

## LBA RESOLUTION 2023-03

### A RESOLUTION OF THE BOARD OF TRUSTEES OF THE LOCAL BUILDING AUTHORITY OF SOUTH WEBER CITY, UTAH, APPROVING THE OFFICIAL STATEMENT FOR THE LEASE REVENUE BONDS, SERIES 2023.

**WHEREAS**, pursuant to a resolution adopted by the Board of Trustees (the “*Board*”) of the Local Building Authority of the South Weber City, Utah (the “*Issuer*”) on June 27, 2023 (the “*Bond Resolution*”), the Council authorized and approved the issuance by the Local Building Authority of South Weber City, Utah (the “*Issuer*”) of Lease Revenue Bonds, Series 2023 (the “*Series 2023 Bonds*”); and

**WHEREAS**, in the opinion of the Board, it is in the best interest of the Issuer that the Official Statement with respect to the Series 2023 Bonds, in substantially the form attached hereto as *Exhibit A* (the “*Official Statement*”), be approved;

**NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED** by the Board of Trustees of the Local Building Authority of the South Weber City, as follows:

***Section 1. Final Official Statement.*** The Official Statement of the Issuer is hereby authorized in substantially the form presented at this meeting and in the form attached hereto as *Exhibit A*, with such changes, omissions, insertions, and revisions as the President shall deem advisable, including the completion thereof with the information established at the time of the sale of the Series 2023 Bonds. The Issuer shall deliver the Official Statement for distribution to prospective purchasers of the Series 2023 Bonds and other interested persons.

***Section 2. Preliminary Official Statement Deemed Final.*** The use and distribution of the Official Statement in preliminary form (the “*Preliminary Official Statement*”), in substantially the form presented at this meeting and in the form attached hereto as *Exhibit A*, is hereby authorized and approved, with such changes, omissions, insertions and revisions as the President shall deem advisable. The President, the Secretary and other officers and employees of the Issuer are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to deem final the Preliminary Official Statement within the meaning and for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission, subject to completion thereof with the information established at the time of the sale of the Series 2023 Bonds. The President, the Secretary and other officers and employees of the Issuer are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to provide for the issuance, sale and delivery of the Series 2023 Bonds, and any actions taken thereby for purposes of deeming the Official Statement to be final for purposes of Rule 15c2-12 of the Securities and Exchange Commission are hereby authorized, ratified and confirmed.

**Section 3. Severability.** 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 such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.


**Section 4. Effective Date.** This Resolution shall be effective immediately upon its approval and adoption.

**APPROVED AND ADOPTED this October 10, 2023.**

**LOCAL BUILDING AUTHORITY OF THE SOUTH  
WEBER CITY, UTAH**

By   
**President Rod Westbroek**

ATTEST:

  
Deputy Secretary Kimberli Guill



**EXHIBIT A**  
**FORM OF OFFICIAL STATEMENT**

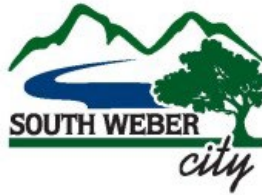
# PRELIMINARY OFFICIAL STATEMENT

## Local Building Authority of South Weber City, Utah

**\$8,885,000\* Lease Revenue Bonds, Series 2023,**

payable from lease payments to be made, subject to annual appropriation by

## South Weber City, Utah



On Wednesday, November 15, 2023 (up to 9:30:00 A.M., M.S.T.), electronic bids will be received by means of the **PARITY**<sup>®</sup> electronic bid submission system. See the “OFFICIAL NOTICE OF BOND SALE—Procedures Regarding Electronic Bidding.”

The 2023 Bonds, as defined herein, will be awarded to the successful bidder(s) and issued pursuant to resolutions of the Local Building Authority of South Weber City, Utah (the “Authority”), previously adopted on June 27, 2023 and on October 10, 2023.

*The Authority and South Weber City, Utah (the “City”) have deemed this PRELIMINARY OFFICIAL STATEMENT final as of the date hereof, for purposes of paragraph (b)(1) of Rule 15c2–12 of the Securities and Exchange Commission, subject to completion with certain information to be established at the time of sale of the 2023 Bonds as permitted by the Rule.*

For copies of the OFFICIAL NOTICE OF BOND SALE, the PRELIMINARY OFFICIAL STATEMENT, and other related information with respect to the 2023 Bonds, contact the Municipal Advisor:



ZIONS PUBLIC FINANCE, INC.

One S Main St 18<sup>th</sup> Fl  
Salt Lake City UT 84133–1109  
801.844.7377

[mark.anderson@zionsbancorp.com](mailto:mark.anderson@zionsbancorp.com)

This PRELIMINARY OFFICIAL STATEMENT is dated November \_\_, 2023, and the information contained herein speaks only as of that date.

\* Preliminary; subject to change.

(This page has been intentionally left blank.)

This PRELIMINARY OFFICIAL STATEMENT and the information contained herein are subject to completion, amendment or other change without any notice. Under no circumstances shall this PRELIMINARY OFFICIAL STATEMENT constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

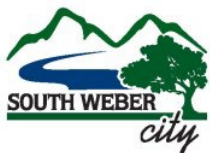
# PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 2, 2023 [10/1/23]

NEW ISSUE  
BOOK-ENTRY ONLY  
BANK-QUALIFIED

Ratings: Moody's "\_\_\_"  
See "MISCELLANEOUS—Bond Ratings" herein.

In the opinion of Farnsworth Johnson PLLC, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2023 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from taxes imposed by the Utah Individual Income Tax Act. In the further opinion of Bond Counsel, interest on the 2023 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Bonds.

The 2023 Bonds are "qualified tax-exempt obligations" within the meaning of Section 265 (b)(3) of the Code. See "TAX MATTERS" herein.



## Local Building Authority of South Weber City, Utah

\$8,885,000\* Lease Revenue Bonds, Series 2023

payable from lease payments to be made, subject to annual appropriation by

## South Weber City, Utah

The \$8,885,000\* Lease Revenue Bonds, Series 2023, are issued by the Authority as fully-registered bonds and, when initially issued, will be in book-entry form, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, which will act as securities depository for the 2023 Bonds.

Principal of and interest on the 2023 Bonds (interest payable June 15 and December 15 of each year, commencing June 15, 2024) are payable by U.S. Bank Trust Company, National Association, Salt Lake City, Utah, as Paying Agent, to the registered owners thereof, initially DTC. See "THE 2023 BONDS—Book-Entry System" herein.

The 2023 Bonds are subject to optional redemption, may be subject to mandatory sinking fund redemption at the option of the successful bidder(s), and are subject to extraordinary redemption (in the event of damage to, or destruction, seizure, or condemnation of the 2023 Project), prior to maturity. See "THE 2023 PROJECT—The 2023 Project Financed With Bonds" and "THE 2023 BONDS—Redemption Provisions For The 2023 Bonds" herein.

The 2023 Bonds are being issued to finance the completion of a fully-equipped Public Works Building, and related improvements and pay costs associated with the issuance of the 2023 Bonds. The 2023 Bonds and any future parity bonds are part of an ongoing master lease and building program whereby all Bonds issued thereunder are equally and ratably secured under the Indenture. See "THE 2023 BONDS—Sources And Uses Of Funds" and "THE 2023 PROJECT" herein.

Pursuant the Master Lease, the City has agreed to pay Base Rentals which are sufficient to pay principal of and interest on the 2023 Bonds coming due in each year, but only if and to the extent that the City annually appropriates funds sufficient to pay such Base Rentals plus such Additional Rentals as are necessary to operate and maintain the 2023 Project. The Master Lease specifically provides that nothing therein shall be construed to require the Authority to appropriate moneys to pay the Base Rentals or Additional Rentals-and the Authority shall not be obligated to pay such Rentals except to the extent appropriated. Neither the obligation of the City to pay such Rentals nor the obligation of the Authority to pay the principal of and interest on the 2023 Bonds will constitute or give rise to a debt, general obligation, or liability of, or a charge against the general credit or taxing power of the City. The issuance of the 2023 Bonds does not directly or contingently obligate the City to pay any Rentals beyond those appropriated for the City's then current Fiscal Year. The Authority has no taxing power.

The purchase of the 2023 Bonds involves certain investment risks which are discussed throughout this OFFICIAL STATEMENT. Certain of such risks are described under "INVESTMENT CONSIDERATIONS" herein.

Dated: Date of Delivery<sup>1</sup>

Due: December 15, as shown on inside cover

*See the inside front cover for the maturity schedule of the 2023 Bonds*

The 2023 Bonds will be awarded pursuant to competitive bidding received by means of the **PARITY**<sup>®</sup> electronic bid submission system on Wednesday, November 15, 2023, as set forth in the OFFICIAL NOTICE OF BOND SALE the date of this PRELIMINARY OFFICIAL STATEMENT.

Zions Public Finance, Inc., Salt Lake City, Utah, is acting as Municipal Advisor.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire OFFICIAL STATEMENT to obtain information essential to the making of an informed investment decision.

This OFFICIAL STATEMENT is dated November \_\_, 2023, and the information contained herein speaks only as of that date.

\* Preliminary; subject to change.

<sup>1</sup> The anticipated date of delivery is Wednesday, December 6, 2023.

# Local Building Authority of South Weber City, Utah

## \$8,885,000\*

### Lease Revenue Bonds, Series 2023

**Dated: Date of Delivery<sup>1</sup>**

**Due: December 15, as shown below**

Due December 15*	CUSIP®	Principal Amount*	Inter- est Rate	Yield/ Price
2024.....		\$265,000		
2025.....		280,000		
2026.....		295,000		
2027.....		310,000		
2028.....		325,000		
2029.....		340,000		
2030.....		360,000		
2031.....		380,000		
2032.....		395,000		
2033.....		420,000		
2034.....		440,000		
2035.....		460,000		
2036.....		485,000		
2037.....		510,000		
2038.....		535,000		
2039.....		560,000		
2040.....		590,000		
2041.....		615,000		
2042.....		645,000		
2043.....		675,000		

\$ \_\_\_\_\_ % Term Bond due December 15, 20\_\_ — Price of \_\_\_\_\_ %  
(CUSIP® \_\_\_\_\_)

\* Preliminary; subject to change.

<sup>1</sup> The anticipated date of delivery is Wednesday, December 6, 2023.

® CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association.

## Table Of Contents

	<u>Page</u>		<u>Page</u>
INTRODUCTION .....	1	The 2023 Project As Security For The Bonds .....	21
Public Sale/Electronic Bid .....	1	Cross–Collateralization .....	21
The 2023 Bonds .....	2	Release Of The 2023 Project Upon Payment Of Bonds .....	21
The Local Building Authority Of South Weber City, Utah .....	2	Maintenance On The 2023 Project .....	21
South Weber City, Utah .....	2	SOUTH WEBER CITY, UTAH .....	22
Authorization For And Purpose Of The 2023 Bonds; The		General .....	22
Indenture; Master Lease .....	2	Form Of Government .....	22
Additional Parity Bonds And Additional Projects .....	2	Employee Workforce And Retirement System; No Post–	
Security For The Bonds .....	3	Employment Benefits .....	22
No Debt Service Reserve Fund For The 2023 Bonds .....	3	Risk Management And Insurance .....	22
Redemption For The 2023 Bonds .....	4	Investment Of Funds .....	23
Registration, Denominations, Manner Of Payment .....	4	Population .....	24
Tax–Exempt Status Of The 2023 Bonds; Deductibility Of Interest .....	4	Labor Force, Nonfarm Jobs, And Wages Within Davis County .....	25
Professional Services .....	4	Personal Income; Per Capita Personal Income; Median	
Conditions Of Delivery, Anticipated Date, Manner And Place Of		Household Income Within Davis County And The State Of	
Delivery For The 2023 Bonds .....	5	Utah .....	26
Risks Inherent In The Ownership Of The 2023 Bonds .....	5	Construction Within The City .....	26
Continuing Disclosure Undertaking .....	5	Sales Taxes Within South Weber City, Davis County And The	
Basic Documentation .....	5	State Of Utah .....	26
Contact Persons .....	5	Largest Employers Of The County .....	27
CONTINUING DISCLOSURE UNDERTAKING .....	6	DEBT STRUCTURE OF SOUTH WEBER CITY, UTAH .....	27
INVESTMENT CONSIDERATIONS .....	6	Outstanding Municipal Indebtedness Of The City .....	27
Limited Obligations .....	6	No Debt Obligations .....	28
Non–Appropriation .....	7	Overlapping And Underlying General Obligation Debt Of The	
General Economic Conditions .....	7	City .....	28
No Debt Service Reserve Fund For The 2023 Bonds .....	7	Debt Ratios Regarding General Obligation Debt Of The City .....	29
Expiration Or Termination Of The Master Lease .....	7	General Obligation Legal Debt Limit And Additional Debt	
Possible Difficulties In Selling Or Re–letting The 2023 Project .....	7	Incurred Capacity Of The City .....	29
Delays In Exercising Remedies; Limitations On Enforceability .....	8	No Defaulted Obligations .....	29
Destruction Of A Project .....	8	FINANCIAL INFORMATION REGARDING SOUTH WEBER	
Release Of A Project Upon Payment Of Related Series Of Bonds .....	9	CITY, UTAH .....	30
Depreciation And Lack Of Residual Value .....	9	Fund Structure; Accounting Basis .....	30
Tax Status; Continuing Compliance With Certain Covenants .....	9	Budget And Appropriation Process .....	30
Changes In City Governance .....	10	Financial Controls .....	31
Other Factors Regarding The 2023 Project .....	10	Five–Year Financial Summaries .....	31
Climate Change Risk .....	10	Certain Property Tax Matters .....	35
Natural Disasters And Global Health Emergencies .....	10	LEGAL MATTERS .....	40
SECURITY AND SOURCES OF PAYMENT FOR THE		Absence Of Litigation Concerning The 2023 Bonds .....	40
2023 BONDS .....	11	General .....	40
The Master Lease And The Indenture .....	11	TAX MATTERS .....	40
Insurance On The 2023 Project .....	12	Federal Income Taxation Of 2023 Bonds .....	40
No Debt Service Reserve Requirement For The 2023 Bonds .....	12	Utah Income Taxation .....	42
The Deed Of Trust .....	<b>Error! Bookmark not defined.</b>	Qualified Tax–Exempt Obligations .....	42
Additional Parity Bonds And Refunding Bonds .....	13	MISCELLANEOUS .....	42
NO DEFAULTED AUTHORITY BONDS OR FAILURES BY THE		Bond Ratings .....	42
CITY TO RENEW LEASE .....	13	Trustee .....	42
THE 2023 BONDS .....	13	Municipal Advisor .....	42
General .....	13	Independent Auditors .....	43
Registration, Denominations, Manner Of Payment .....	13	Additional Information .....	43
Transfer Or Exchange Of The 2023 Bonds; Regular Record Date .....	14	APPENDIX A—EXTRACTS OF THE INDENTURE AND THE	
Sources And Uses Of Funds .....	15	MASTER LEASE .....	A–1
Redemption Provisions For The 2023 Bonds .....	15	APPENDIX B—FINANCIAL STATEMENTS OF SOUTH WEBER	
Book–Entry System .....	17	CITY, UTAH FOR FISCAL YEAR 2022 .....	B–1
LOCAL BUILDING AUTHORITY OF SOUTH WEBER CITY,		APPENDIX C—FORM OF OPINION OF BOND COUNSEL .....	C–1
UTAH .....	18	APPENDIX D—FORM OF CONTINUING DISCLOSURE	
Establishment And Statutory Powers .....	18	UNDERTAKING .....	D–1
Organization .....	18	APPENDIX E—BOOK–ENTRY SYSTEM .....	E–1
Debt Issuance Of The Authority .....	19		
Debt Service Schedule Of Outstanding Lease Revenue Bonds Of			
The Local Building Authority Of South Weber City, Utah By			
Fiscal Year .....	20		
Future Issuance Of Debt .....	20		
THE 2023 PROJECT .....	20		
The 2023 Project .....	20		



(This page has been intentionally left blank.)

This OFFICIAL STATEMENT does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of, the 2023 Bonds (as defined herein), by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained herein, and if given or made, such other information or representations must not be relied upon as having been authorized by either the Local Building Authority of South Weber City, Utah (the “Authority”); the South Weber City, Utah; U.S. Bank Trust Company, National Association, Salt Lake City, Utah, (as Trustee, Bond Register and Paying Agent); Zions Public Finance Inc., Salt Lake City, Utah (as Municipal Advisor); the successful bidder(s); or any other entity. All information contained herein has been obtained from the Authority, The Depository Trust Company, and from other sources which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this OFFICIAL STATEMENT nor the issuance, sale, delivery, or exchange of the 2023 Bonds, shall under any circumstance create any implication that there has been no change in the affairs of the Authority or the City, since the date hereof.

The 2023 Bonds have not been registered under the Securities Act of 1933, as amended, or any state securities laws in reliance upon exemptions contained in such act and laws. Any registration or qualification of the 2023 Bonds in accordance with applicable provisions of the securities laws of the states in which the 2023 Bonds have been registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof. Neither the Securities and Exchange Commission nor any state securities commission has passed upon the accuracy or adequacy of this OFFICIAL STATEMENT. Any representation to the contrary is unlawful.

***The yields/prices at which the 2023 Bonds are offered to the public may vary from the initial reoffering yields/prices on the inside cover page of this OFFICIAL STATEMENT. In addition, the successful bidder(s) may allow concessions or discounts from the initial offering prices of the 2023 Bonds to dealers and others. In connection with the offering of the 2023 Bonds, the successful bidder(s) may engage in transactions that stabilize, maintain, or otherwise affect the price of the 2023 Bonds. Such transactions may include overallocments in connection with the purchase of 2023 Bonds, the purchase of 2023 Bonds to stabilize their market price and the purchase of 2023 Bonds to cover the successful bidder’s short positions. Such transactions, if commenced, may be discontinued at any time.***

***Forward-Looking Statements.*** Certain statements included or incorporated by reference in this OFFICIAL STATEMENT constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used, such as “plan,” “project,” “forecast,” “expect,” “estimate,” “budget” or other similar words. ***The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Neither the Authority nor the City plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur.***

The CUSIP® (the Committee on Uniform Securities Identification Procedures) identification numbers are provided on the inside cover pages of this OFFICIAL STATEMENT and are being provided solely for the convenience of bondholders. Neither the Authority, the City, the Trustee, the successful bidder(s), or the Municipal Advisor make any representation with respect to such numbers or undertake any responsibility for their accuracy. The CUSIP® number for a specific maturity is subject to being changed after the issuance of the 2023 Bonds as a result of various subsequent actions, including but not limited to a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2023 Bonds.

