SALT LAKE COUNTY

2001 So. State Street
Salt Lake City, UT 84114

Meeting Minutes

Wednesday, October 22, 2025

2:00 PM

Room N2-800

Debt Review Committee

1. CALL TO ORDER

Present: Committee Member Sheila Srivastava
Ex-Officio Member Jonathan Ward
Chair Chris Harding

Excused: Committee Member Ralph Chamness

Call In: Committee Member Darrin Casper
Committee Member David Delquadro
Committee Member Greg Folta
Committee Member Mitchell Park

2. PUBLIC COMMENT

3. APPROVAL OF MINUTES

3.1 Approval of 073025 Debt Review Committee Minutes 25-701

Attachments:
1. 073025 Debt Review Minutes

A motion was made by Committee Member Park, seconded by Committee Member Delquadro, to approve the minutes. The motion carried by a unanimous vote.

4. DISCUSSION ITEMS

4.1 Bond Updates on TRT, Arts and Culture — TRCC, and Arts Center 25-715

Presenter: Darrin Casper, SLCo Deputy Mayor of Finance and Administration CFO.
(Approx. 2:00 PM, 30 Minutes.)

Informational

Attachments: None

Transient Room Tax (TRT)

Committee Member Darrin Casper briefed the committee on the Transient Room Tax (TRT) bond, which was to be used for the Salt Palace Convention Center project. The anticipated construction proceeds were expected to be approximately $150 million. The Mayor's proposed 2026 budget will transfer $3 million from the General Fund to the TRT Fund, which will be a portion of the debt service payment. The committee had previously discussed having debt service payments in 2026. The plan was to have segregated tax rates and take advantage of the debt service levy rate, but the Utah State Tax Commission would not agree to that approach because there were conflicts in the statute. The $3 million from the General Fund will give greater flexibility with the financing. However, it could be more beneficial to the County to wait a bit longer before the debt issuance to take advantage of the $50 million in the construction fund and have that work in conjunction with the reimbursement resolution that was passed by the Council on October 21, 2025, to allow for meeting the IRS deadlines while taking advantage of positive arbitration.

Committee Member Casper stated so much had changed over the last week that he had barely worked through everything in his mind. Essentially, the event would go on the calendar, and RLB Holdings Incorporated, a subconsultant to Construction Management Corporation (CMC), would provide an estimation of the cash outflows for the project in conjunction with Tyson Kyhl, Director, Facilities Management Division, and his team. The County would probably want to issue the debt once the $50 million from the construction fund was available.

Committee Member Casper asked if anyone knew how long the reimbursement resolution would be valid.

Ms. Helen Schroeder, Deputy District Attorney, stated her recollection, from speaking with Craig Wangsgard, Deputy District Attorney, was that it was six months previous and twelve months going forward.

Committee Member Casper stated the bond issuance could be targeted for next October.

Committee Member Srivastava asked if the $50 million in the construction fund was being held in the County or if it was with the partners.

Committee Member Casper stated it was still in an allocated fund.

Committee Member Srivastava asked if it would be held in the County's portfolio until it was disbursed to the vendors being paid. She wondered because she wanted to ensure that drawdown funds would be available for that allocation once necessary.

Committee Member Casper stated that was correct. He added it was the duty of RLB Holdings Incorporated to ensure that would happen.

Committee Member Casper asked Ms. Schroeder if it would be possible to pass another reimbursement resolution.

Ms. Schroeder stated she believed it was possible.

Arts and Culture, Tourism, Recreation, Culture, and Convention (TRCC), and Arts Center

Committee Member Casper stated the County had purchased the land for these projects, and it was working on the design with an architect. After discussing the issue with Matt Castillo, Division Director, Arts and Culture, he believed the best thing would be to issue debt for this building in June. He would be working on the size of the bond next. The Larry H. Miller Foundation had contributed about $25 million, and the project cost was estimated to be about $91 million. This included the price of the land, which had already been donated. The County made a $15 million TRCC contribution in 2025. If the Council approved the proposed budget, an additional $7.5 million would be contributed in 2026. This would bring the proceeds of the bond to approximately $37.5 million. The team was trying to determine which library projects would be included in the first tranche. The Library Services Division would be making a request to the Council within a week or two to purchase land in Midvale City. He had already discussed this matter with the Democratic Caucus, but not the Republican Caucus. He felt it was important to ensure the Council was not confused on this matter. The bond would need to be sized, and the payments estimated.

