation Insurance with Safety National Casualty with statutory limits and a \$750,000 Self Insured Retention (SIR - otherwise known as the deductible) to cover all positions for a premium of \$369,994. **Item Action:**
Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Dennis Williams	Passes

3.

Motion to approve the minutes of the Finance Committee held on January 8, 2019.

Item
Action:
Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Dennis Williams	Passes

4. Motion to approve 2 additional positions for the District Attorney's office and to approve funding for the full year.

Item
Action:
Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Dennis Williams	Passes

5. Motion to approve continued agreement with Brinson Askew Berry LLP for collection of hotel tax under Rome Class Hotel Incremental Tax Fund.

Item
Action:
Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Marion Williams	Passes



Finance Committee Meeting

1/29/2019 1:20 PM

Attendance 1/29/19

Department:

Presenter:

Caption:

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

**Funds are
Available in the
Following
Accounts:**

REVIEWED AND APPROVED BY:

Lena Bonner

From: Commissioner Sammie Sias
Sent: Wednesday, January 23, 2019 10:59 AM
To: Lena Bonner
Cc: Janice Allen Jackson; Donna Williams; Timothy Schroer; Nancy Morawski
Subject: Retirement Plan 1998

Ms Bonner,

Please add the following agenda item to the Finance Committee agenda for 29 Jan 2019

Staff: Please provide a complete update on the 1998 Pension plan.

Please include as a minimum:

Plan start date;

Plan end date for new membership;

How the members were brief to transition out of the plan or to stay with the plan;

How many participants remains;

A comparison of benefit reference the current GMEBS plan;

Required payment amounts into the plan;

Buy in options to the current GMEBS plan

Buy in options to any other plans (city or private);

Any other information you consider relevance;

Thanking everyone in advance for you assistance in this matter.

Sammie L. Sias
Commissioner,
Augusta Richmond County
"Failure is not an Option"

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**Finance Committee Meeting
1/29/2019 1:20 PM
1998 Pension Plan.**

Department:

Presenter: Commissioner Sammie Sias

Caption: Update on 1998 Pension Plan. **(Requested by Commissioner Sammie Sias)**

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

**Funds are
Available in the
Following
Accounts:**

REVIEWED AND APPROVED BY:

**Excess Workers' Compensation
Renewal Proposal
for**

Augusta
GEORGIA

Presented By:

Andy Dunagan, CWCP, CIC
Vice President, Principal

Steve Kindregan
Risk Adviser

Pritchard & Jerden, Inc.
950 E. Paces Ferry Rd, Ste. 2000
Atlanta, GA 30326
www.pjins.com



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Expiring Program

- **Carrier:** Safety National Casualty Corporation
- **Policy Period:** March 1, 2018 to March 1, 2019
- **Description of Coverage:**
 - Workers Compensation:
 - Statutory Benefits per Applicable State Law
 - Employers Liability:
 - Bodily Injury - Each Accident \$1,000,000
 - Bodily Injury by Disease - Policy Limit \$1,000,000
 - Bodily Injury by Disease - Each Employee \$1,000,000
- **Self-Insured Retention Per Occurrence:** \$750,000
- **Annual Aggregate Deductible:** \$250,000
- **Exposure:**
 - Basis Payroll
 - Estimated Payroll \$108,598,168
- **Rate:**
 - Basis Per \$100 of Payroll
 - Premium Rate .3529
- **Premium:**
 - Deposit Premium (*with Current Payroll*) \$383,243

Incumbent Market – 2019 Renewal

- **Carrier:** Safety National Casualty Corporation
- **Policy Period:** March 1, 2019 to March 1, 2020
- **Description of Coverage:**

– Workers' Compensation	Statutory
– Employers' Liability	\$1,000,000
– Self-Insured Retention Per Occurrence	\$750,000
– Annual Aggregate Deductible	\$250,000
- **Premium:**

– Rate per \$100 of Payroll	.3407
– <i>Rate Comparison (vs. Expiring)</i>	<i>-3.46%</i>
– Deposit Premium	\$369,994
– <i>Premium Comparison (vs. Expiring)</i>	<i>-\$13,249</i>

Additional Options – 2019 Renewal

Option 1

- **Carrier:** XL Insurance
(Indication – Subject to additional underwriting)

- **Description of Coverage:**
 - Workers' Compensation Statutory
 - Employers' Liability \$1,000,000
 - Self-Insured Retention Per Occurrence \$1,000,000

- **Premium:**
 - Rate per \$100 of Payroll .3895
 - Rate Comparison (vs. Expiring) +10.37%
 - Deposit Premium \$422,990
 - Premium Comparison (vs. Expiring) +\$39,747

Option 2

- **Carrier:** ACE/Chubb
(Indication – Subject to additional underwriting)