***The content from websites referenced in this OFFICIAL STATEMENT has not been reviewed for accuracy and completeness. Such information has not been provided in connection with the offering of the 2023 Bonds and is not a part of this OFFICIAL STATEMENT.***

Insert Map

# OFFICIAL STATEMENT RELATED TO THE

## Local Building Authority of South Weber City, Utah

**\$8,885,000\* Lease Revenue Bonds, Series 2023**

**payable from lease payments to be made, subject to annual appropriation by**

**South Weber City, Utah  
pursuant to a Master Lease**

### INTRODUCTION

This introduction is only a brief description of the 2023 Bonds, as hereinafter defined, and the security and source of payment for the 2023 Bonds. The information contained herein is expressly qualified by reference to the entire OFFICIAL STATEMENT. Investors are urged to make a full review of the entire OFFICIAL STATEMENT, as well as of the documents summarized or described herein.

See the following appendices that are attached hereto and incorporated herein by reference: “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE;” “APPENDIX B—FINANCIAL STATEMENTS OF SOUTH WEBER CITY, UTAH FOR FISCAL YEAR 2022;” “APPENDIX C—FORM OF OPINION OF BOND COUNSEL;” “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING;” and “APPENDIX E—BOOK-ENTRY SYSTEM.”

This OFFICIAL STATEMENT also includes summaries of the terms of the 2023 Bonds, the Indenture, the Master Lease and the Deed of Trust (all as more fully defined hereinafter). All references herein to the Indenture and the Master Lease, are qualified in their entirety by reference to such documents and references herein to the 2023 Bonds are qualified in their entirety by reference to the forms thereof and the information with respect thereto included in the Indenture, copies of which are available upon request from the contact persons as indicated under “INTRODUCTION—Contact Persons” below. Descriptions of the Indenture, the Master Lease, the Deed of Trust, and the 2023 Bonds are qualified by reference to bankruptcy laws affecting the remedies for the enforcement of the rights and security provided therein and the effect of the exercise of the police power by any entity having jurisdiction. The summaries of and references to all documents, statutes, reports, and other instruments referred to herein do not purport to be complete, comprehensive, or definitive, and each such summary and reference is qualified in its entirety by reference to each such document, statute, report, or instrument.

When used herein the terms “Fiscal Year[s] 20YY” or “Fiscal Year[s] End[ed][ing] June 30, 20YY” shall refer to the year ended or ending on June 30 of the year indicated and beginning on July 1 of the preceding calendar year. The terms “Calendar Year[s] 20YY” or “Tax Year[s] 20YY” shall refer to the year beginning on January 1 and ending on December 31 of the year indicated. Unless otherwise indicated, capitalized terms used in this OFFICIAL STATEMENT shall have the meaning established in the Master Lease and Indenture (as hereinafter defined). See “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE –DEFINITIONS.”

### Public Sale/Electronic Bid

The 2023 Bonds will be awarded pursuant to competitive bidding received by means of the **PARITY**<sup>®</sup> electronic bid submission system on Wednesday, November 15, 2023 as set forth in the OFFICIAL NOTICE OF BOND SALE (dated as of the date of this PRELIMINARY OFFICIAL STATEMENT).

See the “OFFICIAL NOTICE OF BOND SALE” above.

---

\* Preliminary; subject to change.

## **The 2023 Bonds**

*The 2023 Bonds.* This OFFICIAL STATEMENT, including the cover page, introduction, and Appendices (the “OFFICIAL STATEMENT”), provides information in connection with the issuance and sale of \$8,885,000\* aggregate principal amount of Lease Revenue Bonds, Series 2023 (the “2023 Bonds” or “2023 Bond”), by the Local Building Authority of South Weber City, Utah (the “Authority”).

## **The Local Building Authority Of South Weber City, Utah**

*The Local Building Authority Of South Weber City, Utah.* The Authority is a nonprofit corporation created by the City Council of South Weber City, Utah (the “City”) pursuant to the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the “Building Authority Act”). The Authority was created by the City for the purpose of financing projects on behalf of the City as provided in the Building Authority Act. For additional information, see “LOCAL BUILDING AUTHORITY OF SOUTH WEBER CITY, UTAH” below.

## **South Weber City, Utah**

The City was incorporated on August 27, 1938. The City covers an area of approximately 4.6 square miles and has an estimated 2022 population of approximately 8,124. The City is located in Davis County approximately 35 miles north of Salt Lake City, Utah, and approximately five miles south of Ogden, Utah. The City is adjacent to Hill Air Force Base. For additional information regarding the City, see “SOUTH WEBER CITY,” herein.

## **Authorization For And Purpose Of The 2023 Bonds; The Indenture; Master Lease**

*Authorization for and Purpose of the 2023 Bonds; The Indenture.* The 2023 Bonds are being issued pursuant to (i) the Building Authority Act; (ii) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Local Government Bonding Act”); (iii) certain authorizing resolutions adopted by the Authority and the City on [June 27, 2023] and October 10, 2023, (the “Resolutions”); and (iii) a General Indenture of Trust, dated as of [December 1, 2023], (the “General Indenture”), as amended and supplemented by a First Supplemental Indenture of Trust, dated as of [December 1, 2023] (the “First Supplemental Indenture” and together with the General Indenture, the “Indenture”), each between the Authority and U.S. Bank Trust Company, National Association, Salt Lake City, Utah, (“U.S. Bank”) as trustee (the “Trustee”).

*Purpose.* The 2023 Bonds are being issued for the purpose of financing the completion of a fully equipped Public Works Building and related improvements and paying costs of issuance of the 2023 Bonds. See “THE 2023 PROJECT” below.

The land upon which the 2023 Project will be located in the City (the “Project Site”) and is owned by the City. The Project Site will be ground leased by the City to the Authority pursuant to a Ground Lease Agreement dated as of [December 1, 2023] between the City and the Authority (the “Ground Lease”).

The 2023 Bonds are the first series of bonds to be issued under the Indenture.

*Master Lease.* The Authority has leased and intends to lease the 2023 Project to the City, pursuant to a Master Lease Agreement dated as of [December 1, 2023] ( the “Master Lease”).

## **Additional Parity Bonds And Additional Projects**

The Authority may issue additional bonds to refund outstanding bonds of the Authority (“Refunding Bonds”) or to finance additional Projects for lease to the City (“Additional Bonds”) ranking on a parity basis with the 2023 Bonds under the Indenture on the terms and conditions specified in the Indenture and the Master Lease. Any such Refunding Bonds and Additional Bonds hereafter issued are sometimes collectively referred to herein as the “Additional Parity Bonds.” *The 2023 Bonds and any Additional Parity Bonds issued under the Indenture are sometimes collectively referred to herein as the “Bonds.”* See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023 BONDS—Additional Parity Bonds And Refunding Bonds” below and “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—THE INDENTURE—Additional Bonds.”

---

\* Preliminary; subject to change.

If the Authority determines to issue Additional Bonds to finance additional projects (the “Additional Projects”), they will be leased to the City pursuant to the Indenture and the Master Lease. *The Authority does not currently anticipate issuing Additional Parity Bonds for Additional Projects.* However, the Authority may determine to issue additional lease revenue bonds under documents other than the Indenture and the Master Lease.

### **Security For The Bonds**

The 2023 Bonds are limited obligations of the Authority, solely from the revenues and other amounts received pursuant to the Master Lease and other funds or amounts held by the Trustee pursuant to the Indenture as security for the 2023 Bonds, subject to certain limitations.

The Authority has granted a security interest in the 2023 Project pursuant to a Deed of Trust, Assignment of Rents and Security Agreement dated as of [December 1, 2023], (the “Leasehold Deed of Trust”). In addition, the Authority has assigned all its rights and interest in the 2023 Project pursuant to an Assignment of Ground Lease Agreement dated as of [December 1, 2023] (the “Assignment of Ground Lease”) for the equal and proportionate benefit of the owners of the Bonds (the “Bondowners”). The Deed of Trust, the Assignment of Ground Lease, and any financing statements filed in connection therewith are sometimes collectively referred to herein as the “Security Documents.” The Security Documents are being executed for the equal and proportionate benefit of the Bondholders. The 2023 Bonds are limited obligations of the Authority payable solely from the Base Rentals (defined below) received by the Authority pursuant to the Master Lease and other funds or amounts held by the Trustee under the Indenture as security for the 2023 Bonds.

The City has agreed to make payments pursuant to the Master Lease in stated amounts which are sufficient to pay the principal of and interest on the 2023 Bonds when due in each year (the “Base Rentals”), but only if and to the extent that the City Council of the City annually appropriates sufficient funds sufficient to pay the Base Rentals coming due during each succeeding Renewal Term (as described herein) under the Master Lease plus such additional amounts (the “Additional Rentals” and collectively, with the Base Rentals, the “Rentals”) as are necessary to operate and maintain the 2023 Project during such period. The Master Lease specifically provides that the City Council of the City shall not be required to appropriate any moneys to pay any Rentals thereunder and that neither the City nor any political subdivision thereof is obligated to pay such Rentals except to the extent of funds appropriated for that purpose. *Neither the obligation of the City to pay Rentals nor the obligation of the Authority to pay the principal of and interest on the 2023 Bonds will constitute a debt, a general obligation or liability of, or a charge against the general credit or taxing power of, the City. The issuance of the 2023 Bonds does not directly or contingently obligate the City to pay any Rentals beyond those appropriated for the City’s then current Fiscal Year. The Authority has no taxing power. See “INVESTMENT CONSIDERATIONS” and “SECURITY AND SOURCES OF PAYMENT FOR THE 2023 BONDS” below.*

In addition, the Authority has assigned all of its rights and interest in the 2023 Project pursuant to a Deed of Trust, Assignment of Rents and Security Agreement, dated as of [December 1, 2023] (the “Deed of Trust”) for the equal and proportionate benefit of the owners of Bonds (the “Bondowners”), subject to the release of the 2023 Project upon the terms and conditions described under “THE 2023 PROJECT—Release Of The 2023 Project Upon Payment Of Bonds” below.

Under the Master Lease, the City has covenanted and agreed to include in its annual tentative budget an appropriation for Rentals for the next succeeding Renewal Term for the 2023 Project. Alternatively, the City is entitled not to appropriate Rentals for the next succeeding Renewal Term for the 2023 Project. However, if there are multiple Projects, the City is not entitled to appropriate with respect to one or more, but not all, of the Projects. In other words, the City’s decision under the Master Lease whether to appropriate Rentals for each succeeding Renewal Term is “all or nothing” for all Projects.

### **No Debt Service Reserve Fund For The 2023 Bonds**

The Debt Service Reserve Requirement with respect to the 2023 Bonds is \$0 and therefore no account in the Debt Service Reserve Fund has been established for the 2023 Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023 BONDS—No Debt Service Reserve Requirement For The 2023 Bonds” below.

## **Redemption For The 2023 Bonds**

The 2023 Bonds are subject to optional redemption and are subject to extraordinary redemption in the event of damage to, or destruction, seizure, or condemnation of the 2023 Project, prior to maturity. The 2023 Bonds may be subject to mandatory sinking fund redemption at the option of the successful bidder(s). See “THE 2023 PROJECT” and “THE 2023 BONDS—Redemption Provisions For The 2023 Bonds” below.

## **Registration, Denominations, Manner Of Payment**

The 2023 Bonds are issuable only as fully-registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, (“DTC”). DTC will act as securities depository of the 2023 Bonds. Purchases of 2023 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any whole multiple thereof, through brokers and dealers who are, or who act through, DTC’s Participants (as defined herein). Beneficial Owners (as defined herein) of the 2023 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the 2023 Bonds. “Direct Participants,” “Indirect Participants” and “Beneficial Owners” are defined under “APPENDIX E—BOOK-ENTRY SYSTEM.”

Principal of and interest on the 2023 Bonds (interest payable June 15 and December 15 of each year, commencing June 15, 2024) are payable by U.S. Bank as Paying Agent (the “Paying Agent”) for the 2023 Bonds, to the registered owners of the 2023 Bonds. So long as Cede & Co. is the sole registered owner, it will, in turn, remit such principal and interest to its Direct Participants, for subsequent disbursements to the Beneficial Owners of the 2023 Bonds, as described under “APPENDIX E—BOOK-ENTRY SYSTEM.”

So long as DTC or its nominee is the sole registered owner of the 2023 Bonds, neither the City, the Authority, nor the Paying Agent will have any responsibility or obligation to any Direct or Indirect Participants of DTC, or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, Indirect Participants or the Beneficial Owners of the 2023 Bonds. Under these same circumstances, references herein and in the Indenture to the “Bondowners” or “Registered Owners” of the 2023 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2023 Bonds.

## **Tax Matters Regarding The 2023 Bonds; Deductibility Of Interest**

In the opinion of Farnsworth Johnson PLLC, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2023 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from taxes imposed by the Utah Individual Income Tax Act. In the further opinion of Bond Counsel, interest on the 2023 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Bonds.

The 2023 Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. See “TAX MATTERS—Opinion Of Bond Counsel” herein.

## **Professional Services**

In connection with the issuance of the 2023 Bonds, the following have served the Authority in the capacity indicated:

*Trustee, Bond Registrar, and Paying Agent*

U.S. Bank Trust Company, National Association  
170 S Main St Ste 200  
Salt Lake City UT 84101  
801.534.6083 | f 801.534.6013  
[brandon.elzinga@usbank.com](mailto:brandon.elzinga@usbank.com)

*Bond Counsel and Disclosure Counsel*

Farnsworth Johnson PLLC  
180 N University Ave Ste 260  
Provo UT 84601  
801.510.6303  
[brandon@farnsworthjohnson.com](mailto:brandon@farnsworthjohnson.com)

*Authority's and City's Attorney*

Hayes Godfrey Bell, P.C.  
2118 E 3900 S Ste 300  
Holladay UT 84124  
801.272.8998  
[jblakesley@hgblaw.net](mailto:jblakesley@hgblaw.net)

*Municipal Advisor*

Zions Public Finance Inc  
One S Main St 18th Fl  
Salt Lake City UT 84133-1109  
801.844.7377  
[mark.anderson@zionsbancorp.com](mailto:mark.anderson@zionsbancorp.com)

**Conditions Of Delivery, Anticipated Date, Manner And Place Of Delivery For The 2023 Bonds**

The 2023 Bonds are offered, subject to prior sale, when, as and if issued and received by the successful bidder(s), subject to the approval of legality by Farnsworth Johnson, PLLC, Bond Counsel to the Authority, and certain other conditions. Certain matters regarding this OFFICIAL STATEMENT will be passed on for the Authority by Farnsworth Johnson, PLLC, Disclosure Counsel. Certain legal matters will be passed on for the Authority and the City by James Blakesley of Hayes Godfrey Bell, P.C., Holladay, Utah. It is expected that the 2023 Bonds, in book-entry form, will be available for delivery to DTC or its agent on or about Wednesday, November 15, 2023.

**Risks Inherent In The Ownership Of The 2023 Bonds**

The purchase of the 2023 Bonds involves certain investment risks which are discussed throughout this OFFICIAL STATEMENT. Accordingly, each prospective purchaser of the 2023 Bonds should make an independent evaluation of all of the information presented in this OFFICIAL STATEMENT in order to make an informed investment decision. Certain investment risks are described under "INVESTMENT CONSIDERATIONS" below.

**Continuing Disclosure Undertaking**

The Authority will enter into a continuing disclosure undertaking for the benefit of the Owners of the 2023 Bonds. For a detailed discussion of this disclosure undertaking and timing of submissions see "CONTINUING DISCLOSURE UNDERTAKING" below and "APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING."

**Basic Documentation**

This OFFICIAL STATEMENT speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the Authority, the City, the 2023 Bonds, the Indenture and the Master Lease are included in this OFFICIAL STATEMENT. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Indenture, the Master Lease, the Ground Lease, and the Deed of Trust are qualified in their entirety by reference to such documents and references herein to the 2023 Bonds are qualified in their entirety by reference to the form thereof included in the Indenture. The "basic documentation" which includes the Resolutions, the closing documents for the 2023 Bonds, the Indenture, the Master Lease and other documentation, authorizing the issuance of the 2023 Bonds and establishing the rights and responsibilities of the Authority, the City and other parties to the transaction, may be obtained from the "contact persons" as indicated below.

**Contact Persons**

As of the date of this OFFICIAL STATEMENT, additional requests for information may be directed to Zions Public Finance, Inc., Salt Lake City, Utah (the "Municipal Advisor") the Municipal Advisor to the Authority and the City:

Mark Anderson, Vice President, [mark.anderson@zionsbancorp.com](mailto:mark.anderson@zionsbancorp.com)  
Cara Bertot, Vice President, [cara.bertot@zionsbancorp.com](mailto:cara.bertot@zionsbancorp.com)

Zions Public Finance Inc  
One S Main St 18<sup>th</sup> Fl  
Salt Lake City UT 84133-1109  
801.844.7377



As of the date of this OFFICIAL STATEMENT, the chief contact person for the Authority and the City concerning the 2023 Bonds is:

David Larson, City Manager, [dlarson@southwebercity.com](mailto:dlarson@southwebercity.com)

South Weber City  
1600 E South Weber Drive  
South Weber City UT 84405  
801.479.3177

## CONTINUING DISCLOSURE UNDERTAKING

The City (as an “obligated person” under the below defined Rule) will execute a Continuing Disclosure Undertaking (the “Disclosure Undertaking”) for the benefit of the Beneficial Owners of the 2023 Bonds to send certain information annually and to provide certain material events to the Municipal Securities Rulemaking Board (the “MSRB”), pursuant to the requirements of paragraph (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and other terms of the Disclosure Undertaking, including termination, amendment and remedies, are set forth in the proposed form of Disclosure Undertaking in “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

Under the Continuing Disclosure Undertaking the City will file its annual financial statement for Fiscal Year Ending June 30 (the “Financial Statement”) and other operating and financial information on or before January 31. The City will submit the financial statements for Fiscal Year 2023 on or before January 31, 2024, and annually thereafter on or before each January 31.

A failure by the City to comply with the Disclosure Undertaking will not constitute a default under the Master Lease or Indenture and the Beneficial Owners of the 2023 Bonds are limited to the remedies described in the Disclosure Undertaking. A failure by the City to comply with the Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the 2023 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the 2023 Bonds and their market price.

***During the five years prior to the date of this OFFICIAL STATEMENT, the City has not failed to comply in all material respects with prior undertakings pursuant to the Rule.***

## INVESTMENT CONSIDERATIONS

This section contains a general overview of certain risk factors which should be considered, in addition to the other matters set forth in this OFFICIAL STATEMENT, in evaluating an investment in the 2023 Bonds. This section is not meant to be a comprehensive or definitive discussion of the risks associated with an investment in the 2023 Bonds, and the order in which this information is presented does not necessarily reflect the relative importance of various risks. Potential investors in the 2023 Bonds are advised to consider the following factors, among others, and to review this entire OFFICIAL STATEMENT to obtain information essential to making of an informed investment decision. Any one or more of the investment considerations discussed below, among others, could adversely affect the financial condition of the City or its ability to make scheduled payments on the 2023 Bonds. There can be no assurance that other risks not discussed herein will not become material in the future.

