



Finance Committee Meeting

Commission Chamber- 3/26/2019- 1:15 PM

FINANCE

1. Discussion of the street lighting fee structure approved in 2018, revenue generated, and fees which would generate varying amounts of total revenue to meet current needs and to expand the level of service.  [Attachments](#)

2. Presentation to the commission providing an update regarding current market conditions, Augusta's Bond Rating, debt capacity, and trends in the economy that may influence the bond market.  [Attachments](#)

3. Motion to approve the minutes of the Finance Committee held on March 12, 2019.  [Attachments](#)

4. Present the financial report of the twelve month period ended December 31, 2018.  [Attachments](#)

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**Finance Committee Meeting
3/26/2019 1:15 PM
Discussion of Street Light Fees**

Department: Administrator

Presenter: Janice Allen Jackson

Caption: Discussion of the street lighting fee structure approved in 2018, revenue generated, and fees which would generate varying amounts of total revenue to meet current needs and to expand the level of service.

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

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

REVIEWED AND APPROVED BY:

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

2019 Comparison of Fees to Generate Target Revenue

METHODOLOGY	TARGET REVENUE	Base Fee		Residential Increment	Commercial Increment	Total Fee			
		Res	Comm			No Current Bill	All Residential	All Commercial	
Both Base of Commercial and Increment are 50% Higher than Residential and Exempt									
	Exempt included in Increment	\$6.5 M	\$48.67	\$73.01	\$33.44	\$50.16	\$48.67	\$82.11	\$123.17
		\$7.0 M	52.41	78.62	36.01	54.02	\$52.41	\$88.42	\$132.64
		\$7.5 M	56.16	84.24	38.58	57.88	\$56.16	\$94.74	\$142.12
Exempt excluded from Increment		\$6.5 M	\$48.67	\$73.01	\$34.72	\$52.08	\$48.67	\$83.39	\$125.09
		\$7.0 M	52.41	78.62	37.39	56.09	\$52.41	\$89.80	\$134.71
		\$7.5 M	56.16	84.24	40.06	60.09	\$56.16	\$96.22	\$144.33

Assumptions:

All parcels are included in Base Fee

Parcels in Hephzibah and Blythe are excluded from increment

Cost of program is 60% Roadway lighting 40% residential lighting

Rate of Commercial is 50% higher than Residential and Exempt

6.28.18 file count	Total Parcels	Distribution outside Heph&Blythe	
Total parcels	81,141	Residential	69,313
Less Heph and Blythe total	(2,469)	Commercial	6,342
Total parcels for calculations	78,672	Exempt	3,017
		Total	78,672
Exempt outside Hephzibah&Blythe			(3,017)
total of parcels excl Heph, Blythe&exempt			75,655

2018 totals	#	fee	total
	Parcels		Billed 2018
Residential	40,556 *	\$ 85.00	\$ 3,447,260.00
Commercial	6,342	\$ 107.36	\$ 680,877.12
Exempt	3,017	\$ 85.00	\$ 256,445.00
	49,915		\$ 4,384,582.12
	less	5% bad debt	\$ (219,229.11)
			\$ 4,165,353.01

		No Bill Issued	
Total Parcel Count on 6.28 file		Hephzibah	Blythe
	Augusta		
Residential	71602	1882	407
Commercial	6414	62	10
Exempt	3125	71	37
	81141	2015	454

Distribution of Augusta Parcel Count			
	TOTAL	Urban	Suburban Billed
Residential	69313	13604	40556 *
Commercial	6342	2170	4172
Exempt	3017	1298	1719
	78672	17072	46447
			Suburban not billed
			15153 *

Urban Parcels Only

Residential	13604	\$85	\$1,156,340 **	not billed
Commercial	2170		***	billed
Exempt	1298		***	billed
	17072			

* The fee structure approved in 2018 only billed residential customers already receiving a bill under the previous fee system.

**Urban Residential parcels did not get direct bill. Collected thru mill rate. This amount should be trf'd from Urban tax collections to the street lighting fund.

***All Commercial and Exempt parcels were billed

Hephzibah and Blythe parcels were excluded from all billing



**Finance Committee Meeting
3/26/2019 1:15 PM
Market update from Financial Advisor**

Department:	Finance
Presenter:	Timothy Schroer, Deputy Finance Director
Caption:	Presentation to the commission providing an update regarding current market conditions, Augusta's Bond Rating, debt capacity, and trends in the economy that may influence the bond market.
Background:	Davenport & Company has been retained as Augusta's Financial Advisor starting in 2016 and has presented periodic updates to the commission. Projects that Davenport has served as financial advisor include: SPLOST 7 Bonds Bonds for the construction of the Parking Decks at the Georgia Cyber Center Foundry Project - pro forma evaluation and bond issuance Water & Sewer Bonds series 2017 - Refinancing of 2007 series bonds
Analysis:	The presentation will be an review that is not tied to a specific bond offering. This allows Davenport to present a global picture of the Augusta's presence in the bond markets and current market trends.
Financial Impact:	n/a
Alternatives:	n/a
Recommendation:	receive as information
Funds are Available in the	n/a

Cover Memo

Item # 2

**Following
Accounts:**

REVIEWED AND APPROVED BY:

Finance.

Law.

Administrator.

Clerk of Commission



**Finance Committee Meeting
3/26/2019 1:15 PM
Minutes**

Department:

Presenter:

Caption: Motion to approve the minutes of the Finance Committee held on March 12, 2019.

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

**Funds are
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REVIEWED AND APPROVED BY:



Finance Committee Meeting Commission Chamber - 3/12/2019

ATTENDANCE:

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

Absent: Hon. Hardie Davis, Jr., Mayor.

FINANCE

1. Approve proposed calendar for SPLOST 8.

**Item
Action:
Approved**

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve.	Commisioner Sean Frantom	Commissioner William Fennoy	Passes

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

**Item
Action:
Approved**

Motions

Motion Type	Motion Text	Made By	Seconded By	Motion Result
Approve	Motion to approve.	Commisioner Sean Frantom	Commissioner William Fennoy	Passes

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.

**Item
Action:
Approved**

Motions

Made By Seconded By

Item # 3

Motion Type	Motion Text		Motion Result
Approve	Motion to approve.	Commisioner Sean Frantom Commissioner William Fennoy www.augustaga.gov	Passes



**Finance Committee Meeting
3/26/2019 1:15 PM
Preliminary 4th Quarter 2018 Financial Report**

Department: Finance

Presenter: Donna Williams, Finance Director

Caption: Present the financial report of the twelve month period ended December 31, 2018.

Background: Periodic financial reports are presented to keep the commission apprised of the financial status of the organization.

Analysis: The presented reports are the preliminary results of the year ended December 31, 2018. Per GASB standards, Augusta is required to hold open its books for 60 days after year end so that receivables and payables may be accurately recorded. Staff is in the process of final reviews and adjustments in preparation for the annual financial audit. The results of the 2018 audit, which will be presented in July, will have variance from the reports being presented due to timing differences and adjustments made during the final audit preparation review. The reports focus on operations for the following funds: General Fund (including law enforcement) Urban Service Fund Fire Protection Water & Sewerage Garbage Collection Augusta Regional Airport Stormwater Utility

Financial Impact:

Alternatives:

Recommendation: receive as information

Funds are Available in the Following Accounts:

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