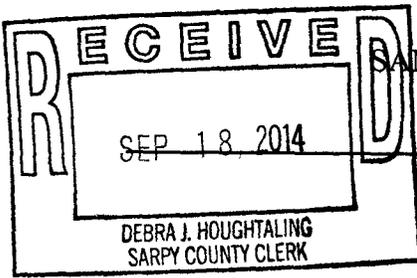


COPY



SANITARY AND IMPROVEMENT DISTRICT NO. 101
OF SARPY COUNTY, NEBRASKA

Minutes of the Meeting of the Board of Trustees
September 10, 2014

A meeting of the Board of Trustees of Sanitary and Improvement District No. 101 of Sarpy County, Nebraska was convened in open public session at 7:00 p.m. on the 10th day of September, 2014, at the La Platte Community Church, 16412 Main Street, La Platte, Nebraska.

Present at the meeting were: Doug Hill, Don Story, Chip Frazier and Lou Riedmann, Trustees of the District; Jeff Farnham, the District's attorney; Larry Wolfe, the District's accountant; Rob Wood of Kuehl Capital Corporation; Rene Nelson and Joy Nelson of Urban Utilities; and Kevyn Sopinski and Sue Frazier, residents of the District.

Notice of the meeting was given in advance thereof by publication in *The Bellevue Leader* on September 3, 2014, a copy of the Proof of Publication being attached to these Minutes. Advance notice was also given to the Board of Trustees and a copy of their acknowledgment of the receipt of such notice is attached to these minutes. Notice was also given to the County Clerk of Sarpy County, Nebraska per the attached certificate of the Clerk of the District. Availability of the agenda was communicated in the advance notices and in the notices to the Board of Trustees and the County Clerk.

The Clerk then certified that notices of this meeting had been given to the County Clerk of Sarpy County, Nebraska, at least seven days prior to the time set by the Board of Trustees for this meeting, said Certificate being attached to these minutes and made a part hereof by this reference.

All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

The Chairman then stated that one copy of the reproducible written material to be discussed at this meeting was available for examination or copying and that a current copy of the Open Meetings Act was posted in the meeting room.

The Chairman stated that the first item of business was consideration of the 2014/2015 budget. The budget form and work papers were distributed and carefully reviewed by the Trustees and Mr. Wolfe.

Before proceeding to consider the budget further, Mr. Farnham advised the Board that in order to levy a different amount than the property tax request for the prior year the Board would have to pass a resolution by majority vote (after a special public hearing held after five days' notice in a newspaper of general circulation in the area of the SID) setting the levy at a different amount, all pursuant to Neb. Rev. Stat. § 77-1601.02, as amended. The Chairman then temporarily adjourned the meeting so that the special public hearing could be held.

The meeting was reconvened at approximately 7:30 p.m., after the special public hearing, and the District's Accountant stated that the proposed budget provides that the mill levy for the current year be set at \$0.410000, with \$0.150000 being placed in the general fund and \$0.260000 being placed in the bond fund. The District's Attorney further stated that at the special public hearing the Board determined, by majority vote, that the property tax request for the current year, as contained in the proposed budget, should be adopted by the District.

Mr. Wolfe then presented a two-page "budget summary" to each of the Trustees and proceeded to discuss and explain the information on the budget summary. Mr. Wolfe further stated that the expenditures proposed for the 2014-2015 fiscal year were \$35,000.00 greater than the expenditures shown in the published notice and that the District would have to publish a notice of such changes after adoption of the budget.

Rob Wood of Kuehl Capital Corporation then presented each of the Trustees with a summary of the District's fiscal position at June 30, 2014, including levy and valuation information and also a spreadsheet titled "2014/2015 Budget Projection." Mr. Wood reviewed the budget projection and noted that there would be a \$0.02 decline in the bond fund levy for this fiscal year and that in the next fiscal year and thereafter the bond fund levy could be reduced to \$0.23 per \$100.00 of valuation. Mr. Wood further noted that this was a conservative projection and did not provide for any inflationary growth in the property valuation within the District.

Mr. Wood then presented the Board with a spreadsheet detailing the expenditures from the service fee fund during the 2014-2014 fiscal year; he stated that this spreadsheet was provided to the accountants and used to determine the proposed expenditures from the service fee fund for the 2014-2015 fiscal year.

After further discussion concerning the budget the Trustees unanimously voted to adopt the budget as proposed by Mr. Wolfe. Trustee Don Story offered the following resolution and moved for its adoption:

RESOLVED, that the proposed budget, as prepared by Larry Wolfe of O'Donnell, Ficenec, Wills & Ferdig, be and hereby is accepted as true and accurate and is adopted as the 2014/2015 budget for Sanitary and Improvement District No. 101 of Sarpy County, Nebraska.

