

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 15, 2020

RY ONLY
T OBLIGATIONS

NOT RATED

Counsel under existing statutes, regulations, rulings, and court decisions, assuming continuing compliance with applicable federal tax law as described herein, interest on the Series 2020A Bonds is excluded from the gross income for federal income tax purposes. Interest on the Series 2020A Bonds will not be treated as a preference item in calculating the alternative minimum tax imposed under the Internal Revenue Code of 1986, as amended, (the "Code"). Interest on the Series 2020B Bonds is included in gross income for federal income tax purposes. The Series 2020A Bonds have been designated by the Authority as "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. In the opinion of Bond Counsel, interest on the Series 2020A Bonds and the Series 2020B Bonds is exempt from Oklahoma income taxation. See "TAX MATTERS" herein.

\$8,660,000*

SPENCER UTILITIES AUTHORITY

Utility System Revenue Bonds

Consisting of

\$2,215,000* Capital Improvement Revenue Bonds, Tax Exempt Series 2020A

\$6,445,000* Utility System Revenue Bonds, Taxable Refunding Series 2020B

Dated Date: Date of Delivery

Due: July 1, as shown on page ii

The Capital Improvement Revenue Bonds, Tax Exempt Series 2020A (the "Tax Exempt Series 2020A Bonds") and the Utility System Revenue Bonds, Taxable Refunding Series 2020B Bonds (the "Taxable Series 2020B Bonds") (collectively "the Bonds") are issuable in fully registered form and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchases of beneficial ownership interests in the Bonds will be made in book-entry-only form in \$5,000 principal amounts or integral multiples thereof. Beneficial owners of the Bonds will not receive physical delivery of certificates evidencing their ownership interest in the Bonds so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. Interest on the Bonds will accrue from the Dated Date and will be payable on each January 1 and July 1 commencing January 1, 2021. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants. (See "THE BONDS- Book-Entry-Only System" herein). The Bonds are subject to optional and mandatory redemption prior to maturity. (See "THE BONDS- Redemption Prior to Maturity" herein).

The Bonds are being issued by the Spencer Utilities Authority (the "Authority") to provide funds which will be used for the purpose of providing funds for the Project (as herein defined), refunding certain indebtedness of the Authority, providing capitalized interest, and paying all costs of their issuance. The Authority is issuing the Bonds pursuant to the terms of a Bond Indenture dated as of July 1, 2020, by and between BancFirst, Oklahoma City, Oklahoma (the "Bank"), and the Authority. The Bonds are special limited obligations of the Authority secured by a pledge of the revenues of the Systems (as herein defined), and other available funds of the Authority including appropriated sales tax, as more specifically set forth herein. (See "SECURITY").

The Bonds and the interest thereon do not constitute an indebtedness, liability, general or moral obligation, or a loan of the full faith and credit of, or a charge against, the City of Spencer, Oklahoma (the "City"), or the State of Oklahoma (the "State"), or any political subdivision thereof within the meaning of the constitution or any statutes of the State and shall never constitute or give rise to a pecuniary liability or a charge against their general credit. No owner of any Bond shall have the right to compel any exercise of the taxing power of the City or the State to pay the Bonds or interest thereon. **THE AUTHORITY HAS NO TAXING POWER.** Neither the City nor the State nor any political subdivision thereof shall be obligated to pay the principal of the Bonds or interest thereon or other costs incidental thereto. The Bonds are special limited obligations of the Authority.

The Bonds are offered when, as and if issued and received by the original purchaser subject to prior sale, to withdrawal, or modifications of the offer without any notice, and to the approval of legality of the Bonds by Johanning & Byrom, PLLC, Oklahoma City, Oklahoma, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its Counsel Floyd Law Firm, P.C., Norman, Oklahoma. Certain legal matters will be passed upon for the Authority by its Counsel Pool and Vincent, Oklahoma City, Oklahoma. It is expected that the Bonds in definitive form will be available for delivery to DTC in New York, New York, on or about July 15, 2020.

*Preliminary, subject to change.



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D A Davidson & Co. Inc. Member SIPC

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This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. These securities may not be sold, nor may offers to buy the Official Statement be delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or filing under the securities laws of any such jurisdiction.

