

**POSITION STATEMENT AND RECOMMENDATIONS**

OF THE

ROCKDALE COUNTY DEMOCRATIC COMMITTEE

REGARDING THE

ROCKDALE COUNTY BOARD OF COMMISSIONERS RESOLUTION AND DRAFT PROPOSED  
LEGISLATION CREATING A PUBLIC FACILITIES AUTHORITY

FEBRUARY 22, 2022

Representatives of The Rockdale County Democratic Committee have met with each member of the Rockdale County Board of Commissioners, and members of the Rockdale House Delegation. We have also consulted with Senator Tonya Anderson regarding the recently adopted Resolution and Draft Proposed Legislation creating a Public Facilities Authority (PFA) by the Rockdale County Board of Commissioners. These discussions have been quite productive, insightful, and thought provoking. We are grateful to our elected officials for their responsiveness.

Chairman Nesbitt responded promptly and provided insight to the perspectives of the Board of Commissioners (BOC) on this matter. Commissioner Washington was passionate about the need for a new Courthouse and conveyed a sense of urgency in that regard. She clarified for us the BOC decision-making process concerning the PFA. Commissioner Williams was open and receptive to the dialogue. We are convinced that our legislators want to provide support in reaching the right decision the right way. All of these elected officials have been open to hearing our concerns and for that, we commend them all.

We have also attended the Public Information Sessions provided by the BOC and listened carefully to the statements of staff, the public finance attorney, the financial advisor, and the lobbyist. We find them competent and their statements illuminating. It is clear to us that the BOC has relied heavily on the guidance provided by these resources.

We agree wholeheartedly that the Courthouse is inadequate, at best, and presents significant risks to the public and to county employees. It is indeed a matter of great urgency. We applaud the BOC for intending to expeditiously address this urgent need. In their effort to move quickly, we find there were some missteps in the decision-making process and a lack of appropriate and adequate communications with the public concerning this matter.

It is our belief that the BOC, as our elected representatives, have an obligation to ensure that the public interests are protected and prioritized in all its undertakings. That is not the responsibility of the staff or hired experts. This community expects transparency and accountability, especially with regard to significant financial endeavors such as the PFA. We believe taxpayers have a right to vote on any debt the County assumes.

The Rockdale County Democratic Committee makes the following recommendations to the BOC:

**A. RESCIND THE PUBLIC FACILITIES AUTHORITY RESOLUTION**

- The BOC has largely based its support of the PFA revenue bonds on assumed lower interest rates and costs for borrowing and the ability to spread the debt over a longer period than possible under general obligation bonds. They also talk about how quickly it can be done. No alternative financing options have been presented to the public for consideration or comparison.
- The BOC assumes that the revenue to service the debt will come from increased property tax assessments and cost reductions resulting from consolidation of operations and elimination of some leases. We have seen no financial modeling that supports these assumptions.
- The BOC has not provided an example of another county with a population of less than 100,000 that has succeeded in financing a courthouse with revenue bonds supported only by existing streams of County revenues. It is our observation that many of the jurisdictions that have used a PFA with revenue bonds were engaged in self-funding projects such as an amphitheater.
- The Public Finance Attorney who drafted the PFA legislation has acknowledged that some improvements are needed considering the feedback from the public. He has also acknowledged that there are ways to improve accountability and transparency in the proposed legislation. In our view, the BOC had an opportunity and should have insisted upon those measures before issuing their Resolution.
- Although the Courthouse and Administration Buildings are discussed as potential projects, there is no restraint on the BOC to use the PFA for other projects, yet undefined and requiring no public vote.
- Even though the County has an Aa2 Moody's rating, the bonds would be sold on the open market. Pricing would be based on investors' attitudes toward the project. If investors feel the project will be soundly managed and will be an asset to the community, there should be competition for the bonds and the interest rate paid will be lower, yielding more money for the PFA. But if the bond is viewed as risky, the interest rate will be higher to attract investors. So prudent management of the project is key to the success of the PFA.
- There is concern that the defined revenue source could falter (e.g., drop in property values) and the possibility of project cost overruns.

**B. REDRAFT THE PROPOSED LEGISLATION BASED UPON PUBLIC INPUT**

- Increase the number of members from three to at least five; require that they be County residents for at least two years; require that at least two of the five have financial management credentials and experience
- Implement term limits of three years with no right to succeed oneself
- Eliminate the provision that the BOC can appoint themselves to the PFA
- Clarify that this PFA cannot become an additional burden to taxpayers
- Establish spending caps
- Require public hearings before the issuance of bonds
- Eliminate references to the City of Conyers and Rockdale County Public Schools
- Implement recall procedures for PFA members

### **C. IMPLEMENT A CITIZENS FINANCIAL ACCOUNTABILITY AND OVERSIGHT BOARD (CFAOB)**

- The public has expressed its dissatisfaction with the BOC Resolution and proposed Draft Legislation. We see that many understand the need for a new courthouse and the urgency of that need. The issue is the PFA, as currently drafted. If the CFAOB had existed, there would have been a vehicle for open dialogue regarding important County financial initiatives such as this.
- We find that many are willing to learn more about the PFA and see that it may be in the public interest. It will take time to achieve adequate public information and assurances. The CFAOB can help provide those assurances and information and, at least in part, restore public confidence.
- There is a recurring theme of a lack of trust because of past practices, patterns of decision processes and communication gaps. Because the Resolution was made without public input, discussion and review, this perception has been exacerbated. A nonpartisan CFAOB can help to ensure accountability and transparency.
- Clearly, the BOC did not anticipate the level of public interest concerning this matter. In other jurisdictions, use of the standard PFA template sails through with little controversy. This community stays on high alert regarding County financial decisions. We expect our Commissioners to be attuned to the public mood, to exercise vigilance on our behalf, anticipating public scrutiny. The CFAOB can ensure that the right questions are being asked at the right time.
- The BOC should never be perceived as attempting to subvert the public will or to bypass public input on its decisions. By implementing the CFAOB, the BOC can demonstrate its willingness to provide transparency and accountability.
- The BOC should provide to the CFAOB financial models, cost, and revenue projections as was done for the Water and Sewer bonds to clarify how the PFA funding will work.
- The BOC should also provide an example of another county of less than 100,000 population that has succeeded in financing a courthouse with revenue bonds supported only by existing streams of county revenues. We have been assured that this is a reasonable request.

Finally, The Board of Commissioners in its efforts to seek approval of the Public Facilities Authority unfortunately has brought us to this difficult place as a community. We recognize that a PFA is a useful financial tool to provide financing for public facilities. However, it is clear that the Board of Commissioners did not effectively inform the public prior to adopting the Resolution and drafting Proposed Drafted Legislation resulting in push back from the community.

We recommend implementation of a non-partisan Citizens Financial Accountability and Oversight Board. We pledge to work with the Board of Commissioners to make the CFAOB a success. We are ready to begin immediately.

Please see attached the CFAOB Recommendation