BE IT FURTHER RESOLVED, that the mill levy be and hereby is set at \$0.410000 per hundred dollars of valuation for the 2014/2015 year; that \$0.150000 per hundred shall be placed in the general fund and that \$0.260000 per hundred shall be placed in the bond fund, and that the mill levy assessed be sent to the County Clerk and the County Board of Sarpy County, Nebraska, and the Auditor of Public Accounts for the State of Nebraska.

BE IT FURTHER RESOLVED, that the property tax request for the current year is set at a different amount than the property tax request for the prior year, and that this resolution is adopted after a special public hearing was held, upon proper notice, to consider adopting a property tax request for the current year different

than the property tax request for the prior year; that the minutes of such special public hearing shall be attached to the minutes of this meeting as Exhibit "A" and incorporated herein by this reference.

Trustee Chip Frazier seconded the motion and upon roll call vote, all Trustees present at the meeting voted in favor thereof, and the same was declared adopted.

It was noted that the proposed budget exceeded the limit provided for in Neb. Rev. Stat. § 13-519(1), by an additional one percent and that 75% of the Board of Trustees had affirmatively voted to exceed such limit.

Rob Wood of Kuehl Capital Corporation then addressed the Board concerning the "Municipalities Continuing Disclosure Cooperation Initiative" (MCDC). Mr. Wood explained that the MCDC was designed to afford favorable treatment terms to municipal issuers, such as SIDs, who may have violated federal securities laws by misstatements in official statements or offering circulars in the previous five years. Mr. Woods stated that his company had reviewed SID 101's 2012 bond undertaking to provide continuing disclosure and found no deficiencies or material misstatements that would lead Kuehl Capital to recommend to the District that they consider filing with the SEC. Mr. Wood also presented a summary of the MCDC.

The District's Clerk then presented the Treasurer's Report as of August 31, 2014. The balance in the District's General Fund was approximately \$182,233.72; the balance in the District's General Fund Investment account was approximately \$0.00; the cash balance in the District's Bond Fund account was approximately \$676,415.28; the balance in the District's Bond Fund Investment account was approximately \$0.00; and the Service Fee Fund balance was approximately \$73,938.07.

Trustee Lou Riedmann made a motion to approve the minutes of the last meeting and Trustee Don Story seconded the motion. Upon motion made and duly seconded and vote taken in open session convened, the motion carried.

The Chairman stated that the next item of business was payment of existing bills.

The Chairman then presented the following statements for consideration:

Construction Fund:

<i>Warrant No. 2834(C) – Olmsted & Perry Consulting Engineers</i>	\$5,320.36
Waste Water Treatment Plant	
Invoice No. 04-13025-01	
<i>Warrant No. 2835(C) – Olmsted & Perry Consulting Engineers</i>	\$2,372.26
2013 Drainage and Guard Rail Improvements	
Invoice No. 13-12025-01	
<i>Warrant No. 2836(C) – Kuehl Capital Corporation</i>	\$9,000.00
Financial Advisor/Fiscal Agent Services, 2014-2015	
Invoice No. 1307	

Warrant No. 2837(C) – Olmsted & Perry Consulting Engineers \$281.40
Waste Water Treatment Plant
Invoice No. 05-13025-01

Warrant No. 2838(C) – Olmsted & Perry Consulting Engineers \$222.73
2013 Drainage and Guard Rail Improvements
Invoice No. 14-12025-01

Warrant No. 2839(C) – Farnham & Simpson, P.C., L.L.O. \$743.75
Special Assessment Litigation – Collection
Statement No. 2569

General Fund:

Warrant No. 2822 – Omaha Public Power District (**Issued 7/16/14**) \$550.62
Statement Dated: June 4, 2014

Warrant No. 2823 – Omaha Public Power District (**Issued 7/16/14**) \$586.22
Statement Dated: July 3, 2014

Warrant No. 2824 – Olmsted & Perry Consult Eng (**Issued 7/16/14**) \$671.20
General Engineering Services, 05-16-14 to 06/15/14
Invoice No. 02-14025

Warrant No. 2825 – Quinn Insurance, Inc. \$631.00
General Liability Insurance, 2014-2015
Invoice No. 43187

Warrant No. 2826 – Phyllis F. Sturgill \$270.00
Statement Dated: August 1, 2014

Warrant No. 2827 – Omaha Public Power District \$607.59
Statement Dated: August 5, 2014

Warrant No. 2828 – Platteview Turf Inc. \$341.10
Invoice No. 272

Warrant No. 2829 – Josh Tedder Construction Inc. \$8,000.00
Invoice No. 1346

Warrant No. 2830 – Platteview Turf Inc. \$460.00
Invoice No. 273

Warrant No. 2831 – Hill-Farrell Associates, Inc. \$690.00
Invoice No. 14-023

Warrant No. 2832 – Omaha Public Power District \$625.82
Statement Dated: September 4, 2014

