

CALLED MEETING

COMMISSION CHAMBER  
August 13, 2024

Augusta Richmond County Commission convened at 11:00 a.m., Tuesday, August 13, 2024, the Honorable Garnett Johnson, Mayor, presiding.

PRESENT: Hons. Johnson, Garrett, Scott, McKnight, Pulliam, Lewis, Guilfoyle, members of Augusta Richmond County Commission.

ABSENT: Hons. Mason, Williams and Frantom, members of Augusta Richmond County Commission.

Mr. Mayor: Good morning, everybody. Welcome to this session of a special called meeting. Madam Clerk, call the meeting to order. Let's move forward with the special called meeting.

The Clerk: Okay. At this time Mr. Mayor, for your consideration and approval of the proposed millage rates.

Mr. Mayor: Thank you so much. Administrator Douse.

Ms. Douse: Thank you, Mayor Johnson, as well as Augusta commissioners. Good morning to you all. As you know this is that time of year where we come before you, we as myself as your Interim Administrator as well as our Finance Director. We have reviewed our FY24 budget and are here today to propose to you our 2024 millage rate. Keep in mind and I always want to remind not only this body but also the public that Augusta's millage rate that we are looking for you all to consider today is for our FY2024 budget that we are currently operating out of so I always want to make certain that you recall that and now I'll turn the floor over to our Finance Department Director and that's Ms. Donna Williams.

Ms. Williams: Hi, good morning. So as you are all aware, most of the millage rate process is set under the guidelines that are set up by Georgia laws. So one of the first things that you do in this process is you publish the assessed taxable value of all property. The proposed millage rate, the excess taxable values for the preceding five years, it's commonly referred to as the five-year history of the levy. After the proposed rates are agreed upon this ad is run and this ad has to appear in the newspaper at least a week prior to the adoption of the millage rate. So there is some coordination of timing involved in the whole process. The second part of the exercise is computing what is known as the roll back rate which is the previous year's millage rate minus the equivalent of the value that is added by reassessments. So you essentially don't get to gain tax revenue from reassessments. The exercise is designed to be put you on an even keel. Now you do get to increase the digest, well, the digest increases anyway, but you don't get to accept the value of just the reassessments. The exercise is designed to give you the value of the growth, only the change in the digest. So if your proposed rate for the county M & O which is also referred to as the General Fund millage rate were to be higher than the computed roll back rate, then you go through advertisements, press releases, public hearings, etc. which have to be held in advance of the final adoption date. Some more information about the timing, the procedure when the roll back rate is

not exceeded for the General Fund M & O you can complete this process in a week after the advertisement appears in the newspaper. This is what the five-year history ad looks like and this shows the roll back rate. I have filled it in on the far, so this is the 2023 millage rate, 6.664. The computed roll back rate for 2024 is 6.468 which is a decrease of .196 mills. Now, as you saw on the previous page, I'll flip back real quick, this roll back rate is as applied to the digest as a whole shows that we will collect \$341,000 more in taxes than we did the prior year. What really happens is that this assumes a 100% collection rate and it does not account for the revenue reduction because we offer an early payment discount which amounts to approximately \$450,000 to \$500,000 per year in reduction of taxes collected. However, this does get us pretty close to what we would consider to be breaking even versus what we budgeted to collect for taxes versus what we are expected to collect if we adopt the roll back rate for county M & O. This is a brief history of our millage rate for county M & O for 2025 through what is being proposed for 2024 which is as you'll note down toward the bottom here the roll back rate which is being proposed to you today. The orange column here are the number of times that Augusta has adopted the roll back rate for the General Fund M & O. The ones that are highlighted in blue are the times that we have adopted a rate which was slightly higher than the roll back rate and the one little one there in yellow was lower than the computed roll back rate for that year. So as stated, the 2024 proposal is to go with the roll back rate for County M & O. The red arrow down there at the bottom shows that from 2014 to 2023 we have actually decreased the millage rate by a little over 3 mills. In today's dollars that 3 mills would be approximately \$24 million dollars in tax collections. Next slide shows the tax cap that is required to be computed for Augusta. It is a formula that was adopted and cannot be changed and is completely rigid using the 1979 millage rate as a base and then there is a fraction which is composed of the prior year digest and the current year digest and a millage rate is also computed as a credit from your sales tax collection so when you go through this exercise for each levying millage rate, the gross tax cap that would be allowed and calculated for the General Fund would be 17.046. For Urban Services it would be 26.7 and for fire protection it would be 2.995. We would be currently under the tax cap using these proposed rates by a little over 4 mills in the General Fund, almost 18 mills under Urban Services, and a little over 1 mill in Fire Protection. And you can follow the math down a little further what that millage rate would be, what it would collect if you went to the cap. Now nobody is proposing that. That is for information only. Now we need to talk about fire protection again. This is the fire protection slide from 2023 when I made a proposal for the millage rates for last year. Please look at the highlighted portion on the bottom of the slide. We constructed the 2024 budget with a planned increase of a quarter to a half a mill which would be dedicated to capital. I'd like to refresh your memory a little bit that in SPLOST VIII there was no funding for fire equipment which has proven to be a large challenge for fire protection. That was a large source of their funding that would be generated to provide replacement equipment for fire protection. As the county grows, as we open new fire stations, as we continue to maintain our high ISO rating which is one of the few that are rated that well in the state of Georgia as well as across the country. It requires us to have a level of equipment to be able to carry out that service. Not having any funds in SPLOST VIII has been a big challenge. Some of that was offset by a \$3.5 million dollar allocation from the ARP funds. As we all know, that was a one-time revenue source. The fire protection's revenue comes from ad valorem taxes and the insurance premium taxes which come through a formula from the state of Georgia. All of that revenue begins to come in in October so it's like you're operating your household budget and you get paid instead of 26 times a year, you get one paycheck a year and you have to make it last until you get paid the next year. That's how fire protection's revenue

comes in. If fire protection millage rate was set at the roll back rate, we have budgeted \$8.8 million dollars to come in from ad valorem taxes through fire protection millage rate. At the roll back rate we would be slightly under the budgeted amount by about \$114,000, \$115,000. The digest for fire protection is \$6.4 billion dollars. If you increased the fire protection millage rate only, that would generate a little over \$3.2 million dollars which would help to offset the lack of any funding for equipment replacement. This is a schedule of proposed millage rates for 2024 for County, Urban, Capital. All would be at the roll back millage rate which as you can see on the column on the right-hand side. Those are all decreases. What is being recommended for consideration is to increase the fire protection millage rate by one-half mill and dedicate that for capital outlay purchases for fire protection. You take these numbers, the decrease here and an increase for fire protection, the net increase for an individual's tax bill after a half a mill increase for fire protection would be .288 mills. That would be the net increase which is this decrease, this decrease and one increase. Those are the recommendations that are being put forward for consideration today for the proposed millage rates. This would be the timeline. Today we would set the proposed rates which would trigger the start of the process. So what would need to happen in the interim before adoption would be at least a week prior to the scheduled date of adoption this five-year history ad would be run. It would also contain the time, place, and the meeting for the adoption of the rate which is recommended to be August 27 which would give you enough time in between the processes to do this in compliance with the law. On the 27<sup>th</sup> that would done the same as today because it does not fall on a commission meeting date. It would be recommended that you would adopt the permanent millage rate much like your meeting today in a special called meeting on the 27<sup>th</sup>. The motion should you be so inclined would be to approve these proposed millage rates for each taxing district, to advertise the five-year history of the digest and to schedule the date of August 27 for the meeting to adopt the rates which are proposed to you today. Be happy to answer any questions.

Mr. Mayor: Thank you so much, Director Williams. Colleagues, we have any questions? The Chair recognizes Commissioner Wayne Guilfoyle from the 10<sup>th</sup>.

Mr. Guilfoyle: Thank you, Donna. Thank you for giving us this at the information when we get behind the dias. SPLOST VIII, you said there was no funding for fire equipment put in there. Why?

Ms. Williams: It was Administrator Donald's recommendation and adopted by the Commission.

Mr. Guilfoyle: You as Finance Director has always handled the SPLOST packages in the past, haven't you? Your office has?

Ms. Williams: No, sir. We help in compiling those, we administer those. That recommendation typically goes forward from the Administrator to the Commission.

Mr. Guilfoyle: All right. Nobody questioned it? I wasn't here so I can't answer it.

Ms. Williams: There was some conversation related to that, yes, sir.

Mr. Guilfoyle: And apparently that wasn't the outcome by adding it to it for some reason. Under the past couple of years, I see we've got Scott Rountree and his staff in here from the Tax Assessor. They have been reassessing to follow within state guidelines. They have done a great job bringing us up to speed on the valuation on properties including mine which I had to contest it. What is the I think it was on average, Scott could tell me, but it was on average of a 25% on the valuations on properties that went up. What is the impact on dollar for our budget or income that we would receive?

Ms. Williams: As I showed you earlier using the roll back rate, it is designed to negate the increases that would come in from revenue for reassessments.

Mr. Guilfoyle: Okay, have you been paying attention to the Board of Education and what they did?

Ms. Williams: Yes, sir, I saw their ad yesterday. Their advertisement was in the paper yesterday.

Mr. Guilfoyle: And what did they go up on the millage?

Ms. Williams: They are planning to go up a little over two mills over the roll back rate as was published in the newspaper. That was the proposed rate. A tentative increase will result in a millage rate of 18.33 mills, an increase of 2.228 mills.

Mr. Guilfoyle: Okay, so that's going to average about \$115 is what they increased theirs to each taxpayer based on a \$100,000, \$17 per –

Ms. Williams: The ad states the proposed tax increase for a home with a fair market value of \$200,000 is approximately \$167.10.

Mr. Guilfoyle: I think in your presentation you said we were for the budget we were \$114,000, I don't recall the page, from this year to next year, we're going to be a shortfall.

Ms. Williams: In fire protection. That slide pertained to the fire protection millage rate, sir.

Mr. Guilfoyle: Right. What alternatives do we have to, if it's fore fire equipment? What alternatives could we utilize?

Ms. Williams: We're really trying to hold on until the SPLOST 9 but you've got until 2027 there. The Fire Department has turned in their budget request for 2025 and it does contain equipment which they will not be able to purchase much like 2024 because there were, they get their revenue from two sources. Fire protection millage rate and insurance premium tax. Insurance premium tax is a one-time lump sum payment that comes from the state of Georgia based on collections based on a formula which includes the population of Augusta Richmond County versus as a percentage of the population of every other municipality in the state of Georgia. If your population grows, your percentage of collections goes up. Historically Augusta's population does

not move upwards at the degree of some of the other municipalities, so our collections stay pretty stagnant.

Mr. Guilfoyle: Right. Donna, I'll tell you my concern is we are currently with the Interim Administrator currently working on this SPLOST package which will be coming in next May we'll be voting on if we do this increase in this millage is going to be presented to the citizens next year, even though it's only a \$3 million dollar increase, like you said, we also got the \$167 from the Board of Education that's going to be on that and I don't really think the citizens could discriminate if it's the Board of Commissioners for the Board of Education or is it the Richmond County commissioners because usually we are the one who always gets the blame for it.

Ms. Williams: I would agree with you on that.

Mr. Guilfoyle: And the last thing I want to do is to jeopardize \$300 million dollars for \$3 million dollars. That's where my concern is.

Ms. Williams: Okay. I'm not disputing anything that you said. I would like to provide a little additional information if that's okay. The half a mill on that \$200,000 house would be \$37.50 for the entire year. Now as I explained to you, the net on that individual's tax bill is not going to be a half a mill. It is going to be much closer to .22 mills which is about half of that so you're talking about \$17.00 on a tax bill. The other thing that comes up as a point of discussion sometimes is that the Board of Education's increase on our impact on senior citizens' tax bill. Senior citizens with a homeowner's exemption in Augusta Richmond County do not pay school board taxes so that 2 mill increase to that portion of the population would not be an impact on that portion of the population's tax bill. So that portion would be looking at \$17 for fire protection.

Mr. Guilfoyle: Donna, I imagine it's going to come down the pipe before here too long is streetlights as well, would that be correct?

Ms. Williams: Yes, sir.

Mr. Guilfoyle: All right. I'm going to bow out and let my other colleagues speak.

Mr. Mayor: The Chair recognizes Commissioner Garrett from the 8<sup>th</sup>.

Mr. Garrett: Thank you. So if I'm hearing everything correctly including the School Board memo that was in the paper yesterday and your proposed increase for fire protection, \$200,000 house is going to see roughly \$214 dollar increase or so?

Ms. Williams: About \$17 from us net and then the amount related to the School Board for that applicable part of the population, yes, sir.

Mr. Garrett: I know that I've already received calls from citizens asking us to please roll back because inflation's killing us. These new home valuations have really hit hard and salaries aren't keeping up with those types of things either so it's really hard for me to support any sort of increase. I know we have zero say over what the School Board says and I'm really disappointed

that there is no news media in here covering this conversation which is quite interesting. When the tax bills go out, they come from the Tax Commissioner's office and so the citizens see that as the Augusta Commission is the one that is raising out taxes and I don't know how to tell people I'm sorry but yeah, you're going to pay at least \$200 more and most of that is not our fault but some of it is. I still think there's ways that we could help the Fire Department in regards to their equipment needs. I hate that they weren't able to secure any funding through that SPLOST package as Commissioner Guilfoyle was asking. We were relying on the current Administrator at that time to guide us through that and if I remember correctly, there really wasn't a robust fired conversation. I have a hard time supporting this one so I'm hoping there are some other options that we're going to hear.

Mr. Mayor: Is there any funds perhaps left over from SPLOST VIII that could be considered?

Ms. Williams: You would be unable to add any projects until all the projects in SPLOST VIII are finished. That's going to be six, seven, eight years down the road.

Mr. Mayor: SPLOST VII?

Ms. Williams: Same deal. We still have projects in there, particularly your road projects that regularly cost more than what was originally anticipated when the package was put together so that's usually where that shortfall comes from. The same would be true as you can't add new projects until you're finished with the ones that were listed on the referendum.

Mr. Mayor: All right, thank you so much. The Chair recognizes Commissioner Jordan Johnson.

Mr. Johnson: Thank you, Mr. Mayor. Director Williams, what are some alternatives that we could look into if there are any along the lines of what my colleague the concern that we are raising? Are there any other alternatives to get where we want to go with fire protection?

Ms. Williams: We had numerous conversations with the Chief. He is currently exploring a couple of options, one of which I'm aware of is we've recommended possibly some leasing of equipment rather than outright purchase. With that comes other avenues of exposure that you know if you damage a piece of leased equipment then you buy the leased equipment and too, you run the risk of rolling forward getting happy with reduced payments as you're leasing and maybe year one, year two looks pretty good because your lease is fairly low but three, four, five and six as you get on down the road, then they start stacking up on top of each other. We are actively exploring those possibilities to see what benefits that might can offer so we're not just sitting around going, we've got go to the millage rate, go to the millage rate. But this is not the first time we've had this conversation around fire protection so –

Mr. Johnson: We approved last year's rate with the understanding that we were going to do this this year?

Ms. Williams: That was the conversation last year is that we would go with the roll back rate across the board but when we came to 2024, that we would look at that increase for fire protection and designate it for capital outlay.

Mr. Johnson: And that's what is being proposed.

Ms. Williams: That's what I'm proposing. It is obviously up to you guys to make the final decision but this will, this \$17 will bridge the gap for several pieces of equipment because even if fire protection is included in SPLOST 9, you're not going to start collecting 9 until probably January 2027 so you've got the rest of this year, you've got budget cycle 25 and 26 and probably 27.

Mr. Johnson: I think the recommendation is a decent recommendation being that we've had that conversation last year. It shouldn't catch us by surprise but we're looking to the Administrator and our Finance Director to get us. I think this is a good conversation being that we're looking to our Administrator and Finance Director for solutions. I understand the perception that the community is going to have between the Commission and the School Board but that's no something that we can control. I don't think that we can hinder our city because of potential backlash because of what the school system does. I think that's on them but I think this is a pretty good path forward as far as what you're asking us to do. I'm not sure we're ready to take a motion, but I'm sure there's still conversation. But that's just my two cents. It's worth exploring.

Mr. Mayor: Any more questions or comments?

Mr. Guilfoyle: Director Williams, what about bonds? Can we do a secure bond until the next SPLOST? Is that an option?

Ms. Williams: What funds would be used to pay those bonds?

Mr. Guilfoyle: You put the interest built into the bonds until the SPLOST is secured.

Ms. Williams: We typically do not go far out, 18 months, I'm getting advice from the SPLOST expert in the back. We're too far out to do that.

Mr. Guilfoyle: Okay. In order to order equipment, it's usually a year out already, is that correct?

Ms. Williams: I believe that's close. You're kind of getting out of the Finance portion and into the operation but I do know there is a lead time to get fire equipment and it is fairly significant.

Mr. Mayor: Commissioner Johnson, the floor is yours.

Mr. Johnson: I don't want to move outside of what my colleague's will is so if a motion being made won't get us to six votes, I don't know but I guess the question is what happens if we don't approve this today?

Ms. Williams: The Tax Assessor has a deadline, September 1, to take the digest to the state for approval. It goes in conjunction with the rates set by the Board of Education. The Board of Education according to their publication is set to adopt their rate on the 27<sup>th</sup> as well. For our purposes prior to August 20, we need to be able to run the ads in the newspaper. In order to run the ads then I've got to have a proposal for the rates run as well as the date, the time and the place that they will be eventually adopted at least a week after that advertisement runs.

**Mr. Johnson:** I believe that the solution you presented seems to be thought out and is what we agreed to last year with the understanding that we would be at this place this year. I remember that conversation very vividly so I'm not sure what the reservation or unreadiness is **but I'll make a motion to approve and to see where it goes.**

Mr. Mayor: All right, there's a motion. Is there a second?

Ms. Scott: Second.

Mr. Mayor: There's a second.

**Mr. Guilfoyle: Substitute motion, Mr. Mayor.**

Mr. Mayor: All right.

**Mr. Guilfoyle: Adopt the roll back rate with no increase.**

Ms. McKnight: I'll second.

Mr. Mayor: All right, there's a substitute motion and a proper second. Any other colleagues before we vote? If not, we're voting on the substitute motion. Clarify for the record. That is to adopt the roll back without the increase for fire protection.

**(Vote on substitute motion)**

**Voting Yes: Ms. McKnight, Mr. Garrett, Mr. Guilfoyle, Mayor Johnson.**

**Voting No: Mr. Johnson, Ms. Pulliam, Mr. Lewis, Ms. Scott.**

**Motion fails 4-4.**

**(Vote on original motion)**

**Voting Yes: Mr. Johnson, Ms. Pulliam, Mr. Lewis, Ms. Scott.**

**Voting No: Ms. McKnight, Mr. Garrett, Mr. Guilfoyle, Mayor Johnson.**

**Motion fails 4-4.**

Mr. Mayor: Thank you, Madam Clerk. All right, colleagues. Obviously, we are at an impasse here. What are our next steps? When can we bring this back before the body for consideration?

Ms. Williams: As soon as ya'll set, if you want to do another called meeting.



Mr. Mayor: Okay.

Mr. Brown: Mayor Johnson, Commissioners, in that you have not taken action within this meeting, if by the end of your executive session, you have an opportunity to conference with your colleagues and you want to move forward, you still can before the special called meeting is adjourned. That's an option. Of course, otherwise you would need to reconvene at some point prior to Thursday in accordance with the Finance Director's indicated deadline this week.

Mr. Mayor: All right, thank you. Commissioner Brandon Garrett.

Mr. Garrett: This question may be for the Administrator. Donna said that you said the Fire Department had turned in some capital outlay requests for this next year. Is it \$3.2 million dollars' worth?

Ms. Douse: It exceeds \$3.2 million dollars.

Mr. Garrett: So what is the plan for another increase next year to cover that?

Ms. Williams: No, sir. This would be, this would continue to generate \$3 point plus million dollars for the year so applying the same millage rate to next year's digest, you'd just get the same collections. You wouldn't increase it every single year. Once it's generated, it is generated there for budget use.

Mr. Garrett: When is the last time the Fire Department had a roll back?

Ms. Williams: It was rolled back last year.

Mr. Garrett: The fire Department's was?

Ms. Williams: Yes, sir. We had this conversation about increasing it but the roll back rate was what was adopted.

Mr. Garrett: So what is the total request, Madam Administrator?

Ms. Douse: I think it exceeds \$5 million dollars.

Mr. Garrett: So we need two years of this to cover that.

Ms. Douse: Well, hopefully until we get to SPLOST and then like she said, because we've already calculated if this is approved, it would already be calculated for budgets to come but by the time we get to SPLOST 9 for 2027, they already have a planned increase there as well.

Mr. Garrett: Thanks.

Mr. Mayor: All right, any other questions or comments, colleagues? Seeing or hearing none, Madam General Counsel.

- 1. LEGAL MEETING**
  - A. Pending and potential litigation**
  - B. Real estate**
  - C. Personnel**

**Ms. McClain-Haymon: We request a motion to go into executive session for the purpose of discussing pending and potential litigation, real estate and personnel.**

**Mr. Garrett: So move.**

Ms. McKnight: Second.

Mr. Mayor: There's a motion and there's a second. Madam Clerk, we're voting.

**Motion carries 8-0.**

[EXECUTIVE SESSION]

- 2. Motion to authorize execution by the Mayor of the affidavit of compliance with Georgia's Open Meeting Act.**

**Ms. Scott: So move.**

Mr. Mayor: Madam Clerk, there's a motion by Commissioner Scott. Is there a second?

Ms. Pulliam: Second.

Mr. Mayor: There's a second. I heard Commissioner Pulliam come in first. Madam Clerk, we're voting.

**Motion carries 8-0.**

Mr. Mayor: All right, Attorney Brown.

**Mr. Brown: Mayor Johnson, we request a motion to approve the amending of the Interim Legal Service Transition Plan to accommodate sufficient waiver of any potential conflict of interest regarding the Interim General Counsel namely James T. Plunkett and Associates and to adjust and make it applicable to the responsibilities assigned to Mr. Plunkett in the plan as well as those responsibilities that are inherent for serving as General Counsel particularly listed in the current job description for the position of General Counsel.**

**Ms. McKnight: So move.**

Mr. Mayor: Is there a second?

Ms. Scott: Second.

Mr. Mayor: Second by Commissioner Scott. Madam Clerk, we're voting.

**Mayor Johnson abstains.**

**Motion carries 7-1.**

Mr. Mayor: Madam Clerk, for the record I am abstaining in that I have known Mr. Plunkett for many years and we do have not only a friendship but we've had a prior relationship and some dealings as a small business therefore I am recusing myself from this process. Thank you. Attorney Brown.

Mr. Brown: I believe that's the entirety of the motions.

Mr. Mayor: All right, if that's the entirety of the motions, Madam Clerk, does that conclude our business or is there anything additional we need before we adjourn this process?

The Clerk: No, sir.

Mr. Mayor: All right, seeing none, this meeting is hereby adjourned and turned over to the committee cycle.

[MEETING ADJOURNED]

Lena J. Bonner  
Clerk of Commission

CERTIFICATION:

I, Lena J. Bonner, Clerk of Commission, hereby certify that the above is a true and correct copy of the minutes of the Called Meeting of the Augusta Richmond County Commission held on August 13, 2024.

---

Clerk of Commission

