Finance Committee Meeting Commission Chamber- 3/12/2019- 1:15 PM

FINANCE

1. Approve proposed calendar for SPLOST 8. Attachments

2. Motion to approve the minutes of the Finance Committee held on February 26, 2019. Attachments

3. Request to continue purchase of Augusta POL/EPL Insurance with Premium Quote for 2019 – 2020 POL/EPL coverage to J. Smith Lanier & Co. LLC., current broker, through insurance carrier RSUI for a premium of $58,700. Attachments

Augusta
GEORGIA

Finance Committee Meeting
3/12/2019 1:15 PM
Calendar for SPLOST 8

Department:	Administration
Presenter:	Janice Allen Jackson, Administrator
Caption:	Approve proposed calendar for SPLOST 8.
Background:	Current projections have collections for SPLOST phase 7 ending in the fourth quarter of 2021. The proposed calendar sets key dates to place the referendum to on the November 3, 2020 ballot. The calendar allows time for; staff to develop project scope and budgets, public meetings to provide information about proposed projects and the status of current projects: information public meetings regarding the list of projects approved by the commission.
Analysis:	After reviewing available elections dates for a SPLOST referendum, it was determined that November 3, 2020 would be the most advantageous. Selecting this date will provide staff time to develop project scopes and budgets, and allow sufficient time to inform the public of proposed SPLOST projects with updates on current SPLOST projects. Other election dates: November 5, 2019 March 3, 2020 May 28, 2020 March 17, 2021 November 3, 2021
Financial Impact:	There will be no additional election costs to place the referendum on the November 3, 2020 ballot.
Alternatives:	There will be no additional election costs to place the referendum on the November 3, 2020 ballot.
Recommendation:	Approve proposed calendar
Funds are Available in the Following Accounts:	n/a

<u>REVIEWED AND APPROVED BY</u>:

Finance.
Law.
Administrator.
Clerk of Commission

Augusta Georgia
SPLOST 8 Calendar
November 3, 2020 Election

November 3, 2020 - election	Item
March 12, 2019 **March 19, 2019**	Committee Meeting Commission Meeting The Commission will be presented with the recommended SPLOST 8 Timeline. Review and discuss the timeline, the period of years for the SPLOST, etc. Authorize Mayor to meet with Mayors of Hephzibah and Blythe
April 15, 2019	Notices Mailed to Inter-Governmental Agencies Mayor's Office mails notices of meeting of governing authorities to the Mayors of Hephzibah and Blythe to discuss inter-governmental agreement for distribution of SPLOST 8 proceeds. *Notices must be mailed or delivered 10 days prior to the meeting.*
April 26, 2019	Inter-Governmental Informational Meeting Local governments will hold meeting to discuss inter-governmental agreement for distribution of SPLOST proceeds.
January 6, 2020	SPLOST Project Request Forms Due This is the deadline for all SPLOST requests to be submitted to Administration for review and compilation.
January 6, 2020 to January 13, 2020	Compilation & Review of Requests All requests will be reviewed to verify all necessary information is presented. All information will be compiled to establish a final complete requested list to provide to Commission.
January 14, 2020	Tentative SPLOST 8 List Provided The requested SPLOST 8 List is provided to Commissioners for review.
April 21, 2020	Commission vote to authorize mayor to issue notice of Intergovernmental Meeting to City of Hephzibah and City of Blythe
April 23, 2020	Notices Mailed to Inter-Governmental Agencies Mayor's Office mail notices of meeting of governing authorities to the Mayors of Hephzibah and Blythe to discuss inter-governmental agreement for distribution of SPLOST 8 proceeds. *Notices must be mailed or delivered 10 days prior to the meeting.*
May 7, 2020	Inter-Governmental Meeting Local governments will hold meeting to discuss inter-governmental agreement for distribution of SPLOST proceeds. They must meet no less than thirty (30) days prior to the Call of Election by the Board of Elections.

