



DEPARTMENT of FINANCE

JACKIE BISKUPSKI
MAYOR

MARY BETH THOMPSON
FINANCE DIRECTOR

CITY COUNCIL TRANSMITTAL


Patrick Leary, Chief of Staff

Date Received: April 26, 2017
Date sent to Council: April 27, 2017

TO: Salt Lake City Council
Stan Penfold, Chair

DATE: April 25, 2017

FROM: Mary Beth Thompson, Chief Financial Officer 

SUBJECT: Tax and Revenue Anticipation Notes, Series 2017 (the *Tax Notes*)

STAFF CONTACT: Marina Scott, City Treasurer 801-535-6565

COUNCIL SPONSOR: Exempt

DOCUMENT TYPE: Briefing

RECOMMENDATION: That the City Council hold a discussion on May 16, 2017 and schedule the adoption of a resolution on May 23, 2017 authorizing the issuance of up to \$25 million Tax and Revenue Anticipation Notes for fiscal year 2017, giving authority to certain officers to approve the final terms and provisions of the Tax Notes, and confirming the sale of the Tax Notes.

BUDGET IMPACT: Current estimates provided by the City's financial advisor indicate that the City should expect a coupon of about 4.0% with interest expense currently budgeted at \$400,000. Once the actual coupon is known, the budgets for interest expense, and interest income if needed, will be adjusted accordingly.

BACKGROUND/DISCUSSION: Tax Notes are short-term borrowing instruments (debt) issued for one year or less in anticipation of future tax collections. The purpose of the borrowing is to provide financial assistance to the City's General Fund during its "cash-poor" period until the major portion of property taxes is received, usually in December. The exact amount to be budgeted for interest expense will not be known until the Notes are sold on the morning of June 21, 2017, at which time the actual coupon will be determined.

To assure compliance with applicable federal and state regulations, sizing restrictions are adhered to when determining an allowable principal amount of Notes to be issued, and actual cash flows relative to spend down requirements are regularly monitored to avoid rebate.

Draft copies of the Note Resolution, Official Notice of Sale, and Preliminary Official Statement are attached for your review. Please keep in mind that these are preliminary drafts and are subject to change.

Attachments

cc: Mary Beth Thompson, Boyd Ferguson, Joseph Moratalla, Steven Bagley.

Salt Lake City, Utah

May 23, 2017

The City Council (the “Council”) of Salt Lake City, Utah (the “City”), met in regular session at the regular meeting place of the Council in Salt Lake City, Utah, at 7:00 p.m. on Tuesday, May 23, 2017, with the following members present:

Present:

[Stan Penfold	Chair
Charlie Luke	Vice Chair
Lisa Adams	Council Member
Andrew Johnston	Council Member
Derek Kitchen	Council Member
Erin Mendenhall	Council Member
James Rogers	Council Member]

There were also present:

[Jacqueline M. Biskupski	Mayor]
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Absent:

[Margaret D. Plane	City Attorney
Cindi Mansell	City Recorder]

After the meeting had been duly called to order and after other matters not pertinent to this Resolution had been discussed, a Certificate of Compliance with Open Meeting Law with respect to this May 23, 2017 meeting was presented to the Council, a copy of which is attached hereto.

The following Resolution was considered, fully discussed and, pursuant to motion made by _____ and seconded by _____, was approved and adopted by the following vote:

Aye: Unanimous

Nay:

This Resolution was then signed by the Chair and recorded by the City Recorder.
The Resolution is as follows:

RESOLUTION NO. [____] OF 2017

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$25,000,000 SALT LAKE CITY, UTAH TAX AND REVENUE ANTICIPATION NOTES, SERIES 2017, AND ENTERING INTO CERTAIN COVENANTS AND MAKING CERTAIN REPRESENTATIONS IN CONNECTION THEREWITH; GIVING AUTHORITY TO CERTAIN OFFICERS TO APPROVE THE FINAL TERMS AND PROVISIONS AND CONFIRM THE SALE OF THE NOTES WITHIN THE PARAMETERS SET FORTH IN THIS RESOLUTION; APPROVING THE FORM OF NOTES; APPROVING A PRELIMINARY OFFICIAL STATEMENT, OFFICIAL NOTICE OF SALE, AND RELATED MATTERS.

WHEREAS, the City Council (the “Council”) of Salt Lake City, Utah (the “City”) has determined to sell its up to \$25,000,000 Salt Lake City, Utah Tax and Revenue Anticipation Notes, Series 2017 (the “Notes”) for the purpose of meeting the current and necessary expenses of the City for the fiscal year ending June 29, 2018, until the payment of taxes and receipt of other revenues for said fiscal year, and that such sum can be raised without incurring any indebtedness or liability in excess of the taxes or other revenues for the current fiscal year or exceeding any limit of debt imposed by the Constitution and statutes of the State of Utah; and

WHEREAS, there is an immediate and pressing need for raising funds of at least the proceeds of the Notes for the fiscal year commencing July 1, 2017 until the payment of taxes and receipt of other revenues for said fiscal year;

WHEREAS, there has been presented to the Council at this meeting a form of a Preliminary Official Statement relating to the Notes (the “Preliminary Official Statement”), including an Official Notice of Sale (the “Official Notice of Sale”), attached hereto as Exhibit A); and

WHEREAS, the Council desires to authorize and approve the finalization and use of the Preliminary Official Statement and the Official Notice of Sale and any other documents deemed necessary in marketing the Notes; and

WHEREAS, in order to allow flexibility in setting the pricing date of the Notes the Council desires to grant to the Designated Officers (defined herein) the authority to approve the principal amount, interest rate, terms and purchase price at which the Notes shall be sold, and to select a purchaser for the Notes (the “Purchaser”), pursuant to the Official Notice of Sale, provided that such final terms do not exceed the parameters set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Salt Lake City, Utah as follows:

Section 1. For the purpose of meeting the current and necessary expenses of the City for the fiscal year beginning July 1, 2017, until the payment of taxes and receipt of other revenues to the general fund of the City of said fiscal year, the City shall borrow the sum of not to exceed Twenty Million Dollars (\$25,000,000), and for that purpose as evidence of such indebtedness, shall issue to the Purchaser the Notes bearing interest at the rate of not to exceed 4.0% per annum from the dated date until paid. Said Notes shall be dated as of the date of delivery and shall be known as "Salt Lake City, Utah Tax and Revenue Anticipation Notes, Series 2017," and shall be due and payable on June 29, 2018, in lawful money of the United States of America at the Salt Lake City Treasurer's Office, in Salt Lake City, Utah as paying agent. Said Notes are not subject to redemption prior to maturity. Said Notes shall be initially represented by book-entry Notes in the denominations of \$100,000 each, or in any whole multiple thereof.

Section 2. There is hereby delegated to (a) the Mayor or, in the event of the absence or incapacity of the Mayor, the Mayor's Chief of Staff, or in the event of the absence or incapacity of both the Mayor and the Mayor's Chief of Staff, the City Treasurer and (b) the Chair of the City Council or, in the event of the absence or incapacity of the Chair of the City Council, the Vice Chair of the City Council, or in the event of the absence or incapacity of both the Chair and the Vice Chair of the City Council, the most senior member of the City Council (collectively, the "Designated Officers"), subject to the parameters set forth in this Resolution, the power to determine the following with respect to the Notes, and any of the Designated Officers (with one from each of (a) and (b)) are hereby authorized to make such determinations:

(a) the principal amount of the Notes necessary to accomplish the purpose of the Notes set forth in Section 1 herein; provided, however, that the aggregate principal amount of the Notes shall not exceed \$25,000,000;

(b) the interest rate of the Notes; provided, however, that the interest rate shall not exceed four percent (4.0%) per annum;

(c) the Purchaser and the purchase price (not less than 100% of the principal amount of the Notes), pursuant to a competitive sale conducted for the Notes, including awarding the sale of the Notes, all pursuant to the terms of the Official Notice of Sale and the parameters set forth in this Resolution;

(d) any other provisions deemed advisable by the Designated Officers not materially in conflict with the provisions of this Resolution.

Upon the competitive sale of the Notes pursuant to the Official Notice of Sale, any of the Designated Officers shall make the determinations provided above and shall notify the selected Purchaser.

Section 3. The Notes shall be delivered to the Purchaser in book-entry form in substantially the following form:

UNITED STATES OF AMERICA
STATE OF UTAH
SALT LAKE CITY
TAX AND REVENUE ANTICIPATION NOTE
SERIES 2017

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

Note No. R- CUSIP: \$_____

Registered Owner: CEDE & CO.

Principal Sum: _____ AND NO/100 DOLLARS*****

Salt Lake City, Utah (the "City"), hereby acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner set forth above or registered assigns or legal representative the principal sum set forth above in lawful money of the United States of America on the 29th day of June, 2018, upon presentation and surrender at the office of the Treasurer of the City (the "Treasurer") in Salt Lake City, Utah, as paying agent (the "Paying Agent"), with interest thereon at the rate of _____% per annum from the date hereof until paid, payable at maturity. Interest on this Note shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is one of a series of notes known as "Salt Lake City, Utah Tax and Revenue Anticipation Notes, Series 2017", which issue is issued in the aggregate sum of _____ Dollars (\$_____) pursuant to provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended.

This Note is not subject to redemption prior to maturity.

It is hereby covenanted, certified, recited and declared that this Note is given in anticipation of the collection of taxes and other revenues to be levied and collected for the current fiscal year, in evidence of money borrowed to meet current and necessary expenses of the City during said current fiscal year until payment of the taxes and other revenues for such year, that taxes on all taxable property in the City and other revenues within the limit provided by law and sufficient to pay principal and interest on this Note as the same falls due and sufficient to pay all budgeted maintenance and operation and other expenses of the City for such fiscal year have been or will be levied and collected in

such fiscal year and that a sufficient fund has been appropriated for the payment of the principal and interest on this Note as the same shall fall due.

It is hereby certified, recited and declared that the entire indebtedness of the City hereby authorized to be incurred is not in excess of seventy-five percent (75%) of the taxes and other revenues levied and collected by the City for the fiscal year ending June 30, 2017, or ninety percent (90%) of the taxes and other revenues of the City levied and collected or to be levied and collected for the Fiscal Year ending June 30, 2018, and that said indebtedness was and is contracted for the purpose for which said taxes are levied and collected.

This Note shall be registered on the books of the City to be kept for that purpose at the office of the Paying Agent set forth above, such registration shall be noted hereon, and this Note shall only be transferable upon said books at said office by the registered owner or by his/her duly authorized attorney. Such transfers shall be without charge to the owner hereof but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the owner requesting such transfer as a condition precedent to the exercise of such privilege. Upon any such transfer, the City shall execute and deliver in exchange for this Note a new registered Note registered in the name of the transferee in authorized denominations.

It is hereby certified, recited and declared that all acts, conditions and things essential to the validity of this Note exist, have happened and have been done, and that every requirement of law affecting the issue hereof has been duly complied with, and that this Note is within every debt and other limit prescribed by the Constitution and laws of the State of Utah.

IN WITNESS WHEREOF, Salt Lake City, Utah, by its City Council, has caused this Note to be signed by its Mayor and attested by its City Recorder and caused its seal or the facsimile thereof to be affixed hereto as of this ____ day of _____, 2017.

SALT LAKE CITY, UTAH

(Do Not Sign)

Mayor

(S E A L)

ATTEST AND COUNTERSIGN:

(Do Not Sign)

City Recorder

APPROVED AS TO FORM:

Senior City Attorney

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Note, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM – as tenants in common
TEN ENT – as tenants by the entirety
JT TEN – as joint tenants with right of survivorship and not as tenants in common

UNIF GIF MIN ACT _____
(Cust.)

Custodian for _____
(Minor)

under Uniform Gifts to Minors Act of _____
(State)

ASSIGNMENT

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns, and transfers unto :

(Social Security or Other Identifying Number of Assignee)

(Please Print or Typewrite Name and Address of Assignee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the within note on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Note in every particular without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an “eligible guarantor institution” that is a member of or a participant in a “signature guarantee program” (e.g., the Securities Transfer Agents Medallion Program, the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program).

Section 4. The Notes shall be signed by the Mayor or the Mayor's Chief of Staff as the Mayor's designee (collectively referred to herein as the "Mayor") and attested by the City Recorder or Deputy City Recorder (the "City Recorder") and sealed with the official seal of the City. The Mayor is hereby authorized, empowered, and directed to sign, and the City Recorder to countersign and attest and affix the seal of the City to the Notes, and the acts of said Mayor and City Recorder in so doing are and shall be the act and deed of the City.

Section 5. The Treasurer of the City is hereby constituted and appointed Registrar and Paying Agent for the Notes. The City shall cause books for the registration and for the transfer of the Notes as provided in this Resolution to be kept by the Treasurer. Upon surrender for transfer of any Note at the principal office of the Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his/her attorney duly authorized in writing with signature guaranteed, the City shall execute and deliver in the name of the transferee or transferees a new, fully registered Note or Notes for a like aggregate principal amount.

In each case the Registrar shall require the payment by the registered owner requesting exchange or transfer, only of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

Section 6.

(a) The Notes shall be initially issued in the form of a single certified fully registered Note. Upon initial issuance, the ownership of such note shall be registered in the registration books kept by the Registrar in the name of Cede & Co. ("Cede"), as nominee of The Depository Trust Company ("DTC"). Except as provided in (d) hereof, all of the outstanding Notes shall be registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC.

(b) With respect to the Notes registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC, the City, the Registrar and the Paying Agent shall have no responsibility or obligation to any broker-dealer, bank or other financial institution from time to time for which DTC holds the Notes as Depository (each a "Participant") or to any person on behalf of which a Participant holds an interest in the Notes. Without limiting the immediately preceding sentence, the City, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any Participant with respect to any ownership interest in the Notes, (ii) the delivery to any Participant or any other person, other than a registered owner, as shown in the registration books kept by the Registrar, of any notice with respect to the Notes, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner, as shown in the registration books kept by the Registrar, of any amount with respect to principal or interest on the Notes. The City, the Registrar and the Paying Agent may treat and consider the person in whose name each Note is registered in the registration books kept by the Registrar as the holder and absolute owner of such Note for the

purpose of payment of principal and interest with respect to such Note, for the purpose of registering transfers with respect to such Note, and for all other purposes whatsoever. The Paying Agent shall pay all principal and interest on the Notes only to or upon the order of the respective Owner, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided in the Notes, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal and interest on the Notes to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the registration books kept by the Registrar, shall receive a certificated Note evidencing the obligation of the City to make payments of principal and interest pursuant to this Resolution. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, the word "Cede" in this Resolution shall refer to such new nominee of DTC.

(c) A Representation Letter in substantially the form attached hereto as Exhibit B, has been delivered to DTC. The Registrar shall take all action necessary to comply with all representations of the City in the Representation Letter at all times.

(d) (i) DTC may determine to discontinue providing its services with respect to the Notes at any time by giving notice to the City, the Paying Agent and the Registrar and discharging its responsibilities with respect thereto under applicable law.

(ii) The City in its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Notes if the City determines that:

(A) DTC is unable to discharge its responsibilities with respect to the Notes, or

(B) a continuation of the requirement that all of the outstanding Notes be registered in the registration books kept by the Registrar in the name of Cede, or any other nominee of DTC, is not in the best interest of the beneficial owners of the Notes.

(iii) Upon the termination of the services of DTC with respect to the Notes pursuant to subsection (d)(ii)(B) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Notes pursuant to subsection (d)(i) or subsection (d)(ii)(A) hereof after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found which, in the opinion of the City, is willing and able to undertake such functions upon reasonable and customary terms, the City is obligated to deliver Note certificates as described in this Resolution and the Notes shall no longer be restricted to

being registered in the registration books kept by the Registrar in the name of Cede as nominee of DTC, but may be registered in whatever name or names registered owners of Notes transferring or exchanging Notes shall designate, in accordance with the provisions of this Resolution.

(e) Notwithstanding any other provision of this Resolution to the contrary, so long as any Note is registered in the name of Cede, as nominee of DTC, all payments with respect to principal and interest on such Note and all notices with respect to such Note shall be made and given, respectively, in the manner provided in the Representation Letter.

Section 7. The Mayor is hereby authorized, empowered and directed to execute and deliver, and the City Recorder to seal, countersign and attest, the Limited Continuing Disclosure Undertaking (the "Disclosure Undertaking") in substantially the same form as now before the Council and attached hereto as Exhibit C, or with such changes therein as the Mayor on behalf of the City shall approve, her execution thereof to constitute conclusive evidence of her approval of such changes. When the Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Disclosure Undertaking as executed. Notwithstanding any other provision of this Resolution, the sole remedies for failure to comply with the Disclosure Undertaking shall be the ability of the beneficial owner of any Note to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Disclosure Undertaking.

Section 8. There shall be levied by the City in the fiscal year beginning July 1, 2017 a sufficient tax and there shall be collected sufficient revenues other than taxes to pay the principal and interest on the Notes as the same fall due, and to pay all budgeted maintenance and operation and other expenses of the City for said fiscal year, and there is hereby appropriated from the collection of taxes and other revenues for said fiscal year, a sum sufficient to pay both principal and interest of the Notes as the same shall fall due and for the payment of the Notes and the interest thereon. The City shall establish a Series 2017 Note Fund into which there shall be deposited, on or prior to June [1], 2018, a sum sufficient to pay the principal and interest to be due and payable on the Notes at maturity.

Section 9. The City recognizes that the purchasers and owners of the Notes will have accepted them on, and paid therefor a price which reflects, the understanding that interest thereon is not includible in gross income for federal income tax purposes under laws enforced at the time the Notes shall have been delivered. In this connection, the City agrees that it shall take no action which may render the interest on any of the Notes to be includible in gross income for federal income tax purposes. Prior to or contemporaneously with the delivery of the Notes, the Mayor, Treasurer or other appropriate officials of the City shall execute an arbitrage and tax certificate on behalf of

the City respecting the investment and use of the proceeds of the Notes. Said Certificate shall be a representation and certificate of the City, and an executed copy thereof shall be filed at the office of the City.

