

SALT LAKE COUNTY

*2001 S State Street, N2-800
Salt Lake City, UT 84114*



Meeting Minutes

Wednesday, April 28, 2021

2:00 PM

Room N2-800

Debt Review Committee

1. Call to Order

Call In: Committee Member Scott Tingley
Committee Member Wayne Cushing
Committee Member David Delquadro
Committee Member Darrin Casper
Chair Ralph Chamness
Committee Member Javaid Majid
Committee Member Brad Kendrick
Ex-Officio Member Jon Bronson

1.1 Statement Regarding Open and Public Meetings Act Anchor Location [21-0528](#)

Attachments: [OPMA Achor Location Stmt - April 28 2021](#)

Committee Chair Ralph Chamness read the following statement:

Consistent with provisions of the Utah Open and Public Meetings Act, Utah Code Ann. § 52-4- 207(4), and acting in my capacity as Debt Review Committee (“Committee”) Chair, I hereby make the following written determinations in support of Committee’s decision to hold and convene electronic meetings of the Committee without a physical anchor location:

1. Conducting Committee meetings with an anchor location that is physically accessible for members of the public to attend in person presents a substantial risk to the health and safety of those who may be present at the anchor location; and

2. This determination is based upon the following facts, among others:

a. Salt Lake County remains under a state of public health emergency related to the ongoing COVID-19 pandemic, and significant, continued person-to-person transmission of the SARS-CoV-2 virus continues to occur in Salt Lake County;

b. State and local health authorities have adopted “State Public Health Order 2021-10, ‘*Updated Statewide COVID-19 Restrictions*,’” which advises institutions in jurisdictions currently experiencing “moderate transmission” of COVID-19, including Salt Lake County, to take steps to limit transmission of the disease;

c. Public health authorities, including the Salt Lake County Health Department, recommend that the health and safety of Committee members, County officials and employees, staff, and members of the public is best served by holding primarily electronic meetings of the Committee with limited in-person interaction;

d. The Committee has prepared for and demonstrated the ability to effectively conduct its public meetings electronically, including providing members of the public means to observe the Committee's meetings and provide comments electronically.

These written determinations shall be read into the minutes at the beginning of the Committee Meetings, held in Salt Lake City on April 28, 2021, and shall also apply to any additional meetings of the Committee held during the time period described herein. Committee staff are instructed to continue including in the public notice information on how a member of the public may view and make comments at the Committee's electronic meetings.

This written determination is effective until midnight on December 31, 2021, and maybe re- issued by future written determinations of the Chair at that time.

Dated this 28th day of April, 2021.

Debt Review Committee

By /s/ RALPH CHAMNESS
CHAIR

(Note: During the May 25, 2021, Debt Review Committee meeting, the Committee amended the date on this document from December 31, 2021, to May 28, 2021.)

2. Public Comment

Mr. Steve Van Maren stated he was glad to see the committee meeting again and grateful for the opportunity to attend virtually.

3. Approval of Minutes

3.1 Approval of October 28, 2020 Minutes[21-0527](#)

Attachments: [Salt Lake County Debt Review Meeting Minutes 2020-10-28](#)

A motion was made by Committee Member Majid, seconded by Committee Member Tingley, that this agenda item be approved. The motion carried by a unanimous vote.

4. Discussion Items**4.1 Open and Public Meetings Annual Training**[21-0529](#)

Mr. Craig Wangsgard, Deputy District Attorney, reviewed the requirements for open and public meetings.

4.2 Tax Revenue Anticipation Notes (TRANS)[21-0532](#)

Committee Member Cushing stated he would like to get a projection from Mayor's Finance as to whether any fund balances are in the negative. The indication were that there might not be any that would warrant a tax revenue anticipation note (TRAN) this year.

Committee Member Casper stated Shanell Beecher, Director of Accounting and Operations, Mayor's Finance, indicated the County is flush with money and cannot justify or need anticipation notes.

Mr. Jon Bronson, Senior Vice President & Managing Director, Zion's Public Finance, stated that is a good scenario to be in. Market interest rates are extremely low.

Committee Member Casper stated the County would have a hard time meeting the test for its three major funds. Funds are projected to end the year well above the cap and he expects another \$113 million within the next three weeks.

Committee Chair Chamness stated this throws Mr. Bronson's calendar out the window. The committee can quickly reconvene and adopt the calendar if need be. He asked if that seemed like the best course.

Committee Members agreed with this approach.

4.3 Municipal Building Authority Debt Timing

[21-0531](#)

Committee Member Casper addressed the timing of Municipal Building Authority (MBA) debt. The County is almost to the indifferent point as to whether it issue library bonds early as opposed to later. However, the County does need to have them.

Two budget adjustments for the library are set to go before the Council. The construction had contract increases and cost overruns associated with a variety of issues. The furniture, fixtures, and equipment (FFE) budget was underestimated and one of the contractors declared bankruptcy, forcing the County to find another one. The increase is around \$3 million for the two major libraries.

Ultimately, the rent payments the library makes to the MBA will cause a tax increase in two years. That matter will have to be discussed. There are also questions to resolve about the amount of the issue, which could be solved with a later time of issue.

Mr. Jon Bronson, Senior Vice President & Managing Director, Zion's Public Finance, stated JP Morgan has been projecting that rates might increase by as much as 40 basis points by the end of the year. However, the consensus view, including that of Wells Fargo, was about a 20 basis point increase between now and end of year. That produces additional debt for the County, but it is not overwhelming. Twenty basis points on \$40 million is about \$35,000 per year. Overall, interest rates might be 2.5 to 3.0 percent.

Committee Member Kendrick stated the budget adjustments will be on the Council agenda on Tuesday, May 4, 2021.

Committee Member Delquadro stated Mitchell Park, Legal Counsel, Council Office, saw an article indicating that libraries could make a direct request to the Federal Government for funds.

Mr. Mitchell Park, Legal Counsel, Council Office, stated he read an article

indicating there are a number of federal dollars set aside for libraries. He did not know how the funds would be distributed, but it was a potential revenue source. He will mail the article to the committee and all other interested parties.

4.4 Financial Advisor Update

[21-0530](#)

Mr. Marcus Keller, Assistant Vice President, Zion's Public Finance, delivered a PowerPoint presentation regarding the current market conditions. He reviewed the weekly municipal updates from Wells Fargo and Chase.

Committee Member Casper asked Mr. Bronson to run a sensitivity analysis for the longer and shorter issuance periods.

Committee Member Majid asked if there was a chance to refund the two Build America Bonds (BAB).

Mr. Bronson stated it would not make sense to call the bonds because all savings would go to the bond holder.

5. Other Committee Business

Committee Chair Chamness stated the next Debt Review Committee meeting is scheduled for May 26, 2021, although there may not be a need for a meeting.

He asked if Committee Members would like to resume meeting in person. His preference is for one more remote meeting and then reassess the pandemic situation. All Committee Members were comfortable with that approach.

Mr. Steve Van Maren asked if the term could be extended on the MBA bonds with low interest rates, thus pushing back the tax increase.

Committee Member Casper stated even with the MBA's low interest debt, the County has a policy of trying to minimize the length of debt service. Such an extension would only change the tax increase from about \$40 per house to \$35 per house.

6. Adjournment

The meeting was adjourned at 2:55 PM.

SHERRIE SWENSEN, COUNTY CLERK

By _____
DEPUTY CLERK

By _____
CHAIR, DEBT REVIEW COMMITTEE