Warrant No. 2833 – Farnham & Simpson, P.C., L.L.O. \$4,890.28
General Legal Services & Costs
Statement No. 2573

Service Fee Fund:

Warrant No. 312 – Midwest Laboratories, Inc. (**Issued 7/16/14**) \$96.19
Invoice No. 725183

<i>Warrant No. 313 – Urban Utilities, Inc. (Issued 7/16/14)</i> Invoice No. 7198	\$16,350.06
<i>Warrant No. 314 – Urban Utilities, Inc. (Issued 7/16/14)</i> Invoice No. 7199	\$1,852.00
<i>Warrant No. 315 – Urban Utilities, Inc. (Issued 7/16/14)</i> Invoice No. 7200	\$600.00
<i>Warrant No. 316 – Urban Utilities, Inc. (Issued 7/16/14)</i> Invoice No. 7201	\$7,552.11
<i>Warrant No. 317 – Urban Utilities, Inc. (Issued 7/16/14)</i> Invoice No. 7202	\$2,927.30
<i>Warrant No. 318 – Midwest Laboratories, Inc. (Issued 7/16/14)</i> Invoice No. 728472	\$1,275.19
<i>Warrant No. 319 – Midwest Laboratories, Inc.</i> Invoice No. 731920	\$175.32
<i>Warrant No. 320 – Midwest Laboratories, Inc.</i> Invoice No. 735249	\$96.19
<i>Warrant No. 321 – Urban Utilities, Inc.</i> Invoice No. 7243	\$5,902.26
<i>Warrant No. 322 – Urban Utilities, Inc.</i> Invoice No. 7244	\$6,019.55

Trustee Lou Riedmann made a motion to pay all the bills and Trustee Don Story seconded the Motion. Upon motion made and duly seconded and vote taken in open session convened, and vote being in favor, none opposed. The following resolution was adopted:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 101 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby are authorized and directed to execute and deliver Warrant No. 2834(C) through 2839(C) of the District, drawn on the Construction Fund of the District and to draw interest at the rate of 7% per annum to be redeemed no later than September 10, 2019, subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after said notice is given as required by law; Warrant Nos. 2822 through 2824 of the District, drawn on the General Fund of the District and to draw interest at the rate of 7% per annum to be redeemed no later than July 16, 2017, subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after said notice is given as required by law; Warrant Nos. 2825 through 2833 of the District, drawn on the General Fund of the District and to draw interest at the rate of 7% per annum to be redeemed no later than September 10, 2017, subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after said notice is given as required by law; Warrant Nos. 312 through 318 of the District, drawn on the Service Fee Fund of the District and to draw interest at the rate of 7% per annum to be redeemed no later than July 16, 2017, subject to extension of said maturity date by order of the District Court of Sarpy County,

Nebraska, after said notice is given as required by law; and Warrant Nos. 319 through 322 of the District, drawn on the Service Fee Fund of the District and to draw interest at the rate of 7% per annum to be redeemed no later than September 10, 2017, subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after said notice is given as required by law; to-wit:

- A. *Warrant No. 2834(C)* payable to Olmsted & Perry Consulting Engineers in the amount of \$5,320.36
- B. *Warrant No. 2835(C)* payable to Olmsted & Perry Consulting Engineers in the amount of \$2,372.26
- C. *Warrant No. 2836(C)* payable to Kuehl Capital Corporation in the amount of \$9,000.00
- D. *Warrant No. 2837(C)* payable to Olmsted & Perry Consulting Engineers in the amount of \$281.40
- E. *Warrant No. 2838(C)* payable to Olmsted & Perry Consulting Engineers in the amount of \$222.73
- F. *Warrant No. 2839(C)* payable to Farnham & Simpson, P.C., L.L.O. in the amount of \$743.75
- G. *Warrant No. 2822* payable to Omaha Public Power District in the amount of \$550.62
- H. *Warrant No. 2823* payable to Omaha Public Power District in the amount of \$586.22
- I. *Warrant No. 2824* payable to Olmsted & Perry Consulting Engineers in the amount of \$671.20
- J. *Warrant No. 2825* payable to Quinn Insurance, Inc. in the amount of \$631.00
- K. *Warrant No. 2826* payable to Phyllis F. Sturgill in the amount of \$270.00
- L. *Warrant No. 2827* payable to Omaha Public Power District in the amount of \$607.59
- M. *Warrant No. 2828* payable to Platteview Turf Inc. in the amount of \$341.10
- N. *Warrant No. 2829* payable to Josh Tedder Construction Inc. in the amount of \$8,000.00
- O. *Warrant No. 2830* payable to Platteview Turf Inc. in the amount of \$460.00
- P. *Warrant No. 2831* payable to Hill-Farrell Associates, Inc. in the amount of \$690.00
- Q. *Warrant No. 2832* payable to Omaha Public Power District in the amount of \$625.82

