



BUSINESS ADMINISTRATION

406 East 100 South
Salt Lake City, Utah 84111
801.578.8348

Date: March 4, 2025

To: Salt Lake City School District Board of Education
Superintendent Grant

From: Alan Kearsley, Business Administrator

Subject: Consideration of a Resolution Authorizing the Issuance and Sale of up to \$155,000,000 of General Obligation Bonds and Providing for Related Matters

Summary:

Attached is the resolution which sets forth the parameters of a bond issuance not to exceed \$155,000,000 to tentatively be sold near the end of May 2025. The approval of this resolution provides an official notice of bonds to be issued and starts the 30-day contest period.

Requested Board action:

Approve the attached Parameters Resolution.

Attachments:

Bond Issuance Parameters Resolution

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$155,000,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION SCHOOL BUILDING BONDS OF THE BOARD OF EDUCATION OF SALT LAKE CITY SCHOOL DISTRICT, UTAH; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE THAT THE BONDS MAY BEAR AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; PROVIDING FOR THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING THE ADVERTISEMENT FOR SALE OF THE BONDS AND THE CIRCULATION OF AN OFFICIAL STATEMENT WITH RESPECT THERETO; DECLARING OFFICIAL INTENT WITH RESPECT TO CERTAIN EXPENDITURES; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, at the special bond election duly and lawfully called and held in Salt Lake City School District, Utah (the “*District*”) on November 5, 2024 (the “*Special Bond Election*”), the issuance of \$730,000,000 principal amount of general obligation bonds was authorized for the purpose of, among other things, raising money for constructing buildings, acquiring land and furnishings and remodeling and updating existing school property, under the charge of the Board of Education (the “*Board*”) of the District (the “*Facilities*”), the result of which election was declared by the Board, sitting as a Board of Canvassers, on November 19, 2024;

WHEREAS, since the Special Bond Election, the Board has not entered into any loans from the School Building Revolving Account pursuant to Section 53A-21-104 (or any predecessor provision) of the Utah Code Annotated 1953, as amended (the “*Utah Code*”);

WHEREAS, the Board has not heretofore issued any of the bonds voted at the Special Bond Election and the Board has determined to authorize the issuance and sale at this time of up to \$155,000,000 principal amount of the bonds voted at the Special Bond Election;

WHEREAS, pursuant to the applicable provisions of Title 53A of the Utah Code, Chapter 14 of Title 11 of the Utah Code and the authorization of the Special Bond Election, the Board has the authority to issue its general obligation bonds for the purpose of raising money for purchasing the Facilities;

WHEREAS, Section 11-14-316 of the Act provides for the publication of a Notice of Bonds to be Issued, and the Board desires to cause the publication of such a Notice at this time in compliance with said Section with respect to such general obligation bonds; and

WHEREAS, the Board deems it necessary and advisable that it take such action as may be required under applicable provisions of federal tax law to authorize and issue tax-exempt bonds to finance the cost of the Facilities;

NOW, THEREFORE, Be It Resolved by the Board of Education of Salt Lake City School District, Utah, as follows:

Section 1. The Board hereby finds and determines that it is in the best interests of the residents of the District for the Board to issue its general obligation school building bonds (the “*Bonds*”), in an aggregate principal amount not to exceed \$155,000,000, to bear interest at a rate or rates of not to exceed five and a half percent (5.50%) per annum, to mature over a period not to exceed twenty-one (21) years from their date or dates, and to be sold at a discount from par, expressed as a percentage of principal amount, of not to exceed two percent (2.00%), pursuant to a resolution to be adopted by the Board authorizing and confirming the issuance and sale of the Bonds (the substantially final form of which is attached hereto as *Exhibit 1* and is herein referred to as the “*Final Bond Resolution*”). Therefore, the Board hereby declares its intention to issue the Bonds according to the provisions of this Resolution and the Final Bond Resolution. The Bonds are to be issued for the purpose of raising money for purchasing the Facilities.

Section 2. To the extent deemed necessary by Business Administrator of the District (the “*Business Administrator*”), the Superintendent of the Board (the “*Superintendent*”), the Business Administrator and the staff of the Board and District are hereby authorized and directed to prepare or cause to be prepared a Preliminary Official Statement for distribution to prospective purchasers of the Bonds.

Section 3. The Board hereby authorizes and approves the issuance and sale of the Bonds, pursuant to the provisions of this Resolution and the Final Bond Resolution, with such changes to the Final Bond Resolution as shall be approved by the Board upon the adoption thereof, *provided* that the principal amount, interest rates, maturity and discount, if any, of and for the Bonds shall not exceed the respective maximums set forth in Section 1 hereof. For purposes of Section 53G-4-603(6) of the Utah Code, the Final Bond Resolution shall be the vote on the issuance of the Bonds.

Section 4. In accordance with the provisions of Section 11-14-316 of the Act, the Business Administrator shall cause the “Notice of Bonds to be Issued,” in substantially the form attached hereto as *Exhibit 2*, to be published (i) on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, which may require publication in *The Salt Lake Tribune* a newspaper of general circulation in the District, and (ii) as a class A notice under Section 63G-30-102 (a) on the Utah Public Notice Website created under Section 63A-16-601 Utah Code Annotated 1953, as amended, (b) on the District’s website and (c) in a public location within District that is reasonably likely to be seen by residents of the District, and shall cause a copy of this Resolution (together with all exhibits hereto) and of the Final Bond Resolution to be kept on file in his office for public examination during the regular business hours of the Board until at least thirty (30) days from and after the date of publication thereof.

