



Finance Committee Meeting Commission Chamber - 2/12/2019

ATTENDANCE:

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

Absent: Hons. Hardie Davis, Jr., Mayor; D. Williams, Vice Chairman.

FINANCE

1. Affirm current authorized bank signatories and authorize the Mayor and Clerk to execute documents as required by financial institutions. **Item Action:** Rescheduled

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Defer	Motion to refer this item to the full Commission with no recommendation. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner William Fennoy	Passes

2. Request to approve Augusta Commercial Property Insurance coverage for 2019 offered through Affiliated FM, current carrier, for a premium of \$434,000 for full blanket coverage and limited flood coverage in flood prone areas. **Item Action:** Rescheduled

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Defer	Motion to refer this item to the full Commission with no recommendation. Motion Passes 3-0.	Commisioner Sean Frantom	Commissioner William Fennoy	Passes

3. Approve funding for the March 19, 2019 Special Election in Commission District 5. **Item Action:**
Rescheduled

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Defer	Motion to refer this item to the full Commission with no recommendation. Motion Passes 3-0.	Commissioner Sean Frantom	Commissioner William Fennoy	Passes

4. Request to expand pool of banks as approved depositories. **Item Action:**
Rescheduled

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Defer	Motion to refer this item to the full Commission with no recommendation. Motion Passes 3-0.	Commissioner Sean Frantom	Commissioner William Fennoy	Passes

5. Motion to approve the minutes of the Finance Committee held on January 29, 2019. **Item Action:**
Approved

Motions

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



**Finance Committee Meeting
2/12/2019 1:15 PM
Attendance 2/12/19**

Department:

Presenter:

Caption:

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

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

REVIEWED AND APPROVED BY:



**Finance Committee Meeting
2/12/2019 1:15 PM
Affirm authorized bank signatories**

Department: Finance

Presenter: Donna Williams, Finance Director

Caption: Affirm current authorized bank signatories and authorize the Mayor and Clerk to execute documents as required by financial institutions.

Background: Current best practices offered by the Georgia Office of the State Treasurer, recommend that at the start of a new term for the Chief Elected Official a new authorizing resolution be approved.

Analysis: No new/additional authorized signatories are requested at this time. The current authorized signatories for Augusta Georgia are: Donna B. Williams, CGFM – Finance Director Timothy E. Schroer, CPA, CGMA – Deputy Finance Director Hope Goodwin – Budget Manager Normal business practice is to have more than two authorized signatories on bank accounts that require two signatures for certain transactions. The rationale being there should be options if one signatory is unavailable.

Financial Impact: N/A

Alternatives: N/A

Recommendation: approve request to affirm current bank signatories

Funds are Available in the Following Accounts: N/A

REVIEWED AND APPROVED BY:

Finance.

Law.

Administrator.

Clerk of Commission

Augusta-Richmond County Marketing Summary

Prepared by Dawson, Taylor & Company

Coverage & Premium Comparison

***\$50,000 Deductible

Affiliated FM	\$803,638,466	\$434,000 Full Blanket, All Risk
Boiler & Machinery	\$803,638,466	Included
Builders Risk		Included in policy forms
Flood	\$ 50,000,000	Included
Flood Tier 1	\$ 5,000,000	Included
Earthquake	\$100,000,000	Included
Terrorism		Rejected
Engineering Fee		Included

Optional Flood Increased Options Available for Tier 1 Locations
 Premiums are significant

Travelers	\$803,638,466	\$473,995 Limited Blanket
Boiler & Machinery	\$100,000,000	Included
Flood Tier 1	\$ 5,000,000	Included
Earthquake	\$ 50,000,000	Included
Terrorism		\$10,000 Included

NOTE:
 Earthquake deductibles are \$100,000

Augusta-Richmond County Marketing Summary

Coverage & Premium Comparison

***\$50,000 Deductible

Zurich	\$803,638,466	\$491,103 Full Blanket
Boiler & Machinery	\$100,000,000	Included
**Flood	\$ 10,000,000	Included
Flood Tier 1	\$ 5,000,000	Included
**Earthquake	\$50,000,000	Included
Terrorism	.	Included

** Earthquake & Flood Deductible \$500,000

XL Catlin	\$700,000,000	\$500,000 Indication Only
Boiler & Machinery	\$200,000,000	Separate policy
Flood	\$0	Excluded
Earthquake	\$50,000,000	

NOTE:

Earthquake deductibles are \$100,000

Augusta-Richmond County Marketing Declinations

- | | |
|--------------------|--|
| 1. Aalliant | Declined due to Rates/Capacity
Cannot Compete with AFM on Scheduled Values. |
| 2. Chubb | Declined for Class Catastrophic Component |
| 3. Great American | Declined due to Crop. Of Engineers Determination
Flood Capacity |
| 4. Lexington (AIG) | Excessive rate, No Flood, not yet received |