- R. *Warrant No. 2833* payable to Farnham & Simpson, P.C., L.L.O. in the amount of \$4,890.28
- S. *Warrant No. 312* payable to Midwest Laboratories, Inc. in the amount of \$96.19
- T. *Warrant No. 313* payable to Urban Utilities, Inc. in the amount of \$16,350.06
- U. *Warrant No. 314* payable to Urban Utilities, Inc. in the amount of \$1,852.00
- V. *Warrant No. 315* payable to Urban Utilities, Inc. in the amount of \$600.00
- W. *Warrant No. 316* payable to Urban Utilities, Inc. in the amount of \$7,552.11
- X. *Warrant No. 317* payable to Urban Utilities, Inc. in the amount of \$2,927.30
- Y. *Warrant No. 318* payable to Midwest Laboratories, Inc. in the amount of \$1,275.19
- Z. *Warrant No. 319* payable to Midwest Laboratories, Inc. in the amount of \$175.32
- AA. *Warrant No. 320* payable to Midwest Laboratories, Inc. in the amount of \$96.19
- BB. *Warrant No. 321* payable to Urban Utilities, Inc. in the amount of \$5,902.26
- CC. *Warrant No. 322* payable to Urban Utilities, Inc. in the amount of \$6,019.55

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 101 of Sarpy County, Nebraska, that both they and the District hereby find and determine and covenant, warrant and agree as follows: the improvements and/or facilities being financed or refinanced by the above Warrants are for essential governmental functions and are designed to serve members of the general public on an equal basis; all said improvements have from the time of their first acquisition and construction been owned, are owned and are to be owned by the District or another political subdivision; to the extent special assessments have been or are to be levied for any of said improvements, such special assessments have been or are to be levied under Nebraska law as a matter of general application to all property specially benefitted by said improvements in the District; the development of the land in the District is for residential or commercial use and the development of the land in the District for sale and occupation by the general public has proceeded and is proceeding with reasonable speed; other than any incidental use of said improvements by a developer during the initial period of development of said improvements, there have been, are and will be no persons with rights to use such improvements other than as members of the general public; none of the proceeds of said Bonds or any refinanced

indebtedness have been or will be loaned to any private person or entity; the District hereby authorizes and directs the Chairperson or Clerk to file or cause to be filed, when due, an information reporting form pursuant to Section 149(e) of the Internal Revenue Code of 1986, as amended, pertaining to the above Warrants; and the District does not reasonably expect to sell or otherwise dispose of said improvements and/or facilities, in whole or in part, prior to the last maturity of the above Warrants.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 101 of Sarpy County, Nebraska, that the District hereby covenants, warrants and agrees as follows: (a) to take all actions necessary under current federal law to maintain the tax exempt status (as to taxpayers generally) of interest on the above warrants and (b) to the extent that it may lawfully do so, the District hereby designates the above Warrants as its "qualified tax exempt obligations" under Section 265(b)(3)(B)(ii) of the Internal Revenue Code of 1986 as amended and covenant and warrants that the District does not reasonably expect to issue warrants or bonds or other obligations aggregating in the principal amount of more than \$5,000,000.00 during a calendar year in which the Warrants are issued.

1. No separate reserves or replacement fund has been or will be established with respect to the above Warrants. The District reasonably anticipates that the monies in its bond fund reasonably attributable to the above Warrants in excess of the lesser of: (a) 10% of the net principle proceeds of the above Warrants, or (b) the maximum annual debar service due on the above Warrants, or (c) 125% of the average annual debt service due on the above Warrants will be expended for payment and principle of and interest on the above amount arrived at pursuant to invested in any securities or any other of computed in accordance with the actuarial method, in excess of the yield on the above Warrants.
2. To the best of their knowledge, information and belief, the above expectations are reasonable.
3. The District has not been notified of any listing of it by the Internal Revenue Services as an issuer that may not certify its bonds.
4. This Certificate is being passed, executed and delivered pursuant to Section 1.102-13, 1.103-14 and 103-15 of the Income Tax Regulations under the Internal Revenue Code of 1954, as amended, and under the Internal Revenue Code of 1986.

Rene Nelson then gave the sewer report. Mr. Nelson noted that there had been no abuse reports and that things had been pretty calm. The Board was advised that one of the sand filter pumps had recently been replaced and that the remaining sand filter pump was nearing the end of its life; there was then a discussion about whether or not the remaining pump should be replaced now or whether the District should wait until it failed. It was determined that Mr. Nelson should replace the remaining sand filter pump and he was authorized to do so by the Board.