- **Description of Coverage:**
 - Workers' Compensation Statutory
 - Employers' Liability \$1,000,000
 - Self-Insured Retention Per Occurrence \$1,000,000

- **Premium:**
 - Rate per \$100 of Payroll .4180
 - Rate Comparison (vs. Expiring) +18.45%
 - Deposit Premium \$453,940
 - Premium Comparison (vs. Expiring) +\$70,697

Additional Options – 2019 Renewal

Option 3

- **Carrier:** Prosight Specialty Insurance
(Indication – Subject to additional underwriting)

- **Description of Coverage:**

– Workers' Compensation	Statutory
– Employers' Liability	\$1,000,000
– Self-Insured Retention Per Occurrence	\$1,000,000

- **Premium:**

– Rate per \$100 of Payroll	.4069
– <i>Rate Comparison (vs. Expiring)</i>	+15.3%
– Deposit Premium	\$441,886
– <i>Premium Comparison (vs. Expiring)</i>	+\$58,643

Marketing Summary

- **Midwest Employers Casualty Company**
 - Unable to compete with Incumbent
 - Based on loss experience, unable to offer retention lower than \$1.5M
- **Sompo Japan Ins. Company of America**
 - Unable to compete with Incumbent due to loss experience and exposure



Finance Committee Meeting
1/29/2019 1:20 PM
2019 Renewal of Excess Worker's Compensation Insurance

Department:	Finance/Risk Managment
Presenter:	Judy Blackstone, Joe Crozier
Caption:	Approve Excess Worker's Compensation Insurance with Safety National Casualty with statutory limits and a \$750,000 Self Insured Retention (SIR - otherwise known as the deductible) to cover all positions for a premium of \$369,994.
Background:	Excess Workers Compensation coverage (a per occurrence policy) has been purchased in the past as a measure to cap any potential catastrophic loss against Augusta-Richmond County. Augusta's current SIR is \$750,000. Stated simply, Augusta is self-insured on each claim up to \$750,000 before the excess coverage policy takes effect.
Analysis:	Past claim experience, current claim exposure, and potential future cost were considered. It was determined that an SIR of \$750,000 is appropriate for our level of risk. Corvel, our Workers' Compensation Third Party Administrator, was requested to obtain quotes from A or A+ companies. Corvel received the following quotes from the following companies: Safety National Casualty XL Insurance ACE/Chubb Prosight Specialty Insurance The following companies declined to provide an offer: Midwest Employers Casualty Company Sompco Japan Insurance Company of America
Financial Impact:	Maintaining the SIR of \$750,000 offers the greatest value to Augusta-Richmond County government.
Alternatives:	1) Drop coverage accepting full exposure/cost for any catastrophic job related injury. 2) Accept proposal from company with higher premium quotes which also have a higher deductible

Recommendation:

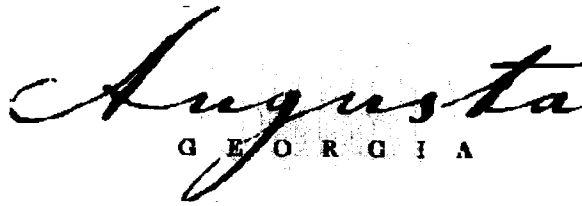
Approve coverage with Safety National Casualty (lowest premium quote) with SIR of \$750,000 for all positions with Statutory Limit for a deposit premium of \$369,994 which is a decrease of \$13,249 from the prior year premium amount.

**Funds are
Available in the
Following
Accounts:**

621 01 5233 55.21110 WC/Risk Management

REVIEWED AND APPROVED BY:

**Finance.
Law.
Administrator.
Clerk of Commission**



Finance Committee Meeting Commission Chamber - 1/8/2019

ATTENDANCE:

Present: Hons. D. Williams, Vice Chairman; M. Williams and Frantom, members.

Absent: Hons. Hardie Davis, Jr., Mayor; Fennoy, Chairman.

FINANCE

1. Motion to approve the minutes of the Finance Committee held on December 11, 2018.

**Item
Action:
Approved**

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner Dennis Williams	Passes

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**Finance Committee Meeting
1/29/2019 1:20 PM
Minutes**

Department:

Presenter:

Caption: Motion to approve the minutes of the Finance Committee held on January 8, 2019.