Augusta Georgia
SPLOST 8 Calendar
November 3, 2020 Election

November 3, 2020 - election	Item
May 19, 2020	**Final SPLOST 8 project list approved by Commission**
May 20, 2020 to June 5, 2020	Staff Preparation The Staff and City Attorney will prepare all necessary documentation.
	Approval of Intergovernmental Agreements
June 16, 2020	Augusta approve Intergovernmental Agreement with Hephzibah and Blythe
June 17, 2020 to July 3, 2020	Hephzibah and Blythe approve Intergovernmental Agreement with Augusta.
July 7, 2020	Commission Passes SPLOST Resolution Commission passes SPLOST Resolution for November ballot. Special called meeting before committee meetings (Must be at least 90 days prior to election)
July 13, 2020	**Board of Elections Convenes** **The Board of Elections convenes in regular session to issue Call of Election.**
	Notice to Newspaper
September 15, 2020	Send Notice of Election/Resolution to newspaper for publication. Notice must be published once per week for four consecutive weeks prior to the election.
September 29, 2020	Legal Notices Published - required for bonds
October 6, 2020	Legal Notices Published
October 13, 2020	Legal Notices Published
October 20, 2020	Legal Notices Published
October 27, 2020	Legal Notices Published
November 3, 2020	**Date of Election**

Item # 1

Finance Committee Meeting
3/12/2019 1:15 PM
Minutes

Department:

Presenter:

Caption: Motion to approve the minutes of the Finance Committee held on February 26, 2019.

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

Funds are Available in the Following Accounts:

REVIEWED AND APPROVED BY:

Augusta
GEORGIA

Finance Committee Meeting Commission Chamber - 2/26/2019
ATTENDANCE:

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

FINANCE

1. Request to expand pool of banks as approved depositories. **(Referred from February 19, 2019 Commission meeting)**

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 Dennis Williams	Passes

2. Request to transfer funds from the Special Instructional Services line item to Operational budget line item in the amount of $27,206 plus 30% for benefits to fund unfunded Law Clerk position in Juvenile Court.

Item Action: Approved

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve for an Administrative Assistant position. Motion Passes 3-0.	Commissioner Marion Williams	Commissioner Dennis Williams	Passes

3. Motion to approve the minutes of the Finance Committee held on February 12, 2019.

Item Action: Approved

Motions

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

4. Request approval to move funds from salary lines to contract labor lines; once the employee returns from worker's compensation leave funds will be returned to salary line item.

Item Action: Approved

Motions

Motion Type	**Motion Text**	**Made By**	**Seconded By**	**Motion Result**
Approve	Motion to approve. Motion Passes 3-0.	Commissioner Dennis Williams	Commissioner William Fennoy	Passes

5. Approve additional funding for reorganization of Tax Assessor Commercial Property Division

Item Action: Approved

Motions

Motion Type	**Motion Text**	**Made By**	**Seconded By**	**Motion Result**
Approve	Motion to approve. Motion Passes 3-0.	Commissioner Dennis Williams	Commissioner William Fennoy	Passes

Finance Committee Meeting
3/12/2019 1:15 PM
Request to Continue Purchase of Augusta POL/EPL, Public Official Liability/Employment Practice Liability Insurance for 2019

Department:	Finance -Risk Management
Presenter:	Joe Crozier
Caption:	Request to continue purchase of Augusta POL/EPL Insurance with Premium Quote for 2019 – 2020 POL/EPL coverage to J. Smith Lanier & Co. LLC., current broker, through insurance carrier RSUI for a premium of $58,700.
Background:	Public Official Liability provides coverage for “wrongful acts” of the public entity and wrongful acts of individuals who act on behalf of the entity. A wrongful act means any actual or alleged breach of duty, neglect, errors, misleading statements, emissions or employment practices violation by an insured solely in the performance of the public entity. Augusta Richmond County has maintained continuous POL/EPL coverage since 1997. Acceptance of coverage gives additional protection to the assets of the Public Officials. Public Officials Liability (POL) coverage is claims made coverage which means any claim which may be covered, would need to be filed during the policy period. The Augusta Law Department (knowledge of decisions made by the Commission which may lead to a claim against the coverage and also knowledge of grievances, separations from employment, etc. which may lead to claims against the Employment Practice Endorsement to this coverage) is the group responsible for notifying the broker of potential claims and filing claims against this coverage.
Analysis:	As part of the bid process, respondents were required to request quotes for annual quotes from the insurance market for POL/EPL coverage. RSUI provided the lowest quote to J. Smith Lanier & Co, the RFP approved broker, in the amount of $58,700.
Financial Impact:	J. Smith Lanier & Company secured quotes for this coverage and are able to offer the POL/EPL coverage of $2,000,000 with

a $250,000 SIR (self-insured retention) for a premium of $58,700.