Section 10. The City further covenants and agrees to and for the benefit of the holders of the Notes that the City (i) will not take any action that would cause interest on the Notes to be includable in gross income for federal income tax purposes, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest on the Notes to be includable in gross income for federal income tax purposes, and (iii) will, to the extent possible, comply with any other requirements of federal tax law applicable to the Notes in order to preserve the excludability from gross income for federal income tax purposes of interest on the Notes.

Section 11.

(a) The Notes so issued shall be delivered to the City Treasurer and her receipt taken therefor, and she shall stand charged on her official bond with the Notes delivered to her and the proceeds thereof and she shall deliver the Notes to the Purchaser, its agents or assigns, as per the terms of the Official Notice of Sale, as and when the Notes may be and are legally issued, upon receipt of the purchase price therefor plus accrued interest, if any, which said sale and terms are hereby this day ratified and confirmed.

(b) The City hereby approves the preparation for distribution of a Preliminary Official Statement and Official Notice of Sale in the form attached hereto as Exhibit A, and authorizes the preparation and distribution of a Final Official Statement in substantially the same form as the Preliminary Official Statement with such changes, omissions, insertions and revisions from the Preliminary Official Statement as the appropriate officers of the City shall deem advisable. The Mayor is hereby authorized to execute and deliver such Final Official Statement to the Purchaser for distribution to prospective purchasers of the Notes and other interested persons. The execution of the Final Official Statement by the Mayor shall be conclusive evidence of the approval by the Mayor of the Final Official Statement.

Section 12. All resolutions and orders or parts thereof in conflict with the provisions hereof are to the extent of such conflict hereby repealed.

Section 13. This resolution shall be in full force and effect immediately upon adoption.

ADOPTED this _____ day of May, 2017.

Chair

(S E A L)

Attest and Countersign:

City Recorder

-
APPROVED AS TO FORM
Salt Lake City Attorney's Office
Date 4-25-17
Sign Royd Ferguson
Print Royd Ferguson

PRESENTATION TO THE MAYOR

The foregoing resolution was presented to the Mayor for her approval or disapproval on May __, 2017.

By: _____
Chair

MAYOR'S APPROVAL OR DISAPPROVAL

The foregoing resolution is hereby approved on this May __, 2017.

By: _____
Mayor

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Cindi Mansell, the duly chosen, qualified and acting City Recorder of Salt Lake City, Utah (the “City”), do hereby certify that the foregoing constitutes a full, true and correct copy of the proceedings of the City Council of Salt Lake City, Utah, had and taken at a lawful meeting of said City held on May 23, 2017, insofar as the same relate to the issuance and sale of the not to exceed \$25,000,000 Tax and Revenue Anticipation Notes, Series 2017, of said City, as recorded in the regular official book of records of said proceedings of said City kept in the office of the City Recorder. The meeting therein shown was duly held and the persons therein named were present at said meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City this May __, 2017.

City Recorder

(S E A L)

STATE OF UTAH)
 :ss.
COUNTY OF SALT LAKE)

CERTIFICATE OF COMPLIANCE
WITH OPEN MEETING LAW

I, Cindi Mansell, the duly qualified and acting City Recorder of Salt Lake City, Utah (the "Issuer"), do hereby certify that written public notice of the agenda, date, time and place of the meeting held by the City Council (the "Council") of the Issuer on May 23, 2017, was given not less than 24 hours in advance of the meeting. The public notice was given in compliance with the requirements of the Utah Open and Public Meetings Act, Section 52-4-202, Utah Code Annotated 1953, as amended, by:

(a) causing a Notice, in the form attached hereto as Schedule 1, to be posted at the Issuer's principal offices on May __, 2017, at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(b) causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Salt Lake Tribune and the Deseret News on May __, 2017, at least twenty-four (24) hours prior to the convening of the meeting; and

(c) causing a copy of such Notice to be posted on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2017 Annual Meeting Schedule for the Council (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the Council to be held during the year, by causing said Notice to be (i) posted on May __, 2017 at the principal offices of said Issuer, (ii) provided to at least one newspaper of general circulation within the Issuer on May __, 2017 and (iii) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said City this _____ day of _____, 2017.

City Recorder

(S E A L)

ATTACHMENTS:

Schedule 1—Public Notice of Meeting

Schedule 2—Notice of 2017 Annual Meeting Schedule

EXHIBIT A

Official Notice of Sale and Preliminary Official Statement

EXHIBIT B

Representation Letter

EXHIBIT C

Limited Continuing Disclosure Undertaking

Official Notice of Sale

(Sale to be Conducted Electronically)

\$[25,000,000]*

of

Salt Lake City, Utah

Tax and Revenue Anticipation Notes, Series 2017

Bids will be received electronically (as described under “Procedures Regarding Electronic Bidding” below) at the offices of George K. Baum & Company, the municipal advisor (the “Municipal Advisor”) to Salt Lake City, Utah (the “City”), by the City Treasurer of the City (the “City Treasurer”) via the PARITY® bidding system (“PARITY®”) up to 9:30:00 A.M., Mountain Daylight Time (“M.D.T.”), on June, [14], 2017, for the purchase all or none (“AON”) of \$[25,000,00]* aggregate principal amount of Tax and Revenue Anticipation Notes, Series 2017 (the “Notes”) to be issued by the City. The bids received will be reviewed and considered by certain designated officers of the City (the “Designated Officers”) who have been delegated such authority pursuant to a resolution adopted by the City Council of the City (the “City Council”) on May 23, 2017 (the “Resolution”).

The Notes are to be issued and sold by the City pursuant to the Local Government Bonding Act, Chapter 14, Title 11, Utah Code Annotated 1953, as amended (the “Act”), and the Resolution.

Description of Notes

The Notes are to be dated as of the date of issuance and delivery thereof, will be issued only as fully registered notes in book-entry only form, in denominations of \$100,000 or any whole multiple thereof, will mature on June 29, 2018, and will bear interest payable at maturity at a rate not exceeding 4.00% per annum.

Security

The Notes will be issued pursuant to applicable law in anticipation of taxes levied and to be collected and other revenues to be collected for the City’s fiscal year beginning July 1, 2017, and ending June 29, 2018 (the “Fiscal Year 2018”). The City has covenanted to levy in Fiscal Year 2018 a sufficient tax and collect sufficient revenues other than taxes to pay the principal and interest on the Notes as the same fall due, and to pay all budgeted maintenance and operation and other expenses of the City for said fiscal year, and there has been appropriated from the collection of taxes and other revenues for said fiscal year, a sum sufficient to pay both principal and interest on the Notes as the same shall fall due.

The purchase price bid for the Notes shall not be less than the principal amount of the Notes (\$[25,000,000]*).

Payment of Principal and Interest

The City Treasurer, 451 South State Street, Room 228, Salt Lake City, Utah, will be the paying agent and note registrar for the Notes. So long as the Notes are outstanding in book-entry form, the

* Preliminary; subject to change.

principal of and interest on the Notes will be paid under the standard procedures of The Depository Trust Company (“DTC”).

No Redemption

The Notes are not subject to redemption prior to maturity.

Note Ratings

The Notes are rated ____ by Moody’s Investors Service, Inc.

Award

Award or rejection of bids will be made on June [21], 2017, by the Designated Officers. The Notes will be awarded to the responsible bidder offering to pay not less than the principal amount of the Notes (\$[25,000,000]*), and specifying a rate of interest that results in the lowest effective true interest cost to the City. The effective interest rate to the City shall be the interest rate per annum determined on a per annum true interest cost (“TIC”) basis by discounting the scheduled payment at maturity of the Notes (based on such rate of interest so bid) to the expected dated date of the Notes (based on a 360-day year, consisting of twelve 30-day months) and to the bid price. If there are two or more equal bids from responsible bidders, and said bids are in accordance with the requirements of this Official Notice of Sale, then the Designated Officers may, in their sole discretion, determine which of the equal bids shall be accepted, or, in their sole discretion, may divide the Notes so issued between or among the equal bidders.

Prompt Award

The City will take action awarding the Notes or rejecting all bids not later than 36 hours after the expiration of the time herein prescribed for the receipt of bids, unless such time of award is waived by the successful bidder.

Notification

The Municipal Advisor, on behalf of the City, will notify the apparent successful bidder (electronically, if the bid was submitted via PARITY®), as soon as possible after the City’s receipt of bids, that such bidder’s bid appears to be the best bid received that conforms to the requirements of this Official Notice of Sale, subject to verification and award by the Designated Officers.

The City’s acceptance of the winning bid shall be made to the successful bidder within the time described under “Prompt Award” above.

Procedures Regarding Electronic Bidding

A prospective bidder must communicate its bid for the Notes electronically on or before 9:30:00 a.m., M.D.T., on June, [21], 2017. No bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. For further information about PARITY®, potential bidders may contact the Municipal Advisor at 15 West South Temple, Suite 1090,

* Preliminary; subject to change.

Salt Lake City, Utah 84101, telephone (801) 538-0351 or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 849-5021.

For purposes of PARITY® the time as maintained by PARITY® shall constitute the official time.

Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access PARITY® for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the Municipal Advisor, the City nor i-Deal LLC shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the Municipal Advisor, the City nor i-Deal LLC shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The City is using PARITY® as a communication mechanism, and not as the City's agent, to conduct the electronic bidding for the Notes.

Form of Bid

Each bidder is required to transmit electronically via PARITY® an unconditional bid specifying (a) the lowest rate of interest and the amount of premium, if any, above par at which the bidder will purchase the Notes; or (b) the lowest rate of interest at which the bidder will purchase the Notes at not less than the principal amount of the Notes (\$[25,000,000]*). Each bid must be for all the Notes herein offered for sale.

For information purposes only, bidders are requested to state in their bids the effective interest rate for the Notes represented on a TIC-basis, as described under "Award" above, represented by the rate of interest and the bid price specified in their respective bids.

No bids will be accepted in written form, by facsimile transmission or in any other medium or on any system other than by means of PARITY®; *provided, however*, that in the event a prospective bidder cannot access PARITY® through no fault of its own, it may so notify the office of the Municipal Advisor by telephone at (801) 538-0351. Thereafter, it may submit its bid by telephone to the office of the Municipal Advisor at (801) 538-0351, who shall transcribe such bid into written form, or by facsimile transmission to the office of the Municipal Advisor at (801) 538-0354, in either case before 9:30:00 a.m., M.D.T., on June, [21], 2017. For purposes of bids submitted telephonically to the Municipal Advisor (as described above) or by facsimile transmission (as described above), the time as maintained by PARITY® shall constitute the official time. Each bid submitted as provided in this paragraph must specify: (a) an offer to purchase not less than all of the Notes; and (b) the lowest rate of interest at which the bidder will purchase the Notes at a price of not less than the principal amount of the Notes (\$[25,000,000]*), as described under "Award" above. The Municipal Advisor will seal transcribed telephonic bids and facsimile transmission bids for submission to an official of the City. Neither the City nor the Municipal Advisor assume any responsibility or liability from the failure of any such transcribed telephonic bid or facsimile transmission (whether such failure arises from equipment failure, unavailability of telephone lines or otherwise). No bid will be received after the time for receiving such bids specified above.

If requested by the Municipal Advisor, the apparent successful bidder will provide written confirmation of its bid (by facsimile transmission) to the Municipal Advisor prior to 11:00 A.M., M.D.T., on June, [21], 2017.

* Preliminary; subject to change.

Right of Cancellation

The successful bidder shall have the right, at its option, to cancel its obligation to purchase the Notes if the City shall fail to execute the Notes and tender the same for delivery within 60 days from the date of sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying its bid.

Good Faith Deposit

A good faith deposit in the amount of two percent (2.00%) of the par amount of the Notes, or \$_____ * (the "Deposit"), is required of the successful bidder only. The Deposit shall be payable to the order of the City in the form of a wire transfer in federal funds as instructed by the Municipal Advisor no later than 12:00 noon, M.D.T. on June [21], 2017. As an alternative to wiring funds, a bidder may deliver a cashier's or certified check, payable to the order of the City, with its bid. If a check is used, it must precede each bid. Such check shall be promptly returned to its respective bidder whose bid is not accepted.

The City shall, as security for the faithful performance by the successful bidder of its obligation to take up and pay for the Notes when tendered, cash the Deposit check, if applicable, of the successful bidder and hold the proceeds of the Deposit of the successful bidder or invest the same (at the City's risk) in obligations that mature at or before the delivery of the Notes as described under the caption "Manner And Time Of Delivery" below, until disposed of as follows: (a) at such delivery of the Notes and upon compliance with the successful bidder's obligation to take up and pay for the Notes, the full amount of the Deposit held by the City, without adjustment for interest, shall be applied toward the purchase price of the Notes at that time, and the full amount of any interest earnings thereon shall be retained by the City; and (b) if the successful bidder fails to take up and pay for the Notes when tendered, the full amount of the Deposit plus any interest earnings thereon will be forfeited to the City as liquidated damages.

Sale Reservations

The City reserves the right: (1) to waive any irregularity or informality in any bid or the bidding process; (2) to reject any and all bids for the Notes; and (3) to resell the Notes as provided by law.

Manner and Time of Delivery

The successful bidder will be given at least seven (7) business days' advance notice of the proposed date of the delivery of the Notes when that date has been determined. It is now estimated that the Notes will be delivered in book-entry form on or about July [13], 2017. The Notes will be prepared and delivered as fully-registered notes in book-entry form, registered in the name of Cede & Co., as nominee of DTC, and in the form of a separate, single, certificated and fully-registered Note. Delivery of the Notes will be made in Salt Lake City, Utah.

CUSIP Numbers

CUSIP numbers may be printed on the Notes, at the option and expense of the successful bidder, but neither the failure to print such numbers on any Note nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder thereof to accept delivery of and pay for the Notes in accordance with terms of this Official Notice of Sale.

* Preliminary; subject to change.

Tax-Exempt Status

In the opinion of Ballard Spahr LLP, Note Counsel to the City, interest on the Notes is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Notes, assuming the accuracy of the certifications of the City and continuing compliance by the City with the requirements of the Internal Revenue Code of 1986, as amended. Interest on the Notes is not an item of tax preference for purposes of either individual or corporate federal alternative minimum tax ("AMT"); however, interest on Notes held by a corporation (other than an S corporation, regulated investment company, or real estate investment trust) may be indirectly subject to federal AMT because of its inclusion in the adjusted current earnings of a corporate holder.

It is also the opinion of Note Counsel that, under currently existing laws, interest on the Notes is exempt from State of Utah individual income taxes.

Note Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

Legal Opinion

The approving opinion of Ballard Spahr LLP, Note Counsel to the City, covering the legality of the Notes will be furnished to the successful bidder without charge. There will also be furnished the usual closing certificates dated as of the date of delivery of and payment for the Notes, including an opinion from the office of the City Attorney that there is no litigation pending or, to the knowledge of the signer thereof, threatened, affecting the validity of the Notes.

Disclosure Certificate

The closing papers will include a certificate executed by an officer of the City confirming to the successful bidder that, to the best of the knowledge of the signer thereof, and after reasonable investigation: (a) the descriptions and statements contained in the Preliminary Official Statement (the "Preliminary Official Statement") circulated with respect to the Notes were at the time of the acceptance of the bid true and correct in all material respects and did not at the time of the acceptance of the bid contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (b) the descriptions and statements contained in the final Official Statement (the "Official Statement") were as of its date and are at the time of the delivery of the Notes true and correct in all material respects and do not at the time of the delivery of the Notes contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, should the final Official Statement be supplemented or amended subsequent to the date thereof, the foregoing confirmation as to the final Official Statement shall relate to the final Official Statement as so supplemented or amended; and (c) there has been no material adverse change in the operations or financial affairs of the City since the time of such sale.

Limited Continuing Disclosure

The City covenants and agrees to enter into a written agreement constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the City for the benefit of the beneficial owners of the Notes on or before the date of delivery of the Notes as required under paragraphs (b)(5) and (d)(3) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. As the Notes have a stated maturity of less than 18 months, the City is exempt

from the provisions of the Rule requiring the delivery of annual financial information to the Municipal Securities Rulemaking Board (“MSRB”). However, the City is required to provide notice of certain material events to the MSRB as specified in the Rule. The Undertaking shall be as described in the Preliminary Official Statement, with such changes as may be agreed in writing by the successful bidder.

The successful bidder’s obligation to purchase the Notes shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the Notes.

Issue Price

In order to enable the City to comply with certain conditions of the Code, the successful bidder will be required to provide a certificate as to the “issue price” of the Notes in substantially the form attached hereto as Exhibit A. Each bidder, by submitting its bid, agrees to complete, execute and deliver such certificate, in form and substance satisfactory to Note Counsel, by the date of delivery of the Notes, if its bid is accepted by the City. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation or otherwise to ascertain the facts necessary to make such certification. Any questions potential bidders might have regarding the certification required by Note Counsel should be directed to Anastasia G. Khokhryakova at ak@ballardspahr.com.

Official Statement

Copies of the City’s Preliminary Official Statement may be obtained as specified below prior to the time bids are taken. The Preliminary Official Statement is in a form “deemed final” by the City for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission, but is subject to revision, amendment and completion in a final Official Statement.

The City shall deliver to the successful bidder no later than the seventh business day after the award of the Notes as described under the caption “Award” above, copies of the final Official Statement in electronic format to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission and the rules of the MSRB.

After the original issuance and delivery of the Notes, if any event relating to or affecting the City occurs as a result of which it is necessary in the opinion of counsel for the successful bidder to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a prospective purchaser, the City shall, for so long as the successful bidder is obligated by the Rule to deliver an Official Statement to prospective purchasers, forthwith prepare and furnish to the successful bidder such information with respect to itself as the successful bidder deems necessary to amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading, in the light of the circumstances existing at the time the Official Statement is delivered to a prospective purchaser.