Mr. Nelson stated that in connection with the treatment plant improvement project the contractor would need water at the north end of the wetlands and that there was a sprinkler valve in that location which was broken. It was determined that the contractor would fix the sprinkler valve as part of the project and use the water at that location.

Mr. Nelson asked the Board if it wanted him to continue to mow in light of all of the rain in the area. The Board indicated that it did want him to continue to mow.

There was then discussion of a new residence being constructed at 3220 Crystal in Chris Lake Heights. The District's attorney was directed to investigate whether or not there was a requirement that this residence be hooked up to the District's sewer system. It was noted that this residence is not located within the District, however it is located close to one of the District's sewer collection mains.

Trustee Lou Riedmann then inquired about the status of the 'Dead End' and 'No Trespassing' signs. Doug Hill responded that the supplier was still looking for the signs and if he couldn't find them within the next week or so the District would go somewhere else. Mr. Riedmann then inquired about the status of painting yellow lines on Dison Hollow and Platte River Drive. There was discussion about this and Trustee Doug Hill indicated that interior residential streets don't generally have yellow lines on them, they are more applicable to a collector street. No decision was made on this matter.

Mr. Riedmann then advised the Board that a streetlight at 17308 Paradise was out. Mr. Nelson indicated that there was also a light out at the treatment plant. Doug Hill indicated that he would call someone at OPPD to see what could be done about this.

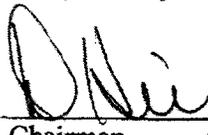
Resident Kevyn Sopinski then addressed the Board concerning the possibility of buying land owned by the SID and located behind his house. Doug Hill indicated that the Board had been discussing this for quite some time and had now determined that its priority was to make certain that the Board could use a lot in the area behind Mr. Sopinski's house for possible future construction of a storage building. Mr. Hill indicated that Sarpy County was now enforcing a 50-foot front yard setback limit for construction of a garage on an outlot. Mr. Sopinski indicated that when he had discussed this with Sarpy County they told him that the front yard setback would be 25 feet. Mr. Hill stated that he would investigate this and see just how the District's property could be subdivided and whether or not that subdivision, after the creation of a lot suitable for the SID, would create a lot or lots on which a garage could be constructed. Mr. Hill stated that he would have this information at the next Board meeting.

Chip Frazier then advised the Board that he had met with Lloyd Dowding, a resident of the District, and Mr. Dowding is proposing a meeting with representatives from the volunteer fire department, the sheriff's office, EMS, the lake associations and the SID to talk about items of mutual interest. Everyone thought this was a good idea and that the District should participate in such a meeting.

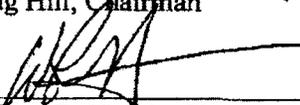
There were no future agenda items.

It was determined that the next Board meeting would be at 7:00 PM on November 19, 2014.

There being no further business appearing, and upon motion duly made by Lou Riedmann, seconded by Don Story and unanimously carried, the meeting was adjourned.



Doug Hill, Chairman



William R. Nosek, Clerk

Sid101\Meetings-2014\06-04-14\Minutes

CERTIFICATE

The undersigned being Clerk of Sanitary and Improvement District No. 101 of Sarpy County, Nebraska, hereby certifies that notice of a meeting of the Board of Trustees of said District held on September 10, 2014, was mailed to the County Clerk of Sarpy County, Nebraska at least seven days prior to the date of said meeting.

The undersigned further certifies that the agenda for the meeting of the Board of Trustees of said District was prepared and available for public inspection at the address designated in the notice of meeting published in *The Bellevue Leader* on September 3, 2014 and that no items were added to the agenda after the commencement of the meeting; and further, that the minutes for the meeting were available for public inspection within ten (10) days of the date of said meeting and that a copy of the minutes of this meeting were sent to the County Clerk of Sarpy County, Nebraska within thirty days from the date of this meeting.


Clerk

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF MEETING

The undersigned Trustees of Sanitary and Improvement District No. 101 of Sarpy County, Nebraska, do hereby acknowledge receipt of advance notice of a meeting of the Board of Trustees of said District and the agenda for such meeting held at 7:00 p.m. on Wednesday, September 10, 2014, at La Platte Community Church, 16412 Main Street, Sarpy County, La Platte, Nebraska.

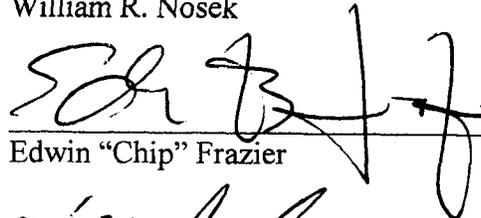
DATED this 10th day of September, 2014.



