

North Augusta



South Carolina's Riverfront

MINUTES OF APRIL 15, 2019

Robert A. Pettit, Mayor

James M. Adams, Jr., Councilmember

J. Robert Brooks, Councilmember

Pat C. Carpenter, Councilmember

Fletcher L. Dickert, Councilmember

Kenneth J. McDowell, Councilmember

David W. McGhee, Councilmember

ORDER OF BUSINESS

The study session for the City Council meeting of the City of North Augusta of April 15, 2019, having been duly publicized, was called to order by Mayor Pettit at 6:01 p.m. in the Council Conference room on the third floor of the Municipal Center and adjourned at 6:28 p.m.

Per Section 30-4-80(e) notice of the meetings by email was sent out to the current maintained "Agenda Mailout" list consisting of news media outlets and individuals or companies requesting notification. Notice of the meetings was also posted on the outside doors of the Municipal Center, the main bulletin board of the Municipal Center located on the first floor, and the City of North Augusta website.

Members present were Mayor Pettit and Councilmembers Adams, Brooks, Carpenter, Dickert, McDowell, and McGhee.

Also in attendance were B. Todd Glover, City Administrator; Kelly F. Zier, City Attorney; Cammie T. Hayes, Director of Finance; Richard L. Meyer, Director of Parks, Recreation, & Tourism; John C. Thomas, Director of Public Safety; Thomas C. Zeaser, Director of Engineering and Public Works; James E. Sutton, Director of Public Services, Lillian E. (Libby) Hodges, Director of Planning and Development; J. D. McCauley, Manager of Human Resources; and Sharon Lamar, City Clerk.

ITEM 1. CITY COUNCIL AGENDA: Items on the April 15, 2019 Council Agenda – Council Discussion

Council reviewed the items scheduled for the April 15, 2019 meeting.

ITEM 2: ECONOMIC DEVELOPMENT: Riverside Village at Hammond's Ferry – Council Update

Mayor Pettit updated Council on the financial status of the Riverside Village at Hammond's Ferry project. The Mayor's report and visual presentation are included with these minutes.

The Mayor announced a Mayor's Prayer Breakfast is scheduled for Thursday, May 2, The National Day of Prayer. The breakfast will be held at the Crowne Plaza Hotel at 7:30 a.m. Tickets are \$15.00 and can be purchased from the Finance Cashier in the Municipal Building. Local churches and businesses are being asked to consider sponsoring a table of eight to help defray the cost. The theme is "Community of Faith – Working together to Overcome Barriers." The speaker will be Dr. W. Franklin Evans, President of Voorhees College in Denmark, SC.


The Mayor shared that Senator Tom Young announced in a recent email that SCDOT has completed a traffic study of the Bergen Road and Martintown Road Intersection. It has been determined that a traffic light is needed and warranted. SCDOT is looking for funding alternatives and potential timelines for the work.

The Mayor also reported that the comment period for the New Savannah Bluff Lock and Dam will conclude on April 16. A joint response from the City of North Augusta and Augusta-Richmond County will be delivered that afternoon. The response also includes a letter signed by Georgia and South Carolina senators and congressmen.

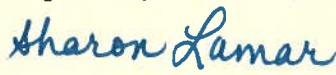
Rick Meyer, Director of Parks, Recreation and Tourism, shared that a banquet will be held on May 14th at 7:00 p.m. in the Palmetto Terrace Ballroom for the North Augusta High School Girls' Basketball team to celebrate their third consecutive state title.

There being no further business, Council adjourned the meeting at 6:28 p.m.

APPROVED THIS 6th DAY OF
MAY, 2019


Robert A. Pettit, Mayor

Respectfully submitted,


Sharon Lamar
City Clerk

Continuing Disclosure Requirements
North Augusta Public Facilities Corporation/City of North Augusta Series 2017B
Voluntary Filing for the Fiscal Quarter Ended March 31, 2019

Assessed Value of Taxable Property

The assessed value of all taxable real and personal property in the City for each of the last five years available is set forth in the following table (record will be updated with the 2018 audit):

Assessed Value of Taxable Property				
Fiscal Year Ended December 31	Tax Year	Real Property	Personal Property ⁽¹⁾	Total
2017	2016	\$ 79,819,959	\$ 26,336,665	\$ 106,156,624
2016	2015	73,065,987	21,623,421	94,689,408
2015	2014	70,710,810	20,984,447	91,695,257
2014	2013	69,161,813	19,735,545	88,897,358
2013	2012	68,404,348	19,032,345	87,436,693

⁽¹⁾ Due to a law passed in 1980 by the S.C. General Assembly that provided for the billing and collection of personal property taxes on motor vehicles on a staggered basis according to expiration of the license tag, the City uses different tax years for real and personal property taxes.