For a period of thirty (30) days from and after publication of the Notice of Bonds to be Issued, any person in interest shall have the right to contest the legality of this Resolution (including the Final Bond Resolution attached hereto) or the Bonds hereby authorized or any provisions made for the security and payment of the Bonds. After such time, no one shall have

any cause of action to contest the regularity, formality or legality of this Resolution (including the Final Bond Resolution) or the Bonds or any provisions made for the security and payment of the Bonds for any cause.

Section 5. The Board hereby finds and determines that it is in the best interest of the District for the Bonds to benefit from the guaranty provided by the State of Utah pursuant to the Utah School Bond Guaranty Act, Chapter 28 of Title 53A of the Utah Code (the “*Bond Guaranty Act*”). Pursuant to the Bond Guaranty Act and subject to having a Certificate of Eligibility from the State of Utah in force at the time of the issuance of the Bonds, the guaranty of the State of Utah is pledged for the benefit of the Bonds pursuant to the Bond Guaranty Act. The Board hereby authorizes, empowers and directs the President, the Business Administrator and the employees, officers and agents of the District to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable in connection with the guaranty of the State of Utah for the benefit of the Bonds pursuant to the Bond Guaranty Act. All proceedings and actions of the Board, the President, the Business Administrator and the other officers of the District heretofore taken in connection therewith are ratified, confirmed and approved.

Section 6. This Resolution is a declaration of official intent under Treas. Reg. Section 1.150-2. In satisfaction of the requirements thereof:

(a) The Board is planning to make expenditures relative to the Facilities from the Capital Outlay Fund (the “*Fund*”).

(b) Expenditures relating to the Facilities (i) have been paid within sixty days prior to the passage of this Resolution or (ii) will be paid on or after the passage of this Resolution (the “*Expenditures*”).

(c) The Board reasonably expects to reimburse the Expenditures with proceeds of the Bonds.

(d) The maximum principal amount of the Bonds expected to be issued for the Expenditures to be made from the Fund is \$155,000,000.

Section 7. It is hereby declared that all parts of this Resolution are severable, and if any section, paragraph, clause or provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect the remaining sections, paragraphs, clauses or provisions of this Resolution.

Section 8. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 9. This Resolution shall take effect immediately upon its adoption.

(Signature page follows.)

ADOPTED AND APPROVED this 4th day of March, 2025.

BOARD OF EDUCATION OF SALT LAKE CITY
SCHOOL DISTRICT, UTAH

By _____
Nate Salazar
President

[SEAL]

ATTEST AND COUNTERSIGN:

By _____
Alan Kearsley
Business Administrator

EXHIBIT 1

[ATTACH FORM OF FINAL BOND RESOLUTION]

EXHIBIT 2

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of Section 11-14-316, Utah Code Annotated 1953, as amended, that on March 4, 2025, the Board of Education of Salt Lake City School District, Utah (the “*Board*”), adopted a resolution (the “*Resolution*”) in which it authorized and approved the issuance of its general obligation school building bonds (the “*Bonds*”), in the aggregate principal amount of not to exceed \$155,000,000, to bear interest at a rate or rates of not to exceed 5.50% per annum, to mature over a period not to exceed 21 years from their date or dates and to be sold at a discount from par, expressed as a percentage of the principal amount, of not to exceed 2.00%.

Pursuant to the Resolution, the Bonds are to be issued for the purpose of raising money for constructing buildings, acquiring land and furnishings and remodeling and updating existing school property, under the charge of the Board. The Bonds are to be issued and sold by the Board pursuant to the Resolution, including as part of the Resolution the draft of a final bond resolution that was before the Board and attached to the Resolution in substantially final form at the time of the adoption of the Resolution. The Board is to adopt that final bond resolution in such form and with such changes thereto as the Board shall approve upon the adoption thereof, provided that the principal amount, interest rate or rates, maturity and discount, if any, will not exceed the respective maximums described above.

The Board will pledge the full faith and credit of the District for the payment of the Bonds.

The Board currently has [\$_____ par amount of][no other] bonds currently outstanding that are secured by the full faith and credit of the District. More detailed information relating to the Board’s outstanding bonds can be found in the District’s most recent Annual Comprehensive Financial Report that is available on the Office of the Utah State Auditor’s website (www.sao.state.ut.us).

Assuming a final maturity for the Bonds of 20 years from the date hereof and that the Bonds are issued in an aggregate principal amount of \$_____ and are held until maturity, based on the Board’s currently expected financing structure and interest rates in effect around the time of publication of this notice, the estimated total cost to the Board of the proposed Bonds is \$_____.

A copy of the Resolution (including the draft of the final bond resolution attached to the Resolution) is on file in the office of the Business Administrator of Salt Lake City School District at 406 East 100 South, in Salt Lake City, Utah, where the Resolution may be examined during regular business hours of the Business Administrator from 8:00 a.m. to 5:00 p.m. The Resolution shall be so available for inspection for a period of at least thirty (30) days from and after the date of the publication of this notice.

NOTICE IS FURTHER GIVEN that pursuant to law for a period of thirty (30) days from and after the date of the publication of this notice, any person in interest shall have the right to contest

the legality of the above-described Resolution (including the final bond resolution attached thereto) of the Board or the Bonds authorized thereby or any provisions made for the security and payment of the Bonds. After such time, no one shall have any cause of action to contest the regularity, formality or legality of the Resolution, the Bonds or the provisions for their security or payment for any cause.

(Signature page follows.)

DATED this 4th day of March, 2025.

BOARD OF EDUCATION OF SALT LAKE CITY
SCHOOL DISTRICT, UTAH

By _____
Alan Kearsley
Business Administrator

[SEAL]