Doug Hill



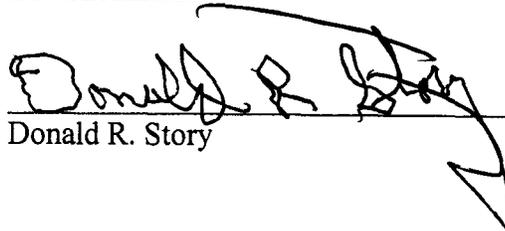
William R. Nosek



Edwin "Chip" Frazier



Lou Riedmann



Donald R. Story

<u>Warrant #</u>	<u>Payee</u>	<u>Total</u>	<u>Testing</u>	<u>Mo Service</u>	<u>Other Service</u>	<u>Repairs</u>	<u>Pumps</u>	<u>Parts/Mats</u>
282	MWL	\$1,292.04	\$1,292.04					
283	MWL	\$34.04	\$34.04					
284	UU	\$6,159.28		\$3,803.32				
285	UU	\$4,012.50		\$3,803.32				
286	UU	\$1,770.49						\$1,678.19
287	UU	\$1,757.00						
288	MWL	\$247.04	\$247.04					
289	UU	\$5,165.31		\$3,803.32				\$454.20
290	UU	\$5,950.00			\$5,950.00			
291	MWL	\$186.12	\$186.12					
292	UU	\$4,340.16		\$3,803.32				\$310.58
293	Tedder	\$8,000.00						
294	MWL	\$104.71	\$104.71					
295	UU	\$4,284.69		\$3,803.32				\$258.00
296	UU	\$2,010.23				\$1,931.50		
297	UU	\$1,431.50				\$1,431.50		
298	MWL	\$1,221.04	\$1,221.04					
299	MWL	\$84.71	\$84.71					
300	MWL	\$84.71	\$84.71					
301	UU	\$4,603.97		\$3,803.32		\$307.06		\$258.00
302	UU	\$4,405.07		\$3,917.42				\$258.00
303	UU	\$4,405.07		\$3,917.42				\$258.00
304	MWL	\$76.19	\$76.19					
305	UU	\$4,132.88		\$3,917.42				
306	MWL	\$76.19	\$76.19					
307	UU	\$4,132.88		\$3,917.42				
308	MWL	\$156.76	\$156.76					
309	UU	\$8,489.04		\$3,917.42		\$2,922.00		\$1,268.58
310	MWL	\$76.19	\$76.19					
311	UU	\$6,098.08		\$3,917.42		\$450.00		
		\$84,787.89	\$3,639.74	\$46,324.44	\$5,950.00	\$7,042.06		\$4,743.55

<u>Mowing</u>	<u>Phragmites</u>	<u>Signs</u>	<u>Adm</u>	<u>Sales Tax</u>	<u>Total UU</u>
\$2,025.00		\$119.34		211.62	\$6,159.28
				209.18	\$4,012.50
				92.3	\$1,770.49
			\$1,757.00		\$1,757.00
\$675.00				232.79	\$5,165.31
					\$5,950.00
	\$8,000.00			226.26	\$4,340.16
				223.37	\$4,284.69
				78.73	\$2,010.23
					\$1,431.50
				235.59	\$4,603.97
				229.65	\$4,405.07
				229.65	\$4,405.07
				215.46	\$4,132.88
				215.46	\$4,132.88
				381.04	\$8,489.04
\$1,350.00		\$102.50	\$58.00	\$220.16	\$6,098.08
\$4,050.00	\$8,000.00	\$221.84	\$1,815.00	\$3,001.26	\$73,148.15

WHAT IS MCDC?

- MCDC stands for: “Municipalities Continuing Disclosure Cooperation Initiative”.
- Announced by the Securities and Exchange Commission (the “SEC”) on March 10, 2014; runs through September 10, 2014 for underwriters and December 1, 2014 for municipal issuers.
- Ostensibly designed to afford favorable treatment terms to municipal issuers (like SIDs) as well as underwriters, who may have violated federal securities laws by misstating in certain official statements and/or offering circulars any instances in the previous five years in which an issuer failed to materially comply with its continuing disclosure undertakings under SEC Rule 15c2-12 (the “Rule”).

WHAT PROBLEM IS ADDRESSED BY MCDC?

- SEC has long been convinced that:
 - issuers are not timely and adequately complying with their continuing disclosure obligations under the Rule; and
 - underwriters are failing to determine whether issuers have complied with such continuing disclosure obligations before underwriting new bond issues for such issuers.
- SEC cannot force an issuer to comply with its undertakings under the Rule, and consequently MCDC does not address any non-compliance by an issuer with its undertakings.
- BUT it can bring an action against an issuer for possibly violating the federal securities law by making a material misstatement, or omitting to include a material statement, in an official statement.

WHAT FRAUD IS ADDRESSED UNDER MCDC?

