

Workshop Meeting
Lamar County Board of Commissioners
11-29-2023
1:00 p.m.

The meeting was called to order at approximately 1:05 p.m. on November 29th, 2023. Present for the meeting were Chairman Traylor, Vice-Chair Thrash, Commissioner Fletcher, Commissioner Lovett, Commissioner Gilles, County Administrator Townsend, and County Clerk Davidson. Barnesville-Lamar County Industrial Development Authority (IDA) Director Kathy Oxford, IDA board Chair Erin Cook, and Treasurer William Tuttle were present for the meeting. Erin Cook works for Southern Rivers and William Tuttle is the President of United Bank.

Barnesville-Lamar County Industrial Development Authority

County Administrator Townsend said information gathered from the Constitutional Officers and the Departments goes into the budget book. He said the budget request from Barnesville-Lamar County Industrial Development Authority (IDA) Director Oxford (Mrs. Oxford) had been \$70,000.00 a year since he came to work with Lamar County. Mrs. Oxford said it had been \$70,000.00 a year since 2012. She said it changed over the years before 2012. County Clerk Davidson noted that in 2010, it was \$65,000.00.

Mrs. Oxford said lot of things have happened over the years. She said there have been over 50 projects she has worked on for the last few years. There have been three expansions with Carter's; the B&G equipment went from 30 employees to over 100 employees during COVID-19. They spent several months on the Rock Quarry. Atlanta Motive Power Service is scheduled to open in Barnesville's Legacy Industrial Park. They are a service provider for industrial batteries and chargers. Their grand opening is on December 1st, 2023, at 10:30 a.m. Mrs. Oxford said she does not share all of the projects in the paper because some of it is driven by the company. She said Chairman Traylor is also an ex-officio board member for the IDA. Mrs. Oxford said she is always open to publicly sharing certain pieces of information or among the board's leadership, but they do not always require action at every meeting.

Mrs. Oxford said they paid off the Legacy Industrial Park note this past year. They paid a portion of the loan through the regular funds they received each month. Once a year, they made a payment; principal and interest. They pulled the principal or interest out of any Certificate of Deposit (CDs) they have at United Bank. They would not have been able to do this without the support of the City and the County over the years. The loan was created in 2007 primarily to build the Legacy Industrial Park and develop everything around it. The Chinese purchased land across the street from the Legacy Industrial Park but their development did not happen. Mrs. Oxford said they are currently out of property they can control as an authority. The City of Barnesville and Lamar County have the Roberta Drive property, but it is hard to market it because of the sewer situation. They are currently working with an investment group to purchase the property.

Mrs. Oxford said last year, they had a training session about controlling property or dealing with developers. The advantage of owning property is you can control what goes on the property. The advantage of working with developers is that it is not their capital to develop. Mrs. Cook said there needs to be a viable project driving the need to purchase. With the sale of the property in Legacy Industrial Park, three new businesses are now on the tax digest. Mrs. Oxford said the Carters building sold twice and should have been on the tax digest. It was a difficult building to sale because it is in a residential area. The value the first time it sold was over a million dollars. The second time it sold the value was a little over three million dollars. The City of Barnesville sold ten acres in the old Industrial Park to a concrete company, which is on the tax digest. Mr. Tuttle said they are not

looking to purchase additional land because of the prices. Mrs. Oxford said the best property is the 200 acres the Chinese own across from Legacy Industrial Park, but they still own it. They are having trouble communicating with the Chinese owner.

Mrs. Oxford said she would find a big project, but she has to be able to support it. Mr. Tuttle said the infrastructure is highly lacking, which is their biggest issue. Mrs. Oxford said you do not over buy property; you have to work within the parameters they have. Mrs. Oxford said she is happy to help regional companies because they know the community.