Additional Information

For copies of this Official Notice of Sale and the Preliminary Official Statement and information regarding the electronic bidding procedures and other related information with respect to the Notes, contact the Municipal Advisor, George K. Baum & Company, 15 West South Temple, Suite 1090, Salt Lake City, Utah 84101, telephone (801) 538-0351, Fax: (801) 538-0354. The Preliminary Official Statement (including the Official Notice of Sale and Official Bid Form) is available at www.i-dealprospectus.com.

DATED this ____ day of _____, 2017.

SALT LAKE CITY, UTAH

By : _____/s/ Marina Scott
City Treasurer

EXHIBIT A

CERTIFICATE WITH RESPECT TO
THE PURCHASE PRICE TO THE PUBLIC

The undersigned officer of _____, purchaser of the \$_____ Salt Lake City, Utah Tax and Revenue Anticipation Notes, Series 2017 (the "Notes"), hereby certifies as follows:

1. We have made a bona fide public offering of the Notes to the public at the reoffering price as set forth below:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Reoffering Price</u>	<u>Initial Reoffering Price</u>
\$ _____	____ %	____ %	\$ _____

2. Based upon our experience, such reoffering price to the public is not unreasonably low.

3. A substantial amount (not less than 10%) of the Notes was sold, or was reasonably expected at the time of the bid for the Notes to be sold, to the public or final purchasers (not including bond houses, or brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at or below such initial reoffering prices.

IN WITNESS WHEREOF, the undersigned has hereunto fixed his/her official signature this _____, 2017.

[PURCHASER]

By: _____

Title:

PRELIMINARY OFFICIAL STATEMENT DATED JUNE [14], 2017

NEW ISSUE—Issued in Book-Entry Only Form

**Rating: Moody's “_____”
See “NOTE RATING” herein**

In the opinion of Ballard Spahr LLP, Note Counsel to the City, interest on the Notes is excludable from gross income for purposes of federal income tax, assuming continuing compliance with the requirements of the federal tax laws. Interest on the Notes is not a preference item for purposes of either individual or corporate federal alternative minimum tax; however interest paid to corporate holders of the Notes may be indirectly subject to alternative minimum tax under circumstances described under “TAX MATTERS” □ herein. Note Counsel is also of the opinion that, under currently existing law, interest on the Notes is exempt from State of Utah individual income taxes.

**\$(25,000,000)*
SALT LAKE CITY, UTAH
TAX AND REVENUE ANTICIPATION NOTES, SERIES 2017**

<u>Dated</u>	<u>Due</u>	<u>CUSIP</u> [†]	<u>Interest Rate</u>	<u>Price</u>
Date of delivery	June 29, 2018	795574 _____	_____	_____

The \$(25,000,000)* Tax and Revenue Anticipation Notes, Series 2017, (the “Notes”), are issuable by Salt Lake City, Utah (the “City”), as fully registered notes and, when initially issued, will be in book-entry form only, 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 for the Notes. Purchases of Notes will be made in book-entry form only, in denominations of \$100,000 or any whole multiple thereof, through brokers and dealers who are, or who act through, DTC participants. See “THE NOTES — Book-Entry System,” herein.

Principal of and interest on the Notes are payable at maturity upon presentation and surrender of the Notes to the City Treasurer, as Paying Agent, by check or draft or wire transfer to the registered owner of the Notes, initially Cede & Co. The Notes are not subject to redemption prior to maturity.

The Notes will be issued pursuant to applicable law in anticipation of taxes levied and to be collected and other revenues to be collected for the City’s fiscal year beginning July 1, 2017, and ending June 29, 2018 (the “Fiscal Year 2018”). The City has covenanted to levy in Fiscal Year 2018 a sufficient tax and collect sufficient revenues other than taxes to pay the principal of and interest on the Notes as the same fall due, and to pay all budgeted maintenance and operation and other expenses of the City for said fiscal year, and there has been appropriated from the collection of taxes and other revenues for said fiscal year, a sum sufficient to pay both principal of and interest on the Notes as the same shall fall due and for the payment of the Notes and the interest thereon.

The Notes will be awarded pursuant to competitive bidding received by means of the PARITY® electronic bid submission system on June [21], 2017, as set forth in the Official Notice of Sale, dated June [14], 2017.

***George K. Baum & Company is acting as municipal advisor to the City
in connection with the issuance of the Notes.***

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read this Official Statement in its entirety to obtain information essential to making an informed investment decision.

The Notes are offered when, as and if issued by the City and received by the successful bidder(s) (the “Purchaser”) and subject to the approval of legality and certain other legal matters by Ballard Spahr LLP, Salt Lake City, Utah, as Note Counsel to the City, and certain other conditions. Certain matters will be passed upon for the City by the City Attorney. It is expected that the Notes in book entry form will be available for delivery to The Depository Trust Company or its agent on or about July [13], 2017.

This Official Statement is dated June [21], 2017, and the information contained herein speaks only as of that date.

* Preliminary; subject to change.

† Copyright 2017, The American Bankers Association. CUSIP® is a registered trademark of The American Bankers Association. CUSIP numbers are provided by CUSIP Global Services managed by Standard & Poor’s Capital IQ on behalf of The American Bankers Association. CUSIP numbers are provided for convenience of reference only.

The information contained in this Official Statement has been furnished by the City, DTC and other sources that are believed to be reliable. No dealer, broker, salesperson or any other person has been authorized by the City or the Purchaser to give any information or to make any representations other than those contained in this Official Statement in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon as having been authorized by the City or the Purchaser.

This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither delivery of this Official Statement nor any sale made thereafter shall under any circumstances create any implication that there has been no change in the affairs of the City or in any other information contained herein, since the date of this Official Statement.

The Notes have not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such act. Any registration or qualification of the Notes in accordance with applicable provisions of the securities laws of the states in which the Notes have been registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof.

IN CONNECTION WITH THIS OFFERING, THE PURCHASER MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE MARKET PRICES OF THE NOTES. SUCH TRANSACTIONS, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Official Statement contains “forward-looking statements” within the meaning of the federal securities laws. These forward-looking statements include, among others, statements concerning expectations, beliefs, opinions, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements.

The City maintains a website. However, the information presented on that website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Notes.

\$[25,000,000]*
SALT LAKE CITY, UTAH
TAX AND REVENUE ANTICIPATION NOTES, SERIES 2017

Salt Lake City
City and County Building
451 South State Street
Salt Lake City, Utah 84111
(801) 535-7946

CITY COUNCIL

Stan Penfold.....	Council Chair
Charlie Luke	Council Vice Chair
Lisa Ramsey Adams	Council Member
Andrew Johnston	Council Member
Derek Kitchen.....	Council Member
Erin J. Robinson Mendenhall	Council Member
James Rogers	Council Member

CITY ADMINISTRATION

Jacqueline M. Biskupski.....	Mayor
Patrick Leary	Chief of Staff
Margaret D. Plane.....	City Attorney
Cindi Mansell	City Recorder
Marina Scott	City Treasurer

NOTE COUNSEL

Ballard Spahr LLP
201 South Main, Suite 800
Salt Lake City, Utah 84111
(801) 531-3000

INDEPENDENT AUDITORS

Eide Bailly LLP
5 Triad Center, Suite 600
Salt Lake City, Utah 84180
(801) 532-2200

MUNICIPAL ADVISOR

George K. Baum & Company
15 West South Temple, Suite 1090
Salt Lake City, Utah 84101
(801) 538-0351

NOTE REGISTRAR AND PAYING AGENT

Salt Lake City Treasurer
(For hand delivery or express courier delivery)
451 South State Street, Room 228
Salt Lake City, Utah 84111
Or
(For U.S. Postal Service delivery)
P.O. Box 145462
Salt Lake City, Utah 84114-5462

* Preliminary; subject to change.

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OFFICIAL STATEMENT
RELATING TO
[\$25,000,000]*
SALT LAKE CITY, UTAH
TAX AND REVENUE ANTICIPATION NOTES, SERIES 2017

INTRODUCTION

This Official Statement, including the cover page, introduction, and appendices, provides information in connection with the issuance and sale by Salt Lake City, Utah (the “City”) of its \$[25,000,000]* Tax and Revenue Anticipation Notes, Series 2017 (the “Notes”), initially issued in book-entry form only. This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of Notes to potential investors is made only by means of the entire Official Statement.

See also the following appendices attached hereto: “APPENDIX A—SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016,” “APPENDIX B—CASH FLOW SUMMARY,” “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY,” “APPENDIX D—PROPOSED FORM OF OPINION OF NOTE COUNSEL,” “APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM,” and “APPENDIX F—FORM OF LIMITED CONTINUING DISCLOSURE UNDERTAKING.”

The City

The City is a municipal corporation and political subdivision of the State of Utah (the “State”) and is the capital of the State. The City is the most populous city in the State with an estimated 2015 population of 192,672. The City is the center of a metropolitan area with a population of approximately \$1,200,000 and is the business, financial and government center for the state. The City has a council-mayor form of government. For more information with respect to the City, see “THE CITY,” “DEBT STRUCTURE OF THE CITY,” “FINANCIAL INFORMATION REGARDING THE CITY,” “APPENDIX A—SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016,” and “APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY.”

Security and Sources of Payment

The Notes will be issued pursuant to applicable law in anticipation of taxes levied and to be collected and other revenues to be collected for the City’s fiscal year beginning July 1, 2017, and ending June 29, 2018 (the “Fiscal Year 2018”). The City has covenanted to levy in Fiscal Year 2018 a sufficient tax and collect sufficient revenues other than taxes to pay the principal of and interest on the Notes as the same fall due, and to pay all budgeted maintenance and operation and other expenses of the City for said fiscal year, and there has been appropriated from the collection of taxes and other revenues for said fiscal year, a sum sufficient to pay both principal of and interest on the Notes as the same shall fall due and for the payment of the Notes and the interest thereon. See “THE NOTES—Security and Sources of Payment,” herein.

Authorization and Purpose of the Notes

The Notes are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14 (the “Act”), Utah Code Annotated 1953, as amended (the “Utah Code”); (ii) a resolution adopted by the City Council of the City on May 23, 2017 (the “Resolution”), which provides for the issuance and delivery of the Notes; and (iii) other applicable provisions of law.

* Preliminary; subject to change.

Under State law, the City may issue tax and revenue anticipation notes in an amount not in excess of 90% of the estimated taxes and other revenues of the City for the current fiscal year, and, in the event that such notes are issued prior to the annual tax levy for the year in which such indebtedness is contracted, not in excess of 75% of the taxes and other revenues of the City for the preceding fiscal year.

The Notes are to be issued for the purpose of payment of current and necessary expenses of the City, and for other purposes for which funds of the City may be legally expended. Proceeds of the Notes will also be used to pay costs of issuing the Notes. The City does not anticipate the issuance of additional tax and revenue anticipation notes during Fiscal Year 2018.

No Redemption

The Notes are not subject to redemption prior to maturity.

Registration, Denominations, and Manner of Payment

The Notes are issuable in fully registered form and are initially to be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), as securities depository for the Notes. Purchases by beneficial owners of the Notes (“Beneficial Owners”) are to be made in book-entry form in the principal amount of \$100,000 or any whole multiple thereof through brokers and dealers who are, or who act through, DTC participants. Beneficial owners of the Notes will not be entitled to receive physical delivery of note certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Notes.

Principal of and interest on the Notes are payable on June 29, 2018. The City Treasurer of the City (the “City Treasurer”) will act as paying agent (the “Paying Agent”) to the registered owners of the Notes. So long as DTC is the registered owner, it will, in turn, remit such principal and interest to its participants, for subsequent disbursements to the beneficial owners of the Notes, as described in “APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY SYSTEM.”

Neither the City nor the Paying Agent has any responsibility or obligation for the payment from DTC to Beneficial Owners of the principal of or interest on the Notes.

Neither the City nor the Salt Lake City Treasurer as Note Registrar (“Note Registrar”) has any responsibility or obligation with respect to the accuracy of the records of DTC or its participants (“Participants”) regarding any ownership interest in the Notes or the delivery to any Participant or Beneficial Owner of any notice with respect to the Notes.

Tax Matters

In the opinion of Ballard Spahr LLP, Note Counsel to the City, interest on the Notes is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Notes, assuming the accuracy of the certifications of the City and continuing compliance by the City with the requirements of the Internal Revenue Code of 1986. Interest on the Notes is not an item of tax preference for purposes of either individual or corporate federal alternative minimum tax; however, interest on Notes held by a corporation (other than an S corporation, regulated investment company, or real estate investment trust) may be indirectly subject to federal alternative minimum tax because of its inclusion in the adjusted current earnings of a corporate holder. Note Counsel is also of the opinion that, under currently existing law, interest on the Notes is exempt from State of Utah individual income taxes. See “TAX MATTERS” herein.

Note Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on, the Notes.

Conditions of Delivery, Anticipated Date, Manner and Place of Delivery

The Notes are offered, subject to prior sale, when, as and if issued and received by the Purchaser, subject to the approval of legality by Ballard Spahr LLP, Note Counsel to the City, and certain other conditions. Certain legal

matters will be passed on for the City by the City Attorney. It is expected that the Notes, in book-entry form only, will be available for delivery through the facilities of DTC on or about July [13], 2017.

Limited Continuing Disclosure

In connection with the issuance of the Notes, the City is exempt from certain provisions of the continuing disclosure requirements of paragraph (b)(5) of Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission because the Notes mature in 18 months or less. However, for the benefit of the beneficial owners of the Notes, the City will enter into a Limited Continuing Disclosure Undertaking (the “Undertaking”) to provide notice of certain material events to the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to the Rule. See “APPENDIX F—FORM OF LIMITED CONTINUING DISCLOSURE UNDERTAKING.”

For information pertaining to the City’s previous undertakings, see “CONTINUING DISCLOSURE UNDERTAKING,” herein.

Basic Documentation

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the City and the Notes are included in this Official Statement. Such descriptions do not purport to be comprehensive or definitive. Descriptions of the Notes are qualified by reference to bankruptcy laws¹ 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 “basic documentation,” which includes the Resolution and other documentation authorizing the issuance of the Notes and establishing the rights and responsibilities of the City and other parties to the transaction, may be obtained from the “contact person” as indicated herein.

Contact Person

The primary contact for the City in connection with the issuance of the Notes is:

Marina Scott
City Treasurer
City and County Building
451 South State Street, Room 228
P.O. Box 145462
Salt Lake City, Utah 84114-5462
(801) 535-6565
e-mail: marina.scott@slcgov.com

Additional Information

In preparing this Official Statement, the City has relied upon information furnished by DTC and others. This Official Statement also includes summaries of the terms of the Notes, certain provisions of the Act and the Utah Code. The summaries of and references to all documents and statutes 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 or statute.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or owners of any of the Notes.

¹ There is currently no specific authorization under the Utah Code for the City to file bankruptcy under Chapter 9 of the U.S. Bankruptcy Code.

Public Sale

The Notes will be awarded pursuant to competitive bidding received by means of the PARITY® electronic bid submission system on June [21], 2017, as set forth in the Official Notice of Sale dated June [14], 2017.

THE NOTES

General

The Notes are being issued pursuant to the Act, the Resolution and other applicable provisions of law. The Notes are designated “Salt Lake City, Utah Tax and Revenue Anticipation Notes, Series 2017.” The Notes are dated the date of their initial delivery, mature on June 29, 2018, and bear interest at the rate set forth on the cover page of this Official Statement, which interest will be computed on the basis of a 360-day year of twelve 30-day months.

Sources and Uses of Funds

The estimated sources and uses of funds for the Notes are shown below:

Sources of Funds

Par Amount of Notes	\$
[Original Issue Premium]
Total	\$

Uses of Funds

Deposit to City	\$
Costs of Issuance ⁽¹⁾
Total	\$

⁽¹⁾ Costs of issuance include Purchaser’s discount, legal and municipal advisor fees, rating agency fees, and other costs and expenses related to the issuance of the Notes.

Security and Sources of Payment

The Notes will be issued pursuant to applicable law in anticipation of taxes levied and to be collected and other revenues to be collected for the Fiscal Year 2018. There shall be levied by the City in Fiscal Year 2018 a sufficient tax and there shall be collected sufficient revenues other than taxes to pay the principal of and interest on the Notes as the same fall due, and to pay all budgeted maintenance and operation and other expenses of the City for said fiscal year, and there has been appropriated from the collection of taxes and other revenues for said fiscal year, a sum sufficient to pay both principal of and interest on the Notes as the same shall fall due and for the payment of the Notes and the interest thereon.

No Redemption

The Notes are not subject to redemption in whole or in part at any time prior to maturity.

Book-Entry System

DTC will act as securities depository for the Notes. The Notes will be issued as fully-registered securities 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 Note certificate will be issued in the aggregate principal amount of the Notes, and will be deposited with DTC. See "APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM" for a more detailed discussion of the book-entry system and DTC.

Registration and Transfer

In the event the book-entry system is discontinued, any Note may, in accordance with its terms, be transferred, upon the registration books kept by the Note Registrar, by the person in whose name it is registered, in person or by such owner's duly authorized attorney, upon surrender of such Note for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Note Registrar. No transfer will be effective until entered on the registration books kept by the Note Registrar. Whenever any Note is surrendered for transfer, the Note Registrar will authenticate and deliver a new fully registered Note or Notes of authorized denominations duly executed by the City, for a like aggregate principal amount.

Notes may be exchanged at the principal office of the Note Registrar for a like aggregate principal amount of fully registered Notes.

For every such exchange or transfer of the Notes, the Note Registrar must make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer of the Notes.

The City, the Note Registrar and the Paying Agent may treat and consider the person in whose name each Note is registered in the registration books kept by the Note Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon and for all other purposes whatsoever.

Debt Service Requirements

At maturity the City will be obligated to pay the principal of the Notes (\$[25,000,000]*) and the interest accrued on the Notes to such date (\$_____).

Use of Proceeds

The City contemplates receiving net proceeds of approximately \$_____ after payment of the costs of issuing the Notes. The net proceeds of the Notes are expected to be applied to pay duly budgeted current expenses of the City. For an estimate of such expenditures, see "APPENDIX B—CASH FLOW," herein. The City expects to invest the proceeds of the Notes pursuant to the State Money Management Act, Title 51, Chapter 7, Utah Code, pending such application.