Alternatives: Drop coverage and assume all risk.

Recommendation: Approve coverage quoted by RSUI Insurance Company for a one year period for a premium of $58,700 for $2,000,000 in coverage and an SIR of $250,000.

Funds are Available in the Following Accounts: Funds are Available in the Following Accounts: 611-01-5212 Risk Management General Insurance Fund Account

REVIEWED AND APPROVED BY:

Finance.
Law.
Administrator.
Clerk of Commission

PROPOSAL OF INSURANCE AND RISK MANAGEMENT

Prepared for:

Augusta, Georgia
Augusta Regional Airport Authority
Solid Waste Management Authority

Policy Period: 4/19/19 to 4/19/20

Presented by:

Phil Harison, Jr.
VP/Managing Director

J. Smith Lanier & Co.
a Marsh & McLennan Agency LLC company

SERVICE TEAM

At J. Smith Lanier & Co., we believe the best way to effectively give your business the service it deserves is through a team effort. Our client service team concept is designed to give you consistent, knowledgeable service which can only occur by working with trained professionals.

J. SMITH LANIER & CO. – Augusta Division
A Marsh & McLennan Agency LLC company
2601 Commons Blvd
Augusta, GA 30909

Main Phone Number: **706-737-8811** **Main Fax Number:** **706-737-3413**

COMMERCIAL LINES TEAM

Phil Harison, Jr. - Produced pharison@jsmithlanier.com	**VP/Managing Director**	**706 434-2391**
Lisa K. Hamilton lhamilton@jsmithlanier.com	**Account Manager**	**7067378811**

CLAIMS

Jerry Hedgepeth AIC, ARM, CIC jhedgepeth@jsmithlanier.com	**Corporate Claims Director**	**770-814-4535**
Mitzi McCoy mmccoy@jsmithlanier.com	**Claims Analyst**	**706-737-8811**

SCHEDULE OF NAMED INSUREDS

{Named Insureds listed below may not apply to all coverages depending upon their insurable interest}

Special care must be taken to insure all legal entities of your business, including any LLC (*Limited Liability Corporation*), JV (*Joint Venture*), and Partnerships. Many insurance policies do not cover these entities unless they are specifically named on the policy. It is important to notify your agent if an entity is formed during the policy term. Let us know if one of your entities is not listed below.

Augusta, Georgia
Augusta Regional Airport Authority
Solid Waste Management Authority

SCHEDULE OF LOCATIONS

Loc #	Address	City	State	Zip Code
1	535 Telfair Street, Suite 920	Augusta	GA	30901

PUBLIC OFFICIALS & EMPLOYMENT PRACTICES LIABILITY

Named Insured: **Augusta, Georgia**

Carrier Name: **RSUI Indemnity Company**

A.M. Best Rating: **A+ XIV**

Coverage Form

☐ Occurrence Basis

☒ Claims Made Basis

Coverage	**Limit**
Per Claim	$ 2,000,000
Aggregate	$ 2,000,000
Retention	$ 250,000

Coverage Summary
This insurance defends the organization and its directors and officers and pays damages involving allegations of discrimination, harassment, wrongful termination, and other "human resources" related allegations. In some instances, the basic coverage may be extended to allegations of discrimination and/or harassment brought by customers, vendors and other non-employees.

Coverage Summary
This insurance is used to insure against claims arising from the negligent acts, errors, or omissions alleged to have been committed by present or former Public Officials of your corporation.

Occurrence Basis
Covers a loss caused by an occurrence that happened during the policy period, although the claim may be made after the policy expires.

Claims Made Basis
Covers a claim made during the policy period for a loss that happened after the retroactive date.

Additional Conditions / Endorsements / Exclusions:

Shared Limits of Liability for Public Officials and Employment Practices Liability
Additional Defense Expense Limit - $2,000,000
Defense Expenses – Telecommunications Claims sublimit $100,000
Defense Expenses – Non-Monetary Damages sublimit $100,000 per claim, $300,000 aggregate
EPL Coverage - Vendor Liability Coverage for discrimination and sexual harassment

Extension Public Officials-EPL for Associated Entities (No Bond Exclusion)

Public Officials Additional Limit of Liability $1,000,000
Wage and Hour sublimit $100,000
Third Party Coverage included
Notice of Nonrenewal – 90 Days
Exclusion Bodily Injury and Property Damage