Mrs. Oxford said that the income in the Industrial Development Authority world. There are very few ways to drive revenues. If you own property and can lease or sell it to someone, some communities will do a mill of tax for the Industrial Development Authority. Then other communities will make a contribution like the City of Barnesville and Lamar County do in their budget. They receive \$7,800.00 from the Barnesville-Lamar County Chamber of Commerce because the IDA owns the buildings. It was built in 1993-94, and the Town of Aldora paid for it. There has never been a debt on the building. The contribution from Lamar County is \$70,000.00, and \$78,000.00 comes from the City of Barnesville. The \$650.00 miscellaneous revenue is for purchasing promotional material. The non-profit organization's grant revenue of \$1,400.00 is received from scholarships and used for conferences. The bulk of the expenses is salaries and payroll taxes and benefits. The website support fee from Municode is \$3,140.18 and is used for marketing. The prospect expense of \$250.00 is used to take prospects to lunch. The dues of \$1,810.00 are for her membership in the Georgia Economic Development Association Southeastern Council, which includes seven states. The budget includes \$4,000.00 for accounting fees and \$5,000.00 for legal fees, but they need a new Accountant. The Directors and Officer Insurance for liability is \$1,518.00. The total Occupancy expenses for office supplies, maintenance, and communications are \$14,309.00. The travel and meeting expenses total \$2,650.00, and the car allowance is \$6,000.00. The Joint Development Authority and Strategic Planning expense totals \$1,200.00 and includes Lamar, Pike, Butts, Spalding, and Upson County. The Legacy Industrial Park property insurance (Berry South Property) is \$891.00. The capital purchase expense for the building and equipment is \$9,444.78. There is currently around \$50,000.00 in the checking account and around \$350,000.00 in a Certificate of Deposit.

Commissioner Lovett said he has a fiduciary responsibility to the citizens. When he looks at the contribution they are receiving from Lamar County, this is \$70,000.00 and a half of a percent of the budget and \$542.00 per employee. He said he programs have to make economic sense. Commissioner Lovett said he is looking for a Return on Investment (ROI) on what they are spending. He said they have nothing to sell and everything in growth has been organic. Commissioner Lovett asked what the added value is for having an IDA and funding it through contributions from Lamar County. He asked Mrs. Oxford what she does. He said everything that is coming to this County is organic. Mrs. Oxford said it is not organic, and people come, but if you do not have what they want, they go and do not stay. Commissioner Lovett said they do not have what they want which is water and sewer. Mrs. Oxford said some people need more water, and some people do not need sewer, and you do not know that when they walk in the door. There is a process to determine what they want, whether they can meet it, or how close they can get to what they want. Mrs. Cook said the State project managers will not come to the City or the County; they will reach out to the IDA to facilitate any prospect that may be interested in a particular community. They want a non-political entity to be the point person. That is why they need someone such as Mrs. Oxford to handle the negotiations, facilitate visits, and keep everything confidential. They want someone who knows the business and what to do and not to do. She knows the community and the right people to communicate with. She also has to provide the information that they need within a quick time frame. Mrs. Oxford has to be able to pull labor and work force information into a neat packet.

Commissioner Lovett said the County is contributing \$70,000.00 over 12 years, and you are approaching a million dollars. He said that they are looking at the tax revenue from the projects. Commissioner Lovett said that the

largest project is coming from the one on I-75. The owner is providing the water and the sewer, and it is in direct conflict with what the IDA is presenting. Mrs. Cook said that Mrs. Oxford found a buyer for the Carters building, and they have collected \$70,000.00 worth of tax revenue. Mrs. Oxford said that the City of Barnesville owned the building for ten years, and they were able to collect rent revenue, but the County never received a dime of it. Mrs. Oxford said there is not always a dollar-for-dollar with the IDA. She said that every County in the State has an economic development organization. The ones that do not struggle. Mr. Tuttle said that when the State and the Economic Developers come into a community, they want to ensure that all the municipalities are on the same team. If there is any lack of communication between them, they will never come here. Mrs. Cook said that this would be a "kiss of death." Commissioner Lovett said the bigger "kiss of death" is the lack of infrastructure. Mrs. Cook said that the lack of infrastructure is temporary and fixable. Mrs. Oxford said there is a lot of work behind the scenes to make things move forward. Commissioner Lovett said that the developer on I-75 is fixing the problem. Mrs. Oxford said this is one developer, and the County is lucky to get a developer with the wherewithal to do this. If they did not have this developer on I-75, they would still work as hard as they can to find small, medium, or large developers. Commissioner Lovett said that they do not have property to sell. Mrs. Oxford said that she can help people who own their own property. She said she could get the owner to work with her and a professional broker. Mrs. Oxford says this takes time, which is what she is hired to do. She can work with private property owners but does not control what they put on it.