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* Preliminary; subject to change.

THE CITY

City Officials

The City has a Council-Mayor form of government. The City Council consists of seven members, who are elected by voters within seven geographic districts of approximately equal population. The Mayor is elected at large by the voters of the City and is charged with the executive and administrative duties of the government.

The seven-member, part-time City Council is charged with the responsibility of performing the legislative functions of the City. The City Council performs three primary functions: it passes laws for the City, adopts the City budget and provides administrative oversight by conducting management and operational audits of City departments.

Term information concerning the Mayor and the members of the City Council is set forth below:

<u>Office</u>	<u>District</u>	<u>Person</u>	<u>Years In Service</u>	<u>Expiration of Current Term</u>
Mayor	–	Jacqueline M. Biskupski	1	January 2020
Council Chair	#3	Stan Penfold	7	January 2018
Council Vice Chair	#6	Charlie Luke	5	January 2020
Council Member	#7	Lisa Ramsey Adams	3	January 2018
Council Member	#2	Andrew Johnston	1	January 2020
Council Member	#4	Derek Kitchen	1	January 2020
Council Member	#5	Erin J. Robinson Mendenhall	3	January 2018
Council Member	#1	James Rogers	3	January 2018

City Administration

The offices of Chief of Staff, City Attorney, City Recorder and City Treasurer are appointive offices.

Patrick Leary, Chief of Staff, was appointed to his position on January 4, 2016. Mr. Leary has spent his professional career working in local government administering large organizations such as the Office of the District Attorney, the Salt Lake County Clerk's Office, as well as serving as Associate Director for the Administrative Services Department and Director of the Public Works Department of Salt Lake County. In January 2013, Mr. Leary was appointed as the first Township Executive for Salt Lake County, responsible for providing municipal services to the 160,000 residents living in the unincorporated areas of the County. In his role as Township Executive, Mr. Leary has spearheaded economic revitalization efforts, parks and green-space improvements, enhanced transportation planning, as well as tackling tough problems like health, safety and community development.

Margaret D. Plane, City Attorney, was appointed to her position on June 28, 2013. Ms. Plane received her Juris Doctor degree from the University of Utah in 2002, her Master of Arts degree in Philosophy from the University of Utah and her Bachelor of Arts degree from Rollins College. Before being appointed as City Attorney, Ms. Plane worked in the City Attorney's office as a litigator and as chief counsel for the Department of Human Resources. Prior to working for the City, she was legal director of the American Civil Liberties Union of Utah and was a judicial clerk for the Honorable Pamela T. Greenwood on the Utah Court of Appeals.

Cindi Mansell, City Recorder, was appointed on July 31, 2012. Prior to employment with Salt Lake City, Ms. Mansell worked for various city governments (including Ogden City and Riverdale City) for a total of 24 years. Through the International Institute of Municipal Clerks and in conjunction with the University of Utah, Ms. Mansell completed the Master Municipal Clerk Certificate (MMC) in 2004. In 2005, she received the Certified Records Manager (CRM) designation for professional record managers.

Marina Scott, City Treasurer, was appointed to her position on June 4, 2013. From December 2006 until her appointment, Mrs. Scott was Deputy Treasurer for the City and from September 2005 until December 2006 she served as an Accountant III for the Public Services Department. Mrs. Scott holds a Bachelor of Science degree in Accounting and a Master of Professional Accountancy from Weber State University. She also holds a Master of Arts in Library and Information Science from Vilnius State University.

Employee Workforce and Retirement System

The City currently employs approximately 2,768 full-time employees and approximately 208 hourly and part-time employees for a total employment of approximately 2,976 employees. The City participates in three cost-sharing multiple-employer public employee retirement systems and one multiple-employer agent system which are defined benefit retirement plans covering public employees of the State and employees of participating local governmental entities (the “Systems”). The Systems are administered under the direction of the Utah State Retirement Board whose members are appointed by the Governor of the State. See “APPENDIX A—SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016—Notes to Financial Statements— Note 6—Long-Term Obligations,” “—Note 12—Pension Plans,” and “—Note 14—Defined Contribution Savings Plans.”

Retirement Liability

The City participates in the Utah Retirement System (“URS”). URS is funded and administered by the State. Each year, as approved by the State Legislature, URS sets rates, enacts rules, and implements policies related to the pensions and benefits the City retirees receive. Starting in FY 2014-15, GASB Statement Number 68 requires URS to pass on pension and retirement liability to public entities it serves, including the City. Working with the City’s independent auditors and State specialists, this liability has been recorded on the City’s financial statements for the Fiscal Year ending June 30, 2016 in the amount of \$155,061,469.

Other Post-Employment Benefits

As of January 1, 2016, all post-employment benefits were terminated. Post-employment benefits for employees of the City under the age of 65 were terminated on September 1, 2015, and benefits for those over the age of 65 were terminated on January 1, 2016. During fiscal year 2016, net OPEB obligations decreased from \$1,585,739 to \$0. No contributions were or will be made after January 31, 2016. For additional information regarding the City’s postemployment benefits see “APPENDIX A—SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016—Note 13—Other Post-Employment Benefits.”

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DEBT STRUCTURE OF THE CITY

Outstanding Debt Issues⁽¹⁾ As of June 1, 2017

	Amount of Original Issue	Final Maturity Date	Principal Outstanding
Tax and Revenue Anticipation Notes			
Tax and Revenue Anticipation Notes, Series 2016	\$17,000,000	6/30/2017	\$17,000,000
Tax and Revenue Anticipation Notes, Series 2017 ⁽²⁾	[25,000,000]*	6/29/2018	[25,000,000]*
Total			\$[42,000,000]*
General Obligation Bonds:			
Series 1999 (Library Bonds)	\$81,000,000	6/15/2019	\$95,000
Series 2002 Building and Refunding Bonds (Refunded a portion of Series 1999)	48,855,000	6/15/2017	5,740,000
Series 2009B (The Leonardo)	10,200,000	6/15/2029	1,400,000
Series 2010A (Public Safety Facilities) ⁽³⁾	25,000,000	6/15/2030	19,155,000
Series 2010B (Public Safety Facilities)	100,000,000	6/15/2031	76,485,000
Series 2012A (Refunded a portion of Series 2002)	10,635,000	6/15/2019	10,635,000
Series 2013 (Refunded a portion of Series 2004A)	6,395,000	6/15/2024	5,210,000
Series 2015A Refunding (Taxable Sports Complex)	14,615,000	6/15/2028	12,710,000
Series 2015B Refunding (Open Space)	4,095,000	6/15/2023	3,165,000
Series 2017 Refunding (Refunded portion of Series 2009B)	6,460,000	6/15/2029	<u>6,460,000</u>
Total			\$141,055,000
Water and Sewer Revenue Bonds:			
Series 2009 (Taxable)	\$6,300,000	2/1/2031	\$4,410,000
Series 2010 Revenue Bonds	12,000,000	2/1/2031	8,715,000
Series 2011 Revenue Bonds	8,000,000	2/1/2027	5,255,000
Series 2012 Improvement and Refunding Bonds	28,565,000	2/1/2027	17,800,000
Series 2017 Improvement and Refunding Bonds	72,185,000	2/1/2037	<u>72,185,000</u>
Total			\$108,365,000
Special Improvement District and Assessment Area Bonds:			
Series 2009B 103006	\$1,263,000	9/1/2019	432,000
Series 2009C 102145 & 102146	396,000	9/1/2019	<u>116,000</u>
Total			\$548,000
Sales and Excise Tax Revenue Bonds:			
Series 2007A	\$8,590,000	10/1/2026	\$4,490,000
Series 2009A	36,240,000	10/1/2018	3,395,000
Series 2012A	15,855,000	10/1/2032	13,230,000
Series 2013A (Federally Taxable)	51,270,000	4/1/2038	51,270,000
Series 2013B	7,315,000	10/1/2033	6,600,000
Series 2014A Refunding (Federally Taxable)	26,840,000	10/1/2020	20,590,000
Series 2014B	10,935,000	10/1/2034	10,155,000
Series 2016A	21,715,000	10/1/2028	<u>21,715,000</u>
Total			\$131,445,000
Motor Fuel Excise Tax Revenue Bonds:			
Series 2014	\$8,800,000	4/1/2024	\$6,305,000
Airport Revenue Bonds:			
Series 2017A	\$826,210,000	6/1/2047	\$826,210,000
Series 2017B	173,790,000	6/1/2047	<u>173,790,000</u>
Total			\$1,000,000,000
Local Building Authority Lease Revenue Bonds: ⁽⁴⁾			
Series 2013A	\$7,180,000	10/15/2034	\$6,645,000
Series 2014A	7,095,000	4/15/2035	6,600,000
Series 2016A	6,755,000	4/15/2037	6,755,000
Series 2017A	8,115,000	4/15/2037	<u>8,115,000</u>
Total			\$28,115,000

⁽¹⁾ The Redevelopment Agency of Salt Lake City, a separate entity, has issued bonds, but such bonds are not obligations of the City and are therefore not included in this table. See "APPENDIX A—SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016—Notes to the Financial Statements—Note 6—Long-Term Obligations."

⁽²⁾ For the purposes of this Official Statement, the Notes are considered issued and outstanding.

⁽³⁾ The Series 2010A Bonds remaining maturities, 2017 through 2030, are federally taxable, direct-pay Build America Bonds.

⁽⁴⁾ The Local Building Authority of Salt Lake City, Utah is a separate entity and such bonds are not obligations of the City and are listed here solely for information. The bonds of the Local Building Authority are payable from lease payments to be made by the City, subject to annual appropriation.

* Preliminary; subject to change.

Debt Service Schedule of Outstanding General Obligation Bonds* (As of June 1, 2017)

<u>Fiscal Year</u>	<u>Total Principal</u>	<u>Total Interest</u>	<u>Total Debt Service</u>
2017	13,595,000	4,705,868	18,300,868
2018	13,280,000	4,178,068	17,458,068
2019	13,680,000	3,732,372	17,412,272
2020	8,400,000	3,280,096	11,680,096
2021	8,585,000	3,042,651	11,627,651
2022	8,655,000	2,773,707	11,468,707
2023	8,915,000	2,500,352	11,415,352
2024	8,865,000	2,214,181	11,079,181
2025	8,360,000	1,921,496	10,281,496
2026	8,610,000	1,646,733	10,256,733
2027	8,870,000	1,359,356	10,229,356
2028	9,140,000	1,059,285	10,199,285
2029	8,170,000	746,003	8,916,003
2030	7,710,000	462,436	8,172,436
2031	<u>6,220,000</u>	<u>187,844</u>	<u>6,407,844</u>
Total	<u>\$141,055,000</u>	<u>\$33,810,349</u>	<u>\$174,865,349</u>

* Amounts may not add due to rounding.

Future Debt Plans

City administration continuously evaluates the City's funding of its Capital Improvement Program, and proceeds of lease revenue bonds and sales tax bonds will be considered as one of the sources for funding the City's capital infrastructure. The City has launched the Terminal Redevelopment Program at the Salt Lake City International Airport. Construction on the \$1.8 billion program began in July 2014 and will continue in phases through 2024. The new terminal building is expected to be completed in 2020. The program will create a single terminal, concourses, parking and support facilities. The program is expected to address seismic risk, provide right-sized facilities, solve operational issues, improve customer service, and accommodate growth while maintaining the Airport's competitive cost. In May 2016, a parallel \$740 million North Concourse was announced and approved by all airlines, in addition to the Terminal Redevelopment Program. The North Concourse will add 30 more gates to accommodate forecasted growth in passenger traffic and to replace aging facilities. The City issued \$1 billion in airport revenue bonds in February 2017.

Recent Developments

The City ended the fiscal year 2016 \$3.9 million under budget for expenses in the General Fund. A significant portion of the savings stemmed from lower personnel costs. Overall revenue received was \$2.17 million over budget. Property tax revenues were higher than budgeted due to an increase in personal property tax collections of \$5.27 million. Sales tax revenues were approximately \$1.69 million over budget and, together with the increased property tax revenues, were able to cover the shortfalls experienced in other revenue streams, including decreased revenues for court fines and parking tickets that were approximately \$2.8 million under budget. Over the past few years, the City has experienced increasing sales tax collections and stable property tax revenues. Fund balance for the end of fiscal year 2016 was \$41 million or 16% of total revenues for the year. The City Council and administration have an internal goal to keep the fund balance above 10% of total revenue for each fiscal year. The fund balance decreased by \$1.88 million (on a GAAP basis) compared to the previous fiscal year.

The fiscal year 2016 budget grew by approximately 11% (or \$25.4 million) as compared to the previous year. The largest single increase of \$10.1 million is associated with a State law change recognizing property tax revenue that goes to the redevelopment agency (RDA) as part of the City's budget. Employee related costs increased about \$4 million including 25 new positions in the police department and a cost of living increase of 2% for all city employees. Fiscal year-to-date, overall revenues are tracking slightly above budget.

Overlapping General Obligation Debt (as of June 1, 2016)*

<u>Taxing Entity⁽¹⁾</u>	<u>2015 Taxable Value⁽²⁾</u>	<u>City's Portion of Taxable Value⁽²⁾</u>	<u>City's Percentage</u>	<u>Entity's General Obligation Debt</u>	<u>City's Portion of G.O. Debt</u>
CUWCD ⁽³⁾	\$131,011,302,965	\$21,753,175,225	16.60%	\$230,615,000	\$38,291,418
Salt Lake City School District	21,750,966,143	21,750,966,143	100.00	51,365,000	51,365,000
Salt Lake County	83,918,363,066	21,753,175,225	25.92	182,345,000	<u>47,267,161</u>
Total Overlapping General Obligation Debt.....					136,923,578
Total Direct General Obligation Bonded Indebtedness.....					153,630,00
Total Direct and Overlapping General Obligation Debt					<u>\$290,553,578</u>

(1) 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.

(2) Taxable Value used in this table excludes the taxable value used to determine uniform fees on tangible personal property. See "FINANCIAL INFORMATION REGARDING SALT LAKE CITY, UTAH – Property Tax Matters – *Uniform Fees*" and "FINANCIAL INFORMATION REGARDING SALT LAKE CITY, UTAH – Taxable and Fair Market Value of Property."

(3) Central Utah Water Conservancy District ("CUWCD") encompasses all or a portion of ten State counties, including, among others, Salt Lake County. CUWCD's outstanding general obligation bonds are limited ad valorem tax bonds. By law, CUWCD may levy a tax rate of up to .000400 (subject to certain exceptions) to pay for operation and maintenance expenses and any outstanding general obligation indebtedness.

(Sources: Property Tax Division, Utah State Tax Commission (as to Taxable Value), and entity financials (as to outstanding general obligation debt.))

* This information is currently as of June 1, 2016 and will be updated on or after June 1, 2017 to provide information as of June 1, 2017.

Debt Ratios (as of June 1, 2016)*

The following table sets forth the ratios of general obligation debt of the City and the taxing entities listed in the table above entitled "Overlapping General Obligation Debt" that is expected to be paid from taxes levied specifically for such debt (and not from other revenues) on the taxable value of property within the City, the estimated fair 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.

	<u>To 2015 Taxable Value⁽¹⁾</u>	<u>To Estimated 2015 Fair Market Value⁽²⁾</u>	<u>To Population Per Capita⁽³⁾</u>
Direct General Obligation Debt	0.71%	0.54%	\$797
Direct and Overlapping General Obligation Debt	1.34	1.02	1,508

(1) Based on 2015 Taxable Value of \$21,753,175,225, which value excludes the taxable value used to determine uniform fees on tangible personal property.

(2) Based on 2015 Fair Market Value of \$28,594,182,234, which value excludes motor vehicle values.

(3) Based on 2015 population estimate of 192,672 persons.

* This information is currently as of June 1, 2016 and will be updated on or after June 1, 2017 to provide information as of June 1, 2017.

See "FINANCIAL INFORMATION REGARDING THE CITY—Property Tax Matters—Uniform Fees" and "—Taxable and Fair Market Value of Property," herein.

General Obligation Legal Debt Limit and Additional Debt Incurring Capacity (as of June 1, 2016)

The general obligation indebtedness of the City is limited by State law to 8% of taxable property in the City (4% for general purposes and an additional 4% for sewer, water and electric purposes*) as computed from the last

equalized assessment rolls for State or Salt Lake County, Utah (the “County”) purposes prior to incurring the debt. The legal debt limit and additional debt incurring capacity of the City are based on the estimated fair market value for 2015 and are calculated as follows*:

Estimated 2015 Fair Market Value ⁽¹⁾			<u>\$28,869,216,966</u>
	<u>4% General Purposes</u>	<u>4% Water, Sewer, and Lighting</u>	<u>Total</u>
General Obligation Debt Limit	\$1,154,768,679	\$1,154,768,679	\$2,309,537,357
Less: Outstanding General Obligation Bonds	(153,630,000)	(0)	(153,630,000)
Legal Debt Margin	<u>\$1,001,138,679</u>	<u>\$1,154,768,679</u>	<u>\$2,155,907,357</u>

* The full 8% may be used for water, sewer and electric purposes but if it is so used, then no general obligation bonds may be issued in excess of 8% for any purpose.

(1) For debt incurring capacity only, in computing the fair market value of taxable property in the City, the fair market value of all tax equivalent property (which value includes the taxable value used to determine uniform fees on tangible personal property) has been included as a part of the fair market value of the taxable property in the City. See also “FINANCIAL INFORMATION REGARDING THE CITY—Taxable and Fair Market Value of Property.”

* This information is currently as of June 1, 2016 and will be updated on or after June 1, 2017 to provide information as of June 1, 2017.

No Defaulted Obligations

The City has never failed to pay principal and interest when due on any of its bonds, notes or other financial obligations.