### Limited Obligations

The 2023 Bonds are payable from amounts due under the Master Lease on a parity basis with all other Bonds that may be outstanding under the Indenture. The City’s obligation under the Master Lease does not constitute a general obligation or other indebtedness of the City or the Authority within the meaning of any constitutional or statutory debt limitation. The Authority has no taxing power.

The term of the Master Lease will commence upon the delivery of the 2023 Bonds and will expire on June 30, 2024 (the “Initial Term”). The City has the option to extend the term of the Master Lease for consecutive

one-year Renewal Terms (as defined below). The City has the option to extend the term of the Master Lease for consecutive one-year Renewal Terms (each renewal term, and all existing renewals are referred to herein as the “Renewal Terms”). The next Renewal Term of the Master Lease will commence on July 1, 2024 and will expire on June 30, 205. *The City currently expects to appropriate moneys in June 2024 for the Renewal Term beginning July 1, 2024 through June 30, 2025.* Unless terminated sooner, this annual renewal option will continue through June 30, 2044 with a final renewal term commencing July 1, 2043 and ending December 16, 2043. Any such extension must be made with respect to all, and not less than all, of the 2023 Project with respect to which 2023 Bonds are then outstanding.

### **Non-Appropriation**

There is no assurance the City, in its sole discretion, will exercise its option to extend the term of the Master Lease for any future Renewal Term. Accordingly, the likelihood the City will extend the term of the Master Lease for any Renewal Term and that there will be sufficient funds to pay the principal of, premium, if any, and interest on the 2023 Bonds as the same become due depends upon a number of factors, including, but not limited to:

- (a) the completion of design and construction of any future uncompleted Projects to the City’s satisfaction;
- (b) the ability of the City to generate sufficient funds from property taxes, and other taxes and other sources of revenue to pay obligations associated with the Master Lease and other obligations of the City (whether now existing or hereafter created);
- (c) the willingness of the City Council of the City in any future year to appropriate moneys to pay the Rentals, which decision of the City Council of the City could be affected by many factors, including the continuing need of the Authority for the 2023 Project; and
- (d) the value of the 2023 Project if relet or sold (to the extent authorized in the Indenture) in a foreclosure or other liquidation proceeding instituted by the Trustee in the event of the termination of the term of the Master Lease if the City Council of the City does not appropriate sufficient funds to extend the term of the Master Lease as provided therein.

Neither the Indenture nor the Master Lease limits the ability of the City to incur additional obligations against its revenues.

### **General Economic Conditions**

The City relies on ad valorem property taxes and other fees as the primary source of funds to operate its governance and to pay its obligations. Regional and national economic conditions, such as weather-related economic effects, business cycles, unemployment, and consumer confidence, are outside of the control of the Authority and the City and can have material adverse effects on the City’s revenues, and its ability to pay Base Rentals on the 2023 Project.

### **No Debt Service Reserve Fund For The 2023 Bonds**

*No debt service reserve fund will be funded to secure the 2023 Bonds issued under the Indenture.* See “SECURITY AND SOURCE OF PAYMENTS FOR THE 2023 BONDS—No Debt Service Reserve Fund For The 2023 Bonds” below.

### **Expiration Or Termination Of The Master Lease**

If the City Council of the City does not renew the term of the Master Lease in any year by appropriating sufficient funds to pay Rentals due thereunder for the succeeding Fiscal Year, the City’s obligation to pay Rentals under the Master Lease will terminate on the 30<sup>th</sup> of June occurring at the end of the then-current Renewal Term. Upon (a) the expiration of any Renewal Term of the Master Lease during which an Event of Nonappropriation occurs or (b) an Event of Default under the Master Lease and an election by the Trustee to terminate the possessory interest of the City under the Lease, the City’s right of possession of the 2023 Project under the Master Lease will expire or be terminated, as appropriate.

A Bondowner should not anticipate that it will be possible to foreclose on the 2023 Project and liquidate, relet, or sell the 2023 Project (subject to the Ground Lease) after the occurrence of an Event of Nonappropriation or an Event

of Default for an amount equal to the aggregate principal amount of the Bonds then Outstanding plus accrued interest thereon.

### **Possible Difficulties In Selling Or Re-letting The 2023 Project**

In the event that the City's right of possession of the 2023 Project under the Master Lease expires or is terminated for any of the reasons described in the Indenture, the obligation of the City to pay Rentals under the Master Lease will continue through the then-current Renewal Term, but not thereafter, and the 2023 Bonds will be payable from, among other sources, such moneys as may be available by way of recovery from the City of the Rentals which are due through the then-current Renewal Term. As set forth in the Building Authority Act, the Indenture and the Master Lease, if the City fails to pay any Rentals due to the Authority under the terms of the Master Lease, the City shall immediately surrender, and vacate the 2023 Project, and the rental or lease obligation under the Master Lease shall then cease. Should the Master Lease expire at the end of a Renewal Term without any extension for the next succeeding Renewal Term, or if an event occurs pursuant to which the Trustee terminates the City's right of possession of the 2023 Project under the Master Lease, the Trustee may repossess, complete construction (if applicable), and relet or sell the 2023 Project as provided in the Indenture.

No assurance can be given that the Trustee could relet or sell the 2023 Project for the amount necessary to pay the principal of and the interest due on the 2023 Bonds. The 2023 Project constitutes facilities to be used in connection with the operation of the City and may not be readily usable by other types of tenants. See "THE 2023 PROJECT" below. The net proceeds of any reletting or sale of the 2023 Project, together with certain other moneys then held by the Trustee under the Indenture, if any, are required to be used to pay the 2023 Bonds to the extent of such moneys. No assurance can be given as to the amount of funds available from any such source for the payment of the aggregate principal amount of the 2023 Bonds then outstanding plus accrued interest thereon. Furthermore, no assurance can be given that any amount realized upon any liquidation of the 2023 Project will be available to provide for the payment of the 2023 Bonds on a timely basis.

### **Delays In Exercising Remedies; Limitations On Enforceability**

The enforceability of the Master Lease and the Indenture is subject to applicable bankruptcy laws, equitable principles affecting the enforcement of creditors' rights generally and liens securing such rights, the police powers of the State, the exercise of judicial authority by State or federal courts and the exercise by the United States of America of the powers delegated to it by the federal constitution. Because of the unique uses to which the 2023 Project may be suited and the delays inherent in obtaining foreclosure upon real property and judicial remedies, no assurance can be given that these remedies could be accomplished rapidly. Any delays in or failure on the part of the Trustee to obtain possession of or to foreclose the lien on the 2023 Project, if necessary, will likely result in delays in any payment of principal of or interest on the 2023 Bonds.

### **Possible Shortfall In Costs Of Construction Of The 2022 Projects**

The Authority and the City believe, but there can be no assurance, that the proceeds of sale of the 2023 Bonds, together with certain investment earnings thereon and other sources of construction funds described in "THE 2023 PROJECT—The 2023 Project Financed With The 2023 Bonds—The 2023 Project" below, will be sufficient to complete the construction and equipping of the 2023 Projects. In the event such proceeds are insufficient, the Authority is authorized, pursuant to the Master Lease, to complete the construction and equipping of the 2023 Project from legally available funds and/or the issuance of Additional Parity Bonds. The Indenture provides that Additional Parity Bonds may be issued for the purpose of completing the 2023 Project or making additions or improvements to the 2023 Project or acquiring or constructing Additional Projects, subject to satisfaction of certain conditions provided in the Indenture. There can be no assurance that such Additional Parity Bonds will be authorized and issued by the Authority. If issued, Additional Parity Bonds will be secured under the Indenture on a parity with Bonds previously issued (including the 2023 Bonds).

If the possessory interest of the City under the Master Lease were to be terminated by reason of an Event of Nonappropriation or an Event of Default under the Indenture or otherwise pursuant to the Building Authority Act or the Master Lease prior to the construction of the 2023 Project, the payment of principal of, premium, if any, and interest on the 2023 Bonds would depend, in part, on the ability of the Trustee to complete any unfinished construction, foreclose on the 2023 Project, and liquidate, relet or sell one or more partially constructed Project. See

“APPENDIX A—GENERAL INDENTURE OF TRUST AND MASTER LEASE AGREEMENT—GENERAL INDENTURE OF TRUST—Limitation On Remedies” (page A-53).

Also see “SECURITY AND SOURCES OF PAYMENT FOR THE 2023 BONDS—Additional Parity Bonds And Refunding Bonds” below and “APPENDIX A—GENERAL INDENTURE OF TRUST AND MASTER LEASE AGREEMENT—THE GENERAL INDENTURE OF TRUST—Additional Bonds” (page A-30).

### **Destruction Of A Project**

The Master Lease requires a Project to be insured by policies of insurance (including casualty and property damage insurance) as described in “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—THE MASTER LEASE—Insurance Provisions.” In the event of damage to or destruction of all or any part of the 2023 Project, the Authority is nevertheless required to continue to make payments under the Master Lease during the period for which the City Council of the City has appropriated moneys to do so. In such event, the City will decide whether the proceeds from available insurance (and any other legally available source) are sufficient to repair and rebuild the 2023 Project or whether to apply the available proceeds to redemption or payment of the 2023 Bonds. If the net proceeds from insurance or certain other sources are insufficient to repair or replace the 2023 Project, the City may terminate its obligations under the Master Lease with respect to the 2023 Project and cause such proceeds to be distributed for the redemption of the 2023 Bonds in whole or in part as provided in the Indenture. See “THE 2023 BONDS—Redemption Provisions For The 2023 Bonds—Extraordinary Redemption in the Event of Damage, Destruction or Condemnation Of The 2023 Project” below.

There can be no assurance as to the adequacy of a timely payment under property damage insurance in effect at that time. Furthermore, there can be no assurance that such insurance proceeds will be sufficient to redeem the 2023 Bonds in whole or that the Trustee will be able to realize any additional funds from the 2023 Project at that time. See “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—THE MASTER LEASE—Damage, Destruction And Condemnation.”

### **Release Of A Project Upon Payment Of Related Series Of Bonds**

Pursuant to the Master Lease, the City may, by depositing with the Trustee amounts sufficient to pay or provide for the payment of the Series of Bonds issued to finance or refinance such portion of a Project, purchase the related Project, which may result in the release of the purchased Project as security for the Bonds which remain outstanding. The release of one or more Projects may diminish the amount which could be realized by the Trustee upon the occurrence of an Event of Default or an Event of Nonappropriation or the likelihood that the City will renew the Master Lease for any Renewal Term.

### **Depreciation And Lack Of Residual Value**

Certain components of the 2023 Project may become obsolete, may depreciate in value or may wear out during the time that the 2023 Bonds are outstanding. In addition, components of the 2023 Project may be difficult or impossible to remove from their points of service or use. Consequently, following an Event of Nonappropriation, an Event of Default under the Master Lease or the termination of the Master Lease for any reason, it is possible that any revenues realized by the Trustee from a reletting or sale, as appropriate, of the Authority’s interest in the 2023 Project may not be sufficient to repay all 2023 Bonds in full.

### **Tax Status; Continuing Compliance With Certain Covenants**

Failure by the Authority or the City with respect to any of the 2023 Bonds to comply with certain covenants in the Indenture, the Master Lease and the 2023 Bonds, on a continuing basis, so long as any of the 2023 Bonds are outstanding under the Indenture and thereafter as required by such document provisions and applicable law, could result in interest on the 2023 Bonds becoming includible in gross income for federal income tax purposes, retroactive to the date of their original issuance. See “TAX MATTERS” below. The Indenture and the 2023 Bonds do not provide for the payment of any additional interest or penalty in the event that interest on the 2023 Bonds becomes includible in gross income for federal income tax purposes.

## **Changes In City Governance**

The obligation of the City to pay rentals under the Master Lease is subject to annual appropriation by the City Council of the City, based upon a budget annually presented to the City Council of the City by the City Manager. The decision to renew or not to renew the term of the Master Lease is to be made solely by the City Council of the City at the time it considers for adoption the final budget relating to each Renewal Term and not by any official of the City, acting in his or her individual capacity.

The six-member City Council of the City are appointed officials and serve four-year terms. Although the present City Council of the City favors the continued leasing of the 2023 Project, there can be no assurance that a future City Council of the City will support the 2023 Project or continue to make appropriations of Rentals under the Master Lease.

## **Other Factors Regarding The 2023 Project**

*Potential Environmental Risks.* The continued and future ownership or operation of the 2023 Project creates a potential for environmental liability on the part of both the owner and operator of the 2023 Project as well as any party secured by mortgages, deeds of trust or other encumbrances. If future hazardous substances are discovered at the property or discovered to be emanating from the Property, the City and the Authority may be held strictly liable for all costs and liabilities relating to the disposing of or dealing with such hazardous substances. This liability could be for an amount far in excess of the value of the 2023 Project. The existence of such hazardous substances could hinder the Trustee in exercising certain of its remedies or rights under the Master Lease and the Indenture upon the occurrence of an Event of Default thereunder.

The Authority obtained an environmental report from a qualified environmental engineer which concludes that there are no known conditions with respect to the 2023 Project which would create environmental liability on the owner thereof.

The Authority has agreed and represented in the Master Lease that it has carried on, and will carry on, the business and operations at the 2023 Project in a manner that complies in all respects, and will remain in compliance with all applicable federal, state, regional, county, or local laws, statutes, rules, regulations or ordinances concerning public health, safety or the environment.

*Cybersecurity.* Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the City's systems technology for the purposes of misappropriating assets or information or causing operational disruption and damage. To mitigate the risk of business operations impact and/or damage by cybersecurity incidents or cyber-attacks, the City invests in multiple forms of cybersecurity and operational safeguards, including cybersecurity insurance coverage.

## **Climate Change Risk**

There are potential risks to the City and its financial operation that are associated with changes to the climate over time and with increases in the frequency, timing, and severity of extreme weather events or droughts. The City cannot predict how or when various climate changes risks may occur, nor can it quantify the impact on the City or its operations.

## **Natural Disasters And Global Health Emergencies**

Natural disasters (such as earthquakes, mudslides, heat waves, floods, windstorms, and droughts) and continued or future global health emergencies could affect the City's operations.

The City, like much of the State, is in a region of seismic activity subject to earthquakes in varying strengths. The State has identified major geologic faults running throughout the State and the most recent earthquake occurred in March 2020 in the Township of Magna, Utah (located near the City), measuring 5.7 on the Richter scale. Newer building codes throughout the State include seismic strengthening of buildings. See "SOUTH WEBER CITY, UTAH—Risk Management And Insurance; Cybersecurity; Recent Earthquake" below.

Certain areas of the State have experienced drought conditions for at last part of the year in each of the last five years. The State has experienced large wildfire/forest fire seasons in which air quality across the State has been negatively impacted (including diminished air quality from wildfires/forest fires located outside the State from drifting air currents). Wildfires/forest fires can impact the State's, the County's, and the City's economy, cause repository health problems, loss of infrastructure, homes and property and destroying forestland, wildlife habitat and its resources.

## **SECURITY AND SOURCES OF PAYMENT FOR THE 2023 BONDS**

### **The Master Lease And The Indenture**

The 2023 Bonds are payable from the Base Rentals due under the Master Lease and certain other revenues as provided in the Indenture and are secured under the Indenture. The term of the Master Lease may be extended, solely at the option of the City, beyond the termination of the Initial Term for an additional year and for consecutive Renewal Terms thereafter, each of one year in duration (except that the final Renewal Term commences on July 1, 2043 and ends on December 16, 2043). For circumstances under which the Master Lease will be terminated, see "APPENDIX A—GENERAL INDENTURE OF TRUST AND MASTER LEASE AGREEMENT—MASTER LEASE AGREEMENT—Expiration or Termination of the Term of the Lease" (page A-7). The continuation of the term of the Master Lease and the obligation of the City to pay Base Rentals after each current Renewal Term are subject to the appropriation by the City of sufficient funds to extend the term of the Master Lease for the next Renewal Term and for each succeeding Renewal Term thereafter. Neither the Master Lease nor the 2023 Bonds constitute a general obligation or indebtedness of the City within the meaning of any constitutional or statutory debt limitation. The City has not pledged its full faith and credit to the payment of the Master Lease or the 2023 Bonds, and the Board is not directly or contingently obligated to apply money from, or to levy or pledge, any form of taxation to the payment of the Master Lease or the 2023 Bonds. The Authority has no taxing power.

The Authority, as lessor under the Master Lease and pursuant to the Indenture, has assigned to the Trustee its rights to receive Base Rentals under the Master Lease, for the benefit of the Bondowners. In addition, the Authority has, for the benefit of the Bondowners, granted to the Trustee, pursuant to the Indenture, a lien on and a security interest in all of its right, title and interest in and to the 2023 Project and any additional Projects to be acquired under the Master Lease.

The continuation of the term of the Master Lease and the obligation of the City to pay Base Rentals after June 30, 2024, are subject to the appropriation by the City Council of the City of sufficient funds to extend the term of the Master Lease for each succeeding Renewal Term. Neither the Master Lease nor the 2023 Bonds constitute a general obligation or indebtedness of the City or the Authority, within the meaning of any constitutional or statutory debt limitation. Neither the City nor the Authority has pledged its credit to the payment of the Base Rentals or the 2023 Bonds, and neither the City nor the Authority is directly or contingently obligated to apply money from, or to levy or pledge, any form of taxation to the payment of the Master Lease or the 2023 Bonds. The Authority does not have any taxing power.

So long as the Master Lease remains in effect and the City Council of the City appropriates sufficient funds to extend the term of the Master Lease for each successive Renewal Term, the City is required by the provisions of the Master Lease to pay semiannually to the Trustee specified Base Rentals for the 2023 Project which are sufficient, in both time and amount, to pay, when due, the principal of and interest on the Bonds.

The City has covenanted in the Master Lease to cause to be included in its annual tentative budget submitted to the City Council of the City a request for appropriation, in accordance with applicable law, of an amount necessary (after taking into account any moneys then legally available for such purpose) to pay the Base Rentals and any reasonably anticipated Additional Rentals under the Master Lease for the 2023 Project during the next succeeding Renewal Term. See "APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—THE MASTER LEASE—Request for Appropriation."

In the event the City Council of the City does not appropriate sufficient funds to extend the term of the Master Lease, and the Master Lease thereby expires by its terms at the end of any Renewal Term, the City will have no further payment obligation under the Master Lease, except for the Base Rentals which are payable prior to the termination of the Master Lease. Upon such expiration, the Trustee may exercise one or more of the rights provided in the Master

Lease, the Indenture or the Deed of Trust, including an option to dispose of the Authority’s interest in the 2023 Project, and apply the proceeds of such disposition, if any, together with the moneys in the Bond Fund and other amounts available under the Indenture, to the payment of principal of all then outstanding Bonds and accrued interest thereon. However, due to the nature of the 2023 Project, it is unlikely that revenues from such sources would be sufficient to pay in full all then outstanding Bonds if payment were then due by acceleration or otherwise. Should a shortfall occur, the Bonds would be paid on a pro rata basis as provided in the Indenture. See “INVESTMENT CONSIDERATIONS” above.