Mrs. Oxford said that the State brought Piedmont Green Power, and then they brought in the Department of Community Affairs (DCA) to put the roads and sewer system into the Legacy Industrial Park. This is an incentive if you have it but they do not have this on I-75. Mrs. Oxford said that when they get the sewer system where they can expand, they will have a little excess capacity. This is not a capacity issue but a transmission issue, and when they work this out, they will open up the ability to tap into the sewer system. Mrs. Oxford said that even though there is a lull in town, they can still partner with another County, and they have the capacity. They did this for B&G equipment. The City of Barnesville provides a meter for the water. Mr. Tuttle said that a lot of projects take a long time to come to fruition. He said that the medical marijuana facility was a project that they worked on for a long time. Mrs. Oxford said they had to find a piece of property so many feet from a church. The State only gave out six applications, and out of 70 applications, they did not get it. Mr. Tuttle said that the IDA had everything ready to go. They had support letters and they had wired two million dollars to United Bank. However, they did not get the approval for the State license because only six applications were approved. Mr. Tuttle said that the IDA has to have someone with the time and knowledge to manage these types of projects.

Vice-Chair Thrash asked about her role in retention. Mrs. Oxford said that Continental Tire was not organic. She said they were competing with a Chinese supplier during Continental Tire's expansion. They won the nine-million-dollar expansion. Mrs. Oxford said she did not know if they would be open if they had not won the expansion project, and they did an additional expansion with the hoses and then another one with the car seat webbing. She said that during COVID-19 they spent the entire year making sure Continental Tire and B&G Equipment could stay open. Mrs. Oxford said that Continental Tire has 300 employees, but the workforce is tough. She said that the workforce is what she has to stay involved in and understand the region's workforce, job codes, and wages. Commissioner Gilles said that the City of Barnesville has 64 million dollars in assets, half of which is in property. Is the City of Barnesville planning on marketing any of their property? Mrs. Oxford said she does not know what the City of Barnesville owns. Commissioner Lovett said that they should be able to get that information. Mrs. Oxford said if it is zoned Industrial, she could. Vice-Chair Thrash said if a company came in and were interested in a spot, part of her job would be to reach out to her resources. Mrs. Oxford said that she calls anyone with Industrial property, but companies want to avoid going through re-zonings.

Chairman Traylor said that the goal is to buy more property. Mr. Tuttle said that it is but it has to make sense. Mrs. Oxford said it needs to be near other industries to make sense. Mrs. Oxford said that people donate property to authorities all the time. She said Upson County has had a few that were difficult to sell. Mrs. Oxford said they

do not have an Economic Developer. Commissioner Lovett said that if you live in a County with some of the highest property values in the State for rural property, such as Morgan Dairy. He asked why they would buy more industrial property when the people who want to come here are already coming. Mrs. Oxford said they are not already coming and they are competing for everything that they have gotten. Commissioner Lovett said that he was looking for success stories so that he could put together an ROI. Mrs. Oxford said that the Rock Quarry came to Lamar County instead of Forsyth and even though she did not recruit that project she helps to manage it. Commissioner Lovett said that this is what he is saying, she did not recruit them but they came anyway. Mrs. Oxford said she has no budget to recruit or look for companies at a trade show. She said that she has the lowest budget compared to surrounding counties. Commissioner Lovett said that every dollar taken from her is a dollar taken from someone else, so he is looking for the ROI and why she receives a hundred grand to do this job. Mrs. Oxford said that ROI comes from Continental Tire, Piedmont Greenpower, and the Rock Quarry. She said the power plant is on the market and could be sold so she has to monitor it.