FINANCIAL INFORMATION REGARDING THE CITY

Fund Structure (Accounting Basis)

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance or net assets, revenues, and expenditures or expenses. The various funds are grouped by type in the basic financial statements.

Revenues and expenditures are recognized using the modified accrual basis of accounting in all governmental funds. 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. The City uses 60 days as a cutoff for meeting the available criterion. Property taxes are considered “measurable” when levied and available when collected and held by Salt Lake County. Any amounts not available are recorded as delayed revenue. Franchise taxes are considered “measurable” when collected and held by the utility company, and are recognized as revenue at that time. Other revenues that are determined to be susceptible to accrual include grants-in-aid earned and other intergovernmental revenues, charges for services, interest, assessments, interfund service charges, and proceeds of the sale of property. Property taxes and assessments are recorded as receivables when assessed; however, they are reported as delayed revenue until the “available” criterion has been met. Sales and use taxes collected by the State and remitted to the City within the “available” time period are recognized as revenue. Revenues collected in advance are delayed and recognized in the period to which they apply.

In proprietary funds, 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.

Financial Controls

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 also maintains computerized control by major categories within departments. These computerized controls are such that a requisition cannot be entered into the purchasing system unless the appropriated funds are available. The system checks for sufficient funds again, prior to the purchase order being issued, and again before the payment check is issued. Voucher payments are also controlled by the computer for sufficient appropriations.

Budget and Appropriation Process

The budget and appropriation process of the City is governed by the Uniform Fiscal Procedures Act for Utah Cities, Title 10, Chapter 6, of the Utah Code (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 Fund. 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 in May of each year, the budget officer is required to submit to the City Council tentative budgets for all funds for the fiscal year commencing July 1. Various actual and estimated budget data are required to be set forth in the tentative budgets. The budget officer may revise the budget request submitted by the heads of City departments, but must file 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 nonproperty tax sources available for each fund and the revenue from general property taxes required by each fund. The tentative budget is then provisionally adopted by the City Council, with any amendments or revisions that the City Council deems advisable prior to the public hearings 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 22nd 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.

Insurance Coverage

The City is self-insured for general liability claims, except for liability incurred on premises owned, rented or occupied by the Department of Airports (the "Airport"). The Airport carries Public Entity Excess Liability insurance with \$2,000,000 coverage in excess of the \$1,000,000 self-insured retention. The City also carries Cyber Liability insurance with a \$5,000,000 limit and \$50,000 deductible. The Airport carries Commercial General Liability insurance with a \$500,000,000 policy limit and no deductible. The Governmental Immunity Fund (an internal service fund) has been established to pay liability claims other than those covered by the Airport policy, along with certain litigation expenses.

The City carries an all risk property insurance policy that has a limit of \$500,000,000 with a \$100,000 deductible. The Policy includes: (1) earthquake coverage of \$125,000,000 with a deductible of 2% of the value up to \$2,500,000 maximum, (2) \$100,000,000 in the aggregate in flood coverage for facilities that are located outside the standard report zone with a \$250,000 deductible, but for three identified properties the deductible is \$500,000, (3) boiler and machinery coverage to policy limit with a \$25,000 deductible, and (4), fine art coverage of \$100,000,000 with a \$100,000 deductible. Business interruption and extra expense are covered at \$10,000,000. The

City is self-insured for property loss above the limits and below the deductibles. The operating departments of the General Fund or proprietary funds assume financial responsibility for risk retained by the City for property damage.

The Airport is covered by a separate property insurance policy with a maximum limit of \$500,000,000 annually and a \$100,000 deductible per occurrence. Locations covered include Salt Lake City International Airport, South Valley Regional Airport, and Tooele Valley Airport. Boiler and machinery carries a deductible of \$25,000. Earth movement and flood coverage each carry sublimits of \$150,000,000 with a 2% deductible per unit, subject to a \$100,000 minimum and \$5,000,000 maximum in any one occurrence (defined as a 168-hour period). Windstorm or hail carries a \$100,000,000 limit and a 5% deductible, subject to a minimum \$250,000 deductible per occurrence. Time Element including Business Interruption, Extra Expense, Rental Value, and Rental Income is covered at \$154,462,516 with a 2% deductible up to a maximum \$5,000,000 per occurrence. Sublimits apply for Debris Removal (\$25,000,000), Valuable Papers and Records (\$25,000,000), Errors and Omissions (\$10,000,000), Limited Pollution Coverage (\$500,000), Named Storm (\$1,000,000), etc.

The City Treasurer and the Deputy City Treasurer are each covered under a \$10,000,000 public officials bond. The City also has: (1) public employee dishonesty insurance (an employee “blanket policy”) with a \$1,000,000 limit for theft and a \$20,000 deductible; (2) forgery or alteration coverage with a \$25,000 limit and a deductible of \$1,000; (3) money orders and counterfeit currency coverage with a \$50,000 limit and a \$2,500 deductible; (4) crime inside and outside premises coverage, each with \$50,000 limits and \$2,500 deductibles; and (5) computer fraud and funds transfer fraud, each with \$1,000,000 limits and \$20,000 deductibles. The City also purchases excess workers’ compensation insurance with a \$30,000,000 limit and a \$750,000 self-insured retention per occurrence. The City is self-insured for losses above the limits and below the deductibles. Further, the City is self-insured for [employee long-term disability] and unemployment. The Risk Management Fund (an internal service fund) has been established to pay these claims along with health insurance premiums and certain administrative expenses. During the past three fiscal years, there have been no settlements that exceeded the self-insured retentions.

See “APPENDIX A—SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016—Note 11–Risk Management.”

Investment Policy

City Policy. It is the policy of the City to invest public funds in accordance with the principles of sound treasury management and in compliance with State and local laws, regulations, and other policies governing the investment of public funds, specifically, according to the terms and conditions of the State Money Management Act of 1974 and Rules of the State Money Management Council as currently amended (the “Money Management Act”), and the City’s own written investment policy. The following investment objectives, in order of priority, are met when investing public funds: safety of principal, need for liquidity, and maximum yield on investments consistent with the first two objectives.

The City may use investment advisers to conduct investment transactions on its behalf as permitted by the Money Management Act and local ordinance or policy. Investment advisers must be certified by the Director of the Utah State Division of Securities of the Department of Commerce (the “Director”). Broker/dealers and agents who desire to become certified dealers must be certified by the Director and meet the requirements of the Money Management Act. Only qualified depositories as certified by Utah’s Commissioner of Financial Institutions are eligible to receive and hold deposits of public funds. The State Money Management Council issues a quarterly list of certified investment advisers, certified dealers, and qualified depositories authorized by State statute to conduct transactions with public treasurers. Transactions involving authorized deposits or investments of public funds may be conducted only through issuers of securities authorized by Section 51-7-11(3) of the Utah Code, qualified depositories included in the current State list, and certified dealers included in the current State list. The City Treasurer must take delivery of all investments purchased, including those purchased through a certified investment adviser. This may be accomplished by the City Treasurer taking physical delivery of the security or delivering the security to a bank or trust company designated by the City Treasurer for safekeeping. The City Treasurer may use a qualified depository bank for safekeeping securities or maintain an account with a money center bank for the purpose of settling investment transactions and safekeeping and collecting those investments.

City policy provides that not more than 25% of total City funds or 25% of the qualified depository's allotment, whichever is less, can be invested in any one qualified depository. Not more than 20% of total City funds may be invested in any one certified out-of-state depository institution. However, there is no limitation placed on the amount invested with the Utah Public Treasurer's Investment Fund ("PTIF") and other money market mutual funds, provided that the overall standards of investments achieve the City's policy objectives.

All funds pledged or otherwise dedicated to the payment of interest on and principal of bonds or notes issued by the City are invested in accordance with the terms and borrowing instruments applicable to such bonds or notes. City policy also provides that the remaining term to maturity of an investment may not exceed the period of availability of the funds invested. The investment of City funds cannot be of a speculative nature.

The City's entire portfolio is currently in compliance with all of the provisions of the Money Management Act.

The Utah Public Treasurers' Investment Fund. The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. Currently the City has approximately \$1.2 billion on deposit in the PTIF, representing a substantial portion of the City's funds. All investments in the PTIF must comply with the Money Management Act and rules of the State 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, 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 State Money Management Council and is audited by the State Auditor.

The information in this section concerning the current status of the PTIF has been obtained from sources the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

See "APPENDIX A—SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016—Notes to the Financial Statements—Note 2—Cash, Cash Equivalents and Investments" below.

Property Tax Matters

General. The Property Tax Act, Title 59, Chapter 2, Utah Code (the "Property Tax Act"), provides that all taxable property within the taxing entity is required to be assessed and taxed at a uniform and equal rate on the basis of 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." Determinations of "fair market value" shall take into account the current zoning laws applicable to the property in question. Section 2 of Article XIII of the State of Utah Constitution (the "State Constitution") provides that the State Legislature may by law exempt from taxation up to 45% of the fair market value of residential property as defined by law. Pursuant to this provision, the State Legislature enacted legislation providing that the "fair market value" of primary residential property will be reduced by 45%. No more than one acre of land per residential unit may qualify for the residential exemption.

The Property Tax Act provides that the Utah State Tax Commission (the "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 properties, and (v) mines, mining claims and appurtenant machinery, furnishings and improvements, including oil and gas properties. 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. Each county assessor 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 either the age or 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, recreational vehicles and all other tangible personal property required to be registered with the State, excluding exempt property such as aircraft and property subject to a fixed age-based fee, and motor homes, for which the uniform fee is 1.0% of the fair market value. Motor vehicles weighing 12,000 pounds or less are subject to an age-based fee that is due each time the vehicle is registered. The age-based fee is for passenger-type vehicles and ranges from \$10 to \$150, depending on the age of the vehicle. Recreational vehicles (except motor homes), motorcycles, watercraft (except large watercraft), snowmobiles and certain small motor vehicles required to be registered with the State are also subject to an age-based fee that ranges from \$10 to \$700, depending on the age of the vehicle. The revenues collected from the various uniform fees are distributed by the county to the taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed.

Tax Levy and Collection. The State Tax Commission must assess all centrally assessed property by May 1 of each year and shall immediately notify the owners or operators of such property, and the county assessors, of such assessment. County assessors must assess all taxable property other than centrally assessed property before May 22 of each year. Before May 25 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 final tax rate before June 22 except as described below for rates in excess of the certified tax rate. County auditors must forward to the State Tax Commission a statement prepared by the governing body of each taxing entity showing the amount and purpose of each levy.

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 level 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 the county assessors may file an application with the appropriate county board of equalization for the purpose of contesting the assessed valuation of their property. The county boards of equalization must render a decision on each appeal. Such decisions may be appealed to the State Tax Commission, which must decide all appeals by March 1 of the following year. Owners of centrally assessed property, or any county with a showing of reasonable cause, may apply to the State Tax Commission for a hearing. The State Tax Commission must render a written decision no later than 120 days following completion of the hearing and submission of all post hearing briefs. The county auditors must make a record of all changes, corrections, and orders and, before November 1, must deliver the corrected assessment rolls to their respective county treasurers. By November 1, the county treasurer is to furnish to each taxpayer a notice containing, among other things, the amount of the tax levied on the property and the year that the property is subject to a detailed review as described above. Taxes are due November 30 or, if a Saturday, Sunday, or holiday, the next business day following.

Each county treasurer is responsible for collecting all taxes levied on real property within that county. As taxes are collected, each county treasurer must pay the State and each taxing entity within the county its proportionate share of the taxes, on the tenth day of each month. Delinquent taxes are subject to a penalty of 2.5% of the amount of the taxes or \$10.00 whichever is greater. However, if the delinquent taxes and penalty are paid on or before January 31 of the following year, the penalty is only 1% of the amount of the delinquent taxes or \$10.00, whichever is greater. The amount of delinquent taxes and penalty bears interest at the federal funds rate target in effect on January 1, plus 6% from January 1 until paid, but can be no less than 7% and no more than 10%. If after four years (March 15 of the fifth year after assessment) delinquent taxes have not been paid, the affected county may advertise and sell the property at a tax sale.

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 proposed increase in the certified tax rate, 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 in excess of the certified tax rate. If a resolution levying a tax in excess of the certified tax rate is not forwarded to the county auditor by August 17, the county auditor must forward the certified tax rate to the State Tax Commission. 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 new growth. New growth is any increase in taxable value of the taxing entity from the previous calendar year to the current year less the amount of increase to locally-assessed real property taxable values resulting from factoring, reappraisal, other adjustments, or changes in the method of apportioning taxable value. 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.

On or before July 22 of the year in which such an increase is proposed, notice of the public hearing must be mailed to all property owners and, in most cases, must be advertised electronically and by publication. The notice of the hearing 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.

Sources of General Fund Revenues

Set forth below are brief descriptions of the various sources of revenues available to the City’s general fund. The percentage of total general fund revenues represented by each source is based on the City’s audited June 30, 2016 fiscal year period.

General property taxes – Approximately 39% of general fund revenues are from general property taxes.

Sales, use and excise taxes – Approximately 24% of general fund revenues are from sales, use and excise taxes.

Franchise taxes – Approximately 11% of general fund revenues are from franchise taxes.

Licenses and Permits – Approximately 12% of general fund revenues are from licenses and permits.

Interfund service charges – Approximately 4% of general fund revenues are from interfund service charges.

Intergovernmental – Approximately 2% of general fund revenues are from intergovernmental revenues.

Charges for Services – Approximately 2% of general fund revenues are from charges for services.

Fines and forfeitures – Approximately 2% of general fund revenues are from fines and forfeitures.

Parking meter – Approximately 1% of general fund revenues are from parking meters.

Parking ticket – Approximately 1% of general fund revenues are from parking tickets.

Interest – Less than 1% of general fund revenues are from interest income.

Miscellaneous – Approximately 3% of general fund revenues are from miscellaneous revenues.

Sales and Use Taxes

The Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code (the “Sales and Use Tax Act”), provides that each county, city and town in the State may levy a local sales and use tax of up to 1.00% on the purchase price of taxable goods and services. The legislative intent contained in the Sales and Use Tax is to provide an additional source of revenues to counties and municipalities that is to be used to finance their capital outlay requirements and to service their bonded indebtedness. The City has levied the Sales and Use Taxes at the maximum legal rate of 1.00%.

Sales tax is imposed on the amount paid or charged for sales of tangible personal property in the State and for services rendered in the State for the repair, renovation or installation of tangible personal property. Use tax is imposed on the amount paid or charged for the use, storage or other consumption of tangible personal property in the State, including services for the repair, renovation or installation of such tangible personal property. Sales and use taxes also apply to leases and rentals of tangible personal property if the tangible personal property is in the State, the lessee takes possession in the State or the tangible personal property is stored, used or otherwise consumed in the State.

In addition to the local sales and use tax levied by the City, the State levies a statewide sales and use tax (the “Statewide Tax”) that is currently imposed at a rate of 4.70% of the purchase price of taxable goods and services, excluding unprepared food and food ingredients. Sales of unprepared food and food ingredients are taxed by the State at a rate of 1.75%. The State also levies a 2.00% tax on sales of natural gas, electricity and fuel oil for residential use.

In addition to the sales and use taxes described above, counties and cities in the State are authorized to impose certain additional sales and use taxes for various purposes as authorized by State law. The maximum sales and use tax levied on taxable goods and services within the City’s boundaries by the State, Salt Lake County and the City is 6.85% and is comprised of certain of the various sales taxes mentioned in the preceding sentence, the Statewide Tax and local sales and use taxes.

Local sales and use taxes are collected by the Tax Commission and distributed on a monthly basis to each county, city and town. The distributions to the City are based on a formula, which provides that (a) 50% of each dollar of sales tax collections will be distributed on the basis of the population of the local government and (b) 50% of each dollar of sales tax collections will be distributed on the basis of the point of sale.

Utility Franchise Taxes and Fees

Under State law, counties and municipalities have the authority to impose a tax, license, fee, license fee, license tax or similar charge that, in the aggregate, may not exceed 6% of gross revenues of public utilities collected within the boundaries of the municipality (or, in the case of gas and electric service providers, not exceeding 6% of the “delivered value” of “taxable energy”). Utilities upon which these taxes and fees may be levied include telephone, natural gas, electric energy service companies, telecommunications companies and city public utilities. Utility franchise taxes and fees are collected in the same manner as sales and use taxes. Energy sales and use taxes are generally collected by the Tax Commission and distributed on a monthly basis to the applicable municipality. In certain circumstances, however, energy sales and use taxes are remitted by the energy service provider directly to the applicable municipality.

The City levies utility franchise fees and privilege taxes equal in the aggregate to (i) 6% of gross receipts of energy utilities doing business within its boundaries and (ii) 6% of the gross revenues received by the Public Utilities Department of the City. The City also levies a 3.50% municipal telecommunications license tax on each telecommunications provider's gross receipts and a 5.00% cable franchise fee on each cable provider's gross receipts.

Five-Year Financial Summaries

The following tables set forth a summary of certain financial information regarding the City and have been extracted from the City's audited general purpose financial statements for the fiscal years ended June 30, 2012 through June 30, 2016. These summaries are unaudited.

