R[obscured]l Care Facilities for the Elderly Authority of Coweta County

Called Meeting

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Shannon Zerangue
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Thursday, September 2, 2021	2:30 PM	Commission Chambers

~ Minutes ~

COWETA COUNTY BOARD OF COMMISSIONERS

Call to Order

Attendee Name	Title	Status	Arrived
Barbara Smith	Authority Member	Present	
Frank Barron	Authority Member	Present	
Billy Arnall	Authority Member	Present	
Patricia Heimes-Taylor	Authority Member	Present	
Joy Shirley	Authority Member	Present	
Deloris Wood	Authority Member	Present	
Glenn Flake	Authority Member	Present	
Jerry Ann Conner	Attorney	Present	
Michael Fouts	County Administrator	Present	
Shannon Zerangue	Secretary	Present	

The Residential Care Facilities for the Elderly Authority of Coweta County met in Called Meeting Session on Thursday, September 2, 2021 in the Coweta County Commission Chambers located at 37 Perry Street, Newnan.

Attorney Jerry Ann Conner called the meeting to order at 2:30 p.m. She explained that since the Authority's last meeting (February 18, 2016), it is necessary to elect a Chairman, Vice-Chairman, and Secretary.

REGULAR SESSION

1. 10445 Election of Officers

RESULT: ACCOMPLISHED

Motion To: **Elect a Chairman**

The Authority voted to elect Mr. Billy Arnall to serve as Chairman.

RESULT: **APPROVED [6 TO 0]**
MOVER: Frank Barron, Authority Member
SECONDER: Glenn Flake, Authority Member
AYES: Smith, Barron, Heimes-Taylor, Shirley, Wood, Flake
ABSTAIN: Billy Arnall

Motion To: **Elect a Vice-Chairman**

The Authority voted to elect Mr. Glenn Flake to serve as Vice-Chairman.

RESULT:	**APPROVED [6 TO 0]**
MOVER:	Frank Barron, Authority Member
SECONDER:	Billy Arnall, Authority Member
AYES:	Smith, Barron, Arnall, Heimes-Taylor, Shirley, Wood
ABSTAIN:	Glenn Flake

Motion To: **Elect a Secretary**

The Board voted to elect County Clerk Shannon Zerangue (non-member) to serve as Secretary in accordance with O.C.G.A. § 31-7-113 (b).

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Frank Barron, Authority Member
SECONDER:	Joy Shirley, Authority Member
AYES:	Smith, Barron, Arnall, Heimes-Taylor, Shirley, Wood, Flake

Motion To: **Appoint Legal Counsel**

The Authority voted to appoint Ms. Jerry Ann Conner from the firm of Glover & Davis, P.A. to serve as its legal counsel.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Frank Barron, Authority Member
SECONDER:	Glenn Flake, Authority Member
AYES:	Smith, Barron, Arnall, Heimes-Taylor, Shirley, Wood, Flake

APPROVAL OF MINUTES

Motion To: **Amend the Minutes**

The Authority voted to amend the minutes from the Called Meeting held on February 18, 2016 to strike discussion regarding holding a meeting in April 2016 (no such meeting was held).

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Glenn Flake, Authority Member
SECONDER:	Joy Shirley, Authority Member
AYES:	Smith, Barron, Arnall, Heimes-Taylor, Shirley, Wood, Flake

2. 10446 Request Adoption of the Minutes

The Authority voted to approve the minutes from the Called Meeting Session held on February 18, 2016, as amended.

RESULT:	**APPROVED AS AMENDED [UNANIMOUS]**
MOVER:	Frank Barron, Authority Member
SECONDER:	Glenn Flake, Authority Member
AYES:	Smith, Barron, Arnall, Heimes-Taylor, Shirley, Wood, Flake

NEW BUSINESS

3. 12484 Request Approval/Execution of an Agreement to Release Property

Attorney Conner and Attorney Ben Brooks (legal counsel for Wesley Woods of Newnan-Peachtree City with the firm of Smith, Gambrell & Russell, LLP) explained that Coweta County intends to purchase a small portion of property (0.6± acres) near

Wesley Woods as right-of-way acquisition for the proposed roundabout at the Madras Parkway. The subject property is included in a Deed to Secure Debt held by the Authority as additional security for the outstanding bonds utilized for financing/refinancing Wesley Woods of Newnan-Peachtree City. The subject property is unimproved and in order to proceed, it is necessary for the Authority (the Issuer) to execute an agreement to release this portion from the deed.

In response to a question from Mr. Flake, Attorney Brooks explained that the purchase price for the property in question is approximately $46,000.

The Authority voted to execute an Agreement to Release Property and a Quit Claim Deed of Partial Release associated with 0.6± acres that Coweta County intends to purchase as a right-of-way acquisition for the Madras Parkway Roundabout project.

RESULT:	**EXECUTED [UNANIMOUS]**
MOVER:	Frank Barron, Authority Member
SECONDER:	Patricia Heimes-Taylor, Authority Member
AYES:	Smith, Barron, Arnall, Heimes-Taylor, Shirley, Wood, Flake

4. 12491 Request Approval/Execution of a Letter of Engagement Associated with Underwriter Services

Attorney Brooks explained that Wesley Woods of Newnan-Peachtree City wishes to refinance existing bonds to realize substantial savings in interest and has engaged Herbert J. Sims & Company (HJ Sims) to sell the bonds on the market. As required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17, an engagement letter is required. The purpose of the letter is to allow HJ Sims to administer underwriting services including providing information and details regarding the bond transaction(s).