Pursuant to the provisions of the Master Lease, the City may, in its sole discretion, purchase all or a portion of the 2023 Project by payment of the applicable Option Price as defined in the Master Lease. Neither the City nor the City Council of the City may be compelled to exercise the purchase option provided in the Master Lease. See “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—THE MASTER LEASE—Conveyance on Purchase of 2023 Project.”

### **The Ground Lease And The Security Documents**

The City owns, or holds a leasehold interest in, parcels of land on which the 2023 Project is located (collectively, the “Project Site”). Pursuant to certain ground leases the City, as lessor, has leased to the Authority, as lessee, the Project Site (the “2023 Ground Leases”). See “THE 2023 PROJECTS—The 2023 Project Financed With The 2023 Bonds” below.

The Authority under the Security Documents has irrevocably warranted, granted, transferred, conveyed and assigned to the Trustee, in trust with power of sale, all of its right, title and interest in the 2023 Project, including, but not limited to real property, rents, issues, profits, royalties, income, interest in the leases or subleases, options to purchase, easements, rights of way, proceeds of insurance or condemnation and tangible personal property in order to provide additional security for the Authority’s payment obligations under the Bonds and the Indenture. The Security Documents generally provide for the procedure by which the Trustee can foreclose the lien on the Authority’s interest (which may be a leasehold interest) in the 2023 Project to pay the Authority’s payment obligations under the Bonds and the Indenture. If an Event of Default occurs under the Indenture, and if the Trustee accelerates the payment of the Bonds pursuant thereto, the Trustee shall also direct the trustee under the Security Documents to foreclose the lien created under the Security Documents, either by public sale or by proceedings in equity. The Trustee shall receive any proceeds from such sale and apply them in accordance with the Indenture. Subject to the limitation on remedies and acceleration during acquisition and construction of portions of the 2023 Project, any proceeds shall be applied to the payment of principal and interest then due and unpaid on all the 2023 Bonds, ratably, according to the amounts due respectively for principal and interest, to the Bondowners.

No deficiency judgment upon foreclosure of the lien of the Indenture or Security Documents may be entered against the City or the Authority, and no judgment requiring a payment of money may be entered against the City thereunder or under the Master Lease.

### **Insurance On The 2023 Project**

The 2023 Project is required to be insured by policies of insurance or by self-insurance to the extent described in “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—THE MASTER LEASE—Insurance Provisions.” All Net Proceeds of performance bonds, proceeds (including any moneys derived from any self-insurance program) from policies of insurance (except the policy of public liability and property damage insurance) required by the Master Lease or condemnation awards which are received by the Trustee will be deposited into a separate trust fund under the Indenture. Such Net Proceeds will be used either to repair, restore, modify, or improve the applicable Projects or to redeem or defease the related Bonds, as more fully described in “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—THE MASTER LEASE—Insurance Provisions” “—Damage, Destruction And Condemnation” “—Maintenance and Repair” “—Representations, Covenants and Warranties of the Lessee.” Also see, “SOUTH WEBER CITY, UTAH—Risk Management And Insurance; Cybersecurity; Recent Earthquake” below.

### **No Debt Service Reserve Requirement For The 2023 Bonds**

The Indenture provides that a separate account in the Debt Service Reserve Fund may be established for each Series of Bonds issued under the Indenture which is to be funded in an amount equal to the Debt Service Reserve

Requirement, if any. There is no Debt Service Reserve Requirement for the 2023 Bonds and no account in the Debt Service Reserve Fund will be funded with respect to the 2023 Bonds. See “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—Definitions—Debt Service Reserve Requirement.”

### **Additional Parity Bonds And Refunding Bonds**

Under the Indenture, the Authority may issue Additional Parity Bonds, consisting of Additional Bonds, Refunding Bonds or a combination of both, ranking on a parity with the 2023 Bonds. All Additional Parity Bonds will be secured by the lien of the Indenture and the Deed of Trust and will rank on a parity with the 2023 Bonds. Such Additional Parity Bonds shall be payable solely from the Base Rentals and, if paid by the City, the Purchase Option Price and other amounts derived from the leasing of the 2023 Project or other Projects financed under the Indenture.

So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing and certain requirements of the Indenture are satisfied, one or more series of Additional Bonds may be issued for the purpose of financing Costs of Acquisition and Construction of a Project or Projects for the use and benefit of the City and/or one or more Series of Refunding Bonds may be issued for the purpose of refunding Bonds or other obligations of the Authority.

See “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—THE INDENTURE—Additional Parity Bonds.”

### **NO DEFAULTED AUTHORITY BONDS OR FAILURES BY THE CITY TO RENEW LEASE**

As of the date of this OFFICIAL STATEMENT and since the execution of the Indenture and the Master Lease (as of December 1, 2023), the Authority has never failed to pay when due the principal of and interest on its bonded indebtedness and other payment obligations related thereto.

## **THE 2023 BONDS**

### **General**

The 2023 Bonds will be dated the date of delivery<sup>1</sup> thereof (the “Dated Date”) and will mature on December 15 of the years and in the amounts and pay interest on the dates and at the rates shown on the inside cover page, commencing June 15, 2024.

Interest on the 2023 Bonds shall be computed on the basis of a 360-day year of 12, 30-day months. U.S. Bank is the initial Registrar (the “Registrar”), Paying Agent, and Trustee with respect to the 2023 Bonds.

The 2023 Bonds will be issued as fully-registered bonds, initially in book-entry form, in the denomination of \$5,000 or any whole multiple thereof, not exceeding the amount of each maturity.

### **Registration, Denominations, Manner Of Payment**

The 2023 Bonds are issuable only as fully registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the 2023 Bonds. Purchases of 2023 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any whole multiple thereof, through brokers and dealers who are, or who act through, DTC Participants (as defined herein). Beneficial Owners (as defined herein) of the 2023 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the 2023 Bonds. “Direct Participants,” “Indirect Participants” and “Beneficial Owners” are defined in “APPENDIX E—BOOK-ENTRY SYSTEM” below.

---

<sup>1</sup> The anticipated date of delivery is Wednesday, December 6, 2023.



Principal of and interest on the 2023 Bonds (interest payable June 15 and December 15 of each year, commencing March 15, 2024) are payable by the Paying Agent, to the Registered Owners of the 2023 Bonds. So long as Cede & Co. is the registered owner of the 2023 Bonds, DTC will, in turn, remit such principal and interest to its Direct Participants, for subsequent disbursements to the Beneficial Owners of the 2023 Bonds, as described in “APPENDIX E—BOOK-ENTRY SYSTEM” below.

So long as DTC or its nominee is the sole registered owner of the 2023 Bonds, neither the Authority, the City, the successful bidder(s), nor the Trustee will have any responsibility or obligation to any Direct or Indirect Participants of DTC, or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, Indirect Participants or the Beneficial Owners of the 2023 Bonds. *Under these same circumstances, references herein and in the Indenture to the “Bondowners” or “Registered Owners” of the 2023 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2023 Bonds.*

### **Transfer Or Exchange Of The 2023 Bonds; Regular Record Date**

The Authority shall cause books for the registration and for the transfer of the 2023 Bonds to be kept by the Trustee which is also the Bond Registrar of the Authority.

In the event the book-entry-only system is discontinued, any 2023 Bond may, in accordance with its terms, be transferred only upon the registration books kept by the Bond Registrar, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such 2023 Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Bond Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the Bond Registrar. Upon surrender for transfer of any 2023 Bond at the principal office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Bondholder or his attorney duly authorized in writing, the Authority shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new, fully registered 2023 Bond or 2023 Bonds of the same maturity for a like aggregate principal amount as the 2023 Bond surrendered for transfer. In the event the book-entry system is discontinued, 2023 Bonds may be exchanged at the designated office of the Trustee for a like aggregate principal amount of 2023 Bonds of other authorized denominations of the same maturity. The Authority and the Trustee shall not be required to transfer or exchange any 2023 Bond (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date; (ii) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto; (iii) during the period from and including the day fifteen days prior to the mailing of notice calling any 2023 Bonds for redemption, to and including the date of such mailing; or (iv) at any time following the mailing of notice calling such 2023 Bond for redemption.

The Authority, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each 2023 Bond is registered on the registration books kept by the Bond Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever, and neither the Authority, nor the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of or on account of either principal of or interest on any 2023 Bond shall be made only to or upon order of the Registered Owner thereof or such person’s legal representative, but such registration may be changed as provided in the Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such 2023 Bond to the extent of the sum or sums so paid.

The Trustee shall require the payment by the Bondholder requesting exchange or transfer of 2023 Bonds of any tax or other governmental charges which are required to be paid with respect to such exchange or transfer and such charges shall be paid before such new 2023 Bond shall be delivered.

Regular Record Date means the first day of the month (whether or not a Business Day) in which each Interest Payment Date occurs. The Authority and the Trustee shall not be required to transfer or exchange any Bond: (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date; (ii) during the period from and including the day ten days prior to any Special Record Date (as herein defined), to and including the date of the proposed payment pertaining thereto, (iii) during the period from and including the day ten days prior to the mailing of notice calling any Bonds for redemption, to and including the date of such mailing, or (iv) at any time following the mailing of notice calling such Bond for redemption. “Special Record Date” means such date as may be fixed for the payment of defaulted interest on 2023 Bonds in accordance with the Indenture.

## Sources And Uses Of Funds

The proceeds from the sale of the 2023 Bonds are estimated to be applied as set forth below:

### Sources:

Par amount of 2023 Bonds.....	\$
[Net] original issue premium.....	
Total.....	\$

### Uses:

Deposit to Project Account Fund.....	\$
Costs of Issuance <sup>(1)</sup> .....	
Underwriter's Discount.....	
Total.....	\$

(1) Includes legal fees, Municipal Advisor fees, rating agency fees, Trustee, Registrar and Paying Agent fees, rounding amounts, and other miscellaneous costs of issuance.

(Source: the Municipal Advisor.)

## Redemption Provisions For The 2023 Bonds

*Optional Redemption.* The 2023 Bonds maturing on and after [December 15, 20\_\_] are subject to redemption prior to maturity, in whole or in part, at the option of the Authority on [December \_\_, 20\_\_], or on any date thereafter, from such maturities or parts thereof as shall be selected by the Authority, at the redemption price of 100% of the principal amount of the 2023 Bonds to be redeemed plus accrued interest (if any) thereon to the redemption date.

*[Mandatory Sinking Fund Redemption.* The 2023 Bonds may be subject to mandatory sinking fund redemption at the option of the successful bidder(s).]

*Extraordinary Redemption In The Event Of Damage, Destruction Or Condemnation Of The 2023 Project.* The Bonds are callable for redemption prior to maturity in whole on any date, if (i) the 2023 Project or a material portion thereof is damaged or destroyed or taken in a condemnation proceeding, or a material defect in the construction of the 2023 Project shall become apparent, or title to or the use of all or any material portion of the 2023 Project shall be lost by reason of a defect in title thereto, (ii) the Net Proceeds of any insurance policy, performance bond or condemnation award made available by reason of one or more such occurrences shall be insufficient to pay in full the cost of repairing and replacing the 2023 Project, and (iii) the City elects to discharge its obligation to repair and replace the 2023 Project by depositing such Net Proceeds into the Bond Fund. Upon the deposit of such Net Proceeds in the Bond Fund, the payment obligations of the City with respect to the 2023 Project under the Master Lease will terminate and the City will have no further obligation for the payment of Base Rentals and Additional Rentals under the Indenture, and possession of the 2023 Project shall be surrendered to the Authority and all right, title and interest of the City and the Authority in any funds or accounts created under the Indenture (except for amounts held in the Rebate Fund or for the payment of Bonds not then deemed Outstanding), shall be surrendered to the Trustee, as trustee for the Bondholders. Thereafter, the Indenture and the Deed of Trust may, subject to the limitations of the Indenture, be foreclosed and the Authority's interest in the 2023 Project liquidated and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture (except moneys held in the Rebate Fund or for the payment of Bonds not then deemed outstanding), shall be proportionally applied to the redemption of the Bonds at the earliest date practicable, as specified in a written notice from the Authority to the Trustee. Such redemption of the 2023 Bonds shall be made upon payment of the principal amount of the 2023 Bonds then Outstanding, plus accrued interest thereon, all in accordance with the Indenture. In the event there are moneys remaining in the Bond Fund after payment in full of all Bonds of said Series issued under the Indenture, the Trustee is authorized and directed to transfer said moneys to the City. *In the event that the 2023 Bonds are redeemed subsequent to the occurrence of an event described in this paragraph by payment of an amount less than the outstanding principal amount thereof and accrued interest to the redemption date, no further claim for payment may be had by the holders of the 2023 Bonds against the Authority, the City or the Trustee.*

*Partial Redemption of 2023 Bonds.* In the case of a partial redemption of 2023 Bonds when 2023 Bonds of denominations greater than \$5,000 are then outstanding, then for all purposes in connection with such partial redemption, each \$5,000 of face value shall be treated as though it were a separate 2023 Bond of the denomination of \$5,000. If it

is determined that one or more, but not all, of the \$5,000 units of face value represented by any 2023 Bond is to be called for redemption, then upon notice of intention to redeem such \$5,000 unit or units (given by the Trustee), the Owner of such 2023 Bond shall forthwith surrender such 2023 Bond to the Trustee (a) for payment of the redemption price (including the premium, if any, and interest to the date fixed for redemption) of the \$5,000 unit or units of face value called for redemption and (b) for exchange, without charge to the Owner thereof, for a new 2023 Bond or 2023 Bonds of the same Series, designation, maturity and interest rate and in any of the authorized denominations, at the option of the Owner thereof, of the aggregate principal amount of the unpaid balance of the principal amount of the 2023 Bond to be so redeemed. If the Owner of any such 2023 Bond of a denomination greater than \$5,000 shall fail to present such 2023 Bond to the Trustee for redemption and exchange as aforesaid, the principal amount of such 2023 Bond to be redeemed shall, nevertheless, become due and payable on the redemption date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only); interest shall cease to accrue on the portion of the principal amount of such 2023 Bond to be redeemed represented by such \$5,000 unit or units of face value on and after the redemption date and (funds sufficient for the payment of the redemption price having been deposited with the Trustee and being available for the redemption of said unit or units on the redemption date) such 2023 Bond shall not be entitled to the benefit or security of the Indenture to the extent of the portion of its principal amount (and accrued interest thereon after the redemption date) represented by such \$5,000 unit or units of face value nor shall new 2023 Bonds be thereafter issued corresponding to said unit or units. 2023 Bonds shall be redeemed only in the principal amount of \$5,000 each or any whole multiple thereof.

With respect to any partial redemption of 2023 Bonds of less than all of a particular maturity of 2023 Bonds, the particular 2023 Bonds to be redeemed shall be selected by the Trustee by lot in such manner as the Trustee shall determine to be fair and equitable.

*Selection for Redemption.* If less than all 2023 Bonds of any maturity are to be redeemed, the particular 2023 Bonds or portion of 2023 Bonds of such maturity to be redeemed will be selected at random by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate. The portion of any registered 2023 Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or a whole multiple thereof, and in selecting portions of such 2023 Bonds for redemption, the Bond Registrar will treat each such 2023 Bond as representing that number of 2023 Bonds of \$5,000 denomination that is obtained by dividing the principal amount of such 2023 Bond by \$5,000.

*Notice of Redemption.* Notice of redemption will be given by the Bond Registrar by first class mail, not less than 30 nor more than 60 days prior to the redemption date, to the Registered Owner of each 2023 Bond that is subject to redemption, at the address of such owner as it appears on the registration books of the Bond Registrar. Each notice of redemption will state descriptive information needed to accurately identify the 2023 Bonds being redeemed, the redemption date, the place of redemption, the redemption price and, if less than all of the 2023 Bonds are to be redeemed, the respective principal amounts thereof to be redeemed, and will also state that the interest on the 2023 Bonds in such notice designated for redemption will cease to accrue from and after such redemption date and that on the redemption date there will become due and payable on each of the 2023 Bonds to be redeemed the principal thereof and interest accrued thereon to the redemption date.

If at the time of mailing of any notice of redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the 2023 Bonds called for redemption, such notice shall state that such redemption is subject to the deposit of redemption moneys with the Trustee not later than the opening of business on the redemption date and that such notice will be of no effect unless such moneys are so deposited. Any notice mailed will be conclusively presumed to have been duly given, whether or not the Bondowner receives such notice. Failure to give such notice or any defect therein with respect to any 2023 Bond will not affect the validity of the proceedings for redemption with respect to any other 2023 Bond.

In addition to the foregoing notice, further notice of such redemption will be given by the Bond Registrar to at least one national information services as provided in the Indenture, but no defect in such further notice nor any failure to give all or any portion of such notice will in any manner affect the validity of a call for redemption if notice thereof is given as prescribed above and in the Indenture.

*For so long as a book-entry system is in effect with respect to the 2023 Bonds, the Bond Registrar will mail notices of redemption to DTC or its successor. Any failure of DTC to convey such notice to any Direct Participants*

or any failure of the Direct Participants or Indirect Participants to convey such notice to any Beneficial Owner will not affect the sufficiency of the notice or the validity of the redemption of 2023 Bonds.

### Book-Entry System

DTC will act as securities depository for the 2023 Bonds. The 2023 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered 2023 Bond certificate will be issued for each maturity of the 2023 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or a “fast agent” of DTC. See “APPENDIX E—BOOK-ENTRY SYSTEM” for a more detailed discussion of the book-entry system and DTC.

### Debt Service On The 2023 Bonds

*Debt Service on the 2023 Bonds Based on Base Rental Payment Schedule.* The Master Lease requires semi-annual Base Rental payments to be made by the City to the Authority (on June 1 and December 1 of each year), which Base Rentals have been assigned to the Trustee pursuant to the Indenture. The 2023 Bond principal and/or interest payments are then paid by the Trustee on June 1 and December 1. The following table shows scheduled debt service on the 2023 Bonds based on Base Rental payment dates.

Due Date (Base Rental Payment)	The 2023 Bonds			
	Principal	Interest	Period Total	Fiscal Total
June 1, 2024.....	\$ 0.00	\$	\$	\$
December 1, 2024.....	265,000.00			
June 1, 2025.....	0.00			
December 1, 2025.....	280,000.00			
June 1, 2026.....	0.00			
December 1, 2026.....	295,000.00			
June 1, 2027.....	0.00			
December 1, 2027.....	310,000.00			
June 1, 2028.....	0.00			
December 1, 2028.....	325,000.00			
June 1, 2029.....	0.00			
December 1, 2029.....	340,000.00			
June 1, 2030.....	0.00			
December 1, 2030.....	360,000.00			
June 1, 2031.....	0.00			
December 1, 2031.....	380,000.00			
June 1, 2032.....	0.00			
December 1, 2032.....	395,000.00			
June 1, 2033.....	0.00			
December 1, 2033.....	420,000.00			
June 1, 2034.....	0.00			
December 1, 2034.....	440,000.00			
June 1, 2035.....	0.00			
December 1, 2035.....	460,000.00			
June 1, 2036.....	0.00			
December 1, 2036.....	485,000.00			
June 1, 2037.....	0.00			
December 1, 2037.....	510,000.00			
June 1, 2038.....	0.00			
December 1, 2038.....	535,000.00			
June 1, 2039.....	0.00			
December 1, 2039.....	560,000.00			
June 1, 2040.....	0.00			
December 1, 2040.....	590,000.00			
June 1, 2041.....	0.00			

**Debt Service On The 2023 Bonds—continued**

Due Date (Base Rental Payment)	The 2023 Bonds			
	Principal	Interest	Period Total	Fiscal Total
December 1, 2041.....	\$ 615,000.00			
June 1, 2042.....	0.00			
December 1, 2042.....	645,000.00			
June 1, 2043.....	0.00			
December 1, 2043.....	675,000.00			
Totals.....	\$8,885,000.00			

\* Preliminary; subject to change.  
 (Source: the Municipal Advisor.)

