



Public Facilities Authority of Coweta County

Regular Meeting Session

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Shannon Zerangue
770.254.2601

Wednesday, August 4, 2021

10:00 AM

Commission Chambers

~ Minutes ~

PUBLIC FACILITIES AUTHORITY OF COWETA COUNTY

Call to Order

Attendee Name	Title	Status	Arrived
Ted Meeker	Authority Member	Present	
Don Phillips	Authority Member	Present	
Kelvin Thompson	Authority Member	Present	
David Fowler	Authority Member	Present	
Cynthia Bennett	Authority Member	Present	
Jerry Ann Conner	Attorney	Present	
Michael Fouts	County Administrator	Present	
Eddie Whitlock	Associate County Administrator	Present	
Kelly Mickle	Assistant County Administrator	Absent	
Hans Wilson	Finance Director	Present	
Fran Collins	Assistant Secretary	Present	

The Coweta County Public Facilities Authority held its Inaugural Meeting Session on August 4, 2021.

Meeting Called to Order

Administrator Fouts called the meeting to order at 10:00 a.m.

REGULAR SESSION

NEW BUSINESS

1. 10401 Request Election of Officers for the Public Facilities Authority of Coweta County

RESULT: ACCOMPLISHED

Motion To: **Elect Chairman**

The Authority voted to appoint Mr. Ted Meeker to serve as Chairman for calendar year 2021.

RESULT: APPROVED [UNANIMOUS]
MOVER: Don Phillips, Authority Member
SECONDER: Cynthia Bennett, Authority Member
AYES: Meeker, Phillips, Thompson, Fowler, Bennett

Motion To: **Elect Vice-Chairman**

The Authority voted to appoint Ms. Cynthia Bennett to serve as Vice-Chairman for calendar year 2021.

RESULT: **APPROVED [UNANIMOUS]**
MOVER: Don Phillips, Authority Member
SECONDER: Kelvin Thompson, Authority Member
AYES: Meeker, Phillips, Thompson, Fowler, Bennett

Motion To: **Elect Treasurer**

The Authority voted to appoint Mr. Don Phillips as Treasurer for calendar year 2021.

RESULT: **APPROVED [UNANIMOUS]**
MOVER: Cynthia Bennett, Authority Member
SECONDER: Ted Meeker, Authority Member
AYES: Meeker, Phillips, Thompson, Fowler, Bennett

2. 10404 Request Appointment of Clerks for the Public Facilities Authority of Coweta County

Administrator Fouts explained that based upon *HB 753 - Coweta County Public Facilities Authority Act*, legal counsel recommends that the Authority appoint Coweta County Clerk Shannon Zerangue and Deputy County Clerk Fran Collins to serve as Secretary and Assistant Secretary to the Authority.

The Authority voted to appoint County Clerk Shannon Zerangue to serve as Secretary and Deputy County Clerk Fran Collins to serve as Assistant Secretary for calendar year 2021.

RESULT: **APPROVED [UNANIMOUS]**
MOVER: Ted Meeker, Authority Member
SECONDER: Don Phillips, Authority Member
AYES: Meeker, Phillips, Thompson, Fowler, Bennett

3. 10400 Request Adoption of the Bylaws for the Public Facilities Authority of Coweta County

Administrator Fouts explained that a draft of the proposed Bylaws for the Public Facilities Authority was provided to each member prior to the meeting; however, some minor administrative edits have been made since that time. He recommended that the Authority postpone any decision regarding adoption of the Bylaws until a final version is available for review.

In response to questions from Member Fowler, Bond Counsel Roger Murray (Murray Barnes Finister, LLP) explained that he currently works with Public Facility Authorities (PFAs) throughout the State of Georgia and has good samples of how they are operating. Powers provided in *HB 753 - Coweta County Public Facilities Authority Act* are very broad and relate to assisting governmental entities located within the county finance, own, and operate public buildings and facilities. The PFA is primarily set up to assist the County, however, the School District and any municipalities located within the county can utilize the PFA upon prior approval by the County. The overall legislative purpose of the Act is to provide aid with public buildings and facilities. Traditionally, most PFAs operate through passive means and get involved in a project after the City, County, or School District has requested assistance with financing. The PFA does not have to operate that way but it is very important to work with the County to define the Authority's responsibilities beforehand. The PFA can be insured as a component under the County's umbrella insurance policy at no additional cost, and separate email accounts can be provided by the County. A separate audit is not necessary because most PFAs operate as a component of the County and there isn't much to

report until a transaction and bond issuance take place. Upon issuance of a bond, the bond becomes the liability, and the asset is the receivable from the County, City or School District to repay the debt service on the bonds to the Authority.