Tax Rates

The millage imposed in the City in each of the last five tax years is set forth below:

Tax Rates				
Fiscal Year Ended December 31	Tax Year ⁽¹⁾	Operating Millage	Debt Service Millage	Total City Millage
2019	2018	73.50	-	73.50
2018	2017	73.50	-	73.50
2017	2016	70.50	-	70.50
2016	2015	74.21	-	74.21
2015	2014	74.21	-	74.21

⁽¹⁾ Due to a law passed in 1980 by the S.C. General Assembly that provided for the billing and collection of personal property taxes on motor vehicles on a staggered basis according to expiration of the license tag, the City uses different tax years for real and personal property taxes.

(continued)

City General Fund Budget

The General Fund Budget for the year ending December 31, 2019 was adopted on December 3, 2018 by City Council and is shown in the following table:

Annual General Fund Budget for Fiscal Year Ending 12/31/19	
Revenues	
Ad valorem property taxes	\$ 7,283,560
Licenses and Permits	6,455,770
Fines and forfeitures	1,090,000
Charges for services	1,316,954
Intergovernmental	777,451
Miscellaneous	624,967
Transfers	1,235,666
Total Revenues	\$ 18,784,368
Expenditures	
General Government	\$ 5,735,709
Public Safety	8,596,074
Public Works	1,664,371
Parks, Recreation and Tourism	2,788,214
Total Expenditures	\$ 18,784,368

Ten Largest Taxpayers in the City

The ten largest taxpayers in the City, the assessed value for the fiscal year ended December 31, 2017 of the taxable property of each located within the City, and the amount of 2016 taxes paid to the City are as follows (record will be updated with the 2018 audit):

Ten Largest Taxpayers in the City 12/31/2017			
Taxpayer	Assessed Value	Taxes Paid	
S.C. Electric & Gas Co.	\$ 3,232,640	\$ 227,901	
Allnex Industries, Inc.	2,879,320	202,992	
Wal-Mart, Inc.	2,156,900	152,061	
SRP Federal Credit Union	1,265,570	89,223	
SUSO 3 Augusta, LP	1,111,260	78,344	
Halocarbon Chemicals, Inc.	1,072,580	75,617	
CVS SC Distribution, Inc.	755,930	53,293	
The Kroger Company	650,890	45,888	
Lowe's Home Centers, Inc.	574,350	40,492	
Trailer Train-Hamburg Industries	557,480	39,302	

(continued)

Tax Collection Record of the City

The following table shows the amount of taxes levied for City purposes, including additions and abate-ments, taxes collected as of December 31 of the year following the year in which the levy was made, and the amount of delinquent taxes collected in the City for the fiscal years shown (record will be updated with the 2018 audit):

Tax Collection Record of the City								
Fiscal Year Ended December 31		Tax Year ⁽¹⁾	Collected within the Fiscal Year of the Levy			Total Collections to Date		
			Taxes Levied for Fiscal Year	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2017	2016		\$ 7,484,042	\$ 7,446,013	99.49%	\$ -	\$ 7,446,013	99.49%
2016	2015		7,026,901	6,992,988	99.52%	5,216	6,998,204	99.59%
2015	2014		6,804,705	6,762,260	99.38%	16,911	6,779,171	99.62%
2014	2013		6,597,073	6,565,216	99.52%	10,338	6,575,554	99.67%
2013	2012		6,488,677	6,446,489	99.35%	19,637	6,466,126	99.65%

⁽¹⁾ Due to a law passed in 1980 by the S.C. General Assembly that provided for the billing and collection of personal property taxes on motor vehicles on a staggered basis according to expiration of the license tag, the City uses different tax years for real and personal property taxes.

Outstanding Indebtedness

Outstanding Indebtedness 12/31/2017	
General Obligation Debt	\$ -
Tax Increment Debt	43,437,000 Includes Series 2017A *see note below
Outstanding Installment Purchase Revenue Bonds	69,450,000 Series 2017B Bonds *see note below
Outstanding Lease Purchase Obligations	
2018	893,416
2019	719,694
2020	361,157
2021	176,412
Subtotal	2,150,679
Interest	(66,505)
Present Value of minimum lease payments	2,084,174
Revenue Debt	
Water and Wastewater Bonds, Series 2014A	11,422,409 Matures February 1, 2035
Water and Wastewater Bonds, Series 2015A	9,560,453 Matures December 1, 2036

*The North Augusta Public Facilities Corporation purchased the City's 2017A TIF Obligation (\$43,412,000 outstanding as of 12/31/2017) pursuant to which the City makes semi-annual payments to the Corporation from TIF Revenues. These payments are assigned to the Trustee for the Series 2017B Bonds and a credit against installment payments due in each year. The City's legal debt margin as of 12/31/2017 equaled \$8,492,530. This record will be updated with the 2018 audit.

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Identified Sources of Installment Payments

General Obligation Bonds The City is authorized by the State Constitution to incur general obligation indebtedness without voter approval in an amount not exceeding eight percent of the assessed value of all taxable property in the City for any corporate purpose of the municipality. The City presently has no general obligation debt outstanding.