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SALT LAKE CITY CORPORATION, UTAH
Statement of Net Position—Governmental Activities (Unaudited)

	<u>Fiscal Year Ended June 30, 2016</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Assets:					
Current assets:					
Cash, and cash equivalents					
Unrestricted	\$144,244,008	\$128,016,575 ⁽¹⁾	\$73,966,245	\$55,516,081	\$51,521,830
Restricted	47,387,356	60,642,893	101,151,850	139,320,820	161,208,939
Receivables:					
Property, franchise and excise taxes	101,183,986	100,121,103	81,805,446	86,151,588	80,616,322
Assessments	4,668,897	2,595,098 ⁽³⁾	2,551,004 ⁽³⁾	3,805,920 ⁽³⁾	2,260,400 ⁽²⁾
Loans and other receivables	14,226,045	9,930,757	15,216,450	15,345,969	14,420,984
Due from other governments	685,229	1,729,533	4,389,607	1,307,053	1,850,815
Other, principally accrued interest	869,563	1,700,703	357,293	897,928	759,586
Prepaid Expenses	2,363,622	2,523,993	2,302,322	113,235	90,391
Inventories	689,096	695,405	615,203	673,176	681,302
Internal balances	<u>5,460,948</u>	<u>3,038,817</u>	<u>3,286,586</u>	<u>3,100,291</u>	<u>1,775,051</u>
Total current assets	323,909,328	<u>310,994,877⁽⁴⁾</u>	<u>285,642,006</u>	<u>306,232,061</u>	<u>315,185,620</u>
Noncurrent assets:					
Restricted cash and cash equivalents	1,183,951	1,074,935	—	—	—
Property and equipment, at cost:					
Land and water rights	206,831,004	65,077,179	206,619,773	184,724,547	182,306,714
Infrastructure	294,542,403	429,932,898	285,616,313	283,180,839	284,313,023
Buildings	382,232,503	373,225,399	363,287,624	232,842,984	232,610,403
Improvements other than buildings	50,762,191	48,870,840	48,628,532	47,327,274	40,146,010
Machinery and equipment	109,411,267	105,249,654	100,440,157	94,557,402	91,383,819
Construction in progress	83,461,658	81,220,221	57,988,266	168,366,832	104,693,971
Accumulated depreciation	<u>(309,570,259)</u>	<u>(289,299,663)</u>	<u>(264,949,416)</u>	<u>(247,788,110)</u>	<u>(236,148,086)</u>
Net property and equipment	817,670,767	814,276,528	797,631,249	763,211,768	699,305,854
Bond issue costs	—	— ⁽⁸⁾	— ⁽⁸⁾	1,012,935 ⁽⁷⁾	1,104,310 ⁽⁶⁾
Pollution remediation receivable	—	—	—	—	—
Net pension asset	63,558	2,924,117	—	—	—
Investment in joint venture	<u>739,790</u>	<u>557,597</u>	<u>519,492</u>	<u>438,535</u>	<u>450,786</u>
Total noncurrent assets	819,658,066	818,833,177	798,150,741	764,663,238	700,860,950
Total assets	<u>\$1,143,567,394</u>	<u>\$1,129,828,054</u>	<u>\$1,083,792,747</u>	<u>\$1,070,895,299</u>	<u>\$1,016,046,570</u>
Deferred Outflows of Resources:					
Deferred outflows—Pension	45,409,809	13,322,572	—	—	—
Deferred gain on the refunding of debt	<u>2,171,010</u>	—	<u>3,698,729</u>	—	—
Total assets and deferred outflows of resources	<u>\$1,191,148,213</u>	<u>\$1,143,150,626</u>	<u>\$1,087,491,476</u>	<u>\$1,070,895,299</u>	<u>\$1,016,046,570</u>

⁽¹⁾ The changes in unrestricted and restricted cash and cash equivalents are due, for the most part, to the timing of the release of bond proceeds from restricted accounts until such proceeds are actually spent.

⁽²⁾ Including \$242,722 of delinquent assessments.

⁽³⁾ Including \$384,417 of delinquent assessments.

⁽⁴⁾ The increase in current assets is due primarily to an increase in personal property and real property taxes as well as the inclusion of Redevelopment Agency property taxes in the General Fund, as recommended by the State Auditor.

⁽⁵⁾ Less accumulated amortization of \$1,364,557.

⁽⁶⁾ Less accumulated amortization of \$149,072.

⁽⁷⁾ Less accumulated amortization of \$1,993,802.

⁽⁸⁾ Beginning with fiscal year 2014, the City implemented GASB 65 which modified the reporting of certain items previously recognized as assets.

(Source: The City's Comprehensive Annual Financial Report for the indicated years. This summary has not been audited.)

SALT LAKE CITY CORPORATION
Statement of Net Position—Governmental Activities
(Unaudited)
(continued)

	Fiscal Year Ended June 30, 2016				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Liabilities:					
Current liabilities:					
Accounts payable	\$11,932,267	\$12,494,584	\$11,375,235	\$19,733,883	\$19,183,927
Accrued liabilities	17,527,854	16,358,439	14,681,200	12,639,205	12,486,157
Due to other funds for cash overdraft	2,130,578	1,729,533	1,798,254	20,534,674	6,132,555
Current portion of long-term compensated absences	2,700,423	2,656,393	2,541,261	2,533,826	2,241,031
Current portion of estimated claims payable	-	-	128,037	2,861,487	3,611,364
Current portion of long-term debt payable from unrestricted assets	26,885,166	27,338,678	23,237,990	21,247,049	19,989,585
Special assessment debt with governmental commitment	-	-	-	-	559,000
Unearned revenue	-	-	-	2,582,478	65,114,001
Deferred revenue	-	-	-	72,809,202	-
Other liabilities payable from restricted assets	4,792,821	2,632,770	122,875	501,361	488,029
Current deposits and advance rentals	<u>3,337,915</u>	<u>4,482,055</u>	<u>9,996,217</u>	<u>1,600,710</u>	<u>1,076,864</u>
Total current liabilities	<u>69,307,024</u>	<u>67,692,452</u>	<u>63,881,069</u>	<u>157,043,875</u>	<u>130,882,513</u>
Deferred Inflows of Resources:					
Unavailable property tax revenues	90,320,161	85,539,630	69,347,133	-	-
Unavailable grant revenue	-	-	154,615	-	-
Deferred Inflows-Pension	<u>12,976,538</u>	<u>13,793,934</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows	<u>103,296,699</u>	<u>99,333,564</u>	<u>69,501,748</u>	<u>-</u>	<u>-</u>
Noncurrent liabilities:					
Long-term compensation liability	17,470,993	17,407,210	17,209,088	16,213,834	15,120,125
Other post-employment absences benefits	-	1,150,288	33,369,000	27,153,000	20,954,000
Estimated claims payable	8,367,313	-	5,418,383	2,108,000	1,198,831
Bonds payable	302,213,045	307,133,658	310,655,344	257,085,511	252,302,450
Notes payable	-	22,453,000	22,919,856	34,322,309	26,567,678
Net pension liability	112,772,564	88,201,322	-	-	-
Notes payable from restricted assets	<u>12,177,209</u>	<u>-</u>	<u>-</u>	<u>440,510</u>	<u>703,259</u>
Total noncurrent liabilities	<u>453,001,124</u>	<u>436,345,478</u>	<u>389,571,671</u>	<u>337,323,164</u>	<u>316,846,343</u>
Total liabilities	<u>522,308,148</u>	<u>504,037,930</u>	<u>453,452,740</u>	<u>494,367,039</u>	<u>447,728,856</u>
Net Assets:					
Invested in capital assets, net of related debt	601,185,318	504,457,177	529,133,876	576,786,227	488,881,693
Restricted for:					
Debt service	1,975,291	4,676,505	4,726,742	22,363	-
Capital projects	59,089,891	68,887,524	27,943,291	70,774,227	108,894
Unrestricted	<u>(96,707,134)</u>	<u>(38,242,074)</u>	<u>2,733,079</u>	<u>(71,054,557)</u>	<u>79,327,127</u>
Total net assets	<u>565,543,366</u>	<u>539,779,132</u>	<u>564,536,988</u>	<u>576,528,260</u>	<u>568,307,714</u>
Total liabilities and net assets	<u>\$1,191,148,213</u>	<u>\$1,143,150,626</u>	<u>\$1,087,491,476</u>	<u>\$1,070,895,299</u>	<u>\$1,016,036,570</u>

(Source: The City's Comprehensive Annual Financial Report for the indicated years. This summary has not been audited.)

SALT LAKE CITY CORPORATION
Balance Sheet—General Fund
(Unaudited)

	Fiscal Year Ended June 30, 2016				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
ASSETS AND OTHER DEBITS					
Assets:					
Cash and cash equivalents	\$41,201,923	\$42,429,252	\$32,947,289	\$26,293,281	\$21,931,749
Receivables:					
Property, franchise and excise taxes	108,976,077	99,626,134	81,319,861	85,748,520	80,220,923
Loans, prepaids and other receivables	2,895,090	7,845,359	10,592,327	2,890,736	2,742,556
Due from other governments	-	-	-	5,000	-
Other, principally accrued interest	-	-	1,199,647	412,370	277,259
Restricted Assets:					
Cash and cash equivalents	<u>1,436,374</u>	<u>802,540</u>	<u>664,176</u>	<u>-</u>	<u>113,801</u>
Total Assets and Other Debits	<u>\$154,509,464</u>	<u>\$150,703,285</u>	<u>\$126,723,300</u>	<u>\$115,349,907</u>	<u>\$105,286,288</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$3,745,483	\$3,335,717	\$3,855,796	3,029,608	\$2,609,281
Accrued liabilities	14,743,977	13,008,109	11,955,452	13,428,351	12,119,520
Current deposits and advance rentals	2,429,943	1,698,769	1,564,396	1,441,539	1,076,864
Current portion	2,326,249	2,220,343	2,120,952	-	-
Delayed Revenue Recognition	-	2,080,744	4,284,464	-	-
Deferred Revenue	-	-	-	70,329,536	64,349,615
Total liabilities	<u>23,245,652</u>	<u>22,343,682</u>	<u>23,781,060</u>	<u>88,229,034</u>	<u>80,155,280</u>
DEFERRED INFLOWS OF RESOURCES					
Receivables not meeting the available criterion	<u>90,171,915</u>	<u>85,386,474</u>	<u>69,347,133</u>	<u>-</u>	<u>-</u>
Total deferred inflows	<u>90,171,915</u>	<u>85,386,474</u>	<u>69,347,133</u>	<u>-</u>	<u>-</u>
FUND BALANCES:					
Nonspendable	10,936,767	6,847,368	3,156,470	2,582,478	3,079,857
Restricted	-	-	-	-	113,801
Committed	-	-	-	-	2,142,919
Assigned	7,098,940	6,691,399	3,789,277	2,369,642	-
Unassigned	<u>23,056,190</u>	<u>29,434,362</u>	<u>26,649,360</u>	<u>22,168,753</u>	<u>19,794,431</u>
Total fund balance	<u>41,091,897</u>	<u>42,973,129</u>	<u>33,595,107</u>	<u>27,120,873</u>	<u>25,131,008</u>
Total liabilities and fund balances	<u>\$154,509,464</u>	<u>\$150,703,285</u>	<u>\$126,723,300</u>	<u>\$115,349,907</u>	<u>\$105,286,288</u>

(Source: The City's Comprehensive Annual Financial Report for the indicated years. This summary has not been audited.)

SALT LAKE CITY CORPORATION
Statement of Revenues, Expenditures and Changes in Fund Balance—General Fund
(Unaudited)

	<u>Fiscal Year Ended June 30, 2016</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues And Expenditures					
Revenues:					
General property tax	\$96,359,007	\$79,844,217	\$77,407,225	\$67,309,705	\$62,347,247
Sales, use and excise taxes	59,927,247	57,873,243	55,380,938	53,775,978	49,635,583
Franchise taxes	27,972,665	28,132,535	27,881,251	27,843,740	28,232,971
Licenses	14,414,308	12,933,000	12,238,009	11,846,336	9,755,248
Permits	14,274,844	11,338,531	9,320,153	8,187,911	8,863,736
Fines and forfeitures	3,632,916	4,806,559	4,993,420	5,097,550	5,840,640
Interest	1,000,100	677,898	950,690	415,827	433,122
Intergovernmental	5,453,584	5,325,014	5,207,625	5,032,566	5,039,294
Interfund service charges	11,051,279	10,372,337	10,070,874	9,834,116	9,830,406
Parking meter collections	3,324,616	3,294,774	3,220,203	3,003,184	1,791,922
Parking tickets	2,844,690	2,876,299	2,128,736	3,041,874	3,374,058
Charges for services	4,063,532	4,800,655	4,820,246	4,195,655	4,558,938
Rental and other income	887,017	-	-	-	-
Contributions	-	24,323	24,894	23,679	10,650
Miscellaneous	<u>5,295,397</u>	<u>6,218,029</u>	<u>5,076,269</u>	<u>3,526,351</u>	<u>2,708,746</u>
Total Revenues	<u>250,501,202</u>	<u>228,517,454</u>	<u>218,720,533</u>	<u>203,134,472</u>	<u>192,422,561</u>
Expenditures:					
City Council	2,721,621	2,426,454	2,299,541	2,224,525	2,178,462
Mayor	2,456,932	2,635,082	2,515,823	2,473,056	2,452,208
City Attorney	5,442,492	5,324,431	5,615,937	5,422,770	5,212,761
Finance	6,355,798	6,061,407	6,813,243	5,603,552	4,702,460
Fire	38,203,990	37,049,088	35,507,507	34,184,764	35,529,048
Combined Emergency Services	6,919,161	6,394,929	6,269,384	5,121,394	-
Police	60,822,121	57,719,656	55,352,429	54,719,921	56,894,419
Community & Econ Dev.	21,240,753	19,468,686	17,582,028	16,823,833	17,029,116
Justice Court	4,024,112	3,892,584	3,790,482	3,928,490	4,226,916
Human Resources	2,165,444	2,090,499	1,994,718	1,882,475	1,760,846
Public Services	39,890,516	37,012,824	33,469,895	33,287,092	33,515,617
Nondepartmental	27,761,151	23,547,487	23,207,263	21,359,218	15,898,701
Interest and other fiscal charges	<u>321,134</u>	<u>219,320</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>218,325,225</u>	<u>203,842,447</u>	<u>194,418,250</u>	<u>187,031,090</u>	<u>179,400,554</u>
Revenues Over Expenditures	<u>32,175,977</u>	<u>24,675,007</u>	<u>24,302,283</u>	<u>16,103,382</u>	<u>13,022,007</u>
Other Financing Sources (Uses):					
Proceeds from sale of property	353,121	405,393	436,357	542,981	488,761
Transfers in	5,393,054	7,867,962	5,599,921	4,156,639	3,518,849
Transfers out	<u>(39,803,384)</u>	<u>(23,570,340)</u>	<u>(23,864,327)</u>	<u>(18,813,137)</u>	<u>(18,362,584)</u>
Total Other Financing Sources (Uses)	<u>(34,057,209)</u>	<u>(15,296,985)</u>	<u>(17,828,049)</u>	<u>(14,113,517)</u>	<u>(14,354,974)</u>
Net Change in Fund Balances	(1,881,232)	9,378,022	6,474,234	1,989,865	(1,332,967)
Fund Balance Prior Year (July 1)	<u>42,973,129</u>	<u>33,595,107</u>	<u>27,120,873</u>	<u>25,131,008</u>	<u>26,463,975</u>
Fund Balance Year End (June 30)	<u>\$41,091,897</u>	<u>\$42,973,129</u>	<u>\$33,595,107</u>	<u>\$27,120,873</u>	<u>\$25,131,008</u>

(Source: The City's Comprehensive Annual Financial Report for the indicated years. This summary has not been audited.)

Historical City Tax Rates

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Purposes	0.003617	0.003861	0.003787	0.003965	0.003574
Interest & Sinking Fund	0.000910	0.000989	0.001066	0.001064	0.001097
Library	0.000705	0.000747	0.000782	0.000820	0.000846
Judgment Recovery	<u>0.000030</u>	<u>0.000014</u>	<u>0.000040</u>	<u>0.000007</u>	<u>0.000072</u>
Total Levy	0.005262	0.005611	0.005675	0.005856	0.005589

Comparative Property Tax Rates within Salt Lake County

<u>Tax Levying Entity</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Alta Town	0.001153	0.001204	0.001200	0.001091	0.001065
Bluffdale City	0.001218	0.001309	0.001419	0.001523	0.001630
Cottonwood Heights City	0.002064	0.002239	0.002386	0.002522	0.002654
Draper City	0.001560	0.001701	0.001791	0.001887	0.002009
Herriman City	0.000342	0.000361	0.000384	0.000418	0.000435
Holladay (City of)	0.001420	0.001528	0.001596	0.001707	0.001791
Midvale City	0.001398	0.000609	0.000623	0.000658	0.000687
Murray City	0.001892	0.002049	0.002156	0.002216	0.002259
Riverton City	0.000000	0.000000	0.000000	0.000000	0.000000
<i>Salt Lake City</i>	<i>0.005262</i>	<i>0.005611</i>	<i>0.005675</i>	<i>0.005856</i>	<i>0.005589</i>
Sandy City	0.001321	0.001426	0.001413	0.001520	0.001520
South Jordan City	0.001951	0.002082	0.002210	0.002376	0.002376
South Salt Lake City	0.002303	0.002454	0.002572	0.002757	0.002757
Taylorsville (City of)	0.001165	0.001250	0.001294	0.002722	0.002202
West Jordan City	0.002139	0.002251	0.002368	0.002562	0.002674
West Valley City	0.004233	0.004199	0.004381	0.004670	0.004857

(Source: Property Tax Division, Utah State Tax Commission.)

The City notes that the 2017 tax rates are expected to be set in August 2017.

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Taxable and Fair Market Value of Property in the City

Excluding Fee-In-Lieu/Age Based Valuation

<u>Year</u>	<u>Taxable Value⁽¹⁾</u>	<u>% Change Over Prior Year</u>	<u>Fair Market Value⁽²⁾</u>	<u>% Change Over Prior Year</u>
2015	\$21,753,175,225	5.75%	\$28,594,182,234	6.02%
2014	20,570,127,590	6.85	26,971,066,587	6.56
2013	19,251,047,850	5.59	25,316,280,083	5.14
2012	18,231,072,284	0.04	24,078,371,047	(0.38)
2011	18,224,321,911	0.90	24,169,941,822	0.88

Including Fee-In-Lieu/Age Based Valuation

<u>Year</u>	<u>Taxable Value</u>	<u>% Change Over Prior Year</u>	<u>Fair Market Value</u>	<u>% Change Over Prior Year</u>
2015	\$22,028,209,957	5.54%	\$28,869,216,966	5.85%
2014	20,871,553,904	6.83	27,272,492,901	6.52
2013	19,537,675,384	5.55	25,602,907,617	5.11
2012	18,511,000,101	0.03	24,358,298,864	(0.38)
2011	18,504,562,128	(2.26)	24,450,182,039	(1.53)

(1) Sources: Property Tax Division, Utah State Tax Commission.

