

# North Augusta



*South Carolina's Riverfront*

## MINUTES OF MAY 17, 2021

*Briton S. Williams, Mayor*

*J. Robert Brooks, Councilmember  
Pat C. Carpenter, Councilmember  
Jenafer F. McCauley, Councilmember  
David W. McGhee, Councilmember  
Eric H. Presnell, Councilmember  
Kevin W. Toole, Councilmember*

## **ORDER OF BUSINESS**

### **REGULAR MEETING**

The regular meeting of the City Council of the City of North Augusta of May 17, 2021 having been duly publicized was called to order by Mayor Williams at 6:00 p.m. and also streamed online for public viewing at the City Facebook page: "City of North Augusta – Public Information" and City YouTube page: "City of North Augusta Public Information" then adjourned at 6:35 p.m. Per Section 30-4-80, (e) notice of the meeting 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 meeting 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.

Mayor Williams rendered the invocation and the Pledge of Allegiance.

Members present were Mayor Williams, Councilmembers Brooks, Carpenter, McCauley, Presnell, and Toole. Councilmember McGhee was absent.

Also in attendance were James S. Clifford, City Administrator; Rachelle Moody, Assistant City Administrator; Kelly F. Zier, City Attorney; Cammie T. Hayes, Chief Financial Officer; Thomas C. Zeaser, Director of Engineering and Public Works; Richard L. Meyer, Director of Parks, Recreation, and Tourism; James E. Sutton, Director of Public Services; John C. Thomas, Director of Public Safety; Lillian E. (Libby) Hodges, Director of Planning and Development; J.D. McCauley, Manager of Human Resources; Ricky Jones, Manager of Information Technology and Sharon Lamar, City Clerk.

The minutes of the Study Session and City Council meeting of May 3, 2021 and the minutes of the May 10, 2021 Study Session were approved by general consent.

**ITEM 5. PROCLAMATION: Public Works Week May 16-22, 2021**

Mayor Williams proclaimed May 16-22, 2021 as Public Works Week.

**PROCLAMATION**

**PUBLIC WORKS WEEK**

*WHEREAS, public works professionals focus on infrastructure, facilities and services that are of vital importance to sustainable and resilient communities and to the public health, high quality of life and well-being of the people of North Augusta; and,*

*WHEREAS, these infrastructure, facilities and services could not be provided without the dedicated efforts of public works professionals, who are engineers, managers and employees at all levels of government and the private sector, who are responsible for rebuilding, improving and protecting our city's transportation, water supply, water treatment, sanitary and storm water sewerage, and solid waste systems, public buildings, and other structures and facilities essential for our citizens; and,*

*WHEREAS, it is in the public interest for the citizens, civic leaders and children in North Augusta to gain knowledge of and maintain an ongoing interest and understanding of the importance of public works and public works programs in this community; and,*

*WHEREAS, the year 2021 marks the 61<sup>st</sup> annual National Public Works Week sponsored by the American Public Works Association,*

*NOW THEREFORE, I, Briton S. Williams, Mayor of the City of North Augusta, South Carolina, do hereby proclaim the week May 16-22, 2021, as*

**Public Works Week**

*in the City of North Augusta and I urge all citizens to pay tribute to our public works professionals and to recognize the substantial contributions they make protecting our health, safety, comfort, and quality of life.*

*IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of North Augusta, South Carolina, to be affixed this 17<sup>th</sup> day of May, 2021.*

**ITEM 6. FINANCE: Audit Review – Fiscal Year Ending December 31, 2020 – Presentation to Council**

Grant Davis, CPA, with Mauldin and Jenkins, reviewed a draft of the City’s financial audit for the fiscal year ending December 31, 2020.

Please see ATTACHMENT #6 for a copy of the presentation.

**ITEM 7. CITY COUNCIL: Mayor Pro Tempore – Selection by Council**

In accordance with Section 2-31 of the North Augusta City Code and on motion of Councilmember Presnell, second of Councilmember McCauley, Councilmember Bob Brooks was nominated for the office of Mayor Pro Tempore. The nomination was approved with a vote of 5-0. Councilmember Brooks recused himself from the question. Councilmember Brooks will serve as Mayor Pro Tempore for a term of two years.

Please see ATTACHMENT #7 for a copy of Councilmember Brooks’s Recusal Statement.

