SALT LAKE COUNTY

2001 So. State Street
Salt Lake City, UT 84190

Meeting Minutes

Wednesday, July 29, 2026

2:00 PM

Room N2-800

Debt Review Committee

1. CALL TO ORDER

Present: Committee Member Darrin Casper
Committee Member Greg Folta
Committee Member Chris Harding
Committee Member Mitchell Park
Committee Member Shiela Srivastava
Committee Chair Ralph Chamness
Ex-Officio Member Johnathan Ward

Excused: Committee Member David Delquadro

2. PUBLIC COMMENT

3. APPROVAL OF MINUTES

3.1 Approval of Minutes from May 27, 2026 meeting 26-756

Presenter: Ralph Chamness

Discussion - Vote Needed

Attachments:
1. 05-27-2026 Debt Review Minutes

A motion was made by Committee Member Folta, seconded by Committee Member Park, to amend paragraph 3 on page 3, to read, "*Committee Member Chamness stated the draft should be circulated to Committee Members interested..."* and to approve the minutes with the amendment. The motion carried by a unanimous vote.

4. FINANCIAL ADVISOR UPDATE

Market Update

Mr. Johnathan Ward, Senior Vice President, Zions Public Finance, presented the Municipal Market Outlook for Thursday, July 23, 2026. He reviewed interest rate movements, which have risen about 25 basis points or more over the last week, and the Bond Buyer 20-year General Obligation (GO) index, which illustrates the average rating is about a double-a (AA), with the County being within two basis points of that. Average is not bad, but he hoped for a better market as the County geared up for bond issuance. He also reviewed the daily triple-a (AAA) Municipal Market Data (MMD) interest rates and US Treasury rates.

4.1 Discussion of TRCC and TRT Calendar of Events 26-757

Attachments: None

Parks and Recreation General Obligation Bond Election

Mr. Johnathan Ward, Senior Vice President, Zions Public Finance, reviewed the calendar for the Parks and Recreation General Obligation Bond Election. Today, the Debt Review Committee will discuss making a recommendation to the County Council to consider the election resolution on August 4, 2026. The election resolution starts the County legally going down the path to hold an election, which is scheduled for November 3, 2026. Then, an election procedure resolution is calendared for September 8th, to start outlining election procedures. A separate meeting, public hearing, and argument public hearing have been calendared for October 6th, at 6:00 PM. That public hearing must allow comments for the ballot question, against the ballot question, and time for rebuttal.

Committee Member Park stated the Council would likely cancel its meeting on September 8th, due to Labor Day. He asked if the election resolution could be moved to September 15th.

Mr. Ryan Bjerke, Principal, Chapman and Cutler, LLP, stated that should be fine.

Mr. Ward stated the election resolution does not trigger timing. Other steps following that would trigger next actions, which had to happen within a certain timeframe. He would get the calendar updated and circulated.

Transient Room Tax Revenue Bonds

Mr. Johnathan Ward, Senior Vice President, Zions Public Finance, reviewed two calendar options for the Transient Room Tax Revenue Bonds for the Salt Palace Convention Center, which differed by one month. The first was a fast timeline, driven by when the County might need money for the Salt Palace improvements, and anticipated interest rates. If it looked like interest rates were going up soon, the County might want to issue bonds before that happened. If it looked like interest rates would be steady for a month or two, then it did not matter.

Mr. Ward asked if the County could spend the money fast enough to meet the federal regulations if it borrowed now. If the County wanted to keep any positive interest earnings on the bond money it borrowed, it was required to meet the arbitrage spenddown test, which meant the County would need to spend at least 10 percent of the money in six months, 45 percent in 12 months, 75 percent in 18 months, and the vast majority by 24 months.

Committee Member Casper stated the finance subgroup that had been working on the Transient Room Tax projected the County would need the money in November and December of this year, and that it would spend all the money within a year. The County would meet the 10 percent spenddown requirement on day one, and unless there was a big blip, it would meet the rest of the requirements. He asked what the issuance dates were.

Mr. Ward stated the fast calendar issuance date is scheduled for October 27th, and the slow calendar issuance date is scheduled for November 19th. The ratings presentations were calendared for September 3rd, or October 1st, but he could amend those dates to accommodate Mayor Finance's schedule.

Committee Member Casper stated he would like to strive for the earlier calendar, but have some date options, so his office could select the date that worked best.

Mr. Ward stated he would work with Committee Member Casper offline to get some dates pinned down.

Committee Member Chamness stated if there were no concerns, he would draft a letter to the County Council with the Debt Review Committee's recommendation.

A motion was made by Committee Member Park, seconded by Committee Member Srivastava, to direct the Chair of the Debt Review Committee to send a letter to the County Council with the Debt Review Committee's recommendation.

