



DeKalb County Government

Manuel J. Maloof Center
1300 Commerce Drive
Decatur, Georgia 30030

Minutes - Draft

FAB-Finance, Audit & Budget Committee

Tuesday, March 22, 2022

3:30 PM

This meeting will be conducted via teleconference (Zoom). Simultaneous public access to the meeting will be available

(1) via live stream on DCTV's webpage,

(2) on DCTVChannel23.TV

Meeting Started At: 3:46PM

Attendees: Commissioners Rader, Johnson, Cochran-Johnson, Terry, Patrick, Davis Johnson

Present 3 - Commissioner Jeff Rader, Commissioner Lorraine Cochran-Johnson, and Commissioner Larry Johnson

I. MINUTES

2022-1353 Commission District(s): ALL
Minutes for the March 8, 2022 Finance, Audit, and Budget Committee

MOTION was made by Larry Johnson, seconded by Jeff Rader, that this agenda item be approved. The motion carried by the following vote:

Yes: 2 - Commissioner Rader, and Commissioner Johnson

Not Present: 1 - Commissioner Cochran-Johnson

II. DISCUSSION

Purchasing System Process Update

-information provided by Lisa Williams on work with Nichols & Cauley
-Z Williams: if we could keep this item on the agenda, the consultant may be able to present preliminary findings of the work with the County
-Question JR: when do you expect to deliver those responses?
L Williams: we should have a draft within a month that we can present to you all
JR: that sounds good; hopefully we can continue to improve the process
LJ: please add a red-line addition of what the changes are when you come back in 30 days
JR: requests Mr. Campbell provide a summary of the audit findings, to compare with the responses. Central Staff please arrange that to be part of that program as well

Report on the Refunding of Watershed Bonds

-information provided by Attorney Ernestes on the debt policy previously adopted by the BOC
-information provided by CFO McNabb on private placement November 2021 rates vs. March 2022 rates
-Question JR: this analysis - is it true that the November 2021 rates are good through February 16th?
D McNabb: that was an indicative rate we received from the bank. That was for planning purposes
-Question JR: the March 22nd quote, when does that offer expire?
D McNabb: toward the end of April
JR: what I'm hoping is that this April date seems doable. These are only 2 interest rates - they continue to run lower than what a public sale would yield regarding interest rates?
Yes the indicative rates we've received have been lower than they would be in a public offering.
-Z Williams: ultimately the process will be some competitive bidding. Typically in a competitive process we don't reveal the specifics. It may be best we move forward with the competitive process without getting into the specifics being discussed today
V Ernestes: before you consider the process, you must first consider the policy. The first step is to consider the policy and the requirements within the policy before a decision is made on the method of sale and who would be involved. You will be getting written advice from me regarding that counsel
-Question LCJ: have we engaged others, or is there not an organization/individuals that we would engage? Is this something we're handling in-house? When can we expect a follow up on a firm placement?
V Ernestes: the recommendation will come from the CEO after thorough review of the policy; the timing of when that may happen will come from that direction
-Question JR: will this apply to the TAN policy we adopted in January?
V Ernestes: yes it does. This is a different issue regarding the refunding as opposed to the TAN. The policy treats differently TAN's and long-term debt policy
-LJ: regarding the policy, do you have a step-process? Is that what you recommend here?
V Ernestes: no sir that is something that the CEO recommended and the BOC approved. I will go through the steps with you all in writing.
-Z Williams: we're all in the same page in that we want to save our rate payers, and we want to ensure that the steps we take are appropriate
JR: it seems as though we need to make more progress; these decisions seem timely
Z Williams: as you'll see later on this agenda, this administration has been consistent in doing things that save rate payers
-Question JR: what are the next steps? Mr. Williams will review the policy. When will you have a report back on the transaction?
Z Williams: I would suggest you keep this on the agenda. We will report where we are next meeting. We will move as quickly as possible but make sure that we take the right steps
-LCJ: it's understood that we're not in a position at this point to move forward. This is a major undertaking
JR: it seems as though we will put this on the agenda for 2 weeks from now
Z Williams: that will be fine; we have a reputation to protect. The steps we will recommend will be mindful of the reputation we've worked hard to develop and maintain
JR: we will put this back on the agenda and hopefully there will be an agenda item

III. AGENDA ITEM

2022-1355

Commission District(s): All Commission Districts
Authorizing the Execution and Delivery of a second Water Infrastructure Finance and Innovation Act (WIFIA 2) Loan Agreement and Note

MOTION was made by Lorraine Cochran-Johnson, seconded by Larry Johnson, that this agenda item be recommended for deferral to the Board of Commissioners, due back on 4/12/2022. The motion carried by the following vote:

Yes: 3 - Commissioner Rader, Commissioner Cochran-Johnson, and Commissioner Johnson

-information provided by Treasurer Bob Atkins - Finance

-Question JR: the second WIFIA has gone up a full percentage point?

B Atkins: right; this is based on the state, local, and government rate. We did not have say in that

Z Williams: our recommendation is a due pass so that we can continue the momentum from WIFIA 1 on the sewer side

-Question JR: so this will get out in front of the refunding? You need approval by April 26th

Z Williams: the timing will be fluid. Yes by the April 26

JR: We can defer to April 26th BOC meeting. We will continue to hear it in FAB and make a recommendation in advance of the BOC meeting on April 26th. You can include a substitute that has the pricing.

Meeting Ended At: 4:31PM

MOTION was made by Larry Johnson, seconded by Lorraine Cochran-Johnson, that this agenda item be adjourned meeting. The motion carried by the following vote:

Yes: 3 - Commissioner Rader, Commissioner Cochran-Johnson, and Commissioner Johnson

Barbara H. Sanders-Norwood CCC, CMC