- The Initiative applies only to certain statements or omissions in an official statement regarding compliance by an issuer with its previous undertakings under the Rule.
- Specifically, the Initiative addresses instances in which an issuer makes a material misstatement, or omits to include a material statement, in an official statement regarding the issuer’s failure during the past 5 years to comply in all material respects with its outstanding continuing disclosure undertakings.
- The Initiative does NOT apply to any other misstatements or omissions in an official statement unrelated to compliance with the Rule.

WHAT IS A MISSTATEMENT? WHAT IS AN OMISSION? AND WHEN IS A MISSTATEMENT OR AN OMISSION MATERIAL?

- A misstatement is any incorrect description of material compliance with an undertaking under the Rule in an offering document.
- An omission is any description of material non-compliance with an undertaking that is not included in an offering document.
- A misstatement or an omission is material for federal securities law purpose if it impacts the market price of bonds.
- Materiality for federal securities law purposes is based on all the particular facts and circumstances. Relevant facts for SIDs in determining the materiality of a misstatement include:
 - Pattern of noncompliance verses one-time failure
 - Availability of any missing data from some other place
 - Timing of compliance failure—if pre EMMA then likely not material and if later non-compliance and then a good track record likely not material
 - Engaging Dissemination Agent a good fact

SID No. 101 - Budget Summary - Fiscal year 2014-15

	General Fund			Bond Fund			Service Fund			All Funds		
	Actual 2012-13	Actual 2013-14	Budget 2014-15									
Receipts:												
Property Taxes	90,747	91,750	98,720	193,148	179,118	171,115	-	-	-	283,894	270,868	269,835
Homestead Exemption	4,945	4,329		10,342	8,218		-	-		15,287	12,547	
Motor Vehicle Pro-Rate	181	390	290	385	768	600	-	-	-	567	1,158	890
Property Tax Credit	3,237	2,947		6,690	5,501		-	-		9,927	8,448	
Special Assessments & Interest	-	-	-	59,703	46,947	10,000	13,542	9,153	7,500	73,245	56,100	17,500
Sewer User Fees	-	-	-	-	-	-	87,751	87,795	95,400	87,751	87,795	95,400
Sewer Connection Fees	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Investments	-	-	-	256	-	152	-	-	-	256	-	152
Warrants Issued	566	-	-	-	7,841	-	-	6,174	-	566	14,015	-
Transfer In of Surplus	1,242	-	-	-	-	-	603	-	-	1,845	-	-
Other -												
Fema	6,162	-	-	56,893	-	-	-	-	-	63,055	-	-
Oppd easement	5,300	-	-	-	-	-	-	-	-	5,300	-	-
Land settlement	5,183	-	-	-	-	-	-	-	-	5,183	-	-
Miscellaneous	-	-	-	1,263	1,284	-	-	-	-	1,263	1,284	-
Total Receipts:	117,563	99,416	99,010	328,679	249,677	181,867	101,896	103,122	102,900	548,139	452,215	383,777
Disbursements:												
County Treasurer Fees	1,815	1,835	1,936	3,863	3,582	3,355	-	-	-	5,678	5,417	5,291
Special Assessments Comm	-	-	-	1,194	939	-	271	183	200	1,465	1,122	200
Accounting/Audit Fees	8,006	8,385	8,500	-	-	-	-	-	-	8,006	8,385	8,500
Bookkeeping/Billing Service Fees	200	240	500	-	-	-	-	-	-	200	240	500
Election Costs	-	-	-	-	-	-	-	-	-	-	-	-
Engineering Fees	8,237	7,782	15,000	-	15,897	21,900	-	-	-	8,237	23,679	36,900
Fiscal Servicing Fees	1,166	750	1,500	-	9,000	9,000	-	-	-	1,166	9,750	10,500
Grounds/Mowing	-	2,915	5,000	-	-	-	-	-	-	-	2,915	5,000
Insurance/Trustee Bonds	2,966	3,233	3,500	-	3,654	-	-	-	-	2,966	6,887	3,500
Legal Fees	17,329	16,698	25,000	22,182	-	7,500	465	-	-	39,976	16,698	32,500