**LOCAL BUILDING AUTHORITY OF SOUTH WEBER CITY, UTAH**

**Establishment And Statutory Powers**

On [June 13, 2023], the City Council of the City created the Authority as a nonprofit corporation in accordance with the provisions of the predecessor to the Building Authority Act. The Authority is to be of perpetual duration as set forth in its Articles of Incorporation. The Authority at the present time has no full-time employees or other personnel other than its governing board as described below. The Authority has no property, money or other assets, except for the 2023 Project as described in this OFFICIAL STATEMENT. The principal place of business of the Authority is in the City offices at the address shown under “INTRODUCTION—Contact Persons” above.

The Authority has been incorporated for the purpose of acquiring, improving or extending one or more projects and financing and/or refinancing their costs on behalf of the City in accordance with the procedures and subject to the limitations of the Building Authority Act, in order to accomplish the public purposes for which the City exists.

The Authority has all of the powers provided for in the Building Authority Act and in the Constitution and other laws of the State. The Authority may not, however, undertake any of the activities provided for in its Articles of Incorporation without prior authorization therefor by the governing body of the City. The Authority has been organized as a nonprofit corporation and its Articles of Incorporation expressly require that it remain a nonprofit corporation.

The Authority may not be dissolved unless all of its outstanding bonds and other obligations are paid in full as to principal, interest and redemption premiums, if any, or unless provision for the payment of the same when due has been made. Whenever bonds, notes or other evidences of indebtedness issued by the Authority are satisfied, discharged and retired, title to all real and personal property financed with the proceeds of such bonds, notes or other evidences of indebtedness is required to be transferred to the City.

Under the Building Authority Act, the Authority has the power to: (i) acquire one or more projects, which, by definition, means that it may obtain or gain property of every kind or nature which a public body is authorized or permitted by law to own, and it may otherwise improve or extend such a project or projects and finance their costs on behalf of the public body which created the Authority in order to accomplish the public purposes for which the public body exists; (ii) enter into leasing contracts with the City with respect to projects which the Authority has acquired, improved or extended or will acquire, improve or extend on behalf of the City; (iii) issue and sell its bonds for the purpose of financing and refinancing the cost of acquiring, improving or extending a project; and (iv) exercise other powers as enumerated in the Building Authority Act, all in accordance with and subject to the specific requirements of the Building Authority Act with respect to such powers.

**Organization**

According to the By-Laws of the Authority, the affairs of the Authority are managed by a Board of Trustees (the “Board of Trustees”). The Board of Trustees consists of the members of the City Council as may from time to time serve. Each Trustee serves on the Board of Trustees until death, incapacity, or removal from the City Council.

Whenever a Trustee shall cease to be a member of the City Council, his successor, upon his election and qualifying for office, thereupon becomes a Trustee of the Authority.

The By-Laws further provide for election of officers by the Board of Trustees in accordance with the provisions of the By-Laws. Set forth below are the current members of the Board of Trustees, officers of the Authority, and the Authority's Secretary:

Title/Position	Person	Years of Service	Expiration of Current Term
President/Chair.....	Rod Westbroek	2	January 1, 2026
Trustee.....	Angie Petty	6	January 1, 2026
Trustee.....	Blair Halverson	6	January 1, 2024
Trustee.....	Hayley Alberts	4	January 1, 2024
Trustee.....	Joel Dills	2	January 1, 2026
Trustee.....	Quin Soderquist	4	January 1, 2024
Secretary.....	Lisa Smith	6	Appointed

(Source: the Authority.)

### Debt Issuance Of The Authority

*The Authority's debt does not constitute debt within the meaning of any constitutional provision or statutory limitation which is applicable to the City.*

The issuance of the 2023 Bonds is the Authority's first bond issuance under the Indenture. The 2023 Bonds and all other Additional Parity Bonds issued on a parity basis will be cross-collateralized, in that the Authority has granted to the Trustee, for the benefit of the Owners of all of the Bonds, a security interest in all of the Authority's right, title and interest in the Projects financed or refinanced by the issuance of Bonds. As of the date of this OFFICIAL STATEMENT, the Authority has outstanding the following lease revenue bonds:

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2023 <sup>(a)</sup> .....	Building	\$8,885,000*	December 15, 2043	<u>\$8,885,000*</u>

\* Preliminary; subject to change.

(a) For purposes of this OFFICIAL STATEMENT the 2023 Bonds will be considered issued and outstanding. Rated "\_\_\_\_" by Moody's Investors Service Inc. ("Moody's"), as of the date of this OFFICIAL STATEMENT.

(Source: the Municipal Advisor.)

(The remainder of this page has been intentionally left blank.)

**Debt Service Schedule Of Outstanding Lease Revenue Bonds Of The Local Building Authority Of South Weber City, Utah By Fiscal Year**

Fiscal Year Ending June 30	Series 2023 \$8,885,000*		Total Debt Service*
	Principal*	Interest <sup>(a)</sup>	
2024.....	\$ 0.00	\$ 225,133	\$ 225,133
2025.....	265,000	422,200	687,200
2026.....	280,000	408,575	688,575
2027.....	295,000	394,200	689,200
2028.....	310,000	379,075	689,075
2029.....	325,000	363,200	688,200
2030.....	340,000	346,575	686,575
2031.....	360,000	329,075	689,075
2032.....	380,000	310,575	690,575
2033.....	395,000	291,200	686,200
2034.....	420,000	270,825	690,825
2035.....	440,000	249,325	689,325
2036.....	460,000	226,825	686,825
2037.....	485,000	203,200	688,200
2038.....	510,000	178,325	688,325
2039.....	535,000	152,200	687,200
2040.....	560,000	126,225	686,225
2041.....	590,000	100,350	690,350
2042.....	615,000	73,238	688,238
2043.....	645,000	44,888	689,888
2044.....	675,000	15,188	690,188
Totals.....	\$8,885,000	\$5,110,396	\$ 13,995,396

\*Preliminary; subject to change.

(a) Preliminary; subject to change. Interest estimated at a 4.74% per annum.

(Source: the Municipal Advisor.)

**Future Issuance Of Debt**

The Authority does not anticipate the issuance of additional lease revenue bonds for the 2023 Project or any additional future Projects but reserves the right to issue Additional Parity Bonds as specified in the Indenture.

[Additionally, the City currently has no plans to issue other bonds but reserves the right to do so as capital needs require.]

**THE 2023 PROJECT**

**The 2023 Project**

The 2023 Bonds are being issued to finance the completion of a fully equipped Public Works Building in the City (the “Project”). The Project consists of the construction of three maintenance structures on approximately six acres of land: (i) a main office building with vehicle storage bays, (ii) a covered parking building to be used to house maintenance equipment, and (iii) a building to be used for material storage. The main office building will be a metal building that will be approximately 19,350 square feet (“SF”) in size that includes: 4,500 SF of office space, 11,250 SF of shop space, 2,250 SF of wash bay, and 1,350 SF feet of covered storage. The covered parking building will be a metal building with approximately 9,600 SF of covered storage. The storage building will be concrete material storage bays with approximately 3,880 SF with metal roofing. The Project will be constructed on approximately 12 acres of City-

owned property. The cost of the Project is anticipated to be approximately \$9 million which includes to \$6 million for constructing the buildings and \$3 million for fully equipping the buildings.

Construction for the Project is proposed to begin in fall of 2023 with an estimated completion date by winter of 2024.

### **The 2023 Project As Security For The Bonds**

The 2023 Bonds secured by the lien of the Indenture, the Deed of Trust, and the Master Lease, subject to the terms, conditions, limitations, and exceptions set forth therein. Upon the occurrence of an Event of Default under the Indenture or the occurrence of an Event of Nonappropriation under the Lease, the City shall be required to surrender and vacate the 2023 Project, the Trustee shall have all rights and remedies to take possession of the 2023 Project as trustee for the benefit of the Beneficial Owners of the 2023 Bonds, and the Trustee may exercise various remedies against or with respect to the 2023 Project under the Indenture and the Master Lease for the proportionate benefit of the Beneficial Owners of the 2023 Bonds. See “INVESTMENT CONSIDERATIONS—Destruction Of A Project” and “SECURITY AND SOURCES OF PAYMENT FOR THE 2023 BONDS—The Master Lease and The Indenture” above. Under the Master Lease, an Event of Nonappropriation will occur if the Board of Trustees of the City fails or refuses to specifically appropriate moneys sufficient to pay the Rentals with respect to all or any portion of the 2023 Project coming due in any Fiscal Year under the Master Lease.

### **Cross-Collateralization Of Future Projects**

Subject to the following section, if applicable, “Release Of The 2023 Project Upon Payment Of Bonds,” and to the provisions described above under “THE 2023 BONDS—Redemption Provisions For The 2023 Bonds—Extraordinary Redemption In The Event of Damage, Destruction or Condemnation” pursuant to the Indenture and the Master Lease, all Bonds issued under the Indenture are cross-collateralized in that the Authority has granted to the Trustee, for the benefit of the Owners of all of the Bonds, a security interest in all of the Authority’s right, title and interest in the 2023 Project. The occurrence of an Event of Default under the Indenture or an Event of Nonappropriation under the Master Lease will entitle the Trustee to take possession of the 2023 Project and to exercise its rights and remedies to the extent provided in the Indenture against the 2023 Project in such manner and order as the Trustee determines to be in the best interests of the Owners of the Bonds then outstanding.

### **Release Of The 2023 Project Upon Payment Of Bonds**

Pursuant to the Master Lease, the City has the option of purchasing the 2023 Project in advance of the final maturity of Bonds issued to finance the 2023 Project. So long as no Event of Default shall have occurred and be continuing under the Indenture and so long as no Event of Default or Event of Nonappropriation shall have occurred and be continuing under the Master Lease, the 2023 Project may be released as security for Bonds and may be transferred to the City if (i) the City shall deposit with the Trustee the Purchase Option Price for the 2023 Project; and (ii) there shall have been delivered to the Trustee an opinion of nationally-recognized bond counsel to the effect that the release of the 2023 Project will not adversely affect the excludability of interest on the Bonds from the federal gross income of the owners thereof. Pursuant to the Indenture and the Master Lease, the City may exercise this option with respect to the 2023 Project.

### **Maintenance On The 2023 Project**

The City has agreed in the Master Lease, at its own expense, to maintain, manage and operate the 2023 Project and all improvements thereon in good working order, condition and repair, and to pay all costs associated therewith. As provided in the Master Lease, the Authority, the Trustee and the Bondowners have no obligation to incur any expense of any kind or character for the management, operation or maintenance of the 2023 Project during the term of the Master Lease. See “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—THE MASTER LEASE—Maintenance of the Projects by the City.”



## SOUTH WEBER CITY, UTAH

### General

South Weber City was incorporated in 1938. The City covers an area of approximately 4.6 square miles. The City had an estimated 2022 population of 8,124 according to the U.S. Census Bureau estimate. The City is located in Davis County approximately 35 miles north of Salt Lake City, Utah, and approximately five miles south of Ogden, Utah. The City is adjacent to Hill Air Force Base.

### Form Of Government

The City is currently governed by a six-member Council consisting of a Mayor and five City Councilmembers, elected at large by the voters in the City. A measure of continuity is provided in the City Council by the election of the councilmembers to four-year overlapping terms. Duties of the councilmembers include the responsibility for all City affairs in general. The City Council must approve and may revise the budget of any City department or elected official. The City Council serves as the legislative body of the City and appropriates funds for the various City functions. The City Council is the tax levying body, determining the necessary City property tax levy each year. The City Council also licenses and regulates businesses, exhibitions, and recreation with the City area. Other appointed officials include the City Manager, Finance Director, Treasurer and City Recorder/Clerk.

Title/Position	Person	Years of Service	Expiration of Current Term
Mayor.....	Rod Westbroek	2	January 1, 2026
Trustee.....	Angie Petty	6	January 1, 2026
Trustee.....	Blair Halverson	6	January 1, 2024
Trustee.....	Hayley Alberts	4	January 1, 2024
Trustee.....	Joel Dills	2	January 1, 2026
Trustee.....	Quin Soderquist	4	January 1, 2024
City Manager.....	David Larson	5	Appointed
Finance Director.....	Mark McRae	9	Appointed
City Treasurer.....	Maryn Peterson	1	Appointed
City Attorney.....	Jayne Blakesley	2	Appointed
City Recorder/Court Clerk.....	Lisa Smith	6	Appointed

(Source: the City.)

The principal powers and duties of State municipalities are to maintain law and order, abate nuisances, guard public health and sanitation, promote recreation, provide fire protection, and construct and maintain streets, sidewalks, waterworks, and sewers. Municipalities also regulate commercial and residential development within their boundaries by means of zoning ordinances, building codes and licensing procedures.

### Employee Workforce And Retirement System; No Post–Employment Benefits

*Employee Workforce and Retirement System.* The City currently employs approximately 16 full-time employees, 71 part-time employees, and 2 seasonal employees for a total employment of approximately 89 employees. The City participates in cost-sharing multiple employer defined benefit pension plans covering public employees of the State and employees of participating local government entities administered by the Utah State Retirement Systems (“URS”). The retirement system provides retirement benefits, a deferred compensation plan, annual cost of living adjustment and death benefits to plan members and beneficiaries in accordance with retirement statutes.

For a detailed discussion regarding retirement benefits and contributions See “APPENDIX B— FINANCIAL STATEMENTS OF SOUTH WEBER CITY, UTAH FOR FISCAL YEAR 2022–Notes to the Financial Statements–Note 9. Retirement Plan” (audit page–36).

*No Post–Employment Benefits.* As of the date of this OFFICIAL STATEMENT, the City does not offer any other post–employment benefits.

### Risk Management And Insurance

*Risk Management And Insurance.* The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. The City has earthquake coverage as part of its insurance policies. The City manages its risks through the Utah Local Government Trust (a public entity risk pool) for liabilities up to \$15 million.

As of the date of this OFFICIAL STATEMENT, all policies are current and in force. *The City believes its risk management policies and coverages are normal and within acceptable coverage limits for the type of services the City provides.*

## **Investment Of Funds**

*The State Money Management Act.* The State Money Management Act, Title 51, Chapter 7 of the Utah Code (the “Money Management Act”), governs and establishes criteria for the investment of all public funds held by public treasurers in the State. The Money Management Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, obligations of the State and political subdivisions of the State, U.S. Treasury and approved federal government agency and instrumentality securities, certain investment agreements and repurchase agreements and investments in corporate securities meeting certain ratings requirements. The Money Management Act establishes the State Money Management Council (the “Money Management Council”) to exercise oversight of public deposits and investments. The Money Management Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The City is currently complying with all the provisions of the Money Management Act for all City operating funds.

*The Utah Public Treasurers’ Investment Fund.* A sizable portion of City funds may be invested in the Utah Public Treasurers Investment Fund (“PTIF”). The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. All investments in the PTIF must comply with the Money Management Act and rules of the Money Management Council. The PTIF invests primarily in money market securities. Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, and obligations of the U.S. Treasury and securities of certain agencies of the federal government. By policy, the maximum weighted average adjusted life of the portfolio is not to exceed 90 days and the maximum final maturity of any security purchased by the PTIF is limited to five years. Safekeeping and audit controls for all investments owned by the PTIF must comply with the Money Management Act.

All securities purchased are delivered versus payment to the custody of the State Treasurer or the State Treasurer’s safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely segregated from securities owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the Money Management Council and is audited by the State Auditor. The PTIF is not rated.

See “APPENDIX B— FINANCIAL STATEMENTS OF SOUTH WEBER CITY, UTAH FOR FISCAL YEAR 2022—Notes to the Financial Statements—Note 2. Cash and Investments” (audit page 29).

**Population**

The following population information is provided for the City, the County, and the State.

	City	% Change From Prior Year	County	% Change From Prior Year	State of Utah	% Change From Prior Year
2022 Estimate <sup>(1)</sup> .....	8,124	3.2	369,948	2.0	3,380,800	3.3
2020 Census.....	7,873	30.1	362,679	18.3	3,271,616	18.4
2010 Census.....	6,051	42.0	306,479	28.2	2,763,885	23.8
2000 Census.....	4,260	48.8	238,994	27.2	2,233,169	29.6
1990 Census.....	2,863	81.8	187,941	28.3	1,722,850	17.9
1980 Census <sup>(2)</sup> .....	1,575	46.8	146,540	48.0	1,461,037	37.9

(1) U.S. Bureau of the Census estimates for July 1, 2022; percentage change is calculated from the 2020 Census

(2) Percentage change for 1980 Census is calculated from the 1970 Census.

(Source: U.S. Department of Commerce, Bureau of the Census. Compiled by the Municipal Advisor.)

(The remainder of this page has been intentionally left blank.)

