

SALT LAKE COUNTY

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



Meeting Minutes

Monday, November 8, 2021

2:00 PM

Room N4-600

Debt Review Committee

1. Call to Order

Present: Committee Member Wayne Cushing
Committee Member David Delquadro
Chair Ralph Chamness

Call In: Committee Member Scott Tingley
Committee Member Darrin Casper
Committee Member Javaid Majid
Committee Member Brad Kendrick
Ex-Officio Member Jon Bronson

2. Public Comment**3. Approval of Minutes****3.1 Approval of minutes from September 29, 2021 meeting** [21-1308](#)

Attachments: [Salt Lake County Debt Review Meeting Minutes 2021-09-29.pdf](#)

Mr. Jon Bronson, Senior Vice President, Zion's Public Finance, stated he had not received the minutes.

Committee Member Chamness stated he would send the minutes to Mr. Bronson.

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 Financial Advisor Update** [21-1309](#)

Mr. Jon Bronson, Senior Vice President, Zion's Public Finance, reviewed the market updates for the week of November 8, 2021.

4.2 Salt Lake County Refunding Summary [21-1310](#)

Mr. Jon Bronson reviewed the Salt Lake County Refunding Analysis. He presented the four scenarios the committee vetted and decided to bring to the

Debt Review Committee for consideration.

Committee Member Majid asked if it would be better to wait and see if the rate stays the same or goes down. He did not care for direct purchase because one loses the edge of competitiveness.

Committee Member Delquadro asked who else was doing direct purchases and what the best way would be to announce the Debt Review Committee is receptive to receiving bids.

Mr. Bronson stated almost all large investment banks with a hefty direct purchase portfolio would do direct purchases. He reminded the committee the rate does not lock until signing day. Mr. Marcus Keller, Vice President, Zion's Public Finance, could discreetly run a sensitivity analysis on the value of the call option to see if it exceeds the MPV saving.

Committee Member Casper stated for the record, he tremendously appreciated the creativity and high finesse JP Morgan has brought.

A motion was made by Committee Member Delquadro, Seconded by Committee Member Casper, to proceed with the sensitivity analysis on the value of the call option. The motion carried by a unanimous vote.

4.3 Advantages and Disadvantages of Establishing a Five to Ten Million Dollar (\$5-10,000,00) Reserve in the General Fund which does not count toward the County's Fund Balance Minimum [21-1311](#)

Committee Member Delquadro stated it is worth considering establishing a reserve fund, especially with Council Member Alvord's suggestion to be fiscally prudent.

Ms. Shanell Beecher, Director of Accounting, Mayor's Financial Administration, stated the audit compliance guide states the General Fund balance cannot exceed the greater of 25 percent or the estimated total revenues from property taxes for the current fiscal period. She explained the "or" is significant.

Mr. Bronson stated money could be set aside in the Capital Improvement

Fund (Fund 450), as other counties have done. If the County showed projects that could use the money, it would comply with the State Auditor's letter.

Committee Member Casper stated the County could also contribute to Fund 414 (Shelter the Homeless). It is important, though, to be careful not to use American Rescue Plan Act (ARPA) funds.

Committee Member Chamness suggested the Committee take no action now, but put this item on hold for future discussion.

4.4 **Options to Substitute ARPA Funds for 2021 Public Safety Expenses** [21-1312](#)

Committee Member Chamness introduced David Johnson and David Pena, who he asked to talk about options to substitute American Rescue Plan Act (ARPA) funds for the 2021 public safety expenses.

Committee Member Delquadro stated of the 66 paths to spending ARPA money, all are quite complex except number 66, which does not involve any performance measures. Using this last approach seemed like the obvious and most simple choice.

Mr. David Johnson, Legal Counsel, District Attorney's Office, stated nothing in the ARPA guidelines would preclude the Council from using the entire \$200 million for super green government services. There is concern, however, that doing so might draw scrutiny.

Mr. David Pena, Legal Counsel, District Attorney's Office, stated he agreed with Mr. Johnson. The legality is clear, but there is a concern the Treasury might realize in the future it created a giant loophole and close it.

Committee Member Chamness stated he thought the committee should wait and see if the loophole closes for both ARPA and CARES funds.

Mr. Johnson stated the Treasury was supposed to finalize the rules on July 16, 2021. Legal Counsel has been checking daily since July.

5. Other Committee Business

Committee Member Chamness asked if the Committee would be willing to move the next meeting from December 29th to the 15th.

Nobody objected, and it was agreed that the meeting would be rescheduled.

6. Adjournment

The meeting was adjourned at 3:15 PM.

SHERRIE SWENSEN, COUNTY CLERK

By _____
DEPUTY CLERK

By _____
CHAIR, DEBT REVIEW COMMITTEE