General Obligation Bonds	
Fiscal Year	Amount
2019 ⁽¹⁾	\$ -
2018 ⁽¹⁾	-
2017	-
2016	-
2015	-
⁽¹⁾ UNAUDITED	

Local Hospitality Taxes City Council, pursuant to the Local Hospitality Tax Act and the Hospitality Tax Ordinance, established a uniform hospitality tax, which imposed, effective December 1, 1998, a one percent (1%) tax on the sales of prepared meals and beverages, including alcoholic beverages, beer and wine, at businesses within the City. Effective December 1, 2017, the hospitality tax rate was raised to two percent (2%) with collections beginning in January 2018.

Local Hospitality Taxes		
Fiscal Year	City Hospitality Taxes	Increase in Collections over Prior Fiscal Year
2019 1st Qtr ⁽¹⁾	\$ 404,145	N/A
2018 ⁽¹⁾	1,609,103	118.67%
2017	735,845	3.18
2016	713,152	7.27
2015	664,804	9.68
2014	606,121	5.86
2013	572,543	7.53
⁽¹⁾ UNAUDITED		

(continued)

Local Accommodations Taxes City Council, pursuant to the Local Accommodations Tax Act and the Accommodations Tax Ordinance established a local accommodations tax, which imposed, effective December 1, 1998, a three percent (3%) tax on furnishing of accommodations to transients within the City.

Local Accommodations Taxes		
Fiscal Year	City Accommodations Taxes	Increase (Decrease) in Collections over Prior Fiscal Year
2019 1st Qtr ⁽¹⁾	\$ 16,746	N/A
2018 ⁽¹⁾	109,092	98.70%
2017	54,904	7.86
2016	50,904	3.68
2015	49,099	(11.39)
2014	55,410	9.88
2013	50,428	(2.62)
⁽¹⁾ UNAUDITED		

Tax Increment Revenues The TIF Act authorizes municipalities to incur indebtedness for the purpose of redevelopment in areas which are or which are threatened to become blighted and to fund the debt service of such indebtedness from the additional tax revenues which result from such redevelopment. Under the TIF Act, all property taxes of all taxing jurisdictions imposed and collected within the Redevelopment Project Area in excess of the amount attributable to the "total initial equalized assessed value" of all taxable real property in the Redevelopment Project Area shall be paid to the municipality which shall deposit the taxes into a special tax allocation fund for the purpose of paying redevelopment project costs and discharging the obligations incurred in the payment of such costs. Certain portions of the taxes deposited to or otherwise subject to deposit to the special tax allocation fund are disbursed to overlapping taxing entities in accordance with agreements between the City and political subdivisions pursuant to which they agreed to participate in the TIF on a modified basis.

Tax Increment Revenues		
Fiscal Year	City TIF Revenues	% Growth
2019 1st Qtr ⁽²⁾	\$ 642,664	N/A
2018 ⁽¹⁾	751,052	22
2017	613,831	19
2016	516,829	14
2015	453,883	9
2014	417,373	N/A
⁽¹⁾ UNAUDITED		
⁽²⁾ UNAUDITED; COUNTY PAYMENT DUE 2nd Qtr		

MID Assessments The municipal improvement district (MID District) consists of parcels owned by the private developers within the TIF District where private improvements will be constructed. The City has imposed a special assessment on the parcels in the MID District owned by the private developers. The special assessment has been set on an annual basis at an amount equal to an estimate of the TIF revenues that will result from the private improvement specified in the Master Development Agreement. There have been no MID assessments through 3/31/2019.

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Parking Revenues Parking revenues are received from the Medac Deck, Hotel Deck and various lots owned by the City. Revenues received are netted against expenditures incurred for operations and maintenance of the parking facilities. Regular operating expenses have occurred during 2019 and parking revenues are expected to be collected beginning in 2nd Quarter.

Parking Revenues		
Fiscal Year	Net Amount	% Growth
2019 1st Qtr ⁽¹⁾	\$ (3,346)	N/A
2018 ⁽¹⁾	108,885	N/A
⁽¹⁾ UNAUDITED		

Stadium Revenues Stadium revenues are received from GreenJackets Baseball for performance license fees, retail space rent, corporate naming rights, and stadium rent. Admissions tax payments are received from the South Carolina Department of Revenue (SCDOR).

Stadium Revenues						
Fiscal Year	Performance			Corporate		Total
	Admissions Tax ⁽⁵⁾	License Fees ⁽²⁾	Retail Space Rent ⁽³⁾	Naming Rights ⁽⁴⁾	Rent ⁽³⁾	
2019 1st Qtr ⁽¹⁾	\$ -	\$ 64,884	\$ -	\$ -	\$ -	\$ -
2018 ⁽¹⁾	18,336	-	100,000	100,000	250,000	468,336
⁽¹⁾ UNAUDITED						
⁽²⁾ Revenue stream due 1/31/xx of each year for the prior calendar year						
⁽³⁾ Revenue stream due 4/1/xx of each year						
⁽⁴⁾ Revenue stream due 12/31/xx of each year						
⁽⁵⁾ Payments received throughout the year from SCDOR						

Please refer to the City of North Augusta's Comprehensive Annual Financial Report and Official Statement for additional information about the City.