## Labor Force, Nonfarm Jobs, And Wages Within Davis County

	Calendar Year <sup>(1)</sup>					% change from prior year				
	2022	2021	2020	2019	2018	2021-22	2020-21	2019-20	2018-19	2017-18
Civilian labor force.	184,178	179,229	176,223	174,427	171,470	2.8	1.7	1.0	1.7	1.7
Employed persons	180,239	174,865	168,939	170,250	166,757	3.1	3.5	(0.8)	2.1	2.1
Unemployed persons	3,939	4,364	7,284	4,177	4,713	(9.7)	(40.1)	74.4	(11.4)	(9.3)
Total private sector (average) (3)	109,794	106,314	104,704	104,625	102,259	3.3	1.5	0.1	2.3	5.0
Agriculture, forestry, fishing and hunting	405	443	439	404	386	(8.6)	0.9	8.7	4.7	169.9
Mining	21	146	n/a	93	131	(85.6)	57.0	N/A	(29.0)	2.3
Utilities	76	84	85	84	99	(9.5)	(1.2)	1.2	(15.2)	(15.4)
Construction	11,530	10,910	10,777	11,041	10,720	5.7	1.2	(2.4)	3.0	4.9
Manufacturing	13,062	13,148	13,329	13,993	13,737	(0.7)	(1.4)	(4.7)	1.9	13.7
Wholesale trade	2,394	2,347	2,410	2,494	2,450	2.0	(2.6)	(3.4)	1.8	(6.7)
Retail trade	17,200	16,371	15,289	15,283	15,101	5.1	7.1	0.0	1.2	(1.1)
Transportation and warehousing	5,699	5,018	5,454	5,202	4,973	13.6	(8.0)	4.8	4.6	(1.8)
Information	1,255	1,258	1,031	1,067	1,046	(0.2)	22.0	(3.4)	2.0	120.2
Finance and insurance	2,904	3,009	2,997	3,027	2,991	(3.5)	0.4	(1.0)	1.2	13.3
Real estate, rental and leasing	1,642	1,639	1,575	1,509	1,460	0.2	4.1	4.4	3.4	8.8
Professional, scientific, and technical services	9,198	9,120	10,269	9,211	8,883	0.9	(11.2)	11.5	3.7	2.6
Management of companies and enterprises	736	1,150	1,061	1,085	1,114	(36.0)	8.4	(2.2)	(2.6)	16.4
Admin., support, waste mgmt., remediation	6,736	6,448	6,027	5,581	5,327	4.5	7.0	8.0	4.8	(3.6)
Education services	3,218	3,194	3,466	3,184	3,201	0.8	(7.8)	8.9	(0.5)	16.5
Health care and social assistance	15,784	15,089	14,436	14,327	13,670	4.6	4.3	0.9	4.8	3.8
Arts, entertainment, and recreation	3,172	2,983	2,603	3,230	3,029	6.3	14.6	(19.4)	6.6	(0.9)
Accommodation and food services	10,686	10,073	9,468	10,134	10,118	6.1	6.4	(6.6)	0.2	4.7
Other services	4,008	3,880	3,702	3,766	3,822	3.3	4.8	(1.7)	(1.5)	6.2
Total public sector (average)	29,838	29,892	29,188	29,241	28,476	(0.2)	2.4	(0.2)	2.7	0.6
Federal	13,995	14,307	14,418	13,800	13,280	(2.2)	(0.8)	4.5	3.9	(1.2)
State	1,914	1,818	1,800	1,786	1,760	5.3	1.0	0.8	1.5	2.4
Local	13,930	13,767	12,971	13,655	13,436	1.2	6.1	(5.0)	1.6	2.3
Total payroll (in millions) (4)	\$7,602	\$7,066	\$6,846	\$6,292	\$5,956	7.6	3.2	8.8	5.6	8.3
Average monthly wage	\$4,537	\$4,323	\$4,261	\$3,917	\$3,797	5.0	1.5	8.8	3.2	4.1
Average employment	139,633	136,206	133,892	133,866	130,735	2.5	1.7	0.0	2.4	4.0
Establishments	11,126	10,638	10,176	9,788	9,510	4.6	4.5	4.0	2.9	15.5

(1) Information as of September 2023.

Source: Utah Department of Workforce Services.

## Personal Income; Per Capita Personal Income; Median Household Income Within Davis County And The State Of Utah

	Calendar Year				
	2021	2020	2019	2018	2017
<i>Total Personal Income (in \$1,000's):</i>					
Davis County.....	\$20,134,617	\$18,472,594	\$17,050,982	\$16,073,304	\$15,157,339
% change from prior year.....	9.0	8.3	6.1	6.0	4.2
State of Utah.....	186,990,527	171,385,445	157,045,208	145,255,769	135,162,181
% change from prior year.....	9.1	9.1	8.1	7.5	5.7
<i>Total Per Capita Personal Income:</i>					
Davis County.....	54,820	50,820	47,468	45,329	43,327
% change from prior year.....	7.9	7.1	4.7	4.6	2.4
State of Utah.....	56,019	52,225	48,580	45,665	43,241
% change from prior year.....	7.3	7.5	6.4	5.6	3.6
<i>Median Household Income:</i>					
Davis County.....	93,260	92,253	87,610	84,381	80,433
% change from prior year.....	14.5	(1.4)	9	1.9	11.6
State of Utah.....	79,449	77,785	75,705	71,381	68,395
% change from prior year.....	2.1	2.7	6.1	4.4	3.7

(Source: U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau.)

## Construction Within The City

Calendar Year	New			Additions, Alterations and Repairs		Total Construction Value	
	New Dwelling Units	Residential Value (\$000)	New Non-residential Value (\$000)	Residential Value (\$000)	New Non-residential Value (\$000)	Value (\$000)	% change from prior period
2022 <sup>(1)</sup> .....	14	\$ 3,453.10	\$ 0.00	\$ 0.00	\$0.00	\$ 3,453.10	(61.6)
2021.....	53	17,821.10	1,518.20	5.00	0.00	19,344.30	(33.2)
2020.....	81	28,979.50	0.00	0.00	0.00	28,979.50	(26.1)
2019.....	133	38,122.20	1,113.40	0.00	0.00	39,235.60	30.0
2018.....	112	29,073.40	799.20	317.70	0.00	30,190.30	43.1

(1) Information as of the second quarter. Percent change compared to the second quarter 2021.

(Source: University of Utah Kem C. Gardner Policy Institute, Ivory-Boyer Utah Report and Database.)

## Sales Taxes Within South Weber City, Davis County And The State Of Utah

	Calendar Year				
	2022	2021	2020	2019	2018
<i>Taxable Sales (in \$1,000's):</i>					
South Weber City.....	\$ 76,445	\$ 70,552	\$ 68,229	\$ 46,910	\$ 42,659
% change from prior year.....	8.4	3.4	45.4	10.0	14.5
Davis County.....	8,560,795	7,905,447	6,665,893	6,028,610	5,703,853
% change from prior year.....	8.3	18.6	10.6	5.7	4.0
State of Utah.....	100,893,345	90,105,222	74,730,706	68,910,384	64,982,524
% change from prior year.....	12.0	20.6	8.4	6.0	6.5
Fiscal Year					
	2023	2022	2021	2020	2019
<i>Local Sales and Use Tax Distribution:</i>					
South Weber City.....	\$ 1,558,433	\$ 1,463,866	\$ 1,293,178	\$ 1,078,870	\$ 965,681
% change from prior year.....	6.5	13.2	19.9	11.7	5.7
Davis County (and all cities).....	94,784,688	91,673,717	78,120,474	68,087,630	64,146,777
% change from prior year.....	3.4	17.3	14.7	6.1	1.1

(Source: Utah State Tax Commission.)

## Largest Employers Of The County

The County is the business and financial center for many of the major businesses and industries in the State. Major employers (over 500 employees) in the County area include:

Firm	Business	Employees
Hill Air Force Base .....	National security	10,000–15,000
Davis School District.....	Educational services	7,000–10,000
Northrup Grumman.....	Engineering services	3,000–4,000
Kroger Group Cooperative.....	Warehouse clubs and supercenters	2,000–3,000
Lifetime Products .....	Manufacturing	2,000–3,000
Davis County Government.....	Public administration	1,000–2,000
Intermountain Health Center .....	Health care and social assistance	1,000–2,000
Lagoon Corporation Inc. ....	Arts, entertainment, and recreation	1,000–2,000
Wal-Mart .....	Warehouse clubs and supercenters	1,000–2,000
Davis Hospital and Medical Center .....	Health care and social assistance	500–1,000
Farmington Health Center.....	Health care and social assistance	500–1,000
FedEx Ground.....	Transportation and warehousing	500–1,000
G&A Outsourcing.....	Construction	500–1,000
May Trucking Co. ....	Transportation and warehousing	500–1,000
John Health & Michael Jones.....	Offices of Lawyers	500–1,000
Parallon Employer.....	Corporate Managing Offices	500–1,000
Syracuse Arts Academy.....	Elementary and Secondary Schools	500–1,000
Tanner Memorial Clinic.....	Health care and social assistance	500–1,000
Utility Trailer and Manufacturing .....	Manufacturing	500–1,000

(Source: Utah Department of Workforce Services. Updated April 2023; reflecting 2022 major employers.)

## Rate Of Unemployment—Annual Average

Year	Davis County	State of Utah	United States
2023 <sup>(1)</sup> .....	2.5%	2.4%	3.8%
2022.....	2.1	2.3	3.6
2021.....	2.4	2.7	5.4
2020.....	4.1	4.7	8.1
2019.....	2.4	2.6	3.7
2018.....	2.7	2.9	3.9

(1) Preliminary, subject to change. As of August 2023, seasonally adjusted.

(Source: Utah Department of Workforce Services.)

## DEBT STRUCTURE OF SOUTH WEBER CITY, UTAH

### Outstanding Municipal Indebtedness Of The City

The tables below represent the outstanding municipal indebtedness of the City as of the date of this OFFICIAL STATEMENT.

Series	Purpose	Water Revenue Bonds		
		Original Amount	Final Maturity Date	Principal Amount Outstanding
2017 <sup>(1)</sup> .....	Refunding	\$2,800,000	June 1, 2039	<u>\$2,225,000</u>

(1) Rated “AA” Build America Mutual (“BAM”) Insured; “A+” underlying by S&P Global Ratings.

<b>Sales Tax Revenue Bonds</b>				
Series	Purpose	Original Amount	Final Maturity Date	Principal Amount Outstanding
2012 <sup>(1)</sup>	Refunding	\$1,312,000	January 15, 2027	<u>\$401,000</u>

(1) Not rated; no rating applied for. These bonds were issued through a direct purchase.

### No Debt Obligations

Other than the lease payments to the Authority, the City has no debt obligations outstanding, as of the date of this OFFICIAL STATEMENT.

### Overlapping And Underlying General Obligation Debt Of The City

Although the City has no outstanding general obligation debt, it does levy an ad valorem property tax to support its ongoing financial operations. The following are those overlapping entities who levy ad valorem property taxes to pay for voter authorized general obligation bonds.

Taxing Entity	2023 Taxable Value <sup>(1)</sup>	City's Portion of Taxable Value	City's Percent-age	Entity's General Obligation Debt	City's Portion of General Obligation Debt
<i>Overlapping:</i>					
State of Utah.....	\$490,500,151,317	\$864,144,639	0.2%	\$1,469,510,000	\$ 2,939,020
WBWCD <sup>(2)</sup> .....	126,099,890,578	864,144,639	0.7	8,560,000	59,920
Davis School District.....	41,841,736,980	864,144,639	2.1	516,830,000	10,853,430
North Davis Sewer District..	18,974,744,652	864,144,639	4.6	5,180,000	238,280
Total Overlapping.....					<u>\$14,090,650</u>
<i>Underlying:</i>					
Total Underlying.....					0
Total overlapping and underlying general obligation debt.....					<u>\$14,090,650</u>
Total overlapping general obligation debt (excluding the State) <sup>(3)</sup> .....					11,151,630
Total direct general obligation bonded indebtedness.....					0
Total direct and overlapping general obligation debt (excluding the State) .....					<u>\$11,151,630</u>

This table excludes any additional principal amounts attributable to unamortized original issue bond premium.

- (1) Taxable value is preliminary; subject to change. Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property and valuation on semiconductor manufacturing equipment. See "FINANCIAL INFORMATION REGARDING SOUTH WEBER CITY, UTAH—Certain Property Tax Matters—Taxable, Fair Market And Market Value Of Property" below.
- (2) The Weber Basin Water Conservancy District ("WBWCD") covers all of Morgan County, most of the County and Weber Counties, and portions of Box Elder and Summit Counties. Principal and interest on WBWCD general obligation bonds are paid from sales of water. WBWCD's outstanding general obligation bonds are limited ad valorem tax bonds. By law, WBWCD may levy a tax rate of up to .000200 to pay, first, for any outstanding general obligation indebtedness, then for operation and maintenance expenses, and then for any other lawful purpose.
- (3) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of its general obligation bonds.

(Source: the Municipal Advisor.)

See "FINANCIAL INFORMATION REGARDING SOUTH WEBER CITY, UTAH—Certain Property Tax Matters—Historical Property Tax Rates of the City" below.

## Debt Ratios Regarding General Obligation Debt Of The City

The following table sets forth the ratios of general obligation debt (excluding any additional principal amounts attributable to unamortized original issue bond premium) that is expected to be paid from taxes levied specifically for such debt and not from other revenues over the taxable value of property within the City, the estimated market value of such property and the population of the City. *The State's general obligation debt is not included in the debt ratios because the State currently levies no property tax for payment of general obligation debt.*

	To 2023 Est. Taxable Value <sup>(1)</sup>	To 2023 Est. Market Value <sup>(2)</sup>	To 2022 Population Estimate Per Capita <sup>(3)</sup>
Direct general obligation debt.....	0.00%	0.00%	\$ 0
Direct and overlapping general obligation debt.....	1.29	0.77	1,373

(1) Based on the 2023 Estimated Taxable Value of \$864,144,639, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.

(2) Based on the 2023 Market Value of \$1,451,288,165, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.

(3) Based on 2023 estimate of 8,124 from information from the U.S. Census Bureau.

(Source: the Municipal Advisor.)

See “FINANCIAL INFORMATION REGARDING SOUTH WEBER CITY, UTAH—Certain Property Tax Matters—Property Tax Matters—Uniform Fees” and “—Taxable and Fair Market/Market Value Of Property in the City” below.

## General Obligation Legal Debt Limit And Additional Debt Incurring Capacity Of The City

The City has does not have general obligation bonds outstanding, but if general obligation bonds were issued, the general obligation indebtedness of the City is limited by State law to 12% of the fair market value of taxable property in the City. The debt limit and additional debt incurring capacity of the City shown below are based on the fair market value for 2023 and the calculated valuation from 2022 uniform fees, and are calculated as follows:

2023 “Estimated Fair Market Value”.....			\$1,451,288,165
2022 valuation from Uniform Fees <sup>(1)</sup> .....			4,312,167
2023 “Estimated Fair Market Value for Debt Incurring Capacity”.....			<u>\$1,455,600,322</u>
	8% Sewer, Water, and Electric	4% Other Purposes	12% Total
“Fair Market Value” x .08.....	\$116,448,027	\$ 0	\$116,448,027
“Fair Market Value” x .04.....	0	58,224,013	58,224,013
Total debt incurring capacity.....	116,448,027	58,224,013	174,672,040
Less: current outstanding general obligation debt.....	0	0	0
Additional debt incurring capacity.....	<u>\$116,448,027</u>	<u>\$58,224,013</u>	<u>\$174,672,040</u>

(1) For debt incurring capacity only, in computing the fair market value of taxable property in the City, the value of all motor vehicles and state-assessed commercial vehicles (which value is determined by dividing the uniform fee revenue by 1.5%) will be included as a part of the fair market value of the taxable property in the City.

(Source: the Municipal Advisor.)

## No Defaulted Obligations

The City has never failed to pay principal of and interest on any of its financial obligations when due.



## **FINANCIAL INFORMATION REGARDING SOUTH WEBER CITY, UTAH**

### **Fund Structure; Accounting Basis**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties for goods or services.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The remaining governmental and enterprise funds are combined into a single column and reported as other (nonmajor) funds. Internal service funds are aggregated and reported in a single column on the proprietary fund financial statements.

Revenues and expenditures are recognized using the modified accrual basis of accounting in the governmental fund statements. Revenues are recognized in the accounting period in which they become both measurable and available. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means that amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues on cost-reimbursement grants are accrued when the related expenditures are incurred.

In the proprietary fund statements and the government-wide statements, revenues and expenses are recognized using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred.

### **Budget And Appropriation Process**

The budget and appropriation process of the City is governed by the Uniform Fiscal Procedures Act for Utah Cities (the "Fiscal Procedures Act"). Pursuant to the Fiscal Procedures Act, the budget officer of the City is required to prepare budgets for the general fund, special revenue funds, debt service funds and capital improvement funds. These budgets are to provide a complete financial plan for the budget (ensuing fiscal) year. Each budget is required to specify, in tabular form, estimates of anticipated revenues and appropriations for expenditures. Under the Fiscal Procedures Act, the total of anticipated revenues must equal the total of appropriated expenditures.

On or before the first regular meeting of the City Council of the City in May of each year, the budget officer is required to submit to the City Council tentative budgets for all funds for fiscal year commencing July 1. Various actual and estimated budget data are required to be set forth in the tentative budgets. The budget officer and mayor may revise the budget requests submitted by the heads of City departments, these submissions with the City Council together with the tentative budget. The budget officer is required to estimate in the tentative budget the revenue from non-property tax sources available for each fund and the revenue from general property taxes required by each fund. The tentative budget is then tentatively adopted by the City Council, with any amendments or revisions that the City Council deems advisable prior to the public hearing on the tentative budget. After public notice and hearing, the tentative budget is adopted by the City Council, subject to further amendment or revisions by the City Council prior to adoption of the final budget.

Prior to June 22 of each year, the final budgets for all funds are adopted by the City Council. The Fiscal Procedures Act prohibits the City Council from making any appropriation in the final budget of any fund in excess of the estimated expendable revenue of such fund. The adopted final budget is subject to amendment by the City Council during the fiscal year. However, in order to increase the budget total of any fund, public notice and hearing must be provided. Intra- and inter-department transfers of appropriation balances are permitted upon compliance with the Fiscal Procedures Act. The amount set forth in the final budget as the total amount of estimated revenue from property taxes constitutes the basis for determining the property tax levy to be set by the City Council for the succeeding tax year.

## Financial Controls

The City utilizes a computerized financial accounting system which includes a system of budgetary controls. State law req The City utilizes a computerized financial accounting system which includes a system of budgetary controls. State law requires budgets to be controlled by individual departments, but the City has also empowered the Finance Director to maintain control of major categories within departments. These controls are such that a requisition will not be entered into the purchasing system unless the appropriated funds are available. The Finance Director checks for sufficient funds again prior to the purchase order being issued and again before the payment check is issued.

## Five-Year Financial Summaries

The summaries contained herein were extracted from the City's annual financial statements for Fiscal Years 2022 through 2018. The summaries themselves have not been audited.