(2) Estimated fair market value has been 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. See "FINANCIAL INFORMATION REGARDING THE CITY— Property Tax Matters."

(Source: Property Tax Division, Utah State Tax Commission.)

Also see "FINANCIAL INFORMATION REGARDING THE CITY — Historical Summaries of Taxable Values of Property."

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Historical Summaries of Taxable Values of Property

	2015 <u>Taxable Value</u>	<u>% of T.V.</u>	2014 <u>Taxable Value</u>	2013 <u>Taxable Value</u>	2012 <u>Taxable Value</u>	2011 <u>Taxable Value</u>
Set by State Tax						
Commission—Centrally Assessed						
Total Centrally Assessed	\$1,817,109,028	8.3%	\$1,675,913,941	\$1,618,052,878	\$1,577,040,773	\$1,610,083,284
Set by County Assessor—Locally Assessed						
Real property:						
Primary residential	8,357,868,503	37.9	7,819,896,520	7,142,953,245	7,263,214,853	7,204,572,132
Secondary residential	182,452,500	0.8	180,578,950	180,928,160	180,003,270	176,730,700
Commercial and industrial	9,262,137,660	42.0	8,769,911,490	7,607,614,630	7,472,027,650	7,341,913,730
Unimproved Non-FAA-						
Vacant	1,234,960	0.00	1,218,420	944,740	989,980	945,030
Agricultural	<u>128,210</u>	<u>0.00</u>	<u>119,110</u>	<u>58,730</u>	<u>56,380</u>	<u>62,270</u>
Total real property	17,803,821,833	80.3	16,771,724,490	14,932,499,505	14,916,292,133	14,724,223,862
Personal property:						
Primary mobile homes	3,362,286	0.0	3,473,366	3,745,243	3,653,927	3,709,447
Secondary mobile homes	5,731,645	0.0	5,180,360	5,256,207	4,722,895	6,782,678
Other business personal property	2,119,110,364	9.6	2,108,139,193	1,671,214,675	1,722,599,061	1,716,215,584
SCME ⁽¹⁾	<u>4,040,070</u>	<u>0.0</u>	<u>5,696,240</u>	<u>303,776</u>	<u>13,122</u>	<u>0</u>
Total personal property	2,132,244,365	9.8	2,122,489,159	1,680,519,901	1,730,989,005	1,726,707,709
Fee in lieu/age based property ⁽²⁾	<u>275,034,731</u>		<u>301,426,315</u>	<u>279,927,817</u>	<u>280,240,217</u>	<u>871,616,151</u>
Total locally assessed	20,211,100,929	91.7%	19,195,639,963	16,892,947,223	16,927,521,355	17,322,547,722
Total taxable value	<u>\$22,028,209,957</u>	<u>100.0%</u>	<u>\$20,871,553,904</u>	<u>\$18,511,000,101</u>	<u>\$18,504,562,128</u>	<u>\$18,932,631,006</u>
Total taxable value (less Uniform Fee Value)	<u>\$21,753,175,225</u>	<u>98.7%</u>	<u>\$20,570,127,590</u>	<u>\$18,231,072,284</u>	<u>\$18,224,321,911</u>	<u>\$18,061,014,855</u>

⁽¹⁾ Semiconductor Manufacturing Equipment.

(Source: Property Tax Division, Utah State Tax Commission.)

⁽²⁾ See "FINANCIAL INFORMATION REGARDING THE CITY — Property Tax Matters."

Tax Collection Record

Fiscal Year Ended	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy ⁽¹⁾		Collection in Subsequent Years	Total Collections to Date	
<u>June 30</u>	<u>(\$000)</u>	<u>Amount (\$000)</u>	<u>Percentage of Levy</u>	<u>(\$000)</u>	<u>Amount (\$000)</u>	<u>Percentage of Levy</u>
2016	\$92,356	\$91,429	99.0%	\$ -	\$91,429	99.0%
2015	75,914	74,933	98.7	521	75,454	99.4
2014	72,612	71,497	98.5	840	72,337	99.6
2013	64,134	63,003	98.2	982	63,985	99.8
2012	63,176	61,776	97.8	1,214	62,990	99.7

⁽¹⁾ Payments are not considered delinquent until after November 30.

Some of the Largest Taxpayers in the City (as of December 2016)

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2015 Taxable Value⁽¹⁾</u>	<u>Percentage of the City's 2011 Taxable Value</u>
LDS Church (Property Reserve, City Creek Reserve, Desert Title)	Real Estate Holding	\$866,974,522	4.0%
Pacificorp	Electric Utility	442,656,246	1.6
Boyer Properties	Real Estate Holding	358,193,800	1.6
Delta Airlines	Air Transportation	248,606,580	1.1
Wasatch Plaza Holding	Real Estate Holding	202,508,700	.9
Sky West Airlines	Air Transportation	181,381,535	.8
Century Link	Communication	136,783,109	.6
Questar Gas	Natural Gas	136,557,237	.6
KBS111 222 Main	Real Estate Holding	135,588,000	.6
Grand American Hotel Corporation	Hospitality	<u>91,620,600</u>	<u>.4</u>
		<u>\$2,800,870,329</u>	<u>8.2%</u>

⁽¹⁾ Taxable Value used in this table *excludes* all tax equivalent property associated with motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State. See "FINANCIAL INFORMATION REGARDING THE CITY – Taxable and Fair Market Value of Property."
(Source: City financial statements for the year ended June 30, 2016.)

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TAX MATTERS

Federal Income Tax

In the opinion of Ballard Spahr LLP, Note Counsel to the City, interest on the Notes is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Notes, assuming the accuracy of the certifications of the City and continuing compliance by the City with the requirements of the Internal Revenue Code of 1986. Interest on the Notes is not an item of tax preference for purposes of either individual or corporate federal alternative minimum tax (“AMT”); however, interest on Notes held by a corporation (other than an S corporation, regulated investment company, or real estate investment trust) may be indirectly subject to federal AMT because of its inclusion in the adjusted current earnings of a corporate holder.

Original Issue Premium. The Notes may be offered at a premium (“original issue premium”) over their principal amount. For federal income tax purposes, original issue premium is amortizable periodically over the term of the Notes through reductions in the holder’s tax basis for the Notes for determining taxable gain or loss from sale or from redemption prior to maturity. Amortization of premium does not create a deductible expense or loss. Holders should consult their tax advisers for an explanation of the amortization rules.

State of Utah Income Tax

Note Counsel is also of the opinion that interest on the Notes is exempt from State of Utah individual income taxes under currently existing law.

No Further Opinion

Note Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of, or the accrual or receipt of interest on, the Notes.

Changes in Federal and State Tax Laws

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to herein or adversely affect the marketability or market value of the Notes or otherwise prevent holders of the Notes from realizing the full benefit of the tax exemption of interest on the Notes. Further, such proposals may impact the marketability or market value of the Notes simply by being proposed. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to Notes issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Notes. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Notes would be impacted thereby.

Purchasers of the Notes should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Note Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Notes, and Note Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

LEGAL MATTERS

Litigation

The City Attorney reports the following matters involving potential financial liability of the City:

Lawsuits are periodically filed against the City and/or its employees, involving tort and civil rights matters. The City has a statutory obligation to defend and indemnify its officers and employees in relation to lawsuits arising from acts or failures to act of the officers or employees while in the scope and course of employment.

The City maintains a governmental immunity fund for claims against the City. In the event the fund is not sufficient to pay any outstanding judgment or judgments, the City has the ability under State law to levy a limited ad valorem tax to pay such judgments. This tax levy is separate and apart from the other taxing powers of the City.

The City also has contract claims, condemnation proceedings and environmental matters, none of which is expected to materially adversely affect the City's financial condition.

A non-litigation certificate or opinion executed by the City Attorney, dated the date of closing, will be provided stating, among other things, that to the best of her knowledge, after due inquiry, no litigation, with merit, in the State or federal court has been served on the City or is, to the best of her knowledge, threatened, challenging the creation, organization or existence of the City, or the titles of its officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Notes, or for the purpose of restraining or enjoining the levy and collection of taxes or assessments by the City, or directly or indirectly contesting or affecting the proceedings or the authority by which the Notes are issued, the legality of the purpose for which the Notes are issued, or the validity of the Notes, or the issuance thereof.

Approval of Legal Proceedings

The authorization and issuance of the Notes are subject to the approval of Ballard Spahr LLP, Note Counsel. Certain legal matters will be passed upon for the City by the City Attorney. The approving opinion of Note Counsel will be delivered with the Notes. A copy of the opinion of Note Counsel in substantially the form set forth in APPENDIX D of this Official Statement will be made available upon request from the contact person as indicated under "INTRODUCTION—Contact Person."

CONTINUING DISCLOSURE UNDERTAKING

In connection with the issuance of the Notes, the City is exempt from certain provisions of the continuing disclosure requirements of the Rule because the Notes mature in 18 months or less. However, pursuant to the Rule the City has undertaken for the benefit of the Noteholders and the beneficial owners of the Notes to provide notice of certain material events to the MSRB. See "APPENDIX F" attached hereto and incorporated herein by reference for a form of the Limited Continuing Disclosure Undertaking (the "Undertaking") that will be executed and delivered by the City.

The City has entered into a number of continuing disclosure undertakings pursuant to the Rule with respect to the bonds it has issued and has contracted with a number of dissemination agents to file annual information and notices of certain events on behalf of the City. In the previous five years the City provided its annual financial information and audited financial statements to the applicable dissemination agent in advance of the deadline specified in the applicable continuing disclosure undertaking. Dissemination agents for certain of the City's bonds filed such information late; however, except for a few instances the information was filed within 30 days of the deadline. The instances in which the information was filed multiple months later were due to technical failures by the applicable dissemination agent to link the information to some of the CUSIP numbers associated with the City's bonds. Additionally, with respect to certain water and sewer bonds, during the previous five years the City filed the audited financial statements of the City's utilities system, but did not include the audited financial statements of the City. Corrective filings have been made and the City has taken steps to ensure that in the future the City's audited financial statements will be filed for such water and sewer revenue bonds as required.

The City will continue its practice of providing required information to its dissemination agents in sufficient time to allow the dissemination agents to file as required under the applicable continuing disclosure undertaking and dissemination agency agreement and has contacted each of its dissemination agents regarding the requirement for timely filing.

A failure by the City to comply with the Undertaking will not constitute a default under the Resolution and Beneficial Owners of the Notes are limited to the remedies described in the Undertaking. A failure by the City to comply with the 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 Notes in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Notes and their market price. See the FORM OF LIMITED CONTINUING DISCLOSURE UNDERTAKING attached hereto as APPENDIX F for the events which will be noticed on an occurrence basis and the other terms of the Undertaking, including termination, amendment and remedies.

NOTE RATINGS

The Notes are rated “_____” by Moody’s Investors Service, Inc. (“Moody’s”).

Any explanation of the significance of the ratings may only be obtained from the rating service furnishing the same. There is no assurance that the ratings given will be maintained for any period of time or that the ratings 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 such outstanding obligations.

BOND RATINGS

As of the date of this Official Statement, the City’s outstanding general obligation bonds are rated “AAA” and “Aaa” by Fitch, Inc. and by Moody’s, respectively.

Any explanation of the significance of the ratings may only be obtained from the rating service furnishing the same. There is no assurance that the ratings given will be maintained for any period of time or that the ratings 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 such outstanding obligations.

MUNICIPAL ADVISOR

The City has entered into an agreement with George K. Baum & Company (the “Municipal Advisor”) whereunder the Municipal Advisor provides financial recommendations and guidance to the City with respect to preparation for sale of the Notes, timing of the sale, bond market conditions, costs of issuance and other factors related to the sale of the Notes. The Municipal Advisor has participated in the preparation of and provided information for certain portions of the Official Statement, but has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City, with respect to accuracy and completeness of disclosure of such information, and the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the Official Statement or any other matter related to the Official Statement. The Municipal Advisor fees are contingent upon the sale and delivery of the Notes.

INDEPENDENT AUDITORS

The basic financial statements of Salt Lake City Corporation as of and for the year ended June 30, 2016, included in APPENDIX A to this Official Statement, have been audited by Eide Bailly LLP, independent accountants, as stated in their report (which report includes an explanatory paragraph referring to the restatement of beginning net assets to correct the deferral of property tax revenue and recognition of revenue for impact fees, fines, and operating grants) appearing in APPENDIX A herein. Copies of the City’s comprehensive annual financial

report may be obtained upon request from the City Treasurer's office, 451 South State Street, Room 228, Salt Lake City, Utah 84111.

MISCELLANEOUS

Additional Information

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

Any statement in this Official Statement involving matters of opinion, whether or not expressly so stated, is 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 form deemed final for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission.

The delivery of the Official Statement and its distribution and use has been duly authorized by the City.

SALT LAKE CITY, UTAH

By: _____
Mayor

APPENDIX A

**SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

APPENDIX B

CASH FLOW

APPENDIX C

DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY

THE CITY

City, County and State Population

<u>Year</u>	<u>The City</u>	<u>% Increase From Prior Period</u>	<u>Salt Lake County</u>	<u>% Increase From Prior Period</u>	<u>The State</u>	<u>% Increase From Prior Period</u>
2016 Estimate	NA	NA	1,121,354	2.71%	3,051,217	1.85%
2015 Estimate	192,672	.94%	1,107,314	1.43	2,995,919	1.80
2014 Estimate	190,884	(0.15)	1,091,742	1.01	2,942,902	1.38
2013 Estimate	191,180	0.99	1,080,866	1.60	2,902,787	1.66
2012 Estimate	189,314	0.69	1,063,842	1.54	2,855,287	1.45
2011 Estimate	188,010	0.84	1,047,746	1.73	2,814,347	1.83
2010 Census	186,440	2.58	1,029,655	14.61	2,763,885	23.77
2000 Census	181,743	13.63	898,387	23.75	2,233,169	29.62
1990 Census	159,936	(1.90)	725,956	17.27	1,722,850	17.92
1980 Census	163,034	(7.31)	619,066	34.99	1,461,037	37.93
1970 Census	175,885	(7.16)	458,607	19.73	1,059,273	18.94

(Source: U.S. Census Bureau, as revised and subject to periodic revision.)

City Taxable Sales and Local Option Sales Tax Allocation

<u>Year Ended June 30,</u>	<u>Gross Taxable Sales</u>	<u>% Change Over Prior Year</u>	<u>Net Local Sales Tax Allocations</u>	<u>% Change Over Prior Year</u>
2015	\$ NA	NA%	\$ NA	NA%
2014	6,675,330,504	1.64	48,834,004	1.99
2013	6,567,344,754	7.53	47,883,116	7.22
2012	6,107,403,182	7.20	44,660,082	8.60
2011	5,697,004,471	13.00	41,122,239	4.97

(Source: Utah State Tax Commission.)

Property Value and Construction

<u>Year</u>	<u>Number Dwelling Units</u>	<u>New</u>		<u>Additions, Alterations and Repairs</u>		<u>Total Construction</u>	<u>% Change from Prior Period</u>
		<u>Residential Value (\$000)</u>	<u>Nonresidential Value (\$000)</u>	<u>Residential Value (\$000)</u>	<u>Nonresidential Value (\$000)</u>	<u>Value (\$000)</u>	
2016	3,049	\$377,547.5	\$331,676.4	\$38,680.1	\$734,678.9	\$1,482,582.9	155.3%
2015	1,343	157,378.5	175,010.4	33,294.6	175,323.8	541,007.3	(4.1)
2014	1,424	130,817.7	202,946.1	42,524.2	187,977.9	564,265.9	343.3
2013	38	5,941.9	88,291.7	10,483.4	6,773.8	111,490.8	(70.0)
2012	183	55,447.0	207,937.4	15,396.3	92,662.5	371,443.2	(13.8)

(Source: University of Utah Bureau of Economic and Business Research, Utah Construction Information Database.)

SALT LAKE COUNTY

The following demographic information is provided solely as background information regarding Salt Lake County (the "County"), the county in which the City is located. The County is the economic and population center of the State. Based on 2010 Census data, the County has approximately 37% of the total population of the State.

Rate of Unemployment – Annual Average

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2016*	3.0%	3.1%	4.7%
2015	3.3	3.5	5.3
2014	3.7	3.8	6.2
2013	4.4	4.6	7.4
2012	5.3	5.4	8.1

* Preliminary; subject to change. As of December 2016 (seasonally adjusted). (Source: Utah Department of Workforce Services and the U.S. Department of Labor.)

Economic Indicators

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
LABOR FORCE (1)					
Labor Force (annual average)	587,026	577,571	579,712	561,508	550,960
Employed (annual average)	567,497	556,398	555,407	532,928	514,709
Unemployed (annual average)	19,529	21,173	24,305	29,030	36,251
Average Employment (Non-Farm Jobs)	661,297	639,511	624,309	603,913	583,010
% Change Prior Year	3.4%	3.7%	4.2%	5.2%	6.6%
<i>Average Employment by Sector:</i>					
Mining	2,696	2,948	3,399	3,652	3,220
Utilities	1,532	1,483	1,460	1,532	1,540
Construction	33,452	31,621	30,606	30,535	29,493
Manufacturing	53,357	52,468	52,562	52,503	51,174
Wholesale Trade	31,414	30,538	30,758	31,161	29,969
Retail Trade	69,427	67,280	66,412	64,161	60,869
Transportation and Warehousing	30,334	28,319	27,984	27,125	26,018
Information	17,959	18,154	17,937	17,468	16,248
Finance and Insurance	43,228	40,888	39,525	37,556	37,118
Real Estate and Rental and Leasing	9,840	9,609	9,294	9,168	9,010
Professional, Scientific & Technical Services	49,355	46,708	43,994	40,654	38,043
Management of Companies and Enterprises	16,622	16,559	16,319	16,109	15,664
Administrative, Support, Waste Mgmt, & Rmdtn	50,397	48,327	46,898	43,552	41,782
Education Services	13,016	12,215	11,697	10,769	10,244
Health Care and Social Assistance	62,061	59,778	59,266	57,259	56,171
Arts, Entertainment, and Recreation	7,751	7,430	7,098	6,892	6,492
Accommodation and Food Services	47,803	46,218	44,774	42,550	40,787
Other Services	20,758	20,066	19,338	18,535	17,893
Unclassified establishments	105	56	29	19	46
Government	100,192	98,849	95,373	92,835	91,232

(Source: Utah Department of Workforce Services.)