OFFICIAL STATEMENT DATED JULY 23, 2020

**NEW ISSUE - BOOK-ENTRY ONLY
QUALIFIED TAX-EXEMPT OBLIGATIONS****NOT RATED**

In the opinion of Bond Counsel under existing statutes, regulations, rulings, and court decisions, assuming continuing compliance with certain conditions imposed by applicable federal tax law as described herein, interest on the Series 2020A Bonds is excluded from the gross income of the owners thereof for federal income tax purposes. Interest on the Series 2020A Bonds will not be treated as a preference item in calculating the alternative minimum tax imposed under the Internal Revenue Code of 1986, as amended, (the "Code"). Interest on the Series 2020B Bonds is included in gross income for federal income tax purposes. The Series 2020A Bonds have been designated by the Authority as "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended. In the opinion of Bond Counsel, interest on the Series 2020A Bonds and the Series 2020B Bonds is exempt from Oklahoma income taxation. See "TAX MATTERS" herein.

\$8,720,000**SPENCER UTILITIES AUTHORITY****Utility System Revenue Bonds****Consisting of****\$2,190,000 Capital Improvement Revenue Bonds, Tax Exempt Series 2020A****\$6,530,000 Utility System Revenue Bonds, Taxable Refunding Series 2020B****Dated Date: Date of Delivery****Due: July 1, as shown on page ii**

The Capital Improvement Revenue Bonds, Tax Exempt Series 2020A (the "Tax Exempt Series 2020A Bonds") and the Utility System Revenue Bonds, Taxable Refunding Series 2020B Bonds (the "Taxable Series 2020B Bonds") (collectively "the Bonds") are issuable in fully registered form and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds. Purchases of beneficial ownership interests in the Bonds will be made in book-entry-only form in \$5,000 principal amounts or integral multiples thereof. Beneficial owners of the Bonds will not receive physical delivery of certificates evidencing their ownership interest in the Bonds so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. Interest on the Bonds will accrue from the Dated Date and will be payable on each January 1 and July 1 commencing January 1, 2021. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal of and interest on the Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants. (See "THE BONDS- Book-Entry-Only System" herein). The Bonds are subject to optional and mandatory redemption prior to maturity. (See "THE BONDS- Redemption Prior to Maturity" herein).

The Bonds are being issued by the Spencer Utilities Authority (the "Authority") to provide funds which will be used for the purpose of providing funds for the Project (as herein defined), refunding certain indebtedness of the Authority, providing capitalized interest, and paying all costs of their issuance. The Authority is issuing the Bonds pursuant to the terms of a Bond Indenture dated as of August 1, 2020, by and between BancFirst, Oklahoma City, Oklahoma (the "Bank"), and the Authority. The Bonds are special limited obligations of the Authority secured by a pledge of the revenues of the Systems (as herein defined), and other available funds of the Authority including appropriated sales tax, as more specifically set forth herein. (See "SECURITY").

The Bonds and the interest thereon do not constitute an indebtedness, liability, general or moral obligation, or a loan of the full faith and credit of, or a charge against, the City of Spencer, Oklahoma (the "City"), or the State of Oklahoma (the "State"), or any political subdivision thereof within the meaning of the constitution or any statutes of the State and shall never constitute or give rise to a pecuniary liability or a charge against their general credit. No owner of any Bond shall have the right to compel any exercise of the taxing power of the City or the State to pay the Bonds or interest thereon. THE AUTHORITY HAS NO TAXING POWER. Neither the City nor the State nor any political subdivision thereof shall be obligated to pay the principal of the Bonds or interest thereon or other costs incidental thereto. The Bonds are special limited obligations of the Authority.

The Bonds are offered when, as and if issued and received by the original purchaser subject to prior sale, to withdrawal, or modifications of the offer without any notice, and to the approval of legality of the Bonds by Johanning & Byrom, PLLC, Oklahoma City, Oklahoma, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its Counsel Floyd Law Firm, P.C., Norman, Oklahoma. Certain legal matters will be passed upon for the Authority by its Counsel Pool and Vincent, Oklahoma City, Oklahoma. It is expected that the Bonds in definitive form will be available for delivery to DTC in New York, New York, on or about August 12, 2020.

**D.A. DAVIDSON**

D.A. Davidson & Co. members SBC

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