5. PARKS AND RECREATION BOND

Ms. Robin Chalhoub, Director, Community Services Department, stated the Recreation Bond Advisory Board put together a list of projects that would be funded from a $90 million bond. The Community Services Department is prepared to present that list of projects to the County Council on August 4, 2026.

Mr. Johnathan Ward, Senior Vice President, Zions Public Finance, asked if the Council was politically focused on the $90 million amount, and not to exceed that, or if its priority was to authorize new bonds to replace old bonds at a similar revenue generation standpoint.

Ms. Chalhoub stated the Council did not set a spend-to limit. The $90 million was the threshold for deciding the projects, and the Community Services Department wanted the Recreation Bond Advisory Board to stay within that threshold.

Committee Member Casper stated the $90 million was to maintain the current tax levy and be able to do a side-by-side advertisement that read that although the resolution required a notice of property tax increase, it would, in fact, be a continuation of the tax levy.

Mr. Ward stated Zions Public Finance ran the numbers in today's market, i.e., interest rates and property valuations, and $90 million was not enough in today's environment. The County could issue bonds at about $94.5 million, and maintain the current tax levy.

Committee Member Casper stated he had never seen a list of projects that did not end up needing more money. He would go with the higher number if it did not make a difference to taxpayers' tax bills, but he wanted to be transparent and honest with the public.

Mr. Ryan Bjerke, Partner, Chapman and Cutler, stated the authorization would be an up-to amount, but the County would not have to issue that amount. If, at some point, the Council determined it could not issue the amount of the authorization without increasing the tax levy, it did not have to issue that. The authorization would be for 10 years, so the Council could issue the remaining amount later. It might be better for the Council to go higher and give the County a cushion, than to be under and not have enough money.

Mr. Japheth McGee, Vice President, Zions Public Finance, stated the estimate for how much property values would go up were low, so the County might be able to come back and issue more bonds later.

Mr. Ward asked if the County could phrase the language that the authorization was for $120 million, but in the post of the bond section read that the impact of the current plan would be $94.5 million, not $120 million.

Mr. Bjerke stated the Council would be legally permitted to do that. However, there would be some political risk because the Council could decide to go ahead and bond for that amount and increase taxes.

Committee Member Park stated if the Debt Review Committee recommended $120 million, the Council was going to wonder what went wrong with the process. He thought the recommendation should not exceed $100 million.

Mr. McGee stated it is common to put a "fudge factor" in an authorization. Zions Public Finance has determined $94.5 million is the amount needed to retain the tax levy, so it was reasonable for the County to ask for $100 million.

Mr. Ward stated a lot of moving parts go into a tax impact analysis, i.e., interest rates, valuations, terms, project costs. Asking for $100 million would give the County flexibility and options down the road. He might even recommend going to $105 million.

Committee Member Casper asked if the Council had made a recommendation.

Committee Member Park stated the Council's recommendation was not tied to a budget amount; it was more about maintaining the tax levy.

Mr. Isaac Higham, Director, Council Office, stated the Council wanted to keep the tax levy the same, but it also wanted to know what projects the advisory board would recommend and the costs for those projects. If the Debt Review Committee recommended an amount not to exceed $100 million, that is what the Council wanted to hear at its first meeting.

A motion was made by Committee Member Srivastava, seconded by Committee Member Folta, that the Debt Review Committee recommend an authorization amount not to exceed $100 million to the County Council. The motion carried by a unanimous vote.

Committee Member Chamness stated he would send a letter to the Council prior to its meeting on Tuesday.

6. 10TH EAST SENIOR CENTER NEW MARKET TAX CREDIT TRANSACTION

Committee Member Folta reviewed the Tenth East Senior Center New Market Tax Credit transaction. The Tenth East Senior Center is in Salt Lake City, in a low-income area, which is required by New Market Tax Credit legislation. This would be a standard New Market Tax Credit transaction, whereby the County would be making a series of loans to fund the project, and US Bank would be making an equity investment. In return for US Bank's investment, it would receive a tax credit over the next 10 years. The transaction was expected to close the end of August.

The County has formed an LLC, the Tenth East Senior Center LLC, managed by the County's 501(c)3, Salt Lake County NMTC, Inc. The Tenth East Senior Center LLC would own the building during the New Market Tax Credit compliance period, and lease to the County to operate the senior center during that time frame. After seven years, there would be an option for the investor and the community development entity (CDE), which is Community Development Fund of Utah, to step out of the transaction. At that point, ownership of the building would revert to the County. The equity investment from

US Bank would be about $1.5 million, so the County would be funding this $8 million project at about $6.5 million.

While this was not directly in the purview of the Debt Review Committee, it would be helpful to have its support when Mayor Finance presents this to the Council.

Committee Member Casper stated the County did six of these transactions in the past and they were all successfully closed out. He strongly recommended this transaction.