Commissioner Lovett said that the residential property on Morgan Dairy Road sold for \$12,500.00 an acre in three hours. He said that this is unimproved land sold in three hours and about five or six years ago it would have sold for \$3,500.00. Commissioner Lovett said that Lamar County is one of their hottest residential commodities and they have very little industrial. He said that he is a huge advocate of industrial development to offset residential costs, and he is asking them what they are bringing to the table. Mrs. Oxford said Commissioner Lovett is comparing apples to oranges because you cannot compare residential and industrial sales. Mrs. Oxford said that she could have recommended that the developer on I-75 not come here, but she did not, and they still might not come here because of the infrastructure, not just water and sewer but because of the terrain. She said she worked for years on the Data project on Roberta Drive, and they cannot do anything with the sewer. This Data Center could have been a 30-million-dollar project. The IDA can only control some of this, but the worst thing you can do is take away the opportunity to manage it. Mrs. Cook said she is networking and building relationships, so they will reach out to Mrs. Oxford when projects come along. Mrs. Oxford said that she could help market private property.

Commissioner Lovett reiterated that he asked for a list of projects that have been accomplished. He said they are asking to take \$542.00 from the people who work for the County and give it to them, so he is asking them to give them an ROI. Would they forgo \$542.00 to ensure they had representation at a conference? Mrs. Cook said that it is a lot more than a representation at a conference. Mrs. Oxford said that she was invited to come to a budget meeting. Mrs. Oxford said she is an open book but will not share confidential information with the public. She said that the role of marketing and economic development is not to put together an ROI. All they can do is maintain and improve upon what they are doing. They can either go forward or backward, and they will go backward if they don't have a team in place with the municipalities, the school system, and the Tax Assessor. The IDAs were created by the Constitution in 1969, and Lamar County created an authority in 1987. Mrs. Oxford said that Industrial Development Authorities are funding through contributions by the City or County, property that has been sold, a mill of tax, or leasing of property. She said that they have created spreadsheets for if they need to do incentives; does it make sense, what kind of tax return do they get, and is there any expense by the city or County to have this company come here? Georgia Power and EMC all have tools based on energy standards for the ROI and how long it will take to get that money back. They have not had to do this since Piedmont Greenpower came to Lamar County, and Continental Tire asked them to do this, but they have yet to have to do it. They are putting money back into the tax digest. Mrs. Oxford said that they either grow or they die.

Recess

Commissioner Gilles made a motion to recess the Budget Workshop meeting at 2:03 p.m. Commissioner Fletcher seconded the motion. The motion passed unanimously.

Reconvene the meeting

Vice-Chair Thrash made a motion to reconvene the Budget Workshop meeting at 2:11 p.m. Commissioner Gilles seconded the motion. The motion passed unanimously.

Commissioner Discussion

Commissioner Lovett said that when he looks at the programs that come through the Board of Commissioners and the amount of money, he always tries to look at the least common denominator of the people paying these bills. So, when he looks at the IDA's budget, that job pays \$100,000.00 a year and \$85,000.00 in salary, along with health insurance premiums and a car allowance. He said that in the private sector, they have these meetings all the time, and if you make that salary, you have to be able to stand up with your words, actions, and history and defend your program. Commissioner Lovett said that he feels like the IDA did not defend their program, and he does not apologize for the nature that he has asked them to explain how and why they are taking the money from the constituents and using it appropriately.

FY 2024 Salaries Proposal

County Administrator Townsend presented the board with an FY 2024 employee salary increase proposal. The PT 32 digest shows a 2022 millage rate of 11.005 and a 2023 millage rate of 10.092. One mill equals \$757,299.39. The total salaries in the current budget is \$5,997,247.01. A one-step increase of 2.5 percent would cost \$6,147,178.18 with a mill increase of .0198, a two-step increase of 5 percent would cost \$6,297,109.36 with a mill increase of .0396, a three-step increase of 7.5 percent would cost \$6,447,040.53 with a mill increase of .0594, and a four-step increase of 10 percent would cost \$6,596,971.71 with a mill increase of 0.792. He said for a 2.5 percent increase the cost, for a \$200,000.00 home, the millage rate would \$15.44, for a five percent increase the millage rate would be \$30.89, for a 7.5 percent increase the millage rate increase would be \$46.83, for a ten percent increase the millage rate would be \$61.78.