**ITEM 8. ZONING: Ordinance No. 2021-05 – To Amend the Zoning Map of the City of North Augusta, South Carolina by Rezoning ±51.20 Acres of Land Owned by Aiken County Board of Education, Aiken County Tax Parcel # 023-05-04-003, from PD, Planned Development, to P, Public Use; Ordinance – First Reading**

On the motion of Councilmember Carpenter, second of Councilmember Brooks, Council agreed to consider an ordinance on first reading to amend the zoning map of the City of North Augusta, South Carolina by rezoning ±51.20 acres of land owned by Aiken County Board of Education, Aiken County Tax Parcel # 023-05-04-003, from PD, Planned Development, to P, Public Use. Councilmember Presnell asked if the Aiken County Board of Education was poised to begin the project soon. City Administrator, Jim Clifford, stated it is his understanding from the Superintendent of Education, King Laurence, the school board needs the rezoning in order to move forward. There were no comments from citizens. Council voted 6-0 to adopt the ordinance on first reading.

Please see a copy of the proposed ordinance below:

ORDINANCE NO. 2021-05

TO AMEND THE ZONING MAP OF THE CITY OF NORTH AUGUSTA,  
SOUTH CAROLINA BY REZONING ± 51.20 ACRES OF LAND OWNED BY AIKEN COUNTY BOARD OF  
EDUCATION, AIKEN COUNTY TAX PARCEL #023-05-01-003,  
FROM PD, PLANNED DEVELOPMENT, TO P, PUBLIC USE.

WHEREAS, on December 17, 2007, by Ordinance 2007-22, the North Augusta City Council adopted the North Augusta Development Code and a citywide Zoning Map which is consistent with the City's North Augusta 2017 Comprehensive Plan; and

WHEREAS, pursuant to Section 5.3, North Augusta Development Code, the North Augusta Planning Commission may recommend amendments to the Zoning Map, provided such amendments are consistent with the City's North Augusta 2017 Comprehensive Plan; and

WHEREAS, the North Augusta Planning Commission, following a April 15, 2021 public hearing, reviewed and considered a request by Aiken County Board of Education, to amend the Official Zoning Map of North Augusta from Planned Development (PD) to Public Use (P). The staff report and results of this hearing have been provided to City Council.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH AUGUSTA, SOUTH CAROLINA, IN MEETING DULY ASSEMBLED AND BY THE AUTHORITY THEREOF, THAT:

- I. A parcel consisting of ±51.20 acres owned by Aiken County Board of Education, is hereby rezoned from PD, Planned Development to P, Public Use. Said property is Aiken County tax map parcel # 023-05-01-003 and specifically identified on Exhibit "A" attached hereto.
- II. The Official Zoning Map for the City of North Augusta is hereby amended to reflect this rezoning.
- III. All ordinances or parts of Ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.
- IV. This Ordinance shall become effective immediately upon its adoption on second and final reading.

DONE, RATIFIED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH AUGUSTA, SOUTH CAROLINA, ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.

**ITEM 9. PARKS, RECREATION AND TOURISM: Resolution No. 2021-18 – Accepting a \$15,205.50 Donation from Tina Chudgar for the Construction of a Gazebo off the Greenway and West of Center Street**



On the motion of Councilmember Presnell, second of Councilmember McCauley, Council agreed to consider a resolution to accept a donation of \$15,205.50 from Tina Chudgar for the construction of a gazebo off the Greenway and West of Center Street. City Administrator, Jim Clifford, provided Council with information related to the location of the gazebo. There were no citizen comments. Council approved the resolution with a 6-0 vote.

Please see a copy of the proposed resolution below:

RESOLUTION NO. 2021-18  
ACCEPTING A \$15,205.50 DONATION  
FROM TINA CHUDGAR  
FOR THE CONSTRUCTION OF A GAZEBO  
OFF THE GREENEWAY AND WEST OF CENTER STREET

WHEREAS, on January 29, 2021, Tina Chudgar of North Augusta offered to donate \$15,205.50 to the City of North Augusta for the purpose of constructing a gazebo, in memory of her husband, Dr. Bipin Chudgar, off the Greenway, west of Center Street; and

WHEREAS, Mrs. Chudgar prefers that the City of North Augusta purchase the Amish Country Gazebo at the price of \$15,205.50 which includes shipping and handling, taxes, and on site assembly by the manufacturer; and

WHEREAS, the City of North Augusta accepts this generous donation, approves the budget for the gazebo not to exceed \$15,205.50, and accepts desired location for the gazebo; and

WHEREAS, the City of North Augusta will deposit the donation to the Capital Projects Fund to purchase the gazebo; and

WHEREAS, the City of North Augusta by accepting this donation will become the owner of the gazebo and will be responsible for the maintenance of this facility.