**Finance Committee Meeting
2/12/2019 1:15 PM**

Approve 2019 Augusta Commercial Property Insurance Renewal

- Department:** Finance - Risk Management Division
- Presenter:** Joe Crozier
- Caption:** Request to approve Augusta Commercial Property Insurance coverage for 2019 offered through Affiliated FM, current carrier, for a premium of \$434,000 for full blanket coverage and limited flood coverage in flood prone areas.
- Background:** Augusta has elected to use Property Insurance Broker Services and carry commercial property insurance on its properties since consolidation. The Risk Management Office staff maintains an inventory of all Augusta properties annually and works with insurance company engineers in helping to reduce risk of property loss to Augusta.
- Analysis:** Dawson & Taylor Insurance Company seek annual quotes from the insurance market for "all risks" coverage on buildings and contents. Please see attachments for quote summary and list of declinations. Insurers providing quotes were Affiliated FM Insurance, Traveler's Insurance, Zurich Insurance and XL Caitlan Insurance. Several insurers did not qualify or declined to quote coverage. Quotes are obtained from companies with A or better rating. Affiliated FM is the low bidder and is providing the greatest level of coverage for the exposure. Current coverage carries a \$50,000 deductible per occurrence except for flood and earthquake.
- Financial Impact:** A premium for blanket coverage is being offered on total property values of \$803,638,466 for \$434,000 with a \$50,000 deductible. The quote from Affiliated FM includes flood coverage.
- Alternatives:** Drop coverage and retain risk, 2. Reduce premiums by only insuring those properties representing the largest losses should an event damage the structures (Municipal Building, Law Enforcement Center, Judicial Center, RCCI, etc.)

Recommendation: Approve Commercial Property Insurance coverage renewal for 2019 through Affiliated FM for a premium of \$434,000 which includes flood coverage and Boiler & Maintenance coverage. Effective March 1, 2019 - March 1, 2020

Funds are Available in the Following Accounts: 611 015212 Risk Management General Insurance Fund Account

REVIEWED AND APPROVED BY:

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

**March 19, 2019 Special Election
Budget Estimate**

ITEM	TOTAL COST
Poll Worker Salary 101-01-4111-51.12210	7,000
Cell Phones 101-01-4111-52.32112	175
Testing of Equipment 101-01-4111-52.39112	600
Custodial Pay 101-01-4111-52.39112	175
Advance Voting 101-01-4111-52.39112	0
Temporary Workers 101-01-4111-52.39112	2,000
Security 101-01-4111-52.39112	0
Election Night Workers and Delivery Crews 101-01-4111-52.39112	800
Building Rental 101-01-4111-52.24111	600
Truck Rental 101-01-4111-52.24219	500
Mileage 101-01-4110-52.35110	0
Miscellaneous Supplies 101-01-4111-53.11110	200
Printing – Absentee Ballots 101-01-4111-52.34110	800
Food 101-01-4111-53.13110	150
Board Pay 101-01-4110-52.11114	1,000
Advertising 101-01-4110-52.35110	30
Postage – Absentee/Poll Worker 101-01-4110-52.32120	400
TOTAL ESTIMATED COST	14,430



**Finance Committee Meeting
2/12/2019 1:15 PM
Approve Funding for the March 19, 2019 Special Election**

Department: Board of Elections

Presenter: Lynn Bailey

Caption: Approve funding for the March 19, 2019 Special Election in Commission District 5.

Background: The special election is to fill the unexpired term in Augusta Commission District 5. The term for this office will expire on December 31, 2020. A runoff, if necessary, will be held on April 16, 2019.

Analysis:

Financial Impact: \$14,430

Alternatives: None

Recommendation: Approve the request.

Funds are Available in the Following Accounts: General Fund Contingency- Special Elections 101-10-1110/6011145 (there are funds earmarked for special elections in Contingency which are in addition to the regular Contingency amount. dbw)

REVIEWED AND APPROVED BY:

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





**Finance Committee Meeting
2/12/2019 1:15 PM
Financial Institutions used for Certificates of Deposit**

Department: Finance

Presenter: Donna Williams

Caption: Request to expand pool of banks as approved depositories.

Background: Augusta has used the following local banks for Certificates of Deposit. As CD's mature, banks are contacted and the current investment rates are requested.

South State Bank (formerly Georgia Bank and Trust)

State Bank and Trust (formerly First Bank)

Suntrust Bank

East West Bank

Bank of America

Rates are reviewed and funds invested with the institution that provides the best rate of return and liquidity options for the government. The rate offered by Georgia Fund One is used as a benchmark.

Analysis: As the Federal Reserve Board has increased the Fed Rate, interest rates have rebounded, several financial institution have contacted the Finance Department requesting the opportunity to provide investment options. All deposits must be fully insured by the FDIC or if the amount is greater than \$250,000 the financial institution must offer collateralization at 110% as required by O.C.G.A. § 45-8-12. The financial Institution to be added at this time: 1. Fifth Third Bank 2. Queensborough Bank 3. Regions Bank 4. Synovus Bank 5. Wells Fargo 6. Multi-Bank Securities, Inc. Each bank has its own investment agreement that requires approval of the governing body. Approval of this item

would authorize those agreements so that funds could be invested with these additional institutions.

Financial Impact: Expanding the pool of financial institutions allow more competition with opportunities to increase interest revenue for the government

Alternatives: do not expand pool

Recommendation: Expand pool of financial institutions

Funds are Available in the Following Accounts: The government may benefit from higher interest revenue.

REVIEWED AND APPROVED BY:

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



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
2/12/2019 1:15 PM
Minutes**

Department:

Presenter:

Caption: Motion to approve the minutes of the Finance Committee held on January 29, 2019.

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

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

REVIEWED AND APPROVED BY:
