



SPECIAL CALLED MEETING MINUTES

Commission Chamber

Tuesday, October 29, 2024

11:00 AM

PRESENT

Mayor Garnett Johnson
Commissioner Jordan Johnson
Commissioner Bobby Williams
Commissioner Sean Frantom
Commissioner Francine Scott
Commissioner Catherine Smith-McKnight
Commissioner Stacy Pulliam
Commissioner Tony Lewis
Commissioner Wayne Guilfoyle

ABSENT

Mayor Pro Tem Brandon Garrett
Commissioner Alvin Mason

Mayor Garnett Johnson: Madam Clerk. I call this meeting to order and at the request of Administrator Tamika Allen we're going to do the budget presentation before we go to legal. Madam Administrator, the floor is yours.

Administrator Allen: Good morning, Mr. Mayor, members of the commission, today I present you with the proposed 2025 budget. As we begin this discussion, I wanna begin by sharing some of my own fiscal core values. These values sum up the mindset I bring to the budget process as your administrator. I hope that these align well with your own personal values and with our community's collective expectation. For Augusta's, finances, clarity and honesty, we use the word transparency a lot, but that really means that we are clear about what we are doing and honest about the pros and cons of any course of action. You might not agree with everything I recommend today, but I commit to being clear and honest with you. Long range strategic approach. With every budget you are making policy decisions. For Augusta, we must think beyond just the current year and try to align our immediate spending with our long-term goals. And lastly, accountability. For performance. It is easy to ask for money to do things.

There are a lot of great things we could be doing, but over time, we need to build more accountability measures into our budgeting so we can track how our dollars are making a difference. With all that said, the reality is that I have been your administrator for about 35 days, and for 33 of those days, we have been dealing with a major distraction called Hurricane Helene. I can't stand before you today and say that I'm fully comfortable with every aspect of this budget. Like you, I've had to place a lot of trust in our departments and on our finance team. We do have a balanced budget today, and we do have a plan. But in the spirit of clarity and honesty, I want you to know that we are only scratching the surface of the work ahead During the fiscal year 2025 budget retreat. You as a commission collectively determine these priority areas for the budget, building, maintenance, infrastructure improvements, personnel, sheriff's office, and criminal justice needs. The proposed budget does address these priorities in many respects, and we will continue to keep these areas in mind throughout the year ahead.

Now, when people around the community talk about Augusta's budget, they often throw around the big number 1.2 billion. That sounds like a huge number because guess what? It is a huge number. So I wanna start off by addressing that elephant in the room. As you can see, the general fund is what many of us think of when we think about Augusta's, government, operations, recreation, all our courts, our District Attorney, our Public Defender, Marshal's office, Coroner, streets, sidewalks, Planning and Development, our facilities, all of our administrative functions and much more is located here in the general fund. The Law Enforcement fund includes our Sheriff's Office and jail. The general fund is where you have the most discretion to make changes as we go, but much of the funding in the other funds is already legally designated for specific purposes. That again, goes to attribute the 1.4 billion. And within the general fund, more than 60% is allocated to other elected officials, boards, and external agencies. I am highlighting this here to make the point that while Augusta does have a \$1.4 billion budget, most of the time we are only talking about a small piece of the pie that we're looking at.

So what are the challenges that we're facing for 2025? In the spirit of clarity and honesty, I want to share some of those challenges we have faced in bringing this budget to you. First, we have a longstanding big picture challenge in Augusta. When I compare Augusta to other leading communities across the country, I notice that we are often lacking clear, consistent performance expectations for our departments. Of course, this is not true across the board, and I'm not saying that many of our departments are not performing at a high level, but as I review the budgets to make decisions about recommendations, it is often very hard to link financial requests to any kind of tangible performance. And I do not always have a clear sense of the service level that you and our community expect from each department. That makes it very challenging for us to know if our current revenue and expenditure levels match your level of expectations. So, we need to be better and need better data to make better data-driven decisions.

We are also facing a very concrete challenge in the general fund this year. As you know, we have received over 82 million in American Rescue Plan Fund since 2020. Those funds have been used on many great projects. Unfortunately, those funds have also been used to support ongoing operations and several funds, especially the general fund. Whenever you use one time funds to fund operating or repeating costs, we are creating a potential problem. And that is the case here. This graphic is just a rough illustration of how funds have been plugged in to keep Augusta budget manageable. And as the ARP funds go away, we are going to be left with these holes to fill. We have used the one-time, ARP funds for general fund revenue replacement; we've used it for pay plan supplements, health insurance

claims, salaries for non-full-time employees, environmental services, demolition programs, right-of-away, maintenance, and of course to subsidize the streetlight deficit. So again, as these funds are depleted, Augusta must refill these holes. Our 2025 budget has a little over \$7 million gap in general fund revenue with other required increases; our overall gap was over \$8 million. This is before we made any respective changes to this budget. We were at a deficit of over \$8 million. So that's the situation we are facing this year.

So where do we go? The proposed path forward with this budget we are bringing you is balanced. Let me say that again. This budget is balanced, but it's not a beautiful budget and it involves some tough choices. I have not had the time and space to take the detailed look that I would need to make any significant cuts this year. It would be irresponsible for me to recommend slashing and adding to department budgets haphazardly, I'm asking you for time to take a hard look at the budget before we make any big changes. To that end, I'm recommending that we hold departments flat at their 2024 budget levels except for those contractually mandated increases that we have and that this body has approved. Similarly, I would like to pause on reclassifying positions. We need to hasten the conclusion of our comp study, and we can't do that. While positions are continuing to change, I would ask departments not to pursue any new structural changes without prior approval. I'll also be reviewing any vacancies that we have out there that are over a year old. Finally, we need one more year of stop gap funding from ARP because as mentioned, ARP has created a revenue gap in our general fund and we need time to find a sustainable solution for 2026.

Here are the proposed ARP Reallocations that I would like to look at. I would like to also say that I appreciate Director Bynes from Augusta Utilities with his partnership on this reallocation of the utility meter funds that you see. And I will be working with Mr. Bynes to come up with another funding source for that project. Similarly, we need to continue to look at outside funding opportunities for our work on blight and affordable housing. The other recaptures listed are more minor and can be completed without any major disruption to our services. If you adopt these reallocations, we'll be able to balance the general fund for one more year. I emphasize one more year. This is one more year unfortunately, of kicking the can down the road. We will not have this option again in 2026, so let's look at some of the specific budget items, Sheriff's Office, and Criminal Justice. In addition to those overarching issues we talked about, I wanna briefly touch on a few of these specific items.

Items, as you know, the Sheriff-Elect, the District Attorney, and the Public Defender's Office, have all brought new requests for funding. This year. The Sheriff-Elect requests 5.3 million for pay only, not including the associated fringe benefits that are associated with that. The District Attorney is requesting 1.6 million for personnel and about 700,000 for facility and software expenses, which equals 2.3 million. The public defender is requesting 112,000 for small changes to their compensation, but this does not address the underlying structural issues that he would truly like to look at. After meeting with each of them, and I've asked them to come today, I agree that changes are definitely needed to their compensation structures to be more competitive. It's all about retaining good people and recruiting good people. In fact, I am very concerned that their requests are not actually enough to get them where they truly want and need to be.

As I've explained to them, we have not had much to offer them in terms of new funding in this general fund. So I have committed to working with them through the year in 2025, and I will be looking to dedicate an HR resource over the next couple of months to work with these agencies. Their charge will be to vet a fair pay structure that makes sense and is competitive with other agencies. It is my hope to bring back a joint recommendation to you by the end of the first quarter about how we can

implement those needed changes for these offices. Non-governmental organizations, better known as our NGOs. Another area that I know is important to many of you are our NGOs. The 2024 budget included funding for 33 outside agencies for a total of \$7.3 million for 2025. I'm recommending that we maintain each of those at their 2024 level. The one change is for Bethlehem Community Center, which did not submit a request this year. As with other internal departments, I would also like to recommend that we consider implementing better metrics to measure the return on Augusta's investment in these agencies.

Cost of living increases in the proposed budget before you does not include a COLA for our employees. As with the Sheriff's Office and criminal Justice pay, this is a major concern for me as I know it is for you. I intend to return to you with a COLA proposal in mid-year 2025. We also need to see the conclusion of our compensation study, which HR is currently pursuing and understand what adjustments that may prompt.

And lastly, our fire protection fund. Finally, I just want to mention our Fire Protection fund still has significant unaddressed capital needs. You might ask how can we allocate a hundred thousand dollars in the A RP funds to fire? But the reality is that amount does not scratch the surface of the true equipment costs that the fire department has. The fire department's needs were not included in SPLOST 8 and need to be on the table for SPLOST 9. And I will say there are a number of other capital items that were not included in SPLOST 8 that we need to make sure we consider for SPLOST 9. We also need to continue to explore alternative financing options for this very expensive equipment.

As I've asked you for time with this 2025 budget, I do want to give you fair warning about some tough conversations to come. There's a long list that you can see of items we need to dig into this budget for 2025, 2026, and even beyond. I'm sure we will not solve all of these issues over the next year, but we have already begun, and we'll continue to pursue them. These are the foundational items we have to address for our long-term financial health. We hear our citizens talk about a maintenance program. We need to touch on how we can show and demonstrate to our citizens that we are giving them value for what we are doing. We need a multi-year capital improvement program. We need to sit there and project what are we going to need for the next three to five years as it relates to our capital needs asset divestment.

Administrator Allen: We have all of these assets, but we have to really be honest to say, can we have, do we have the operation and do we have the maintenance programs in place to take care of these assets? And if we don't, we need to probably look at how can we adjust the number of assets that we have. Cost recovery fee schedules and cost models are our fee schedules and cost models in balance to what we are actually putting out there for the services that we are providing. Let's look at the relationship between funds, our transfers, our payment in lieu of taxes and our payment in lieu of franchise fees that we have. The various departments do fund solvency. We all know we love these services that we're providing with street lights and stormwater, utility and transit and HCD, but we need to make sure they're solvent economic development. We need to look at what are we getting for our investment. And I plan on having an economic summit within the first quarter to meet with all of our partners that give us economic solutions and see where we are and what value they're bringing to the organization, as well as our employee health insurance and pension plans. Because as we all know, those insurance costs can constantly increase.

Administrator Allen: So these are some of the tough conversations that we are going need to have. Next steps. I know I've given you a lot, your document has a lot. Um, and I'm not asking you to make

any respective decisions today. The next step is for us to have a town meeting on November the fifth, November 6th through the 14th. We would have budget work sessions. November 11th, we will publish a notice of budget adoption in the newspaper. We will also on November 19th, look at adopting the budget. And the budget goes in place, of course, January 1.

Now I would like to take a moment to say thank you to our Interim Finance Director, Tim Schoer, our budget manager Rachel McFetridge, and to all our analysts in the finance department who helped coordinate this process. I also wanna thank the staff in the administrator's office for doing a great job of helping put this together. And I wanna thank our Sheriff Elect District Attorney and our Public Defender for sitting down meeting with me and not arresting me for telling them that they were not going to be able to get that money immediately. Thank you for your attention. I look forward to working with you as we continue building the foundation. I'll be glad to answer any questions that you may have.

Mayor Johnson: Thank you, Administrator Allen, for your presentation and everybody that was involved in putting it together. It certainly tells a picture that I don't know if we were prepared for, but certainly a different picture. I'm going to recognize the commissioner from the 5th Commissioner Bobby Williams.

Commissioner Williams, good morning. seems like we have a lot ahead of us and you have a lot of ahead of you. Basically, I have one question because I know it's been a while since Augusta has entertained a tax increase and we've been rolling back and I think Donna said even if we roll back at the same time, if pretty much stay at the same level as considered a tax increase, if I'm not mistaken, but we got the sheriff who wants more and needs more. We've got the DA who wants more and needs more. We've got the Public Defender's office who wants more and needs more. We've got the, fire department that needs funds for new trucks and equipment for a while. And you know, we've been pretty much stagnant as far as I'm concerned. Is it time that we do a tax increase?

Administrator Allen, I wouldn't wanna say that it's time, Mr. Commissioner, but I do think that's something that the governing body needs to determine, if that's the way you would like to go.

Commissioner Williams Okay. That's something that we need to put on the table. And, uh, I think, uh, you know, we've, we've rolled back quite a, quite a few years. I think I've been on this commission about six years, going on seven years, I believe. And every year we roll back. It is time, that we do something similar to what the Board of Education is doing there. They've done some tax increases to get more monies in the school system. And I'm sorry. we sit here and we complain about what North Augusta's doing. complain about what Columbia County is doing. We complain about what other folks are doing, and it seems like they're moving forward. But, you know, if you go to those places, they do tax increases and they don't ask you if you like it or not, you just pay it. I'm not saying that's something that we have to do, but I think that's something that needs to be considered.

Mayor Johnson: Thank you. Commissioner from the fifth chair recognizes Commissioner Jordan Johnson.

Commissioner Johnson: Ms. Allen, I wanna first off say thank you for the presentation. Thank you for your honesty about just what we've been dealing with and just the difficulty that it has presented you with this budget. Thank you for that. And thank you for, making the decision to not slice and increase without really having that in front of you. So that means a lot. I have a question for you, and maybe Tim can come up and ask this as well. I know that when we had our, A RP allocations for blight

and affordable housing, we allocated a million dollars for blight and affordable housing, and I believe that was 500,000 to the Land Bank and then 500 to Housing and Community Development. Is that true or did we just put it under the Land Bank only? Maybe that's a Tim question.

Administrator: Understanding it was under just the Land Bank

Commissioner Johnson: Okay. so the other \$500,000 we haven't allocated towards any affordable housing projects.

Administrator: That's correct, and we are asking to recapture those funds at this time.

Commissioner Johnson: Okay and so there will only be half a million left in that fund, or will there be nothing left?

Administrator: There will be nothing left in that fund.

Commissioner Johnson: So that's somewhere where my concern comes in. I know we're going to have more opportunities to speak here, but we are already in the middle of a pretty important affordable housing crisis. And to take \$500,000 away from blight and affordable housing to cover for the general fund, while I know it made sense from a government perspective, but you have so many people out here who don't have access to affordable housing as we know, I'm preaching to the choir. So I would be really concerned about pulling that 500,000 away from its purpose because the need is so great. I'm planning to really look into the housing budget because we have to figure out how we can get more money out to help people have, have housing. You know, our government has issues of course, but we continue to talk about this issue with homelessness. We continue to talk about teachers and, doctors and lawyers and all those everyday professionals needing housing to take half a million away now, I just think that we should ramp up our housing efforts versus to roll back on them. But I know that this is the first conversation we're going to have more, but I wanted to put that out there because I think that's, that's a little too important an issue to roll back on.

Mayor Johnson: Commissioner Williams. You still in the queue,

Commissioner Williams; You may have mentioned, Bethlehem Center. file for any monies this year?

Administrator: No, sir. They did not.

Commissioner Williams: Did we usually give them?

Administrator: Was roughly about 26,000.

Commissioner Williams: 26,000 that's an entity that does a lot in the community, so I'm not sure if they just missed sending it in or what have you. But I like to, make sure that we consider Bethlehem Center to keep that 26,000 going. I've tried to contact a couple of 'em to see what happened, but they do a lot in the community

Mayor Johnson: Commissioner Guilfoyle.

Commissioner Guilfoyle: Ms. Allen, you know, over these past couple of months, we were told that we had plenty of money and it's an eye-opener to see that we got a \$7 million hole that's gonna be facing us if we don't act and do what you said. As far as tough conversations to come, we going to be in a position like, Commissioner Williams had said, let's raise taxes. That's not really the only solution. I'd

rather do the hard battles up front to try to figure out how to become efficient and try everything we can before we just raise taxes. Have you looked at one a hiring freeze?,

Administrator: At this time? I've looked at any position that's been vacant for a year or more. We're looking at those I'll be honest, as I've stated, I've not had a clear opportunity to look at what positions we have because some positions are, are warranted. So, I didn't wanna just say a blanket freeze. I can assure you we'll be doing additional recommendations as we go through this process.

Commissioner Guilfoyle: Another thing we probably need to look at this coming year is a, right size and try to eliminate duplication of services or et cetera. And I'll be willing to have them tough conversations as well I know that we got our Sheriff here, our DA here, and you know, I believe it's the consensus behind this dais for everybody who definitely wants to support these two entities. No doubt because we got to clear out that jail. The other one, we got to get that jail right. So I appreciate you having the discussions with them. I appreciate you not putting them on a back burner this coming year so we could actually look out for them. I know as far as the Sheriff, he's got to get his feet wet once he gets into that department, figure out where all his money is going, Maybe he could help as well to try to find some resources from within his department. So I look forward to this coming year and see where we could go, especially with these streetlights as well. It's been a havoc over these past seven years for us.

Mayor Johnson. chair, recognize Commissioner Francine Scott.

Commissioner Scott: I just have one question on 2025 budget challenges and American Rescue Plan funds. Yes, ma'am. I think salaries for the nine FTEs. And I thought when we was going over the budget for the rescue plans, we said that these were temporary jobs as long as the funds lasted. And I thought it was our intention to make sure whoever was hired in this plan that they know that this was only a temporary, position(s).

Administrator: So it would be there for 2025, but those positions will no longer be valid in 2026.

Commissioner Scott: To my law, enforcement friends, I hope we'll be able to do something. I like when I met with you all, I did say that I would support you getting something and I sure hope we can be able to provide something, for you all to make our city a safer city.

Mayor Johnson:, Commissioner Stacy Pulliam from the second.

Commissioner Pulliam: Thank you, Mayor JohnsonI echo everyone's sentiments. Thank you so much for your presentation Administrator Allen. My question is pertaining to reclassing. Do we know how many vacant positions that we currently have?

Administrator Allen: I can get that information for you.

Commissioner Pulliam: Okay. We could get that information as well as the total allocated to those vacancies so I can see exactly what that percentage is in our budget.

Mayor Johnson: Commissioner McKnight from the third.

McKnight: I know we're gonna be back here, reviewing the budget in the next few weeks ahead, but, but, I wanted to piggyback off of Commissioner from District 10 about those, our law enforcement. And I know we've got law enforcement and we've got our DA here today and looking at the numbers

of what they're wanting, you know, it's a lot. But too, at the same time, sharing public safety and, and seeing even after this hurricane that public safety is top of the list. And we do, we've gotta find some money no matter, no matter what for our Sheriff's Office. You know, I was told W-R-D-W reported, Augusta is one of the worst in the entire state for gang, our gang violence and, and our roadways too, Augusta-Richmond County as the top 10 is the worst in the state.

Commissioner Scott: We all know what's going on in the jail, multiple lawsuits due to the lack of manpower. And we also need to look at other areas throughout, you know, around us that are paying more. And we've talked about this. I've been sitting through budgets now for, I guess this my fourth year. And, we talk about it, but we've got to get it in order to. Nobody wants to hear raising taxes, but at the same time, it might be something that we, we might have to look at because we do need to, look at the sheriff's office and raise the salaries to get certified people to do the job that we need done. And I'll be talking about some things moving forward, but we need police vehicles and put that in SLOs nine. That's just one of many.

Commissioner Scott: And I know that the fire department, I wanna support them. But, looking at at, at our new sheriff elect coming in, we want to see him do well. And, we do need to, look at all this and I'm gonna do what I can to support. I know 5.3 million is a lot, but I'd, I'd rather see it go there and us do what's right for this county and as far as, public safety, safety for the public and, you know, protecting them. So I'm, I'm gonna advocate for the next couple of weeks on seeing what we can do for Richmond County, um, Sheriff's Office and I hope that we'll be able to work together on doing what we can for them as well as our DA and fire.

Commissioner Johnson: Those three full-time, positions in finance. We mentioned that the Public Defender needed to address some structural issues. Will those issues be addressed in those jail population review, meetings that we've been having or is that something that you'll have to sit with them One-on-one,

Administrator: Those are something that we've discussed on one-on-one, the jail population meetings that have been held has also incorporated some of the personnel and structural, needs of all of those respective agencies as well.

Commissioner Johnson: You mentioned the NGOs, can you tell me what, what page in this binders are? Like which tab is under those NGOs? And while we get that, I'll go to the other question

Commissioner Johnson: You mentioned that we were in a \$7 million hole. Can you show me that, that hole, is there like a, a slide or, or something that kind of shows where that hole is coming from or are you able to explain it to me?

Administrator: It was actually a little over \$8 million hole when we initially reviewed the budget and where we currently stood with the respective, requests that we had from the various departments and things of that nature. That's prior to us bringing it back to the funding level of 2024.

Commissioner Johnson: Okay because of the ARP dollars getting ready to expire or is it not related to the ARP dollars at all?

Administrator: A number of that is caused by the ARP funds that are expiring.

Commissioner Guilfoyle: Recognize Commissioner Sean Frantom.