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

**Funds are
Available in the
Following
Accounts:**

REVIEWED AND APPROVED BY:

Department	Org Key	Quantity	Job Title	Grade	Salary	Benefits	Department Total	Effective 1-Jul-19	
District Attorney	101-02-1310	1	DA Investigator - to provide each judge team own Investigator due to increase in cases	20	48,500	15,563	64,063	32,031	} Adopted
	101-02-1310	1	Assistant District Attorney - to provide each judge team with 3 ADAs due to increase in cases	22	54,800	16,444	71,244	35,622	
		2	District Attorney				135,307	67,653	

Department	Org Key	Quantity	Job Title	Grade	Salary	Benefits	Department Total	
District Attorney	101-02-1310	2	(2) DA Investigator @ 48,500 - to provide each judge team own Investigator due to increase in cases	20	97,000	31,125	128,125	} Provide Request for full year
	101-02-1310	1	Assistant District Attorney - to provide each judge team with 3 ADA's due to increase in cases	22	54,800	16,444	71,244	
	101-02-1310	1	Secretary - to assist DA staff due to increase in cases and court appearances	13	33,684	13,491	47,175	
		4	District Attorney				246,544	

Cost to Fund Request for Full Year

DA Current Adopted Budget w/ New Personnel of \$67,650	2,996,220
additional increase to fund request for full year	178,890
	3,175,110

Funding Source

Burke Co Portion	8%	254,009
Columbia Co Portion	40%	1,270,044
Richmond Co Portion at no change		1,563,290
VOCA Grant - personnel expense reclass to 220		88,120
		3,175,463

Funding Excess/(Deficit)	353
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Finance Committee Meeting

1/29/2019 1:20 PM

Motion to approve 2 additional positions for the District Attorney's office and to approve funding for the full year

Department: Finance and District Attorney

Presenter:

Caption: Motion to approve 2 additional positions for the District Attorney's office and to approve funding for the full year.

Background: During the 2019 budget process, the District Attorney requested 4 new positions (2 DA Investigators, 1 Assistant District Attorney, and 1 Secretary). Two positions were approved (1 DA Investigator and 1 Assistant District Attorney) and were funded on July 1, 2019 as were all other new positions in the general fund.

Analysis: After adoption of the budget, the District Attorney requested reconsideration of her request for all four positions with funding for the entire year. Discussions with Columbia and Burke counties which contribute funding toward the operations of the office offered possible funding.

Financial Impact: The additional cost of the two requested positions for the full years as well as an additional 6 months funding for the two positions already approved in the budget will be covered without any additional cost to Richmond County. Columbia County's share will increase from 35.66% to 40% and Burke's will increase from 6.7% to 8%. Additionally there are costs eligible for reimbursement under the VOCA grant.

Alternatives: make no adjustments, funding only 2 positions effective July 1

Recommendation: approve new positions and allocate funding for full year using identified funding sources.

Funds are Available in the no additional cost to Augusta

**Following
Accounts:**

REVIEWED AND APPROVED BY:

Finance.

Law.

Administrator.

Clerk of Commission

Brinson Askew Berry
BRINSON, ASKEW, BERRY, SEIGLER, RICHARDSON & DAVIS, LLP
Attorneys at Law

J. Anderson Davis
706.295.0566
adavis@brinson-askew.com

October 2, 2018

TO: CITIES and COUNTIES of the STATE of GEORGIA

Re: **ROME CLASS HOTEL INCREMENTAL
TAX FUND/PARTIAL SETTLEMENT**
City of Rome, et al v. Hotels.com, et al
United States District Court, Northern District of Georgia
Rome Division, Civil Action File No.: 4:05-CV-249-HLM

Dear Madams and Messieurs:

We have received the payments from the Online Travel Companies (Expedia, Orbitz, Priceline, Travelocity, and their affiliates) for the months of May 2018, June 2018, and July 2018. For everyone's convenience, we are holding checks less than \$5.00 this quarter. We are enclosing:

1. A check payable to your city or county written from the Rome Class Hotel Incremental Tax Fund in the pro-rated amount for the months of May 2018 through July 2018, less expenses (if over \$5.00 or more).
2. A Spread Sheet with columns identifying: each City and County, the amounts received from Orbitz, Priceline, Travelocity, and Expedia (and its other company Hotwire), the total amount received, the expenses deducted, any carryover from prior period (less than \$5.00), and the amount of the enclosed check.
3. **Reminder: if you have updates to hotels or tax rates, please send any changes to me at adavis@brinson-askew.com with a copy to Celia Robinson at crobinson@brinson-askew.com. Please confirm the current hotel-motel tax rate, and effective date of any changes.**
4. **We are in the process of updating our ordinance notebooks. If you have not already done so, please forward a copy of your current city/county hotel-motel ordinance to me via email at adavis@brinson-askew.com with a copy to Celia Robinson at crobinson@brinson-askew.com.**

It has been our pleasure to represent and serve you during this litigation to collect the taxes that were being held by the Online Travel Companies. We appreciate your confidence in allowing us to administer the Class funds. According to the Court's Order in granting attorneys' fees and expenses, we are to continue to administer the Class funds through December 2020.

However, many of you have indicated your preference that our Firm and Team continue to administer handling the collection of the hotel-motel taxes from the Online Travel Companies past December 2020. We would be honored to do so.

