



November 8, 2017

Mr. Michael Williams
City Attorney
Stockbridge City Hall
4640 North Henry Boulevard
Stockbridge, Georgia 30281

Kidwell & Company -- Statement Regarding Public Policy

Good public policy should be defined by a single guiding principle as that enacted to promote the best interests of all people who are citizens of our nation, states, and communities. The test of good public policy answers an important question. When the policy is enacted will people be better able to live, access liberty, and pursue happiness? Good public policy exists in the absence of politics and personalities.

Senate Bill #262 and House Bill #638

If the proposed legislation is enacted how will the people of Stockbridge be better able to live, access liberty, and pursue happiness? The answer is that if the proposed legislation is enacted to law the people will not be better able to live, access liberty, or pursue happiness. The proposed legislation does not serve the best interests of the people, and provides for potentially irreparable harm to the interests of the people who are the citizens of Stockbridge, Georgia. Additionally, the proposed legislation threatens to harm the interests of every citizen of Georgia.

The State of Georgia

If the proposed legislation is enacted it would establish a new negative legal precedent for the State of Georgia that could adversely affect the State's entire population. If Stockbridge can be broken up by the Georgia Legislature, what would prohibit the Legislature from doing the same thing to other Cities of the State? The passage of the proposed legislation would set the precedent for further destabilization to occur within the State.

The major credit rating agencies, in determining State credit ratings, weight heavily the financial strength and stability of the cities, counties, public sub-divisions, and public instrumentalities that exist within the State. The State of Georgia has a Aaa/AAA/AAA credit rating which is the highest level available from the three largest credit rating agencies to include Moody's, Standard & Poor's.

If the major credit rating agencies conclude at any time the precedent established through the adoption of the proposed legislation creates unacceptable levels of risk, the agencies could select to downgrade the State's credit rating. If the Georgia's credit rating is downgraded, the cost of borrowing would increase, as interest rates available would rise. A downgrade to the State's credit rating by one, or more, agencies could potentially cost the people who reside in Georgia billions due to increased costs of borrowing.

The City of Stockbridge

The City of Stockbridge, Georgia (the "City") has contacted Kidwell & Company to provide thoughts regarding proposed Georgia Senate Bill #262 and House Bill #638. Kidwell & Company has not been engaged to provide municipal advisory services for the City of Stockbridge, and Kidwell & Company has no compensatory relationship with the City. The thoughts provided herein are those of an unbiased national professional and political leader.

The proposed legislation, if enacted into law, would negatively and comprehensively, affect the ability of the City to operate with any degree of efficiency to serve the interests of the people, while inflicting irreparable harm to the ability of the City to develop economically.

- City revenues from various taxes would be cut by more than half;
- The need for a new City property tax would likely exist;
- The ability of the City to compete and develop economically would adversely affected;
- The action defies national trends where municipalities are looking to merge operations to effect greater tax and ratepayer efficiencies;
- In serving a smaller population base, there would likely be created inefficiencies; that increase the cost of government for the remaining residents of the City;
- The City may be unable to meet debt service requirements associated with any currently outstanding bonds or other debt obligations;
- The ability of the City to finance projects and equipment in the future would be impaired;
- The credit position of the City would be affected adversely;
- Increased taxes would diminish the disposable spending income of residents of the City;
- Increased taxes will force more people into poverty;
- Community cultural environs will be destroyed forever;

The proposed legislation is most disturbing because it represents a killer of opportunity. It is a killer of opportunity to unite versus divide; create wealth versus kill wealth creation; be more competitive versus less competitive; increase taxes versus decrease taxes; help people versus hurt people.

Thank you,



Larry Kidwell, CIPMA®

President

Kidwell & Company

KIDWELL & COMPANY – INFORMATION -- BIOGRAPHIES – LARRY KIDWELL

Kidwell & Company is an independent municipal advisor registered with the Municipal Securities Rulemaking Board (“MSRB”) and the United States Securities and Exchange Commission (“SEC”), and regulated by the SEC. The firm MSRB Registration number is K0169. The Company makes regular filings with the SEC which are accessible through SEC EDGAR system and may be found by searching either Kidwell & Co. or the firm's CIK number which is 0001609529. The current web address of the SEC Edgar system is currently <https://www.sec.gov/edgar/searchedgar/companysearch.html>.

The President Kidwell & Company is Larry Kidwell (the “Municipal Advisor”), who has more than 31 years of experience in providing financial advisory services to State and local governmental entities in 18 states. Mr. Kidwell has assisted hundreds of municipalities, political sub-divisions, and public instrumentalities to execute billions of municipal securities transactions for a wide array of purposes. Larry Kidwell has attained the Series 6, 7, 52, 63 and 50 securities industry certifications. Mr. Kidwell has met the requirements to be designated as Certified Independent Public Municipal Advisor (“CIPMA”) by the National Association of Municipal Advisors.

Mr. Kidwell has served as a Municipal Securities Industry leader. Larry Kidwell has served as President of the National Association of Municipal Advisors (“NAMA”); Vice-President of NAMA; Member of the Board of Directors of NAMA; Chairman of the Public Affairs Committee of NAMA; and Chairman of the Fiduciary Duty Sub-Committee of NAMA. Mr. Kidwell serves as a Member of the MSRB Professional Qualifications Advisory Committee. Mr. Kidwell has been an active participant in the biannual MSRB Municipal Securities Industry Roundtable, which brings together the leaders of all municipal securities industry participant organizations. Larry Kidwell has regularly provided commentary to the Bond Buyer, America’s leading municipal securities industry information source, regarding timely issues of relevance.

Mr. Kidwell has served as a local, state, national political leader. Larry Kidwell is a former National Chairman of the Young Republicans; Member of the Republican National Committee Executive Committee; Member of the Board of Directors of the American Council of Young Political Leaders (a bipartisan organization dedicated to the education and training of future leaders of government in the United States and abroad); and formal presenter at the Republican National Convention. Prior to national political leadership experienced, Mr. Kidwell served as Tennessee Young Republican Chairman, and elected leader of Cumberland and Williamson Counties Republican Parties.