# SALT LAKE COUNTY

2001 So. State Street
Salt Lake City, UT 84114
(385) 468-7500 TTY 711

# Meeting Minutes

**Tuesday, September 16, 2025**

**10:30 AM**

**Room N2-800**

# County Council

## 1. CALL TO ORDER

## 2. WORK SESSION

### 2.1 Informational Presentation from Zions Public Finance 25-466

Presenter: Jonathan Ward, Zions Public Finance Senior Vice President; Japheth McGee, Zions Public Finance Vice President
(Approx. 10:30 AM, 90 minutes)

Informational

Attachments:
1. 1 - SL County Council Bonds 2025

**Mr. Johnathan Ward**, Senior Vice President, Zions Public Finance, delivered a PowerPoint presentation entitled Municipal Bonds. He reviewed the methods of financing public projects, i.e., saving up and setting aside, grant financing, and debt financing; the positives and negatives of the methods of financing capital projects; types of bonds; what municipal bonds are; and matching projects to revenues, with illustrations of what Salt Lake County and Davis County did.

**Mr. Japheth McGee**, Vice President, Zions Public Finance, continued the presentation. He reviewed the type of bond, security, repayment source, and authority when matching projects to revenues; tax exemption; the roots of tax exemption; and the tax-exempt bond yield and taxable equivalent yield.

**Mr. Ward** reviewed the participants in issuing municipal bonds, i.e., the issuer, municipal advisor, underwriter/purchaser, bond counsel, and trustee.

**Mr. McGee** reviewed how bonds are sold for Salt Lake County, which has a rigorous process for issuing debt; and bond sale methodologies, i.e., direct purchase, market underwriting, competitive sale and negotiated sale.

**Council Member Theodore** asked if it was better to pay an outstanding bond.

**Mr. McGee** stated bond counsel is always looking to see if there are opportunities for the County to refinance or pay down debt to keep the County payments low.

**Council Member Theodore** asked if the County had a reasonable amount of debt.

**Mr. Ward** stated the County does have a reasonable amount of debt, which is why it has a AAA rating. If its debt became excessive, its rating would go down to a AA or A category. Years ago, Zions Public Finance looked into what an additional billion dollars in debt would do to the County's rating, and determined that was pushing the envelope. There are state statute limitations on the amount of debt that can be issued, but those limitations are well above what the County would do in terms of debt load.

**Mr. Darrin Casper** stated he said that to the State last year. The County's Salt Palace project was intertwined with the downtown revitalization project and was expected to cost about $1.4 billion. The State said the County could bond for that $1.4 billion, and he told the State the County could not bond for that. The County's current debt load is $400 million, and it had plans to bond for another $500 million for the jail, which was its highest priority.

**Mr. McGee** continued the presentation. He reviewed bond ratings; credit spreads regarding bond ratings; a general obligation rating analysis; a sales tax revenue rating; bond math, including the basic structure; coupons and pricing; yield curves; evaluating bond pricing; and an example of renowned companies bidding on Salt Lake County's $115,055,000 Sales Tax Revenue Bonds, Series 2025.

**Mr. Ward** continued the presentation, reviewing amortization structures; the impact of multiple stand-alone level debt service structures over time; and principal amortization options.

**Mr. McGee** finalized the presentation, reviewing arbitrage restrictions, including arbitrage Internal Revenue Services (IRS) rules and positive arbitrage; Salt Lake County's total indebtedness; Salt Lake County and the Municipal Building Authority (MBA) of Salt Lake County's annual bonded indebtedness payments; Salt Lake County's outstanding general obligation bonded indebtedness; the MBA of Salt Lake County's outstanding lease revenue bonded indebtedness; Salt Lake County's outstanding sales tax revenue bonded indebtedness; and a table of all of Salt Lake County's bond debt.

**Council Member Theodore** asked if bond counsel had any recommendations for the County to stay healthy. She was concerned that if the County's fund balance was not in line, and it did not have a plan to restore that, its rating would drop.

**Mr. Ward** stated the County's fund balance reserve accounts were a touch point from S&P Global Rating. Increasing debt load would be an issue too. While the County had no direct control over the economy, it could control its reserves and its debt load. The County can control how much debt and what type of debt to issue, and it can mitigate risks by offloading some of its liabilities.

**RECESS--RECONVENE 1:30 PM IN COUNCIL CHAMBERS, N1-110 FOR COUNCIL MEETING**

The meeting was adjourned at 12:00 PM.

LANNIE CHAPMAN, COUNTY CLERK

By______________________________
DEPUTY CLERK

By_______________________________
CHAIR, SALT LAKE COUNTY COUNCIL