Mr. Japheth McGee, Vice President, Zion's Public Finance, asked if there was any appetite to forego a capitalized interest period to prevent the question of timing for tax increases.

Committee Member Casper stated he was interested in that, but he would want to hear what everyone on the Debt Review Committee thought. Once the committee knew what the amount was, he would like to run both scenarios. The Library has a tremendous long-range plan, and it would be nice to understand how those two models fit into that plan and whether a major tax increase (more than 15 percent) could be avoided if, when the library is funded next year, it could be moved to a cost-of-living tax increase to keep pace with inflation.

Committee Member Delquadro stated the Council deserved to know that alternatives were being considered. He was worried about an overload occurring if the members had to focus on these two alternatives, plus the building in the middle of the budget deliberations.

Committee Member Casper stated he did not disagree, but he knew Joey McNamee, Director, Library Services Division, was trying to settle the real estate transaction in December, which would require an appropriation. He had been pushing the Library Services Division to ensure the Council understood what would be happening with that.

Committee Member Delquadro recommended having a conversation with the Republican Caucus of the Council.

Mr. McGee stated he could run some numbers on capitalizing interest versus not capitalizing interest for the construction period to see how it would change the cash flow.

Committee Member Srivastava asked to be copied on that information. She wanted to make sure she had a solid understanding of any capital projects that would require her to make a distribution so that those funds would be ready at the right time.

Committee Member Park stated the land purchase amount was $1.2 million.

Committee Member Folta stated the Lease Revenue Bond would need to be issued during the first half of the year, so the County would have time to make the $9.3 million payment on the Kearns Library in late June.

4.2 Discuss Reimbursement Resolution and the Proposed Security Provisions for the Bonds 25-702

Presenter: Japheth McGee, Vice President, Zions Public Finance.
(Approx. 2:30PM, 10 Minutes)

Informational

Attachments:
1. 012925 Bond Reimbursement resolution MBA

Committee Member Ward stated the reimbursement resolution was approved the day before. This would allow the County to start expending money and reimburse itself with tax-exempt money. The resolution was general enough to be used for library land acquisition, performing arts center project costs, and many other preliminary costs. To answer Committee Member Casper's earlier question, he felt another reimbursement resolution could be adopted if necessary.

Committee Member Ward was not entirely sure this resolution could act in place of the Building Authority's Board of Trustees. It might be necessary that the Building Authority, rather than the County Council, take authority. That would need to be researched. He did not anticipate running into many issues there. The County could always reimburse itself with taxable bond proceeds. This resolution was only necessary for tax-exempt proceeds.

Committee Member Casper asked Committee Member Folta to find out if the Library Fund Balance could pay the balloon payment for the New Market Tax Credit transaction in June without the bond being issued. If so, that may be something to plan for.

Mr. Ryan Noyce, Senior Debt Administrator, Mayor Finance, stated the Library did do a reimbursement resolution, which expires in March. It purchased another building in late spring or early summer of this year, which would need to be reimbursed as well. It was $7 million.

Committee Member Ward stated there was a look back period of 60 days. If the expense had already been incurred, the prior resolution would be used. New expenses would need to be covered by the new resolution.

Mr. Brad Townley, Chief Deputy Treasurer, asked Committee Member Casper if it would be possible to use bond anticipation notes and stagger the delivery and sale date.

Committee Member Casper stated that was a very interesting question. It might be a very attractive alternative to buying six months.

Committee Member Ward stated he was not sure if he would spend the up-front costs for six months, but if it could buy a couple years, it may be worth it. He agreed to tinker with the numbers a bit.

5. OTHER COMMITTEE BUSINESS

ADJOURN

The meeting was adjourned at 3:00 PM.

LANNIE CHAPMAN, COUNTY CLERK

By______________________________
DEPUTY CLERK

By______________________________
CHAIR, DEBT REVIEW COMMITTEE