CITIES and COUNTIES of the STATE of GEORGIA

October 2, 2018

Page Two

Re: Rome Class Hotel Incremental Tax Fund/Partial Settlement

The accountants that we retained to assist in us in distributing the funds are also willing to continue to remain as part of our Team. Accounting fees have not exceeded \$8,000 in any year. While we have administered the funds as part of our attorneys' fees, we would propose that we continue to administer the funds past December 2020 for a fee of 12 ½ % of funds received, processed and distributed, plus expenses, which is substantially less than the rate for the current attorneys' fees and administration.

Each month the online travel companies send us data for the rooms rented during the previous months. We review the information, comparing hotel/motel rates with what is paid and what each city or county reports; we review the thousands of transactions, and send to the CPAs to allocate the payments to the cities and counties. Every three (3) months, the CPAs prepare a spreadsheet, checks and report. We co-sign the checks, and our office mails the checks to over 183 cities and counties quarterly. This is a tedious process. The administrative fee is to offset the time for doing so.

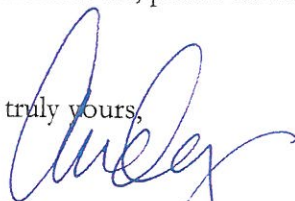
Expenses generally run \$1,500 to \$2,000 per quarter. Without our administrative system, each City and County will be subject to the individual service of the Online Travel Companies. With our continued administration through the Class Action, should a problem arise, we have the power of contempt and enforcement provisions of the U.S. District Court.

Please advise us as to whether this is or is not acceptable to your jurisdiction. Enclosed is a self-addressed, stamped envelope along with a ballot to return with your City or County's decision as to whether you wish for us to proceed as outlined herein, after December 2020.

We are very pleased that we are able to provide you with this information and these checks. Should you have any questions or need any additional information, please do not hesitate to contact us.

Kind regards.

Very truly yours,



J. ANDERSON DAVIS
Class Administrator and
Attorneys for Plaintiffs in the Class Action

JAD/cmr
Enclosures

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ROME DIVISION

CITY OF ROME, GEORGIA, et al.

Plaintiffs,

v.

HOTELS.COM, L.P., et al.

Defendants.

CIVIL ACTION FILE NO.:
4:05-CV-249-HLM

CONTINUATION OF ADMINISTRATION AFTER DECEMBER 2020

☐ On behalf of the undersigned City or County, the local government agrees to continue with the administration handled by J. Anderson Davis of Brinson, Askew, Berry, Seigler, Richardson & Davis, LLP, of Rome, Georgia.

This ____ day of _____, 2018.

_____(City/County)

By: _____
Printed Name: _____
Title: _____

☐ On behalf of the undersigned City or County, the local government does not agree to continue with the administration handled by J. Anderson Davis of Brinson, Askew, Berry, Seigler, Richardson & Davis, LLP, of Rome, Georgia, and wishes to collect the taxes on its own.

This ____ day of _____, 2018.

_____(City/County)

By: _____
Printed Name: _____
Title: _____



Finance Committee Meeting

1/29/2019 1:20 PM

Motion to approve continued agreement with Brinson Askew Berry for collection of hotel tax under Rome Class Hotel Incremental Tax Fund

Department:	Finance
Presenter:	Donna Williams
Caption:	Motion to approve continued agreement with Brinson Askew Berry LLP for collection of hotel tax under Rome Class Hotel Incremental Tax Fund.
Background:	In January of 2013 Augusta began receiving collections from online travel companies (Expedia, Orbitz, Priceline, Travelocity and their affiliates) through the collection process of Brinson Askew Berry, LLP as a result of a class action suit by the City of Rome. The entire collection process is done by this firm and proceeds are remitted quarterly to 183 cities and counties. Augusta's proceeds from this process are then combined with local hotel motel tax collections which are remitted directly to the License department and distributed per agreements with the Coliseum Authority and the Convention and Visitors Bureau.
Analysis:	The administration agreement which designated Brinson, Askew, Berry LLP as the agent to collect and distribute the Class funds from these companies to cities and counties will expire December 2020. Each recipient can execute an agreement to continue the existing process.
Financial Impact:	There is no financial impact to Augusta since 100% of Hotel Motel tax collections are forwarded to the Coliseum Authority and the Convention and Visitors Bureau.
Alternatives:	Augusta could choose to set up its own collection process which would involve obtaining data from each online travel company, reviewing their bookings, comparing the rates and collections for each, and monitoring payments.

Recommendation:

Execute the agreement with Brinson, Askew, Berry LLP to continue their administration of these funds for Augusta.

Funds are
Available in the
Following
Accounts:

none needed.

REVIEWED AND APPROVED BY:

Finance.
Law.
Administrator.
Clerk of Commission