NOW THEREFORE BE IT RESOLVED by the Mayor and City Council for the City of North Augusta in meeting duly assembled and by the authority thereof that the City of North Augusta gratefully accepts the donation of \$15,205.50 from Tina Chudgar of North Augusta for the purpose of constructing a gazebo near the Greenway. The gazebo shall be located in the vicinity that is west of Center Street.

DONE, RATIFIED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH AUGUSTA, SOUTH CAROLINA, ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2021.

Please see ATTACHMENT #9 for a copy of the supporting images.

**ITEM 10. ADMINISTRATIVE REPORTS:**

No Reports

**ITEM 14. PRESENTATIONS/COMMUNICATIONS/RECOGNITION OF VISITORS:**

A. Citizen Comments:


None

B. Council Comments:

None

There being no further business, Council adjourned at 6:35 p.m.

APPROVED THIS 7<sup>th</sup> DAY OF June 2021.

  
\_\_\_\_\_  
Briton S. Williams  
Mayor

Respectfully submitted,

  
\_\_\_\_\_  
Sharon Lamar  
City Clerk

## City of North Augusta, South Carolina

*Financial & Compliance Audit Draft – December 31, 2020*



**MAULDIN  
& JENKINS**  
CPA & ADVISORS

*Presented by:*  
Grant Davis, CPA  
May 17, 2021

**MAULDIN  
& JENKINS**

### Purpose of Today's Presentation

#### Overview of:

- Engagement Firm
- Draft Annual Financial Report
- Financial Statements Highlights
- Answer Any Questions

**MAULDIN  
& JENKINS**  
CPA & ADVISORS

*Financial & Compliance Audit*  
December 31, 2020

**North  
Augusta**  
South Carolina's Gateway

### Firm Overview

- **Founded ~ 1920. Top 100 Firm. 320 Personnel.**
- **~ 340,000 hours annually to clients.**
- **~ 103,000 hours annually to governments (= 30%).**
- **Approximately 550 state and local governments currently served, including:**
  - 138 Cities (20 in S.C.); 123 W&S; 20 Gas; 20 Electric
- **GFOA Certificate received by ~139 clients.** 
- **M&J partner is now GASB Chairman.**

### Audit Opinion

- **City = responsible for the financial statements.**
- **M&J = to express an opinion.**
- **Auditing Standards = GAAS and GAS**



## Financial Statements

- **MD&A = If you read one portion of the final...**
  - ***Financial Highlights***
  - ***Overview of the structure of the financials***
  - ***Comparative analysis (2020 compared to 2019)***
  - ***Debt analysis***
  - ***Capital Asset analysis***
  - ***Economic factors and next year's budget***

## Financial Statements – Statement of Net Position

- **\$268 million = total assets (and def. outflows)**
- **\$45 million = cash**
- **\$3.4 million = receivables, net of allow.  
(taxes, accounts, others)**
- **\$216 million = capital assets, net of A/D**
- **Overall total assets are **up** \$12.7M from 2019**

## Financial Statements – Statement of Net Position

- **\$133 million = total liabilities** (and def. inflows)
  - **\$7.7M = current liabilities** (due in 1 year)
    - **Accounts Payable - \$2M**
    - **Current portion of LT Debt - \$3.6M**
  - **\$124.6 million = L-T** (\$97M –financing; \$27M – pension)
  - **Liabilities are up \$11.7M from '19** (\$8M bonds; \$2M pen.)
- **\$135 million = net position** (or equity)
  - **\$126 million = net invest. in capital assets**
  - **\$16 million = restricted** (i.e. debt service, cap. projects., etc.)
  - **(\$7.5) million = unrestricted deficit** (positive change of \$1M)
  - **Increase in equity from 2019 = \$1M or 0.8%**

## Financial Statements – General Fund

- **\$5.5 million = Assets** (\$4.9M cash)
- **\$1.5M = Liab.** (\$923k A/P; \$563k other)
- **\$3.8 million = Fund Balance** (\$385k incr. from '19)
  - **\$3M or 79% = unassigned**
  - **Total GF fund balance = 21% of 2020 GF expenditures or about 2.5 months of fund balance on hand.**