County Administrator Townsend said that the millage rate in 2013 was 10.445, for 2014, it was 10.881, and for 2015 it was 11.512. He said in 2019, there was no salary increase; in 2020, there was a two percent increase; in 2021, they did a wage study and brought everyone up to, according to the Department of Community Affairs. He said that in 2021 he did not factor in that everyone in other counties gave 10 and 15 percent salary increases. In 2022, they gave everyone a 2.5 percent increase, and for 2023, they did a 10 percent increase in salaries. County Administrator Townsend said that in 2019, an Accounting Tech was making \$10.71 an hour, and in 2023, they increased the salary to \$17.86, but compared to other counties, they are still 9 percent behind. County Administrator Townsend said that he wanted the new board to understand what had been done in the past and give those recommendations. He said that the increases are based on population and budget.

Chairman Traylor said that the salary increase concerns started with the Sheriff's Office and the possibility of losing employees if salaries did not increase. County Administrator Townsend reported that the Public Works Department is losing employees to other counties or entities because of salary issues. He also has employees who are out on Workers' Compensation. He has four employees in the Public Works Department. They have advertised for a paver allowing them to use the County's equipment. County Administrator Townsend reported that other Departments have openings. The Sheriff's Office has had people leave because of the salary but they have returned to work here because they like working for the Sheriff's Office in Lamar County.

County Administrator Townsend recommended a salary increase of 5 percent for 2024 but said it will still put them behind by 2.5 to 5 percent with other counties. Commissioner Fletcher suggested a 7.5 percent increase. County Administrator Townsend said it would close them to other counties because the key is to level out. He

said that in 2020, there was a Federal Discussion about moving everyone up to \$15.00 an hour, and they had people who were making \$12.00 to \$13.00 an hour. If you moved those employees up to \$15.00 an hour, you would have to increase the salaries of those already making \$14.00 to \$15.00 an hour. Commissioner Fletcher said he favors employee retention bonuses because if you have good employees, you need to take care of them and pay them. If you do not do anything, then you will see employees leave. County Administrator Townsend said he saw a newspaper headline about another county increasing salaries by 5 to 7 percent. He said that balances the budget was complex in 2023 because they had to pay an ambulance contract. Commissioner Fletcher said if they give an employee increase, they need to publicize it in the legal organ because there has been a lot of backlash with the change in the insurance plan. County Administrator Townsend said this increase would not include the Constitutional Officers; they will get a \$2,000.00 increase mandated by the State.

Commissioner Lovett noted last year, the employees were given a 10 percent increase, and this year, they will receive an additional two floating holidays, another \$60,000.00. The Sheriff's Office accounts for 50 percent of the employees and they run 365 days. Every time you give them a day off you add a day of time and a half pay. Commissioner Lovett said that he advocates for not giving more days off. Commissioner Lovett said with the \$60,000 holiday pay and the 10 percent increase, you are not even remotely close to what you pay a truck driver on the street. He suggested that they look at outsourcing Public Works. Commissioner Fletcher said outsourcing would be an issue much like that with the mowing contract. He said that they need to hire good people and keep them employed. Commissioner Fletcher said the two additional holidays are an incentive for keeping people. Commissioner Lovett said if you divide the \$60,000.00 for the additional holidays by 129 employees, you just took \$542.00 per employee and could have just given them a check. Commissioner Fletcher said he understands his logic but given additional holidays goes along with mental health. He said you have to look at the total picture. Commissioner Lovett said every dollar you give employees is a dollar you take from a constituent through the millage rate increase. Commissioner Lovett said he understood, but then you would not have anyone here to work, and you would not need a millage rate because you would be out of business.

County Administrator Townsend noted that the two additional holidays help to catch up with other counties. Most counties have 13 to 15 holidays, bringing Lamar County to 12. Commissioner Fletcher noted that on the employee survey the number one thing that employees wanted was a salary increase. Commissioner Gilles said that the number one thing that the employee wants depends on what they have or do not have. Chairman Traylor said they allow the situation to dedicate the number one thing. Chairman Traylor said the benefits and holidays that the employee receives increase their total gross pay and their total package. Chairman Traylor said that when the market crashed in 2008, many counties laid people off, whereas Lamar County continued to employ people without layoffs. He said that this is one of the reasons that they had to keep getting a Tax Anticipation Note (TAN), and it took ten years to make this up. Chairman Traylor said he agrees with a salary increase but does not want people doing more for less. Vice-Chair Thrash said that when explaining this to employees, remember that some employees read on a sixth-grade level. When she worked at Delta, she explained to her 24-year-old employees that Delta put 5 percent in their 401-K. You match that five percent, and by the time they retire, they will be a millionaire; they cannot comprehend or understand that, so they need to put it on a level where everyone can absorb it.