Prior and Pending Litigation backdated to:
04/19/97 for Augusta, GA
04/19/03 Augusta Regional Airport Authority
08/01/04 Solid Waste Management Authority

PREMIUM SUMMARY

DESCRIPTION OF COVERAGE	RSUI Premium Indication	Western World Premium Indication	AIG Premium Indication
Public Officials / Employment Practices Liability	$ 58,700	$64,957	Policy has a Bond Exclusion

A.M. BEST RATING SCALE

GUIDE TO BEST'S FINANCIAL STRENGTH RATINGS

A Best's Financial Strength Rating is an independent opinion of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations. The rating is based on a comprehensive quantitative and qualitative evaluation of a company's balance sheet strength, operating performance and business profile.

Financial Strength Ratings

	Rating	Descriptor	Definition
Secure	A++, A+	Superior	Assigned to companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.
Secure	A, A-	Excellent	Assigned to companies that have, in our opinion, an excellent ability to meet their ongoing insurance obligations.
Secure	B++, B+	Good	Assigned to companies that have, in our opinion, a good ability to meet their ongoing insurance obligations.
Vulnerable	B, B-	Fair	Assigned to companies that have, in our opinion, a fair ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Vulnerable	C++, C+	Marginal	Assigned to companies that have, in our opinion, a marginal ability to meet their ongoing insurance obligations. Financial strength is vulnerable to adverse changes in underwriting and economic conditions.
Vulnerable	C, C-	Weak	Assigned to companies that have, in our opinion, a weak ability to meet their ongoing insurance obligations. Financial strength is very vulnerable to adverse changes in underwriting and economic conditions
Vulnerable	D	Poor	Assigned to companies that have, in our opinion, a poor ability to meet their ongoing insurance obligations. Financial strength is extremely vulnerable to adverse changes in underwriting and economic conditions.
Vulnerable	E	Under Regulatory Supervision	Assigned to companies (and possibly their subsidiaries/affiliates) placed under a significant form of regulatory supervision, control or restraint - including cease and desist orders, conservatorship or rehabilitation, but not liquidation - that prevents conduct of normal, ongoing insurance operations.
Vulnerable	F	In Liquidation	Assigned to companies placed in liquidation by a court of law or by a forced liquidation.
	S	Suspended	Assigned to rated companies when sudden and significant events affect their balance sheet strength or operating performance and rating implications cannot be evaluated due to a lack of timely or adequate information.

Rating Modifiers

Modifier	Descriptor	Definition
u	Under Review	Indicates the rating may change in the near term, typically within six months. Generally is event driven, with positive, negative or developing implications.
pd	Public Data	Indicates rating assigned to insurer that chose not to participate in A.M. Best's interactive rating process. (Discontinued in 2010)
s	Syndicate	Indicates rating assigned to a Lloyd's syndicate.

Outlooks

Indicates potential direction of a Financial Strength Rating over an intermediate term, generally defined as 12 to 36 months.

Positive	Indicates possible rating upgrade due to favorable financial/market trends relative to the current rating level.
Negative	Indicates possible rating downgrade due to unfavorable financial/market trends relative to the current rating level.
Stable	Indicates low likelihood of a rating change due to stable financial/market trends.

Not Rated Designation

NR: Assigned to companies that are not rated by A.M. Best.

Rating Disclosure

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Best's Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser. In arriving at a rating decision, A.M. Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, A.M. Best does not independently verify the accuracy or reliability of the information. For additional details, see A.M. Best's *Terms of Use* at *www.ambest.com.*

Version 021712

AUTHORIZATION TO BIND

Named Insured: **Augusta, Georgia; Augusta Regional Airport Authority; Solid Waste Management Authority**

Lines of Coverage to Bind:

Coverage Description: Directors and Officers
Effective Dates: 4/19/19

Coverage Description: Employment Practices Liability
Effective Dates: 4/19/19

Choose the appropriate option:

☐ I hereby authorize J. Smith Lanier & Co., a Marsh & McLennan Agency LLC company to bind my coverage per the terms and conditions outlined in this Proposal.

______________________________ ______________________
Authorized Signature *Date*

☐ I hereby authorize J. Smith Lanier & Co., a Marsh & McLennan Agency LLC company to bind my coverage with changes as stated below. I understand these changes may result in possible additional underwriting requirements or more/less premium.

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______________________________ ______________________
Authorized Signature *Date*