In response to questions from Member Bennett, Mr. Murray explained that historically in Georgia, the primary method of financing projects is through voter referendum and a general obligation bond issue. This approach limits Cities, Counties, and School Districts from borrowing money unless approved by the voters to do so. This approach is very secure because the issuer is pledging its full faith credit and taxing powers. These bonds are repaid by property tax levy regardless of how many mills must be levied. An exception to the voter referendum requirement is annually renewable lease purchase contracts. Lastly, another way to finance purchase of assets is through issuance of revenue bonds which pledges a revenue stream. A PFA is a mixture of a general obligation bond issue and a revenue bond issue. In this approach, the PFA issues a bond for the benefit of the County, submits the proceeds to the County, the County builds the project, then the County enters into an Intergovernmental Agreement (IGA) with the PFA under which terms the County agrees to pay the Authority the amounts sufficient to pay debt service on the bonds. It is a revenue bond, but the revenue stream is derived from the IGA. It has the same security as a general obligation bond issue and results in the lowest possible interest rate. This option allows Cities, Counties, and School Districts to borrow money at extremely low interest rates.

Administrator Fouts explained that historically the County has rarely issued bonds specific to County facilities except for the Fire General Obligation bond in 2008 for the radio system and facilities upgrades. Other projects have been financed using Special Purpose Local Option Sales Tax (SPLOST) revenue/referendum and Certificates of Participation (COPS) issued through the Association County Commissioners of Georgia (ACCG).

In response to a question from Member Bennett, Administrator Fouts explained that all options remain open and that each project will be evaluated on a case-by-case basis to determine the best financing option.

Mr. Murray fielded questions from the Authority regarding Georgia's Open Meetings Act, conflicts of interest, and whether disclosure statements are needed from the members.

In response to a comment from Member Phillips, Attorney Conner confirmed the County will perform all the legwork regarding any projects and then provide all information to the PFA prior to any decisions from the PFA.

Administrator Fouts explained that any projects will be presented to the Board of Commissioners for support before a recommendation is made to the PFA.

Attorney Conner explained that in addition, a Resolution would come from the City, County or School District to the Board of Commissioners for consideration and approval. Subsequently, the Resolution will be presented to the PFA and then the PFA will enter into Intergovernmental Agreement to fund the project.

In response to a question from Chairman Meeker, Attorney Conner explained that if it is the desire of the Authority, an annual resolution can be adopted regarding ethics and conflicts of interests.

Mr. Murray explained that there are open matters of law that relate to the powers of a PFA and that the limits are broad for the types of projects that can be financed. He further explains that he follows a conservative approach, will provide guidance as such, and advises the PFA not to finance a project if it is questionable.

In response to a question from Member Phillips, Attorney Conner explained that the Open Meetings Act allows for Executive Session to be held to discuss matters of real

estate, personnel, and litigation. An example for Executive Session pertaining to the PFA would be to discuss a matter regarding a real estate acquisition where the details have not been disclosed to the public, but usually these types of projects will be public knowledge by the time they are presented to the PFA.

In response to questions from Member Fowler, Mr. Murray explained that other PFAs are not involved in day-to-day construction or operations for a project. Their function is to facilitate the City, County or School District's financing for a project.

Member Phillips explained that his understanding is that the details for any project will pass through the County. The County will then provide the PFA with a detailed packet of information regarding why a project is needed and what will take place. The role of the PFA will be to evaluate a project, make inquiries regarding such, and then render a final decision regarding financing of a project.

Mr. Murray confirmed that every PFA he has worked with operates in the same structure as described by Member Phillips.