### Statement of Net Position

*(This summary has not been audited.)*

	<b>As of June 30</b>				
	2022	2021	2020	2019	2018
<b>Assets:</b>					
Current Assets:					
Cash and cash equivalents	\$11,177,151	\$9,250,188	\$8,685,574	\$8,190,097	\$7,180,999
Receivables:					
Property, franchise, and excise taxes	1,609,646	1,508,431	1,774,323	965,494	583,080
Accounts receivable	322,799	339,878	318,465	272,531	234,023
Other	-	998,288	1,272,445	-	-
Prepaid expenses	243,531	178,197	167,916	143,458	134,617
Restricted:					
Cash and cash equivalents	2,644,619	2,683,791	2,146,607	1,770,135	1,654,531
Receivables - Class "C" road funds	100,585	72,801	49,089	59,257	47,063
Capital assets not being depreciated:					
Land and water rights	5,464,211	5,248,567	4,154,044	3,374,977	3,279,377
Construction in process	368,345	-	384,130	901,919	466,595
Capital assets, net of accumulated depreciation:					
Buildings	1,922,352	1,991,331	2,060,309	2,129,286	2,198,264
Improvements other than buildings	24,333,576	23,751,374	22,825,651	18,902,432	19,257,816
Machinery and equipment	1,751,359	1,024,849	201,942	240,199	117,161
Vehicles	217,642	144,152	875,122	858,705	128,137
Net pension asset	277,454	-	-	-	-
<b>Total Assets</b>	<b>50,433,270</b>	<b>47,191,847</b>	<b>44,915,617</b>	<b>37,808,490</b>	<b>35,281,663</b>
<b>Deferred Outflows of Resources:</b>					
Deferred loss on refunding	85,664	93,558	101,452	109,346	117,240
Deferred outflows relating to pensions	152,035	106,302	94,618	174,578	188,528
<b>Total Deferred Outflows of Resources</b>	<b>237,699</b>	<b>199,860</b>	<b>196,070</b>	<b>283,924</b>	<b>305,768</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$50,670,969</b>	<b>\$47,391,707</b>	<b>\$45,111,687</b>	<b>\$38,092,414</b>	<b>\$35,587,431</b>
<b>Liabilities:</b>					
Accounts payable	708,896	599,628	897,263	673,618	339,357
Accrued liabilities	106,660	79,189	69,653	87,264	67,689
Accrued interest	16,569	18,230	16,406	21,282	22,747
Unearned revenue	931,492	628,873	570,638	680,949	492,328
Restricted liabilities:					
Developer and customer deposits	85,106	67,468	73,005	65,918	68,314
Noncurrent Liabilities:					
Due within one year	421,777	244,265	231,712	212,922	215,198
Due in more than one year	3,603,453	3,167,839	3,374,694	3,576,720	3,777,130
Net pension liability	0	25,707	166,060	321,997	207,178
<b>Total Liabilities</b>	<b>5,873,953</b>	<b>4,831,199</b>	<b>5,399,431</b>	<b>5,640,670</b>	<b>5,189,941</b>
<b>Deferred Inflows of Resources</b>					
Deferred revenue - property taxes	1,078,000	933,000	754,000	701,000	331,985
Deferred revenue - construction receivables	-	137,213	1,762,086	0	0
Deferred inflows related to pensions	387,873	182,707	106,170	41,930	167,275
<b>Total Deferred Inflows of Resources</b>	<b>1,465,873</b>	<b>1,252,920</b>	<b>2,622,256</b>	<b>742,930</b>	<b>499,260</b>

## Statement of Net Position—continued

(This summary has not been audited.)

	As of June 30				
	2022	2021	2020	2019	2018
Net Position					
Net investment in capital assets	31,018,636	28,854,539	26,990,953	22,701,762	21,545,083
Restricted for:					
Impact fees	1,149,648	1,590,394	1,241,963	1,231,414	913,737
Roads	578,958	469,857	310,117	532,060	719,543
Unrestricted	10,583,901	10,392,798	8,546,994	7,243,578	6,719,867
Total Net Position	43,331,143	41,307,588	37,090,027	31,708,814	29,898,230
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$50,670,969	\$47,391,707	\$45,111,714	\$38,092,414	\$35,587,431

(Source: Information extracted from the City's basic financial statements, which information has been audited.)

## Statement of Activities

(This summary has not been audited.)

	Net (Expense) Revenue and Changes in Net Position <sup>(1)</sup>				
	For The Year Ended June 30				
	2022	2021	2020	2019	2018
Primary Government					
Government Activities					
General government	\$ (84,869)	\$ 257,043	\$ 689,978	\$ (24,306)	\$ (59,168)
Public safety	(868,104)	(422,835)	(523,380)	(749,388)	(519,088)
Highways and public works	(690,231)	157,285	304,157	(595,187)	369,400
Parks	(314,189)	(252,101)	(281,898)	(40,345)	(58,998)
Recreation	78,944	48,745	3,272	13,534	(46,903)
Interest on long-term debt	(22,876)	(25,617)	(28,205)	(30,842)	(33,319)
Total Governmental Activities	(1,901,325)	(237,480)	163,924	(1,426,534)	(348,076)
Business-type Activities					
Water utility	504,974	765,464	903,923	667,731	254,956
Sewer utility	393,781	428,632	819,312	518,000	568,252
Garbage utility	(8,899)	82,810	7,761	(373)	6,678
Storm sewer utility	(119,638)	409,563	839,700	(24,111)	360,275
Total Business-type Activities	770,218	1,686,469	2,570,696	1,161,247	1,190,161
Total Government	(1,131,107)	1,448,989	2,734,620	(265,287)	842,085
General Revenues:					
Property taxes	1,044,803	833,253	801,314	375,506	351,895
Franchise taxes	418,073	417,267	422,985	386,795	410,902
Sales taxes	1,608,842	1,463,432	1,211,491	1,047,072	986,346
Other taxes	17,760	0	0	0	13,612
Investment earnings	60,684	54,647	192,726	240,608	138,133
Gain on sale of capital assets	4,500	0	18,050	25,890	0
Total General Revenues and Transfers	3,154,662	2,768,599	2,646,566	2,075,871	1,900,888
Change in Net Position	2,023,555	4,217,588	5,381,186	1,810,584	2,742,973
Net Position, Beginning	41,307,588	37,090,000	31,708,814	29,898,230	27,155,257
Net Position, Ending	\$43,331,143	\$41,307,588	\$37,090,000	\$31,708,814	\$29,898,230

(1) This report is presented in summary format concerning the single item of "Net (Expense) Revenue and Changes in net Assets" and is not intended to be complete. For a detailed itemized report see "APPENDIX B--FINANCIAL STATEMENTS OF SOUTH WEBER CITY, UTAH FOR FISCALY YEAR 2022" below.

(Source: Information extracted from the City's basic financial statements, which information has been audited.)

(The remainder of this page has been intentionally left blank.)

**Balance Sheet—Governmental Funds  
General Fund**

*(This summary has not been audited.)*

	<b>For The Year Ended June 30</b>				
	2022	2021	2020	2019	2018
<b>Assets</b>					
Cash and cash equivalents	\$ 581,852	\$ 321,277	\$ 469,384	\$1,039,761	\$ 774,232
Accounts receivable					
Property, franchise, and excise tax receivable	1,543,416	1,298,676	1,047,856	924,972	561,090
Receivables, other	66,230	48,838	34,164	26,172	21,010
Prepays	60,962	4,079	10,075	—	—
Restricted assets:					
Cash and cash equivalents	1,096,369	983,212	857,832	537,633	739,706
Receivables - Class "C" road monies	76,279	72,801	49,089	59,257	47,063
<b>Total Assets</b>	<b>\$3,425,108</b>	<b>\$2,728,883</b>	<b>\$2,468,400</b>	<b>\$2,587,795</b>	<b>\$2,143,101</b>
<b>Liabilities</b>					
Accounts payable	66,487	87,020	100,141	83,730	97,797
Accrued liabilities	106,660	67,983	58,407	79,419	67,689
Unearned revenue	533,406	519,408	524,887	557,806	338,770
Restricted liabilities:					
Developer and customer deposits	84,590	66,748	71,917	64,830	67,226
<b>Total Liabilities</b>	<b>791,143</b>	<b>741,159</b>	<b>755,352</b>	<b>785,785</b>	<b>571,482</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - property taxes	1,078,000	933,000	754,000	701,000	331,985
<b>Fund Balance</b>					
Nonspendable					
Prepays	60,962	4,079	10,075	—	—
Restricted					
Class "C"	554,652	469,857	310,117	532,060	719,543
Unassigned	940,351	580,788	638,856	568,950	520,091
<b>Total Fund Balances</b>	<b>1,555,965</b>	<b>1,054,724</b>	<b>959,048</b>	<b>1,101,010</b>	<b>1,239,634</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$3,425,108</b>	<b>\$2,728,883</b>	<b>\$2,468,400</b>	<b>\$2,587,795</b>	<b>\$2,143,101</b>

(Source: Information extracted from the City's basic financial statements, which information has been audited.)

(The remainder of this page has been intentionally left blank.)

**Statement of Revenues, Expenditures, and Changes in Fund Balance  
General Fund**

*(This summary has not been audited.)*

	<b>For The Year Ended June 30</b>				
	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Revenues					
General property taxes	\$1,044,802	\$833,253	\$801,314	\$375,506	\$351,895
Sales, use, and excise taxes	1,188,972	838,624	339,002	641,287	342,161
Franchise taxes	418,073	417,267	422,985	386,795	410,902
Licenses	205,237	325,653	471,438	391,268	367,729
Fines	117,016	100,504	90,215	90,779	90,577
Charges for services	153,269	144,118	168,052	85,762	107,304
Interest income	10,363	5,406	24,264	50,497	18,842
Intergovernmental	268,572	476,626	266,615	290,911	307,302
Miscellaneous revenue	27,318	40,889	22,859	24,370	8,547
<b>Total Revenues</b>	<b>3,433,622</b>	<b>3,182,340</b>	<b>2,606,744</b>	<b>2,337,175</b>	<b>2,005,259</b>
Expenditures					
Current:					
General government	751,806	826,766	651,517	603,716	629,653
Public safety	1,034,110	906,311	819,525	698,306	542,083
Public works	729,983	599,207	644,813	557,338	544,466
Parks	315,626	302,975	247,828	219,231	170,162
Debt service:					
Principal	26,600	25,480	24,360	24,640	23,240
Interest and fiscal charges	5,668	6,420	7,127	7,870	8,542
<b>Total Expenditures</b>	<b>2,863,793</b>	<b>2,667,159</b>	<b>2,395,170</b>	<b>2,111,101</b>	<b>1,918,146</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	569,829	515,181	211,574	226,074	87,113
Other Financing Sources (Uses)					
Transfers in	6,412	10,495	14,996	12,636	104,711
Transfers out	(75,000)	(430,000)	(368,532)	(377,334)	(46,000)
<b>Total Other Financing Sources (Uses)</b>	<b>(68,588)</b>	<b>(419,505)</b>	<b>(353,536)</b>	<b>(364,698)</b>	<b>58,711</b>
Net Change in Fund Balance	501,241	95,676	(141,962)	(138,624)	145,824
Fund Balance, Beginning	1,054,724	959,048	1,101,010	1,239,634	1,093,810
<b>Fund Balance, Ending</b>	<b>\$1,555,965</b>	<b>\$1,054,724</b>	<b>\$959,048</b>	<b>\$1,101,010</b>	<b>\$1,239,634</b>

(Source: Information extracted from the City's basic financial statements, which information has been audited.)

(The remainder of this page has been intentionally left blank.)

## Certain Property Tax Matters

*The following information with respect to certain property tax matters is included in this OFFICIAL STATEMENT to provide background information relating to a major source of general fund revenues of the City. As described herein, the 2023 Bonds are not secured by any pledge of property tax revenues and do not constitute a debt or indebtedness of the City or the Authority. Also, see "INVESTMENT CONSIDERATIONS" above.*

### Ad Valorem Tax Levy And Collection

The Utah State Tax Commission (the "State Tax Commission") must assess all centrally-assessed property (as defined under "Property Tax Matters" below) by May 1 of each year. County assessors must assess all locally-assessed property (as defined under "Property Tax Matters" below) before May 22 of each year. The State Tax Commission apportions the value of centrally-assessed property to the various taxing entities within each county and reports such values to county auditors before June 8. The governing body of each taxing entity must adopt a proposed tax rate or, if the tax rate is not more than the certified tax rate, a final tax rate before June 22; provided if the governing body has not received the taxing entity's certified tax rate at least seven days prior to June 22, the governing body of the taxing entity must, no later than 14 days after receiving the certified tax rate from the county auditor, adopt a proposed tax rate or, if the tax rate is not more than the certified tax rate, a final tax rate. County auditors must forward to the State Tax Commission a statement prepared by the legislative body of each taxing entity showing the amount and purpose of each levy. Upon determination by the State Tax Commission that the tax levies comply with applicable law and do not exceed maximum permitted rates, the State Tax Commission notifies county auditors to implement the levies. If the State Tax Commission determines that a tax levy established by a taxing entity exceeds the maximum levy permitted by law, the State Tax Commission must lower the levy to the maximum levy permitted by law, notify the taxing entity that the rate has been lowered and notify the county auditor (of the county in which the taxing entity is located) to implement the rate established by the State Tax Commission.

On or before July 22 of each year, the county auditors must mail to all owners of real estate shown on their assessment rolls notice of, among other things, the value of the property, itemized tax information for all taxing entities and the date their respective county boards of equalization will meet to hear complaints. Taxpayers owning property assessed by a county assessor may file an application within statutorily defined time limits based on the nature of the contest with the appropriate county board of equalization for contesting the assessed valuation of their property. The county board of equalization must render a decision on each appeal in the time frame prescribed by the Property Tax Act. Under certain circumstances, the county board of equalization must hold a hearing regarding the application, at which the taxpayer has the burden of proving that the property sustained a decrease in fair market value. Decisions of the county board of equalization may be appealed to the State Tax Commission, which must decide all appeals relating to real property by March 1 of the following year. Owners of centrally-assessed property or any county showing reasonable cause, may, on or before the later of August 1 or a day within 90 days of the date the notice of assessment is mailed by the State Tax Commission, apply to the State Tax Commission for a hearing to contest the assessment of centrally-assessed property. The State Tax Commission must render a written decision within 120 days after the hearing is completed and all post-hearing briefs are submitted. The county auditor makes a record of all changes, corrections, and orders, and delivers before November 1 the corrected assessment rolls to the county treasurers. On or before November 1, each county treasurer furnishes each taxpayer a notice containing, among other things, the kind and value of the property assessed to the taxpayer, the street address of the property, where applicable, the amount of the tax levied on the property and the year the property is subject to a detailed review.

Without an extension by a County legislative body, taxes are due November 30 (and if a Saturday, Sunday or holiday, the next business day). Each county treasurer is responsible for collecting all taxes levied on real property within that county. There are no prior claims to such taxes. As taxes are collected, each county treasurer must pay to the State and each taxing entity within the county its proportionate share of the taxes, on or before the tenth day of each month. Delinquent taxes are subject to a penalty of 2.5% of the amount of the taxes or \$10 whichever is greater (delinquent taxes paid on or before January 31 immediately following the delinquency date the penalty is 1% of the amount of the delinquent tax or \$10 whichever is greater). Unless the delinquent taxes and penalty are paid before January 31 of the following year, the amount of delinquent taxes and penalty bears interest at the federal funds rate target established by the Federal Open Market Committee plus 6% from the January 1 following the delinquency date until paid (said interest may not be less than 7% nor more than 10%). If delinquent taxes have not been paid by March 15 following the lapse of four years from the delinquency date, the affected county advertises and sells the property at a final tax sale held in May or June of the fifth year after assessment.

The process described above changes if a county or other taxing entity proposes a tax rate in excess of the certified tax rate (as described under “Public Hearing On Certain Tax Increases” below). If such an increase is proposed, the taxing entity must adopt a proposed tax rate before June 22. In addition, the county auditor must include certain information in the notices to be mailed by July 22, as described above, including information concerning the tax impact of the proposed increase on the property and the time and place of the public hearing described in “Public Hearing On Certain Tax Increases” below. In most cases, notice of the public hearing must also be advertised by publication. After the public hearing is held, the taxing entity may adopt a resolution levying a tax more than the certified tax rate. The final tax notice is then mailed by November 1.

### **Public Hearing on Certain Tax Increases**

Each taxing entity that proposes to levy a tax rate that exceeds the “certified tax rate” may do so (by resolution) only after holding a properly noticed public hearing. Generally, the certified tax rate is the rate necessary to generate the same property tax revenue that the taxing entity budgeted for the prior year, with certain exclusions. For purposes of calculating the certified tax rate, county auditors are to use the taxable value of property on the assessment rolls, exclusive of eligible new growth. With certain exceptions, the certified tax rate for the minimum school levy, debt service voted on by the public and certain state and county assessing and collecting levies are the actual levies imposed for such purposes and no hearing is required for these levies.

Among other requirements, on or before July 22 of the year in which such an increase is proposed, the county auditor must mail to all property owners a notice of the public hearing. In most cases, the taxing entity must advertise the notice of public hearing by publication in a newspaper. Such notices must state, among other things, the value of the property, the time and place of the public hearing, and the tax impact of the proposed increase.

### **Property Tax Matters**

The Property Tax Act provides that all taxable property is required to be assessed and taxed at a uniform and equal rate based on its “fair market value” as of January 1 of each year, unless otherwise provided by law. “Fair market value” is defined in the Property Tax Act as “the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.” Pursuant to an exemption for residential property provided for under the Property Tax Act and Article XIII of the State Constitution, the “fair market value” of residential property is reduced by 45%. The residential exemption is limited to one acre of land per residential unit and to one primary residence per household, except that an owner of multiple residential properties may exempt his or her primary residence and each residential property that is the primary residence of a tenant.

The Property Tax Act provides that the State Tax Commission shall assess certain types of property (“centrally–assessed property”), including (i) properties that operate as a unit across county lines that must be apportioned among more than one county or state, (ii) public utility (including railroad) properties, (iii) airline operating properties, (iv) geothermal resources and (v) mines, mining claims and appurtenant machinery, facilities and improvements. All other taxable property (“locally–assessed property”) is required to be assessed by the county assessor of the county in which such locally–assessed property is located. Each county assessor must update property values annually based upon a systematic review of current market data by using a State mandated mass appraisal system and must also complete a detailed review of property characteristics for each parcel of property at least once every five years. The Property Tax Act requires that the State Tax Commission conduct an annual investigation in each county to determine whether all property subject to taxation is on the assessment rolls and whether the property is being assessed at its “fair market value.”

The State Tax Commission and the county assessors utilize various valuation methods, as determined by statute, administrative regulation, or accepted practice, to determine the “fair market value” of taxable property.

*Uniform Fees.* An annual statewide uniform fee is levied on tangible personal property in lieu of the ad valorem tax. The uniform fee is based on the value of motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State. The current uniform fee is established at 1.5% of the fair market value of motor vehicles that weigh 12,001 pounds or more; watercraft, motorcycles, recreational vehicles, and all other tangible personal property required to be registered with the State, excluding exempt property such as aircraft, commercial vehicles, and property subject to a fixed age–based fee. Motor vehicles weighing 12,000 pounds or less and certain other vehicles are subject to an age–based fee that is due each time the vehicle is registered. The revenues

collected from the various uniform fees are distributed by the county to the taxing entity in which the property is in the same proportion in which revenue collected from ad valorem real property is distributed.

### Historical Property Tax Rates of the City

The maximum rate of levy applicable to the City for general fund operations authorized by Utah law is 0.007000 per dollar of taxable value of taxable property within the City *The City may levy an unlimited tax levy to pay the principal of and interest on legally issued general obligation bonds.*

	Tax Rate (Calendar Year)					
	Maximum Limit	2023	2022	2021	2020	2019
General operations.....	0.007000	0.001330	0.001273	0.001522	0.001403	0.001441
Total levy.....		0.001330	0.001273	0.001522	0.001403	0.001441

(Source: Information taken from reports of the Utah State Tax Commission. Compiled by the Municipal Advisor.)