## Financial Statements – General Fund

- **\$17 million = Revenues** (down \$734k from '19)
- **\$18.3M = expenditures** (down \$1.3M from '19)
- **Other items:**
  - Net Transfers in = \$875M in
  - Capital Lease Proceeds = \$608k
  - Change in fund balance = \$385,000

## General Fund Budget

- **Budgeted Revenues = \$17.1M**
- **Actual Revenues = \$17.2M**
- **Revenue Variance = \$153,000**

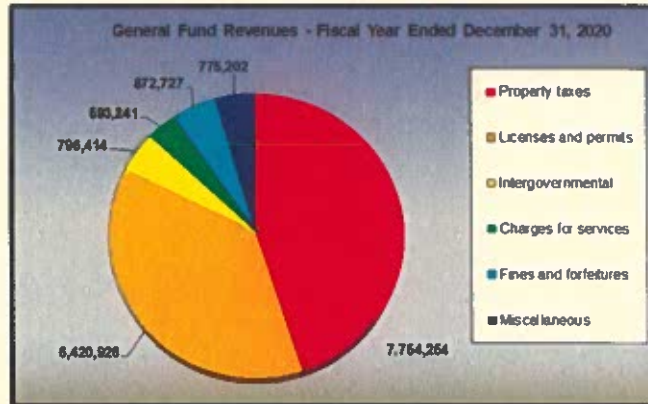
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- **Budgeted Expenditures = \$18.4M**
- **Actual Expenditures = \$18.3M**
- **Expenditure Variance = \$58,000**

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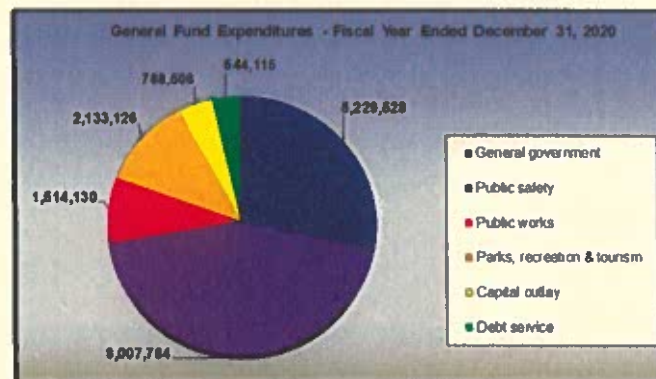
- **Budgeted Other Items (tfrs., etc.) = \$1.3M**
- **Actual Other Items (tfrs., etc.) = 1.5M**
- **Other Items Variance = \$175,000**

## General Fund Revenues



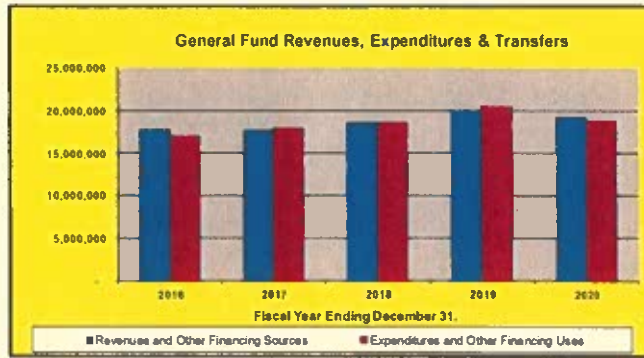
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## General Fund Expenditures

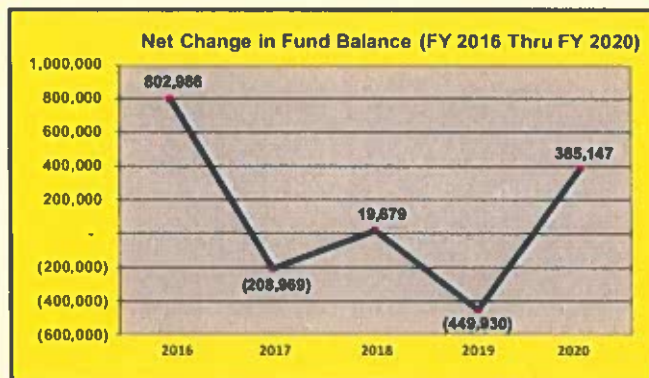


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## General Fund – Historical Inflows vs Outflows