Commissioner Guilfoyle: Obviously not the news we all want to hear, but my questions are, can we, as we go through this process, I'd like to see OT in every department., I think that we gotta stop the overtime or cut it down to save some money. So if we could see that, I also think that the only way this government's gonna get right is to put in some policies around PTO and every year, we end up paying out significant amount of money. How can we number one track that better? And number two, are there certain things to where we could limit the amount of money that we pay out at the end of the year for new employees? Like, is that something that we could put in at the front? And I understand we can't handle the, the pay the people that have been here, but, uh, just like with my company, you can't roll over more than 40 hours or pay out more than 40 hours.

I can't, but I mean, there's gotta be some things that we can put in place. I think we gotta look at the utilities department and credit card fees. We've talked about it. And, um, every other place you pay credit card fees except for this government when they, when people pay online. Um, so I think that's something that we definitely ought. And then, uh, finally I'll say the year's vested, I've talked about this and kind of got shot down on it, but when people are coming in this government and five years getting vested and we're paying out, that's a significant amount of money. It needs to be 10 or 15 years when people, this is their second or third career and, uh, we gotta look at this long range because this is gonna be a hole that, you know, you gotta fix and plug, but it's gonna continue to be a hole if we don't get, put some policies in place moving forward.

Looking forward to the tough discussions because there's definitely gonna be those, wanna support law enforcement as much as we can, understanding that, you know, they're not gonna get what they want. Um, and, and if they can peel back some of their positions, understanding that in the future that we're gonna have those discussions once they grow as an agency and maybe have to get some of those back, but in the meantime to grow that agency, I'm hoping that they'll have those conversations on what, um, they can pull back from the number of openings. I mean, we've had 180 plus openings for at least five or six years on that law enforcement. Um, and I know we're under new direction, but, uh, do we know true what those numbers are that they totally need? So hopefully they're able to pay their individuals more in the next year based on tough decisions they're gonna have to make. And then I agree that SLOs nine, we're gonna have to put more into some of the capital projects and things that we maybe thought that we wanted to have some pet projects that they're just too tough of discussions that we're gonna have. And, um, so appreciate the presentation, look forward to discussions and it's gonna be tough.

Mayor Johnson: Commissioner Johnson from the first

Commissioner Johnson: Hopefully this is my last question about Ace, the downtown cleanup program, Augusta City Enterprise. How much money did we give Ace last year through the city of Augusta?

Commissioner Guilfoyle: It's 300,000.

Commissioner Johnson: I just wanna make sure that we're continuing that, that revenue to them this year.

Mayor Johnson: This is vitally important as all of you mentioned that we, we concur that we wanna look out for a District Attorney, our law enforcement partners, just know that 2025 will be challenging in that we had the devastation of Hurricane Helene and that's something that we haven't even talked about on this dais. While we know for 90 days, 100% of those costs were being reimbursed, but this

recovery is gonna go far beyond 90 days. And unfortunately, our city will have a responsibility and making sure that we pay for that recovery. So certainly, there's gonna be some challenges ahead. But we're certainly up to it. We have the right leadership, and I think we have the right folks that are working with us. So, with that being said, if there are no further questions, with the next portion of this meeting. And Madam Clerk, I think I'll call Attorney Plunkett, to call for a motion, please.

Attorney Plunkett: Mr. Mayor, we had asked for a motion to go into executive sessions to discuss pending and potential litigation, real estate and personnel matters.

Commissioner McKnight: So move. Second Commissioner Frantom

Mayor Johnson And there's a motion, there's a second. Madam Clerk, we're voting.

Clerk: That motion carries 9-0 with Mr. Mason. Mr. Garrett out.

Attorney Plunkett: Mr. Mayor, we would ask for a motion to authorize the mayor to execute the Closed Meeting Affidavit:

Commissioner Frantom: So, move seconded Commissioner Scott.

Motion carries 8-0 with Guilfoyle, Mason and Garrett out

Attorney Plunkett: We would ask a motion to adjust the salary of the Human Resources Director at a salary of \$135,000 upon the employment upon the employment of a Deputy Human Resources director.

Commissioner Francine Scott motion to approve. Seconded by Commissioner Sean Frantom

Motion carries 8-1 with Commissioner Wayne Guilfoyle voting no and Mr. Mason and Garrett out.