Commissioner Lovett inquired about how much we are paying per employee for insurance. County Administrator Townsend replied that currently, they are paying around \$1044.00. The new insurance will be around \$784.00. Commissioner Lovett said that this means the County will save around \$400,000.00. Commissioner Lovett suggested that they split it between the employees and the community. Commissioner Gilles said this would be a two-step 5 percent salary increase. Commissioner Lovett and Commissioner Fletcher agreed with the 5 percent salary increase. Chairman Traylor said if the market makes a turn and they are committed to the two-step 5 percent salary increase, are they locked into that in August, and do they make an adjustment? County Administrator Townsend said they could adjust this, so he gave them the mid-year review. He said, along with County Clerk

Davidson, they look at contracts per month so they have historical data and know what will hit the account monthly. Finance Director Johnston said she has a budget tracker where she goes into the bank and looks at what has cleared and what is outstanding daily. County Administrator Townsend explained they have opened a Reserve Account. United Bank used to have a Sweeping Account; since they do not have this, we sweep from the Reserve Account to the General Fund Account and back to the Reserve Account.

Commissioner Fletcher said he heard in a recent training class that the base salary for commissioners in other counties is higher than what the 1985 Georgia Legislative Law in Lamar County states: \$300.00 for commissioners and \$350.00 for the Chairman. County Administrator Townsend said the Commissioners make around \$23,000.00 and the Chairman makes around \$30,000.00. County Administrator Townsend explained the Board of Commissioners could raise their Base Rate of Pay for Commissioners by \$300.00 per month and the Chairman by \$350.00 through Resolution. He said this would bring the Chairman up to \$30,000.00 and the Commissioners up to \$17,000.00. The Chairman in Pike County makes \$32,000.00, Districts 1, 2, and 4 make around \$23,000.00, and non-certified Commissioners make around \$21,000.00.

Commissioner Lovett asked if they could give retention bonuses instead of step increases and give them after the end of the year. Chairman Traylor stated that next year, they need to plan for the replacement of the ARP essential pay bonus. He stated they tried evaluations, and one Department Head might give all 4s, and another Department Head might give 2s and 3s. Then you have Department Heads that favor one employee over another one. Chairman Traylor said they give the Department Heads a certain amount of money to give to the employees based on various factors. County Administrator Townsend said the two-step 5 percent increase will not change the individual employee's steps but will be an increase across the board. Commissioner Lovett said the raises for 2024 are locked because you cannot take back a raise and ask for 2025; they give retention bonuses. County Administrator Townsend said that in doing the evaluations over the past couple of years, they have set reachable goals and objectives that help the location or that particular Department.

County Administrator Townsend said he has a budget book that he would like to submit to the Governmental Accounting Standards Board (GASB) for a budget award.

County Administrator Townsend said he has \$7,000.00 slated for Centennial. He has \$500.00 earmarked for the December 8th Employee Barbeque Luncheon so that employees can work on their floats after the luncheon. In the budget book, it is listed as Centennial, and he needs to change this to Christmas Parade.

County Administrator Townsend said the Public Hearing for the Budget is December 12th, 2023, at 11:00 a.m. in the Administrative Building, with an employee Christmas Luncheon to follow.

Chairman Traylor inquired about the Liberty Hill Parks and asked if this property could be an opportunity for the IDA. Vice-Chair Thrash noted that it has to be used for Parks and Recreation. County Administrator Townsend said the property can be swapped but must be for the same value or greater.

Adjournment

Commissioner Gilles made a motion to adjourn the Budget Workshop meeting at approximately 2:58 p.m. Commissioner Fletcher seconded the motion. The motion passed unanimously.

The Lamar County Board of Commissioners

Ryran Traylor, Chairman

Nancy Thrash, Vice-Chair

Jarrod Fletcher, Commissioner

Jason Lovett, Commissioner

Ashley Gilles, Commissioner

Attest: _____ Carlette Davidson, County Clerk