Committee Member Chamness stated he did not recall the Debt Review Committee opining on these transactions in the past.

Mr. Craig Wangsgard, Deputy District Attorney, stated the Debt Review Committee reviewed the Kearns Library NMTC transaction because there was going to be a loan from an exterior lender, which was unusual, and the Library was using a segregated fund to pay the lease payments.

Mr. Wangsgard reviewed the ordinance, which reads the Debt Review Committee will review all debt incurred by the County. However, in this case, the County would not be incurring debt.

Committee Member Chamness stated he was not comfortable taking a vote on this. Procedurally, the Debt Review Committee could not act on the transaction because the County would not be incurring debt with it. The Debt Review Committee could make a general statement that it supported the cause because these transactions had been successful in the past, and it had no objection to this transaction.

Committee Member Park stated to let the minutes reflect that there was no objection to the transaction.

7. OTHER COMMITTEE BUSINESS

Debt Policy

Committee Member Srivastava asked when the Debt Review Committee last reviewed its debt policy and if it should be reviewing that.

Committee Member Casper stated the Debt Review Committee reviewed the debt policy within the last ten years.

Committee Member Park stated it is the County Council’s responsibility to set the County’s debt policies. The Debt Review Committee, per County ordinance, is responsible for making recommendations. The Debt Review Committee could put the debt policy on its next agenda and review it.

Mr. Johnathan Ward, Senior Vice President, Zions Public Finance, stated Zions Public Finance would circulate the debt policy, and the Debt Review Committee could discuss it next month.

Sheriff

Sheriff Rosie Rivera stated the Sheriff's Office is asking for a $700 million bond to expand the jail. In 2024, the County asked the public to vote on a jail bond, and that failed, but costs have gone up significantly since then. The Sheriff's Office would like to expand the jail to 1,024 beds. It would decommission Oxbow Jail and move those 552 beds to the Adult Detention Center and add an additional 160 mental health beds and 100 stepdown beds, and the jail would supervise those individuals. The increase in beds is necessary due to an increase in the population sentenced to jail. The jail is at 90 percent capacity, and it is no longer allowed to do overcrowding releases. The State Legislature also changed laws that will now require people to stay in jail longer.

On March 3, 2026, the Council approved a resolution requesting a review of a proposed lease revenue bond to support the jail expansion. The Sheriff's Office has been working with County partners on a request-for-proposal (RFP) process and planning for the expansion project. It has also selected an architect and has been meeting with the architect weekly.

Committee Member Casper stated the Debt Review Committee sent a letter to the Council saying it anticipated having refined numbers for the Council on September 25th.

Chief Deputy Matt Dumont stated a draft of the operating costs shows a $34 million annual cost because of the increase in population and medical costs. It is more expensive to run a medically focused correctional facility. Once the County had options back from the architects, it could better gauge what the operating costs would be.

Committee Member Casper stated the operating costs need to be looked at more in-depth, and the cost estimate needs to be revised and include the Justice and Accountability Center (JAC). The Sheriff's numbers made sense because the jail plans to double the number of medical and mental health beds. The increased costs are 25 percent over budget, but the additions are intended to be phased in over time.

Committee Member Park stated the next step should be to take this to the Council and let it know what options are on the table. He suggested teeing up a discussion about operating costs at the Debt Review Committee's next meeting and not delaying a broader conversation with the Council.

Committee Member Chamness stated he would place the discussion on the operating costs on the Debt Review Committee's August 26th meeting agenda.

JPMorganChase

Mr. Craig Wangsgard, Deputy District Attorney, stated Standard and Poors (S&P) Global Ratings commented that it was concerned about a couple of the County's issuances in the past where JPMorganChase had a default provision—an accelerated provision in its purchase agreement. JPMorganChase is willing to amend that. Mr. Wangsgard stated he approved that language yesterday and JPMorganChase will sign this week. However, two of the documents have DTC listed on them, not JPMorganChase. He asked who could get those signatures.

Mr. Johnathan Ward, Senior Vice President, Zions Public Finance, stated he thought JPMorganChase had a subsidiary, and he would contact JPMorganChase about getting those signed.

Craig Wangsgard's Retirement

Committee Member Chamness recognized Craig Wangsgard, Deputy District Attorney, who is retiring on Friday. Mr. Wangsgard's accounting and legal skills saved the County countless dollars over the course of his career. There will be a reception honoring Mr. Wangsgard tomorrow, from 12:00 PM to 2:00 PM, in the District Attorney's Office's training room.

Committee Members recognized Mr. Wangsgard's contributions to the County and expressed their personal appreciation of him.

ADJOURN

The meeting was adjourned at 3:20 PM.

LANNIE CHAPMAN, COUNTY CLERK

By______________________________
DEPUTY CLERK

By______________________________
CHAIR, DEBT REVIEW COMMITTEE