The Authority voted to execute a non-binding engagement letter with Herbert J. Sims & Company (HJ Sims) to provide underwriting services associated with the issuance of revenue bonds for Wesley Woods of Newnan-Peachtree City, Inc.

RESULT:	**EXECUTED [UNANIMOUS]**
MOVER:	Frank Barron, Authority Member
SECONDER:	Barbara Smith, Authority Member
AYES:	Smith, Barron, Arnall, Heimes-Taylor, Shirley, Wood, Flake

5. 12485 Update Regarding Wesley Woods

Attorney Brooks explained that Wesley Woods of Newnan-Peachtree City has an opportunity to refinance existing bonds to realize substantial savings in interest. He introduced Ms. Terry Barcroft, President and CEO of Wesley Woods Senior Living. He also introduced Mr. David Cheatwood, Managing Director of First Tryon Advisors.

Ms. Barcroft explained that she has been with Wesley Woods for approximately twenty-three (23) years and has been serving as President and CEO for Wesley Woods Senior Living for approximately five (5) years. She further explained that Wesley Woods Senior Living owns or manages ten (10) properties across north Georgia serving 1,800± older adults. Some of these services include affordable housing through five (5) of their communities. She introduced Mr. Steve Threlkeld, Executive Director of Wesley Woods Newnan.

Mr. Threlkeld explained that he has been with Wesley Woods for approximately twenty-four (24) years. He further explained that the facility is located on 54± acres, is approximately 187,000 square feet, and consists of twenty-three (23) skilled nursing beds, forty-five (45) assisted living beds (including 8 for Alzheimer's/dementia), eighty-seven (87) independent living apartments, and eight (8) duplex cottages with one (1) currently under construction. Currently, Wesley Woods in Newnan is the only life plan community in Coweta County, and it employs one hundred two (102) staff members and houses approximately one hundred fifty (150) residents.

Mr. Threlkeld fielded questions from Chairman Arnall regarding the challenges the facility has faced with staffing and supplies because of the current pandemic and regarding the percentage of the total 54± acres the facility is currently utilizing.

In response to a question from Authority member Barron, Mr. Threlkeld explained that the roof on the residents' rental garage collapsed recently (no injuries or damage to autos). Demolition and reconstruction are expected to begin soon.

Chairman Arnall commended Mr. Threlkeld for the great job Wesley Woods is doing in the community.

Mr. Cheatwood explained that First Tryon is serving as financial advisor to Wesley Woods Senior Living. He provided a brief overview of the refinancing plan by explaining that in March 2016 Wesley Woods of Newnan-Peachtree City issued $15,800,000 of revenue bonds (Series 2016A) through the Authority to refund its variable rate revenue bonds (Series 2005). As of September 2021, the 2016A bonds were outstanding in the amount of $14,875,000 of which $14,640,000 (consisting of the principal maturing on March 1, 2023-2046) is eligible to be refinanced beginning March 1, 2022 at a redemption price equal to 104% of the par amount (stated/face value). Based upon the low interest rate environment, refinancing the 2016A bonds will result in significant debt savings. Therefore, Wesley Woods would like to refinance the 2016A bonds and is requesting to issue the refunding bonds through the Authority again. In addition, Wesley Woods would like to include $1 million of "new money" in this borrowing to fund certain improvements to its existing facilities. These improvements will allow Wesley Woods to use its cash to pay off a 2016 subordinate loan in the amount of $1 million from Wesley Woods Senior Living, Inc. Regarding the refunding, it is estimated that Wesley Woods will save $335,000 (cash flow) per year (based upon current market rates) totaling approximately $8,178,246 (cash flow gross) over the remaining twenty-five (25) years. In present day savings, this calculates to $5,484,180 (net) or 36.87% (net) of the bonds that are being refunded. Further, the current interest rate on the outstanding bonds is 7.05%, and the all-in true interest cost to refinance the bonds is 3.67%. Like the Series 2016A bonds, the interest rates on the refinancing will be fixed through the final maturity (March 1, 2046). In terms of the "new money", the $1 million will be repaid over a twenty (20) year period resulting in an annual debt service of approximately $75,000 per year. In closing, he reviewed the next steps associated with issuance, Commission approval, validation, and closing on the revenue bonds.

RESULT: ACCOMPLISHED

Motion To: **Set Next Meeting**

The Authority voted to set a Called Meeting on October 5, 2021 at 2:30 p.m. in the Commission Meeting Chambers located at 37 Perry Street, Newnan.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Frank Barron, Authority Member
SECONDER:	Patricia Heimes-Taylor, Authority Member
AYES:	Smith, Barron, Arnall, Heimes-Taylor, Shirley, Wood, Flake

COMMENTS

Comments

Chairman Arnall called for any comments.

Authority member Wood expressed her concerns regarding affordable housing for seniors. She asked if the Authority can issue bonds for affordable housing.

Attorney Conner explained that the legislation that established the Authority limits its role to authorizing financing for any qualified sponsor (non-profit organization) seeking tax exempt bonds for the purpose of constructing housing for the elderly. Therefore, the Authority could consider issuing tax-exempt revenue bonds for a qualified sponsor (non-profit organization) to fund affordable housing for the elderly.

ADJOURNMENT

Motion To: **Adjourn**

The Authority voted to adjourn the meeting.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Glenn Flake, Authority Member
SECONDER:	Frank Barron, Authority Member
AYES:	Smith, Barron, Arnall, Heimes-Taylor, Shirley, Wood, Flake