

# **SALT LAKE COUNTY**

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



## **Meeting Minutes**

**Wednesday, February 23, 2022**

**2:00 PM**

**Room N2-800**

## **Debt Review Committee**

**1. Call to Order****2. Public Comment****3. Approval of Minutes****3.1 Approval of December 15, 2021 Debt Review Committee Minutes** [22-0178](#)

**Attachments:** [121521 debt review committee](#)

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

**4. Discussion Items****4.1 Financial Advisor Update - Zions Bank** [22-0179](#)

**Mr. Marcus Keller**, Assistant Vice President, Zions Public Finance, reviewed the Market Update, including the J.P. Morgan Municipal Market Update. He stated the interest rate forecast shows that rates will continue to go up. Historically, there has been 2 percent inflation rates, but it is now 7 to 8 percent, which reduces the purchasing power of the dollar. There are a lot of things to consider as the County moves forward.

**4.2 Review Pricing Book - Zions Bank** [22-0180](#)

**Mr. Marcus Keller**, Assistant Vice President, Zions Public Finance, reviewed the pricing books for the General Obligation Bond and the Sales Tax Revenue Refunding Bonds, Series 2024A. He stated the rates have been locked in for these bonds by using a forward delivery bond method. A contract was entered into with J.P. Morgan that locked in the current rate as of January 6, 2022. The purchase date for these bonds is August 1, 2024. By locking in the rate, the County will realize a net present value (NPV) savings of \$758,686.65.

The rates on the General Obligation Bond were locked in at the same time as the Sales Tax Revenue Refunding Bonds. The call on these bonds is June 7, 2025, at which time the County will realize an NPV savings of \$662,951.01.

**Committee Member Delquadro** stated he would like to send the Council a letter showing the savings it received from acting as fast as it did to lock in the rates.

**Mr. Keller** stated he would gather that information showing the savings and comparing it to what it looks like today.

#### 4.3 Review Material Events Notice-Zions Bank

[22-0181](#)

**Ms. Jeanette Harris**, Vice President, Zions Public Finance, reviewed the Material Event Notice. She stated when the County issues bonds in the marketplace, it must enter into a continuing disclosure undertaking where it agrees to file annually continuing exposure and material event notices. Currently, the County has three General Obligation bonds and two Municipal Building Authority bonds that it is required to file on. The County also files for additional bonds, which it has outstanding.

#### 5. Discuss Potential Bonding Needs for 2022

**Committee Chair Cushing** stated the County will not be issuing a Tax & Revenue Anticipation (TRANS) bond this year.

#### 5. Other Committee Business

- Request for Information - New Government Center

**Committee Member Casper** stated the Administrative Services Department and the Real Estate Section are preparing a request for information (RIF), which will be released in two weeks on what it would look like if the County could develop the 11 acres of prime real estate property it owns along State Street as well as the land on 2100 South. The proceeds from land leases or whatever is done could be used to provide debt service for a new County building. The Government Center sits on 15 acres of property. The normal footprint for a building of this size is three to four acres. The current buildings are 40 years old and need to have the HVAC systems replaced for a cost of approximately \$14 million.

- Libraries

**Committee Member Casper** stated there are a couple of projects that have not been funded including the Herriman Library and the West Valley Library. The Sandy Library is 40 years old as well. This is something the committee will need to look into using the debt service from the Library Fund.

- Fleet Management

**Mr. Marcus Keller**, Assistant Vice President, Zions Public Finance, stated the County might want to look into its fleet management plan and the turnover of vehicles.

**Committee Member Delquadro** asked how entities are recognizing the additional cost with their fleets.

**Mr. Keller** stated the entities are using the State contract and realize a \$10,000 to \$12,000 equity when purchasing a car. The contract requires the entity to keep the car for one year. It is a profitable business in Utah.

- Defeasement of bonds

**Mr. Craig Wangsgard**, Deputy District Attorney, asked if there was any news on how the Council would like to proceed with the defeasement of bonds.

**Committee Member Delquadro** stated there was a discussion about a letter requesting the Debt Review Committee to look into it, but for whatever reason nothing has been done on it.

**Mr. Wangsgard** stated he did get a copy of what a notice of defeasement would look like.

**Committee Member Casper** stated there are some uses that the American Rescue Plan Act (ARPA) Funds cannot be used for. It would make him nervous using them on this.

**Committee Member Delquadro** stated the Council recently adopted criteria or guidelines that it would use ARPA Funds on. The Council would like to use the funds to avoid future debt as opposed to concentrate on debt the County already has. That might be the reason the Council has not sent a letter.

- Meeting Schedule

**Committee Chair Cushing** stated the Debt Review meeting scheduled for March 30 will remain on the calendar for now. He will cancel it if nothing comes up that requires a meeting.

**6. Adjournment**

The meeting was adjourned at 2:50 PM.

SHERRIE SWENSEN, COUNTY CLERK

By \_\_\_\_\_  
DEPUTY CLERK

By \_\_\_\_\_  
CHAIR, DEBT REVIEW COMMITTEE