## General Fund – Historical Change in Fund Balance





### Financial Statements – B-T Funds

- **\$103 million = Assets** (\$19.1M cash; up \$719k from '19)
- **\$31.2M = Liab.** (\$3.2M current; \$28M L-T)
- **\$72 million = Net Position** (\$1.6M incr. from '19)

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### Financial Statements – B-T Funds

- **\$17.3 million = Op. revenues** (down \$1.2M or 7.6%)
- **\$15.7M = Op. exp.** (up \$513,000 or 3.4%)
- **\$1.6 million = Change in Net Position** (up \$905,000 or 134.8%)

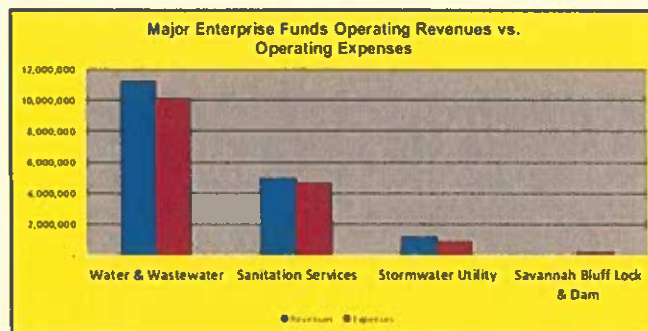
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## Financial Statements – B-T Funds

- **\$4.3 million = Op. cash flows (up \$1.1M or 35%)**
- **\$(1.2M) = cash used non-capital (up \$73k or 7%)**
  - **Transfers out = \$1.2M**
  - **Transfers in = \$45k**
- **\$(2.5M) = cash used capital (up \$642k or 34%)**
  - **Purchase of capital assets = \$1.9M**
  - **Proceeds from capital leases = \$899,000**
  - **Debt service payments = \$1.6M**
- **\$128k = cash from investing (down \$200k or 61%)**
- **Increase in cash = \$719,000 (up 37% from 2019)**

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## BT Funds –Inflows vs Outflows



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## **Internal Control Items and Recommendations**

- **Recommendations:**
  - **IT & Cybersecurity**

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## **Other Required Communications**

- **We are required to present information relative to the audit process and its results.**
- **Significant areas addressed in our reports:**
  - **Judgments & estimates;**
  - **Audit adjustments;**
  - **Independence;**
  - **Other.**

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### Other Required Communications

- **Clean Opinion expected**
- **No Difficulties in Dealing with Management**
- **No Disagreements with Management**
- **No Uncorrected Misstatements**
- **We are independent of City as required by Government Auditing Standards**

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### New Financial Reporting GASB Standards

- **#87 - Lease Accounting (2022)**
- **#90 – Majority Equity Interests (2020)**
- **#91 - Accounting for Conduit Debt (2022)**
- **#93 – Replacement of Interbank Offered Rates (2022)**
- **#94 – Public-Private & Public-Public Partnerships (2023)**
- **#96 – Subscription-based IT Arrangements (2023)**
- **#97 – Component Unit Criteria (2022)**

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## Questions?



**Over 500 Governmental Units Served**  
*Together We can Do Anything*

## City of North Augusta, South Carolina *Financial & Compliance Audit – December 31, 2020*





# RECUSAL STATEMENT

Member Name: Bob Brooks

Meeting Date: May 17, 2021

Agenda Item: Section New Business Number: # 7

Topic: City Council: Mayor Pro Tempore - Selection by Council

*The Ethics Act, SC Code §8-13-700, provides that no public official may knowingly use his office to obtain an economic interest for himself, a family member of his immediate family, an individual with whom he is associated, or a business with which he is associated. No public official may make, participate in making, or influence a governmental decision in which he or any such person or business has an economic interest. Failure to recuse oneself from an issue in which there is or may be conflict of interest is the sole responsibility of the council member (1991 Op. Atty. Gen. No. 91-37.) A written statement describing the matter requiring action and the nature of the potential conflict of interest is required.*

## Justification to Recuse:

Professionally employed by or under contract with principal

Owns or has vested interest in principal or property

Other: was nominee + not comfortable

Date: 5.17.21

Bob Brooks

Member

Approved by Parliamentarian: \_\_\_\_\_

Proposed site for a Gazebo to be donated by a citizen. Design is in the preliminary stages. A city resident by the name of Tina Chudger is looking to fund this project in its entirety to be in memory of her late husband.