Economic Indicators (continued)

INCOME AND WAGES	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Total Personal Income (\$000)	\$49,488,031	\$46,437,317	\$44,606,458	\$43,239,418	\$41,359,623
Per Capita Income	44,692	42,535	41,269	40,623	39,475
Median Household Income	65,549	62,536	61,064	58,743	56,166
Average Monthly Nonfarm Wage	4,120	3,971	3,422	3,826	3,703
SALES & CONSTRUCTION	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Gross Taxable Sales	\$24,257.0M	\$22,941.0M	\$21,986.1M	\$21,387.8M	\$19,879.6M
Permit Authorized Construction	2,060.4M	2,029.9M	1,595.9M	1,589.5M	1,560.3M
New Dwelling Units	6,058	6,529	5,153	2,934	2,403
New Residential Value (\$000)	1,029.4M	995.2M	900.9M	634.6M	478.2M

(Source: Utah Department of Workforce Services and Kem C. Gardner Policy Institute, University of Utah – Ivory-Boyer Construction Database.)

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Major Employers

The following is a list of some of the largest employers in the County.

<u>Firm Name</u>	<u>Industry</u>	<u>Approximate Number of Employees</u>
University of Utah	Higher Education	15,000-19,999
Intermountain Health Care, Inc.	Health Care	15,000-19,999
State of Utah	State Government	10,000-19,999
Granite School District	Public Education	7,000-9,999
University of Utah Healthcare	Health Care	7,000-9,999
Salt Lake City Corporation	Local Government	5,000-6,999
Wal-Mart Associates, Inc.	Warehouse Clubs & Supercenters	4,000-4,999
The Canyons School District	Public Education	4,000-4,999
Smith's Food & Drug Centers	Grocery Stores	7,000-9,999
U.S. Postal Service	Federal Government	5,000-6,999
Salt Lake County	Local Government	5,000-6,999
Home Depot U.S.A., Inc.	Retail Home Improvement	4,000-4,999
Zions Bank Management Services	Banking	4,000-4,999
Delta Air Lines, Inc.	Air Transportation	3,000-3,999
Department of Veterans Affairs	Health Care/Federal Government	3,000-3,999
Discover Products Inc.	Consumer Lending	3,000-3,999
Elwood Staffing Services, Inc.	Employment	3,000-3,999
L3 Communications	Communications Equipment Mfg.	3,000-3,999
Salt Lake City Corporation	Local Government	3,000-3,999
Salt Lake City School District	Public Education	3,000-3,999
Wells Fargo Bank, National Association	Banking	3,000-3,999
ARUP Laboratories	Medical Laboratory	2,000-2,999
C.R. England, Inc.	Trucking	2,000-2,999
Convergys Customer Management	Call Center	2,000-2,999
Costco Wholesale Corporation	Warehouse Clubs & Supercenters	2,000-2,999
Harmon City, Inc.	Grocery Stores	2,000-2,999
JetBlue Airways Corporation	Air Transportation	2,000-2,999
Maverick Country Stores Inc.	Retail	2,000-2,999
PacifiCorp	Power and Light	2,000-2,999
Salt Lake Community College	Higher Education	2,000-2,999
Sizzling Platter, LLC	Food Services	2,000-2,999
Skywest Airlines	Air Transportation	2,000-2,999
United Parcel Services	Parcel Delivery	2,000-2,999
Utah Transit Authority	Public Transportation	2,000-2,999

(Source: Utah Department of Workforce Services; as of December 2016.)

APPENDIX D

PROPOSED FORM OF OPINION OF NOTE COUNSEL

Upon the delivery of the Notes, Ballard Spahr LLP, Note Counsel to the City, proposes to issue its final approving opinion in substantially the following form:

_____, 2017

Salt Lake City, Utah
451 South State Street
Salt Lake City, Utah 84111

Re: \$_____ Salt Lake City, Utah Tax and Revenue Anticipation Notes, Series 2017

We have acted as note counsel to Salt Lake City, Utah (the "Issuer") in connection with the issuance by the Issuer of its \$_____ Tax and Revenue Anticipation Notes, Series 2017 (the "Notes") bearing interest at a rate of ____% per annum, dated July _____, 2017 and due on June 29, 2018.

Our services as note counsel have been limited to the preparation of the legal proceedings and supporting certificates authorizing the issuance of the Notes under the applicable laws of the State of Utah and to a review of the transcript of such proceedings and certificates. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of public officials furnished to us without undertaking to verify the same by independent investigation. Our examination has been limited to the foregoing as they exist or are in effect as of the date hereof. Our opinion is limited to the matters expressly set forth herein, and we express no opinion concerning any other matters.

Based on our examination and the foregoing, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Notes are valid and binding obligations of the Issuer.
2. The Notes are issued pursuant to applicable provisions of Title 11, Chapter 14, Utah Code Annotated 1953, as amended, in anticipation of the collection of taxes and other revenues to be levied and collected by the Issuer during its current fiscal year.
3. The Issuer has covenanted to levy and collect taxes and other revenues within the limit provided by law, sufficient to pay the principal of and interest on the Notes as the same fall due and sufficient to pay all budgeted maintenance, operation and other expenses of the Issuer for such fiscal year.
4. Interest on the Notes is excludable from gross income for purposes of federal income tax under existing laws as enacted and construed on the date of initial delivery of the Notes, assuming the accuracy of the certifications of the Issuer and continuing compliance by the Issuer with the requirements of the Internal Revenue Code of 1986. Interest on the Notes is not an item of tax preference for purposes of either individual or corporate federal alternative minimum tax ("AMT"); however, interest on Notes held by a corporation (other than an S corporation, regulated investment company, or real estate investment trust) may be indirectly subject to federal AMT because of its inclusion in the adjusted current earnings of a corporate holder.
5. Interest on the Notes is exempt from State of Utah individual income taxes.

In rendering our opinion, we wish to advise you that:

- (a) The rights of the holders of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases;

(b) We express no opinion herein as to the accuracy, adequacy, or completeness of any offering material relating to the Notes; and

(c) Except as set forth above, we express no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

Respectfully submitted,

APPENDIX E

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Notes. The Notes 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 certificate will be issued for each maturity of the Notes, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest 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 3.5 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 Standard & Poor's 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 www.dtcc.com.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("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 Notes 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 Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes 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 Notes with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes 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 Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes 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 Notes 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 Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City 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 Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Notes 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 detail information from the City or the Paying Agent, 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 Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, 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 Notes at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 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 City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

APPENDIX F

FORM OF LIMITED CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Undertaking”) is executed and delivered by Salt Lake City, Utah (the “City”) in connection with the issuance of \$_____ Tax and Revenue Anticipation Notes, Series 2017 (the “Notes”). The Notes are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and (ii) a resolution adopted by the City Council of the City on May [23], 2017 (the “Resolution”) which provides for the issuance and delivery of the Notes.

In consideration of the issuance of the Notes by the City and the purchase of such Notes by the Beneficial Owners thereof, the City covenants and agrees as follows:

Section 1. Purpose of this Undertaking. This Undertaking is executed and delivered by the City as of the date set forth above, for the benefit of the beneficial owners of the Notes and in order to assist the Participating Underwriters in complying with the requirements of the Rule. As the Notes have a stated maturity of 18 months or less, this Undertaking is prepared in compliance with paragraph (d)(3) of the Rule. The City represents that it will be the only obligated person with respect to the Notes at the time the Notes are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Notes.

Section 2. Definitions. The terms set forth below shall have the following meanings in this Undertaking, unless the context clearly otherwise requires.

“Commission” means the Securities and Exchange Commission.

“Dissemination Agent” means any agent designated as such in writing by the City and that has filed with the City a written acceptance of such designation, and such agent’s successors and assigns.

“EMMA” means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“MSRB” means the Municipal Securities Rulemaking Board.

“Participating Underwriter” means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Notes.

“Reportable Event” means the occurrence of any of the Events with respect to the Notes set forth in Exhibit I that is material, as materiality is interpreted under the Exchange Act.

“Reportable Events Disclosure” means dissemination of a notice of a Reportable Event as set forth in Section 4.

“Rule” means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

“Undertaking” means this Continuing Disclosure Undertaking.

Section 3. CUSIP Number/Final Official Statement. The CUSIP Number of the Notes is 795574 _____. The final Official Statement relating to the Notes is dated June [23], 2017. The City will include the CUSIP Number in all disclosure described in Section 4 of this Undertaking.

Section 4. Reportable Events Disclosure. Subject to Section 7 of this Undertaking, the City hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information.

Section 5. Consequences of Failure of the City to Provide Information. In the event of a failure of the City to comply with any provision of this Undertaking, the beneficial owner of any Note may seek mandamus or specific performance by court order, to cause the City to comply with its obligations under this Undertaking. A default under this Undertaking shall not be deemed a default under the Resolution, and the sole remedy under this Undertaking in the event of any failure of the City to comply with this Undertaking shall be an action to compel performance.

Section 6. Amendments; Waiver. Notwithstanding any other provision of this Undertaking, the City, by resolution authorizing such amendment or waiver, may amend this Undertaking, and any provision of this Undertaking may be waived, if:

(a) (i) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including, without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the City, or type of business conducted; or

(ii) this Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) the amendment or waiver does not materially impair the interests of the beneficial owners of the Notes, as determined by parties unaffiliated with the City or any other obligated person (such as Note Counsel).

Section 7. Termination of Undertaking. The Undertaking of the City will be terminated hereunder if the City no longer has any legal liability for any obligation on or relating to repayment of the Notes under the Resolution.

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking, and may discharge any such Dissemination Agent with or without appointing a successor Dissemination Agent.

Section 9. Additional Information. Nothing in this Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any notice of occurrence of a Reportable Event, in addition to that which is required by this Undertaking. If the City chooses to include any information in any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Undertaking, the City shall have no obligation under this Undertaking to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

Section 10. Beneficiaries. This Undertaking has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, if any, and the beneficial owners of the Notes, and shall create no rights in any other person or entity.

Section 11. Recordkeeping. The City shall maintain records of all Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

Section 12. Assignment. The City shall not transfer its obligations under the Resolution unless the transferee agrees to assume all obligations of the City under this Undertaking or to execute an Undertaking under the Rule.

Section 13. Governing Law. This Undertaking shall be governed by the laws of the State of Utah.

Date: _____

SALT LAKE CITY, UTAH

(SEAL)

By: _____
Mayor

ATTEST AND COUNTERSIGN:

City Recorder
Salt Lake City, Utah

APPROVED AS TO FORM:

By: _____
Senior City Attorney

EXHIBIT I

EVENTS WITH RESPECT TO THE NOTES FOR WHICH REPORTABLE EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Note calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the Issuer
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material



Blanket Issuer Letter of Representations

(To be Completed by Issuer)

Salt Lake City, Salt Lake County, Utah

(Name of Issuer)

May 30, 1995

(Date)

Attention: Underwriting Department — Eligibility
The Depository Trust Company
55 Water Street, 50th Floor
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Very truly yours,

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

SALT LAKE CITY, SALT LAKE COUNTY,
UTAH

AS ISSUER

By: 

AUTHORIZED OFFICER'S SIGNATURE

Decdee Corradini
(PRINTED NAME)

Mayor, Salt Lake City,
Salt Lake County, Utah
(TITLE)

By: 

AUTHORIZED OFFICER'S SIGNATURE

Kendrick D. Cowley
(PRINTED NAME)

City Recorder, Salt Lake City,
Salt Lake County, Utah

451 South State Street, Room 415
Salt Lake City, Utah 84111
(ADDRESS)

(801) 535-7946
(TELEPHONE NUMBER)

795574 LAB

Received and Accepted:

THE DEPOSITORY TRUST COMPANY

By: 

SCHEDULE A

SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

(Prepared by DTC—bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$200 million, one certificate will be issued with respect to each \$200 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC 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 securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("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, but Beneficial Owners are 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 Securities are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

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

5. 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.

[6. Redemption notices shall be sent to Cede & Co. If less than all of the Securities 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.]

7. Neither DTC nor Cede & Co. will consent or vote with respect to Securities. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer 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 Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal and interest payments on the Securities will be made to DTC. DTC's practice is to credit Direct Participants' accounts on payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on payable date. 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 Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer or the Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to the [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to the [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with a demand for purchase or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records.]

10. DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to the Issuer or the Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

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

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

FORM OF LIMITED CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Undertaking”) is executed and delivered by Salt Lake City, Utah (the “City”) in connection with the issuance of \$_____ Tax and Revenue Anticipation Notes, Series 2017 (the “Notes”). The Notes are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and (ii) a resolution adopted by the City Council of the City on May 23, 2017 (the “Resolution”) which provides for the issuance and delivery of the Notes.

In consideration of the issuance of the Notes by the City and the purchase of such Notes by the Beneficial Owners thereof, the City covenants and agrees as follows:

Section 1. Purpose of this Undertaking. This Undertaking is executed and delivered by the City as of the date set forth above, for the benefit of the beneficial owners of the Notes and in order to assist the Participating Underwriters in complying with the requirements of the Rule. As the Notes have a stated maturity of 18 months or less, this Undertaking is prepared in compliance with paragraph (d)(3) of the Rule. The City represents that it will be the only obligated person with respect to the Notes at the time the Notes are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Notes.

Section 2. Definitions. The terms set forth below shall have the following meanings in this Undertaking, unless the context clearly otherwise requires.

“Commission” means the Securities and Exchange Commission.

“Dissemination Agent” means any agent designated as such in writing by the City and that has filed with the City a written acceptance of such designation, and such agent’s successors and assigns.

“EMMA” means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“MSRB” means the Municipal Securities Rulemaking Board.

“Participating Underwriter” means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Notes.

“Reportable Event” means the occurrence of any of the Events with respect to the Notes set forth in Exhibit I that is material, as materiality is interpreted under the Exchange Act.

“Reportable Events Disclosure” means dissemination of a notice of a Reportable Event as set forth in Section 4.

“Rule” means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

“Undertaking” means this Continuing Disclosure Undertaking.

Section 3. CUSIP Number/Final Official Statement. The CUSIP Number of the Notes is 795574 _____. The final Official Statement relating to the Notes is dated June [23], 2017. The City will include the CUSIP Number in all disclosure described in Section 4 of this Undertaking.

Section 4. Reportable Events Disclosure. Subject to Section 7 of this Undertaking, the City hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information.

Section 5. Consequences of Failure of the City to Provide Information. In the event of a failure of the City to comply with any provision of this Undertaking, the beneficial owner of any Note may seek mandamus or specific performance by court order, to cause the City to comply with its obligations under this Undertaking. A default under this Undertaking shall not be deemed a default under the Resolution, and the sole remedy under this Undertaking in the event of any failure of the City to comply with this Undertaking shall be an action to compel performance.

Section 6. Amendments; Waiver. Notwithstanding any other provision of this Undertaking, the City, by resolution authorizing such amendment or waiver, may amend this Undertaking, and any provision of this Undertaking may be waived, if:

(a) (i) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including, without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the City, or type of business conducted; or

(ii) this Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) the amendment or waiver does not materially impair the interests of the beneficial owners of the Notes, as determined by parties unaffiliated with the City or any other obligated person (such as Note Counsel).

Section 7. Termination of Undertaking. The Undertaking of the City will be terminated hereunder if the City no longer has any legal liability for any obligation on or relating to repayment of the Notes under the Resolution.

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking, and may

discharge any such Dissemination Agent with or without appointing a successor Dissemination Agent.

Section 9. Additional Information. Nothing in this Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any notice of occurrence of a Reportable Event, in addition to that which is required by this Undertaking. If the City chooses to include any information in any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Undertaking, the City shall have no obligation under this Undertaking to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

Section 10. Beneficiaries. This Undertaking has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, if any, and the beneficial owners of the Notes, and shall create no rights in any other person or entity.

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Section 13. Governing Law. This Undertaking shall be governed by the laws of the State of Utah.

Date: _____

SALT LAKE CITY, UTAH

(SEAL)

By: _____
Mayor

ATTEST AND COUNTERSIGN:

City Recorder
Salt Lake City, Utah

APPROVED AS TO FORM:

By: _____
Senior City Attorney

EXHIBIT I

EVENTS WITH RESPECT TO THE NOTES FOR WHICH REPORTABLE EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Note calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the Issuer
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material

CERTIFICATE OF AWARD

Pursuant to an authorizing resolution adopted May 23, 2017 by the City Council of Salt Lake City, Utah (the "Issuer"), the undersigned are authorized to accept bids for the sale of the Issuer's Tax and Revenue Anticipation Notes, Series 2017 (the "Series 2017 Notes"). The Series 2017 Notes were the subject of a sale held today, June 21, 2017, at which it was determined that the bid of _____ was the best bid received for the purchase of the Series 2017 Notes.

Based upon the foregoing determination, the undersigned Designated Officers of the Issuer hereby award the sale of the Series 2017 Notes to _____ at a purchase price of \$_____ (being the par amount thereof, plus a reoffering premium of \$_____, and less an underwriter's discount of \$_____). The verification of said winning bid and the terms of the Series 2017 Notes are attached hereto as Exhibit A and the final numbers for the Series 2017 Notes, produced by the Issuer's municipal advisor, George K. Baum & Company, are attached hereto as Exhibit B.

SALT LAKE CITY, UTAH

By: _____
Designated Officer

By: _____
Designated Officer

APPROVED AS TO FORM:

By: _____
Senior City Attorney

EXHIBIT A

EXHIBIT B