Member Bennett explained that the PFA provides checks and balances and makes inquiries for those citizens who are unable to attend meetings.

Member Thompson questioned whether there may be projects that go to the Board of Commissioners, City Council, or School Board that may not come to the PFA.

Attorney Conner explained that because other means of financing may be utilized, there may be projects that are not presented to the PFA for financing.

In response to a question from Member Phillips, Administrator Fouts explained that the PFA was established by local legislation requested by the Board of Commissioners, and the members were appointed by the Board of Commissioners. The law regarding the PFA and the powers set forth are broad enough to incorporate the municipalities and school system. When those entities become aware that the PFA is a funding mechanism for projects, they may wish to utilize those funding options.

Member Bennett explained that Coweta County has a couple of municipalities that are poised for great growth and she hopes that they are made aware that this funding mechanism is available to them.

Chairman Meeker explained that the PFA does not actively seek out projects rather it is a source to fund such if requested to do so.

In response to a question from the Authority, Administrator Fouts explained that the County is always open to the PFA's input. However, the PFA will serve as a pass through and does not hold any funds.

Mr. Murray explained that after bonds are issued, bond documents state that the County shall be responsible for requisitioning funds and they will endorse the checks. He advised the PFA to consider their needs (letter head, email accounts, seal, etc.) and reminded staff that registration with the Department of Community Affairs (DCA) will need to be renewed annually.

Chairman Meeker reminded Members to review the Bylaws and to notify staff with changes within the next week or two so they can be considered at the next PFA meeting.

Administrator Fouts explained that the Board of Commissioners recently voted to execute a real estate contract to purchase the AMC Theatre property. Following a short due diligence period, closing will hopefully happen within the next month. Staff is proposing to use existing fund balance reserves to purchase the property and may consider pursuing financing through the PFA for renovations to the existing structure. There are a few other projects that may come to the PFA for financing, primarily the jail expansion project for the Sheriff's Office estimated to cost \$20 million dollars. Also, a large-scale public safety training campus (911, Fire Rescue,

and Sheriff's Office) and a new terminal building (FBO) for the Airport have been identified through a needs assessment and may come to the PFA for financing depending on the options available.

The Authority voted to continue a decision regarding adoption of the Bylaws governing the Public Facilities Authority until the next scheduled meeting.

RESULT:	CONTINUED/VOTE [UNANIMOUS]	Next: 9/1/2021 11:00 AM
MOVER:	Cynthia Bennett, Authority Member	
SECONDER:	Kelvin Thompson, Authority Member	
AYES:	Meeker, Phillips, Thompson, Fowler, Bennett	

4. 10402 Roles and Responsibilities of the Public Facilities Authority of Coweta County

Chairman Meeker explained that the roles and responsibilities of the PFA have already been discussed and asked if Members had any additional questions.

Member Fowler requested that counsel or staff present an example, training scenario, or case study regarding a project to use as a basis for discussion and defining roles and responsibilities.

Administrator Fouts explained that a previous project can be utilized to create an example, sent to Members for review, and discussed at the next meeting.

RESULT:	PRESENTED
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5. 10403 Request Discussion/Adoption of a Meeting Schedule for the Public Facilities Authority of Coweta County

The Authority voted to set the following as the meeting dates and times for calendar year 2021:

- Wednesday, September 1, 2021 at 11:00 a.m.
- Wednesday, November 3, 2021 at 11:00 a.m.

In response to a question from Chairman Meeker, Ms. Conner explained that emails and correspondence related to PFA business are subject to the State's Open Records Law.

Administrator Fouts explained that meeting agendas and minutes for the PFA will be available for the public to view on the County's website.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Cynthia Bennett, Authority Member
SECONDER:	David Fowler, Authority Member
AYES:	Meeker, Phillips, Thompson, Fowler, Bennett

ADJOURNMENT

Motion To: **Adjourn**

The Authority voted to adjourn the meeting.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Don Phillips, Authority Member
SECONDER:	Kelvin Thompson, Authority Member
AYES:	Meeker, Phillips, Thompson, Fowler, Bennett