

**JOINT DEVELOPMENT AUTHORITY OF
JASPER, MORGAN, NEWTON AND WALTON COUNTIES**

**December 19, 2023
10:00 A.M.**

Finance Committee Meeting Minutes

**Newton County Water & Sewer Authority - Scott Emmons Water Reclamation Facility at
10902 Shire Parkway, Social Circle, GA 30025.**

A regular meeting of the Board of Directors of the Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County (the "Authority") was held on December 19, 2023 at 10 am at the Newton County Water & Sewer Authority - Scott Emmons Water Reclamation Facility at 10902 Shire Parkway, Social Circle, GA 30025.

Committee Members Present:

Steve Jordan, Jasper County
Jerry Silvio, Newton County
Ben Riden, Morgan County
Mike Owens, Walton County

Guests Present:

Andrea Gray, Attorney
Pat Malcom
Rose Baker
Serra Hall
David Dyer
Bob Hughes

Committee members absent:

1. Call to Order. Mr. Steve Jordan called the meeting or Order at 10:07am.

2. Approval or Amendment to Agenda

No amendments were requested

3. Budget

Ms. Gray provided a summary of the documents included in the meeting packet:

- Draft budget amendment
- JDA Potential Revenue Sources – shows all PILOT payment structures and Tax Revenue Structures for Takeda, Morning Hornet, Baymare and Rivian. It also shows the loan payments due from NCWSA.
- Flow charts for Revenue Sharing Agreement which shows how revenues are distributed in Stanton Springs North, South and Land Sale distributions

- Spreadsheet showing estimates of tax and PILOT revenues, JDA budget and projected distributions to the Counties/School Boards/Social Circle.
 - o There are a lot of variables that go in to creating this spreadsheet and it should not be used for long term County/City/School Board budgeting due to variations in tax values, millage rates and the JDA's budget.

Mr. Jordan provided a summary of the account balances.

Mr. Riden stated that he gets a lot of questions about the loan with the Newton County Water & Sewer Authority. Mr. Jordan confirmed that the JDA has no debt and the NCWSA loan is for land NCWSA purchased from the JDA.

Mr. Jordan stated that there are two items that are difficult to predict in the budget: 1) litigation expenses and 2) expenses associated with the new parkway which are the JDA's responsibility.

Ms. Pat Malcom reviewed the draft budget with the changes highlighted. A copy is in the packet. A summary of the changes and discussions about are noted below:

- Payments from NCWSA on a loan the JDA holds for NCWSA's purchase of land
- \$7,300 received from GDOT for removal of a light pole the JDA installed when Shire Pkwy was built
- Updates to the amounts of the REBA grants for the Rivian project
- Added Rivian PILOT payments – \$1.5 mill at closing (Nov 9 2023) and an additional \$1.5 mill in March 2024.
- Added the bond fee paid by Rivian at closing of \$4.5 mill
- Added \$100,000 for insurance expenses. Ms. Gray noted that ACCG is helping the JDA show for a \$5 mill policy to cover the frontage road with directors and officers insurance included. Mr. Owens recommended shopping a higher deductible to keep premium costs down.
- Added \$180,000 in payments to NCIDA and DAWC which is a percentage of the bond fee from the Rivian closing per prior contracts
- Increased the grant admin fee based on second REBA grant
- Reduced the budget for Cornerstone to reflect reduced monthly payment
- \$500,000 added as an estimate for annual maintenance on the frontage road (utilities, maintenance, reserves, escrow for future repairs)
 - o Mr. Riden stated that it costs \$230,000 per mile to repave a 2-lane road in today's dollars.
 - o Ms. Malcom stated that we can create a designated fund for maintenance reserves
 - o Ms. Gray stated that by this time next year, we will know actual numbers because the work will be bid and we will know the lighting cost. June is the latest date by which the JDA will take ownership.
 - o This budget is for the current fiscal year which ends June 30th. These expenses may not occur in this year.
 - o Mr. Riden recommended setting aside \$50,000 per year for reserves for long-term maintenance. He also said that we could set aside a percentage of the PILOT payments from Rivian to cover expenses.
 - o All agreed to reduce the \$500K to \$300K which amount includes a reserve and to revisit this number as more information becomes available
- Audit- needs to be updated to reflect actual bill of \$15,000
- Interest on NCWSA was included as a separate line item
- Capital expenses reflect use of grant funds on the Rivian project

Mr. Owens asked about the \$1.5 mill being held for obligations to build a road for Facebook. Ms. Gray stated that a final determination will be made by June 2024.

Mr. Riden asked why the land sale proceeds from the Moore property was not included. Ms. Gray responded that the transaction has not closed.

Ms. Hall led discussion regarding the JDA's prior interest in creating a memorial honoring prior/past JDA board members adjacent to the NCWSA facility on Shire Parkway. The JDA still owns one acre on Shire Parkway. More discussion is needed on the design, location, etc. Mr. Owens recommended budgeting \$25K.

Ms. Hall discussed the potential for the JDA to conduct regional studies on behalf of the four counties. The Authority decided to budget \$25,000 for this budget year and potentially \$50,000 for next year. Studies could be for a variety of reasons including growth planning, transportation, housing, etc.

The Authority decided to budget \$10,000 for board training/travel for use in attending conferences for this year.

Mr. Jordan reviewed the bank accounts and their purposes:

- Trust operating account pays normal operating expense – Snapping Shoals, regular attorneys fees
- Money Market Account at Bank of Madison – JDA bond fee funds of \$7.5 mill were deposited in this account (\$1.5 mill Morning Hornet, \$1.5 mill Baymare, \$4.5 mill Rivian). Current balance is \$7.1 mill.
- Money Market Account #2 at Bank of Madison – PILOT payments are deposited into this account. Total deposits were \$5.5 mill. Of which \$1.7 mill was spent on litigation fees.
- Capital Project Checking Account at Bank of Madison – project expenses flow through this account.

Mr. Jordan stated that he believes the JDA should distribute the \$1.5 mill PILOT from Rivian immediately.

Discussion continued regarding separation of “funds” within the accounts which accounts for monies received and spent in relation to Stanton Springs North versus Stanton Springs South

Mr. Hughes stated that he believes the \$1.5 mill from Rivian should be held pending determination of Stanton Springs North expenses and that some amount of the PILOTs from Stanton Springs South should be distributed.

Mr. Riden stated that the JDA received \$4 mill in PILOTs from Facebook. The four counties receive more from these distributions than from Rivian distributions because Stanton Springs South does not include Social Circle. He would rather distribute the old funds. Of the \$4 mill, \$1.7 mill has been used for legal fees. This leaves \$2.3 mill.

Mr. Hughes stated that the litigation expenses and frontage road maintenance is directly related to Rivian.

Mr. Riden requested that the 2022 Facebook PILOT payment of \$2mill be released to the Counties now. He asked whether the bond fees could be used for expenses and if they could be distributed back to the Counties. They can be used for expenses, but they are not subject to distribution back to the counties under the Revenue Sharing Agreement.


All agreed to have Ms. Malcom update the budget based on these discussions and hold another Finance Committee meeting prior to the January JDA regular meeting.

4. Adjourn

On a motion duly made by Mr. Ben Riden, seconded by Mr. Mike Owens and unanimously approved, the Committee Meeting was adjourned at 11:23am.

Attest:


Chairman


Secretary