### Comparative Ad Valorem Total Property Tax Rates

This table reflects property tax rates within the County. Municipal entities included in the City are highlighted in italics.

Tax Levying Entity <sup>(1)</sup>	Total Tax Rate Withing Taxing Area (Calendar Year)				
	2023	2022	2021	2020	2019
Davis School District:					
Bountiful City	0.010061	0.010158	0.011987	0.011960	0.010254
Centerville City	0.010453	0.010391	0.012189	0.012310	0.010609
Clearfield City	0.010974	0.011159	0.013429	0.013522	0.011703
Clinton City	0.010366	0.010304	0.012634	0.012795	0.011112
Farmington City	0.009980	0.096650	0.011804	0.012108	0.010487
Fruit Heights City	0.010150	0.010083	0.012402	0.012860	0.011045
Kaysville City	0.010096	0.009898	0.012115	0.012499	0.009158
Layton City	0.009755	0.009880	0.012045	0.012555	0.009158
North Salt Lake City	0.010126	0.010142	0.012161	0.012318	0.010635
<i>The City</i>	<i>0.009911</i>	<i>0.009904</i>	<i>0.011795</i>	<i>0.012108</i>	<i>0.008965</i>
Sunset City	0.010931	0.011107	0.012850	0.013066	0.010745
Syracuse City	0.010273	0.010306	0.012105	0.012503	0.009158
West Bountiful City	0.010472	0.010343	0.012240	0.012351	0.010566
West Point City	0.010700	0.010425	0.013069	0.013272	0.010560
Woods Cross City	0.010421	0.010425	0.011909	0.012038	0.010331
Unincorporated areas <sup>(2)</sup>	0.010150	0.010142	0.012402	0.013522	0.010388

(1) These tax rates represent a taxing district within the city or town with the highest combined total tax rates of all overlapping taxing districts.

(2) These tax rates represent a taxing district within the unincorporated areas within the County with the highest combined total tax rates of all overlapping taxing districts.

(Source: Reports from the Utah State Tax Commission, compiled by the Municipal Advisor.)

(The remainder of this page has been intentionally left blank.)



**Taxable and Fair Market/Market Value Of Property in the City**

Calendar Year	Taxable Value	% Change over Prior Year	Fair Market/Market Value <sup>(1)</sup>	% Change over Prior Year
2023*.....	\$864,144,639	(5.1)	\$1,451,288,165	(4.8)
2022.....	910,811,453	38.6	1,524,255,519	39.3
2021.....	657,377,039	14.3	1,094,485,373	16.3
2020.....	575,312,574	10.7	941,159,566	10.1
2019.....	519,833,759	12.9	855,065,633	13.2

\* Preliminary; subject to change. Fair Market/Market Value calculated by the Municipal Advisor.

(1) Estimated fair market values were calculated by dividing the taxable value of primary residential property by 55%, which eliminates the 45% exemption on primary residential property granted under the Property Tax Act. Does not include market valuation for SCME.

(Source: Information taken from reports of the State Tax Commission. Compiled by the Municipal Advisor.)

**Historical Summaries Of Taxable Value of Property in the City**

	Calendar Year					
	2023*		2022	2021	2020	2019
	Taxable Value	% of T.V.	Taxable Value	Taxable Value	Taxable Value	Taxable Value
<b>Set by State Tax Commission (centrally assessed)</b>						
Total centrally assessed	\$87,048,133	10.1	\$99,367,229	\$75,553,119	\$77,005,567	\$63,393,473
<b>Set by County Assessor (locally assessed)</b>						
<b>Real property (land and     buildings)</b>						
Primary residential	717,619,865	83.0	749,764,969	534,243,519	447,146,323	409,727,846
Secondary residential	8,022,683	0.9	8,382,051	6,643,178	5,456,777	3,498,831
Commercial and industrial	26,486,329	3.1	27,672,759	17,870,511	18,090,394	16,194,013
FAA (greenbelt)	204,978	0.0	214,160	208,192	216,074	235,459
Unimproved non-FAA (vacant)	14,201,739	1.6	14,837,893	14,037,528	19,557,801	19,494,101
Agricultural	256,283	0.0	267,763	270,237	221,985	279,665
<b>Total real property</b>	<b>766,791,877</b>	<b>88.7</b>	<b>801,139,595</b>	<b>573,273,165</b>	<b>490,689,354</b>	<b>449,429,915</b>
<b>Personal property</b>						
Primary mobile homes	0	0.0	0	0	0	0
Secondary mobile homes	0	0.0	0	0	0	0
Other business	10,304,629	1.2	10,304,629	8,550,755	7,617,653	7,010,371
SCME	0	0.0	0	0	0	0
<b>Total personal property</b>	<b>10,304,629</b>	<b>1.2</b>	<b>10,304,629</b>	<b>8,550,755</b>	<b>7,617,653</b>	<b>7,010,371</b>
<b>Total locally assessed</b>	<b>777,096,506</b>	<b>89.9</b>	<b>811,444,224</b>	<b>581,823,920</b>	<b>498,307,007</b>	<b>456,440,286</b>
<b>Total taxable value</b>	<b>\$864,144,639</b>	<b>100.0</b>	<b>\$910,811,453</b>	<b>\$657,377,039</b>	<b>\$575,312,574</b>	<b>\$519,833,759</b>

\* Preliminary; subject to change.

(Source: Information taken from reports of the State Tax Commission. Compiled by the Municipal Advisor.)

(The remainder of this page has been intentionally left blank.)

**Tax Collection Record of the City**

Ad valorem property taxes are due on November 30 of each year. *For Calendar Year 2023, ad valorem property tax payments are due November 30, 2023 and paid to the City in mid-December 2023. Final tax payments for Fiscal Year 2023 are not available.*

Tax Year End 12/31 <sup>(1)</sup>	Total Taxes Levied <sup>(2)</sup>	Treasurer's Relief <sup>(3)</sup>	Net Taxes Assessed	Current Collections	Delinquent, Personal Property, and Miscellaneous Collections <sup>(4)</sup>	Total Collections	% of Current Collections to Net Taxes Assessed	% of Total Collections to Net Taxes Assessed
2022	\$1,162,029	\$43,055	\$1,118,974	\$1,090,979	\$54,718	\$1,145,696	97.5%	102.4%
2021	999,512	42,341	957,171	931,574	27,442	959,017	97.3	100.2
2020	807,453	33,327	774,126	752,639	20,205	772,844	97.2	99.8
2019	744,369	32,666	711,703	692,873	25,337	718,211	97.4	100.9
2018	354,517	14,830	339,687	330,649	2,412	333,061	97.3	98.0

(1) In addition to the Total Collections indicated above, the City also collected Uniform Fees (fees-in-lieu payments) for tax year 2022 of \$64,683; for tax year of 2021 of \$67,585; for tax year of 2020 of \$55,932; for tax year of 2019 of \$58,278; and for tax year 2018 of \$32,111; from tax equivalent property associated with motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State.

(2) Excludes redevelopment agencies valuation.

(3) Treasurer's Relief includes abatements established by statute to low-income, elderly and for hardship situations. These Treasurer's Relief items are levied against the property but are never collected and paid to the entity.

(4) Delinquent Collections include interest; sales of real and personal property; and miscellaneous delinquent collections.

(Source: Information taken from Utah State Tax Commission reports and compiled by the Municipal Advisor.)

**Some of the Largest Property Tax Taxpayers within the City**

Taxpayer	Type of Business	2022 Taxable Value <sup>(1)</sup>	% of the City's 2022 Taxable Value
Staker & Parson Companies & Jack B Parson Companies	General construction	\$ 59,413,151	6.5
Geneva Rock Products	General construction	15,915,636	1.7
Questar Gas / Questar Pipeline Company	Natural gas distribution	10,430,686	1.1
SLC Pipeline LLC	Oil and gas pipeline	6,483,229	0.7
PacifiCorp	Gas utility	6,152,251	0.7
Cambridge Crossing Apartments LLC	Lessors of residential buildings	5,558,850	0.6
Elite Training Centers LLC	Fitness and recreational sports center	5,177,386	0.6
Riverside RV Park LLC	Parks and campgrounds	3,630,837	0.4
NS Group Holding & NS Group Holdings LLC	Offices of other holding companies	2,990,498	0.3
Murray Family Holdings LLC	Lessors of residential buildings	2,347,373	0.3
Total Top 10 Taxpayers		\$118,099,897	13.0
All other Taxpayers		792,711,556	87.0
The City's 2022 Taxable Value		\$910,811,453	100.0

(1) Taxable Value used in this table excludes the taxable value used to determine Uniform Fees on tangible personal property. See "Taxable and Fair Market/Market Value Of Property in the City" above.

(Source: the Office of the Davis County Auditor, compiled by the Municipal Advisor.)

## LEGAL MATTERS

### Absence Of Litigation Concerning The 2023 Bonds

There is no litigation pending or threatened against the 2023 Bonds questioning or in any manner relating to or affecting the validity of the 2023 Bonds.

On the date of the execution and delivery of the 2023 Bonds, certificates will be delivered by the Authority and the City to the effect that to the knowledge of the Authority and the City, there is no action, suit, proceeding or litigation pending or threatened against the Authority or the City, which in any way materially questions or affects the validity or enforceability of the 2023 Bonds or any proceedings or transactions relating to their authorization, execution, authentication, marketing, sale or delivery or which materially adversely affects the existence or powers of the Authority or the City.

A non-litigation opinion issued by James Blakesley of Hayes Godfrey Bell, P.C., Holladay, Utah, dated the date of closing, will be provided stating, among other things, that there is not now pending, or to their knowledge threatened, any action, suit, proceeding, inquiry, or any other litigation or investigation, at law or in equity, before or by any court, public board or body, challenging the creation, organization or existence of the Authority or the City, or the titles of their respective officers to their respective offices, or the ability of the Authority, the City or their respective officers to authenticate, execute or deliver the 2023 Bonds or such other documents as may be required in connection with the issuance and sale of the 2023 Bonds, or to comply with or perform their respective obligations thereunder, or seeking to restrain or enjoin the issuance, sale or delivery of the 2023 Bonds, or directly or indirectly contesting or affecting the proceedings or the authority by which the 2023 Bonds are issued, the legality of the purpose for which the 2023 Bonds are issued, or the validity of the 2023 Bonds or the issuance and sale thereof.

### General

All legal matters incident to the authorization and issuance of the 2023 Bonds are subject to the approval of Farnsworth Johnson, PLLC, Bond Counsel to the Authority. Certain legal matters regarding this OFFICIAL STATEMENT will be passed on for the Authority by Farnsworth Johnson, PLLC, Disclosure Counsel. Certain legal matters will be passed upon for the Authority and the City by James Blakesley of Hayes Godfrey Bell, P.C., Holladay, Utah. The approving opinion of Bond Counsel will be delivered with the 2023 Bonds. A copy of the opinion of Bond Counsel in substantially the form set forth in “APPENDIX C—FORM OF OPINION OF BOND COUNSEL” of this OFFICIAL STATEMENT will be made available upon request from the contact persons as indicated under “INTRODUCTION—Contact Persons” above.

## TAX MATTERS

### Federal Income Taxation Of 2023 Bonds

In the opinion of Farnsworth Johnson PLLC (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2023 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”). *In the further opinion of Bond Counsel, interest on the 2023 Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax.* Bond Counsel expects to deliver an opinion at the time of issuance of the 2023 Bonds substantially in the form set forth in “APPENDIX B—PROPOSED FORM OF OPINION OF BOND COUNSEL”.

To the extent the issue price of any maturity of the 2023 Bonds is less than the amount to be paid at maturity of such 2023 Bonds (excluding amounts stated to be interest and payable at least annually over the term of such 2023 Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the 2023 Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the 2023 Bonds is the first price at which a substantial amount of such maturity of the 2023 Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the 2023 Bonds accrues daily over the term to maturity of such 2023 Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations

between compounding dates). The accruing original issue discount is added to the adjusted basis of such 2023 Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such 2023 Bonds. Beneficial Owners of the 2023 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2023 Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such 2023 Bonds in the original offering to the public at the first price at which a substantial amount of such 2023 Bonds is sold to the public.

2023 Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 2023 Bonds. The Board has made certain representations and covenanted to comply with certain restrictions, conditions, and requirements designed to ensure that interest on the 2023 Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the 2023 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the 2023 Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel’s attention after the date of issuance of the 2023 Bonds may adversely affect the value of, or the tax status of interest on, the 2023 Bonds.

Although Bond Counsel is of the opinion that interest on the 2023 Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Bonds may otherwise affect a Beneficial Owner’s federal, state, or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code, or court decisions may cause interest on the 2023 Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such future legislative proposals, clarification of the Code, or court decisions may also affect the market price for, or marketability of, the 2023 Bonds. Prospective purchasers of the 2023 Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel’s judgment as to the proper treatment of the 2023 Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service (“IRS”) or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Board or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Board has covenanted, however, to comply with the requirements of the Code.

Bond Counsel’s engagement with respect to the 2023 Bonds ends with the issuance of the 2023 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the Board or the Beneficial Owners regarding the tax-exempt status of the 2023 Bonds in the event of an audit examination by the IRS. Under current procedures, parties (such as the Beneficial Owners) other than the Board and its appointed counsel would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Board legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the 2023 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the 2023 Bonds, and may cause the Board or the Beneficial Owners to incur significant expense.

## **Utah Income Taxation**

In the opinion of Bond Counsel, under the existing laws of the State of Utah, as presently enacted and construed, interest on the Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. Bond Counsel expresses no opinion with respect to any other taxes imposed by the State of Utah or any other political subdivision thereof. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state or local taxes.

## **Qualified Tax-Exempt Obligations**

The Authority intends to designate the 2023 Bonds as “qualified tax-exempt obligations” pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, which affords banks and thrift institutions purchasing the 2023 Bonds more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code for taxable years of such financial institutions ending after December 31, 1986.

## **MISCELLANEOUS**

### **Bond Ratings**

As of the date of this OFFICIAL STATEMENT, the 2023 Bonds have been rated “\_\_\_” by Moody’s. An explanation of this rating may be obtained from Moody’s. The Authority did not apply for a rating from Fitch Ratings or S&P Global Rating Service.

Such rating does not constitute a recommendation by the rating agency to buy, sell or hold the 2023 Bonds. Such rating reflects only the views of Moody’s and any desired explanation of the significance of such rating should be obtained from the rating agency. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own.

There is no assurance that the rating given the 2023 Bonds will continue for any given period of time or that the rating will not be revised downward or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the 2023 Bonds.

### **Trustee**

The obligations and duties of the Trustee are described in the Indenture and the Trustee has undertaken only those obligations and duties that are expressly set out in the Indenture. The Trustee has not independently passed upon the validity of the 2023 Bonds, the security therefor, the adequacy of the provisions for payment thereof or the exclusion from gross income for federal tax purposes of the interest on the 2023 Bonds. The Trustee may resign or be removed or replaced as provided in the Indenture. See “APPENDIX A—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE.”

### **Municipal Advisor**

The Authority has requested, and the Authority has entered into an agreement with the Municipal Advisor whereunder the Municipal Advisor provides financial recommendations and guidance to the Authority with respect to preparation for sale of the 2023 Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the 2023 Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this OFFICIAL STATEMENT and has supervised the completion and editing thereof. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the OFFICIAL STATEMENT, or any other related information available to the Authority, with respect to accuracy and completeness of disclosure of such information, and the Municipal Advisor makes no guaranty or warranty respecting the accuracy and completeness of the OFFICIAL STATEMENT or any other matter related to the OFFICIAL STATEMENT.

## **Independent Auditors**

The financial statements of the City as of June 30, 2022 and for the year then ended, included in this OFFICIAL STATEMENT, have been audited by K&C, Certified Public Accountants, Salt Lake City, Utah (“K&C”), as stated in their report in “APPENDIX B— FINANCIAL STATEMENTS OF SOUTH WEBER CITY, UTAH FOR FISCAL YEAR 2022.” K&C has not been engaged to perform and has not performed, since the date of their report included in the financial statements, any procedures on the financial statements.

K&C has not participated in the preparation or review of this OFFICIAL STATEMENT. Based upon their non-participation, they have not consented to the use of their name in this OFFICIAL STATEMENT.

## **Additional Information**

All quotations contained herein from and summaries and explanations of the State Constitution, statutes, programs, laws of the State, court decisions, the Indenture and the Master Lease do not purport to be complete, and reference is made to said State Constitution, statutes, programs, laws, court decisions, Indenture and the Master Lease for full and complete statements of their respective provisions.

Any statements in this OFFICIAL STATEMENT involving matters of opinion, whether or not expressly so stated, are intended as such and not as a representation of fact.

The appendices attached hereto are an integral part of this OFFICIAL STATEMENT and should be read in conjunction with the foregoing material.

***This PRELIMINARY OFFICIAL STATEMENT is in a form deemed final by the Authority and the City for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission.***

This OFFICIAL STATEMENT and its distribution and use have been duly authorized by the Authority and the City.

**Local Building Authority of South Weber City, Utah**

**South Weber City, Utah**

(This page has been intentionally left blank.)

## **APPENDIX A**

### **EXTRACTS OF THE INDENTURE AND THE MASTER LEASE**

The following are certain of the definitions contained in the Indenture and the Master Lease and extracts of certain provisions of the Indenture and the Master Lease. Reference is hereby made to the actual Indenture and the Master Lease for a complete recital of their terms.





**APPENDIX B**

**FINANCIAL STATEMENTS OF SOUTH WEBER CITY, UTAH FOR FISCAL YEAR 2022**

The financial statements for Fiscal Year 2022 are contained herein. Copies of current and prior financial statements are available upon request from the City's contact person as indicated under "INTRODUCTION—Contact Persons" above.

(The remainder of this page has been intentionally left blank.)

**APPENDIX C**

**FORM OF OPINION OF BOND COUNSEL**

Upon the delivery of the 2023 Bonds, Farnsworth Johnson PLLC, Bond Counsel to the Authority, proposes to issue its final approving opinion in substantially the following form:

(The remainder of this page has been intentionally left blank.)

(This page has been intentionally left blank.)

**APPENDIX D**

**FORM OF CONTINUING DISCLOSURE UNDERTAKING**

(The remainder of this page has been intentionally left blank.)

(This page has been intentionally left blank.)

## APPENDIX E

### BOOK-ENTRY SYSTEM

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at <http://www.dtcc.com>.

Purchases of 2023 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2023 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2023 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2023 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2023 Bonds, except in the event that use of the book-entry system for the 2023 Bonds is discontinued.

To facilitate subsequent transfers, all 2023 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2023 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2023 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2023 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2023 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2023 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of 2023 Bonds may wish to ascertain that the nominee holding the 2023 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2023 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2023 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns

Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2023 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2023 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2023 Bonds at any time by giving reasonable notice to the Authority or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, 2023 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2023 Bond certificates will be printed and delivered to DTC.

*The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.*

(The remainder of this page has been intentionally left blank.)



(This page has been intentionally left blank.)

