SALT LAKE COUNTY

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

SALT LAKE COUNTY

Meeting Minutes

Wednesday, December 11, 2024

2:00 PM

Room N2-800

Debt Review Committee

1. Call to Order

Present: Committee Member Darrin Casper
Committee Member Wayne Cushing
Committee Member David Delquadro
Committee Member Chris Harding
Committee Member Mitchell Park
Ex-Officio Member Johnathan Ward
Chair Ralph Chamness

Call In: Committee Member Greg Folta

2. Public Comment

3. Introduction of Treasurer Elect Sheila Srivastava

Ms. Shiela Srivastava, Treasurer-Elect, introduced herself, stating she was delighted to be here.

4. Approval of Minutes

Review and Approval of Minutes from September 24, 2024 and October 23, 2024 DRC meetings 24-2393

Attachments: 09-25-24 Debt Review Committee Minutes
10-23-24 Debt Review Committee Minutes

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

5. Review of MBA Lease Revenue Offering Documents

Review of MBA Lease Revenue Offering Documents 24-2394

Attachments: pMBA_SaltLakeCountyUT$____MLRRB_Dec52024

Ms. Jeanette Harrison, Vice President, Zions Public Finance, reviewed the Draft Preliminary Official Statement for the Lease Revenue Refunding Bonds, Series 2025, in the amount of $26,895,000. This is a document that goes out to the investment community, showing the finances of Salt Lake County. It is a long document that contains everything relevant to County financing that an investor in bonds would want to know. The County is not issuing bonds immediately, so the numbers in this are not conducive to the

County proceeding with the financing. Ms. Harris asked if the County wanted to keep the payment date of December 1st. Other Lease Revenue bonds of the County's were due January 15th.

Mr. Ryan Noyce, Senior Debt Administrator, Mayor Finance, stated it would be good to have that date be the same date as the other bonds.

Ms. Harris went through the document explaining what was in it, and making changes and corrections to it based on input from the Committee, Craig Wangsgard, Deputy District Attorney, Shiela Srivastava, Treasurer-Elect, and Kelly Murdock, Director, Stifel.

Mr. Johnathan Ward, Senior Vice President, Zions Public Finance, stated this is the format the County will use, but there will be changes to it. This document will be the basis for rating presentation material, and Zions Public Finance will work with Mayor Finance on that rating presentation. There will be another review of this document as it gets close to the actual bond sale, at which time that version of the document will be compared with this version. Then, Ryan Bjerke, Partner, Chapman and Cutler LLP, and Kelly Murdock, Director, Stifel, will lead the County through a due diligence questionnaire. That date will be as close to the sale date as possible, so when this document is posted for the market to digest, it will have everything in it that needs to be in it, and it will comply with Federal regulations.

Mr. Kelly Murdock, Director, Stifel, stated the due diligence questionnaire should be as close to the date of posting as possible, and pre-marketing would begin upon posting.

Mr. Ward stated the most recent numbers from last week indicated there would be a net present value (NPV) dissavings of about $200,000. The numbers are moving in the wrong direction. He did not think much would happen with the bond market between now and the end of the year, but after the first of the year, the market will start responding to new transactions with supply and demand curves.

Mr. Murdock stated this is a moving target day by day. The latest numbers are slightly tighter, but the NPV number is still underwater. The numbers could align to where the County could pull the trigger and have savings on one day, but then the savings could be gone the following day.

6. Financial Advisor Update

Mr. Johnathan Ward, Senior Vice President, Zions Public Finance, reviewed the Municipal Market Outlook interest rate ratios between the Municipal Market Data (MMD) and the US Treasury interest rates from where they were a month ago, showing that the MMD rates had increased, and the US Treasury rates had decreased. The Bonds have a make whole call feature, which means that the investors who own the bonds get all the interest owed to them. So, in order for the County to have a savings when paying investors to redeem the bonds, it would need the US Treasury rates to increase and the MMD rates to drop.

Mr. Japheth McGee, Vice President, Zions Public Finance, reviewed the Market Snapshot, going over the MMD rate outlook on the ten-year median and the current MMD rates; the Consumer Price Index (less food and energy), which has increased to three and four percent from earlier in the year; the Federal Government current rate, with the expectation the Federal Government will cut one more time next week, which should help with the interest rate yield curve; and a headline showing Los Angeles County had purchased a $200 million office tower in downtown Los Angeles, which could be relevant to the County, with regard to the building it planned to purchase.

7. 2025 Debt Review Chair Discussion

Committee Member Chamness stated the Treasurer would ordinarily be the Chair next year if the Committee followed the normal rotation. He asked if the Committee wanted to change that order for next year, since there would be a new Treasurer.

Ms. Shiela Srivastava, Treasurer-elect, stated she would like to get more acquainted with the process before being the Chair.

Committee Member Harding stated he would be happy to chair next year.

Committee Member Park recommend the Treasurer-elect wait until her third year in office to chair the Committee because that would align with the election calendar. That way, the Committee would not be back in the same position if there was a new District Attorney or new Auditor. The rotation order would be Auditor, District Attorney, and then Treasurer.

Committee Member Chamness stated the Auditor would chair next year, and for the following year, the Committee could address that next year.

8. Other Business

9. Adjourn

The meeting was adjourned at 4:00 PM.

LANNIE CHAPMAN, COUNTY CLERK

By ______________________
DEPUTY CLERK

By ______________________
CHAIR, DEBT REVIEW COMMITTEE