S I D No. 101 - Budget Summary - Fiscal year 2014-15

	General Fund			Bond Fund			Service Fund			All Funds		
	Actual 2012-13	Actual 2013-14	Budget 2014-15									
Maintenance and Repairs	20,658	1,700	24,000	-	-	-	53,567	8,612	10,500	74,225	10,312	34,500
Mtce and Repairs - Sewer	-	-	25,000	-	-	-	-	12,730	30,000	-	12,730	55,000
Mtce and Repairs - Streets	-	7,560	15,000	-	-	-	-	-	-	-	7,560	15,000
Mtc and Repairs - Wetlands	-	-	-	-	-	-	-	12,050	15,000	-	12,050	15,000
Postage/Office Expenses	142	-	-	-	-	-	201	50	-	343	50	-
Publication Costs	208	-	500	-	849	-	-	-	-	208	849	500
Sales Taxes Remitted	18,563	-	4,800	-	-	-	-	-	-	18,563	-	4,800
Sewer Contract Operating	-	-	-	-	-	-	43,277	46,325	50,000	43,277	46,325	50,000
Sewer Testing	-	-	-	-	-	-	3,129	3,640	4,500	3,129	3,640	4,500
Street Cleaning/Snow	-	8,767	-	-	-	-	-	-	-	-	8,767	-
Street Lighting	8,128	-	12,000	-	-	-	-	-	-	8,128	-	12,000
Survey/Ownership	1,373	1,690	2,200	-	-	-	-	-	-	1,373	1,690	2,200
Capital Improvements	-	-	-	10,802	-	165,663	-	-	-	10,802	-	165,663
Bond P/I Debt Service	-	-	-	76,345	81,045	80,640	-	-	-	76,345	81,045	80,640
NDEQ P//fees Debt Service	-	-	-	149,765	114,485	86,825	-	-	-	149,765	114,485	86,825
Warrants Paid	-	2,285	25,000	-	-	-	-	-	-	-	2,285	25,000
Transfers Out	-	-	-	603	-	-	1,242	-	-	1,845	-	-
Other -												
Future Bond Requirements	-	-	-	-	-	215,145	-	-	-	-	-	215,145
Total Disbursements	88,791	63,840	169,436	264,755	229,451	590,028	102,152	83,590	110,200	455,698	376,881	869,664
Excess (Deficiency) of Receipts over Disbursements	28,773	35,576	(70,426)	63,924	20,226	(408,161)	(256)	19,532	(7,300)	92,441	75,334	(485,887)
Beginning Cash	87,539	116,312	151,888	558,115	622,039	122,416	16,868	16,612	36,144	-	-	310,448
Beginning Investments	-	-	-	-	-	519,849	-	-	-	-	-	-
End Cash/Investments	116,312	151,888	81,462	622,039	642,265	234,104	16,612	36,144	28,844	-	-	344,410

Valuation

2012	\$	66,001,978
2013	\$	65,185,349
2014	\$	65,813,310

Cash (06/30/14)

Bond Fund	\$	642,264.61
General Fund	\$	151,888.29

Special Assessments

Uncollected Balance 06/30/14	\$	-
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Bonds Outstanding

		<u>Balance</u>		<u>Approximate Annual Debt Svc.</u>
1/15/2012	\$	1,445,000	\$	190,000

Warrants Outstanding

Construction Fund	\$	-		<u>Next Maturity Due</u>
*Interest Paid				
General Fund	\$	-		

Warrants Coming Due

		<u>CF</u>		<u>GF</u>
2014	\$	-	\$	-
2015	\$	-	\$	-

Levy (13/14)

Bond Fund	\$	0.28	\$	<u>Generates (13/14)</u>
General Fund	\$	0.15	\$	178,868.60
			\$	95,822.46
<u>Total Levy</u>	\$	<u>0.43</u>		

Levy Recommendation (14/15)

Bond Fund	\$	0.26	\$	<u>Generates (14/15)</u>
General Fund	\$	0.15	\$	167,692.31
			\$	96,745.57
<u>Total Levy</u>	\$	<u>0.41</u>		

Net Debt to Value

2012	2.19%
2013	2.22%
2014	2.20%

SARPY COUNTY SID NO. 101 - Hansen's Lake

2014 / 2015 BUDGET PROJECTION

Assumptions:

- Investment Income Assumes 0% in 2014, 1% in 2015 & 2% thereafter
- Assumes that \$205,000 (Includes Soft Costs) is Spent from Bond Fund in 2014 for Treatment Plant Improvements and Drainage and Guardrail Improvements
- Assumes that \$100,000 of the Outstanding Principal of the NDEQ Loan is paid off w/ Bond Fund Cash in December 2014

<u>2013 BF Levy</u>	<u>2014 Rec. BF Levy</u>
\$ 0.26	\$ 0.26
<u>2013 GF Levy</u>	<u>2014 Rec. GF Levy</u>
\$ 0.15	\$ 0.15
\$ 0.41	\$ 0.41

Bond Fund Cash
Balance as of
6/30/2014

\$ 642,264.61

Unpaid Special
Assessments
as of 6-30-2014
\$ -
Estimate of
Outstanding
Reimbursables
\$ -

2013 Final Value	\$ 65,185,349
2014 Prelim Value	\$ 65,868,553
2014 Final Value	\$ 65,813,310

FISCAL YEAR	BOND TAX LEVY	BOND SINKING FUND	98.00% PROPERTY TAX INCOME	2.00% INVESTMENT INCOME	Uncollected Special Assessments	Estimated Uncollected Reimbursables	Project Expenditures From Bond Fund	Refunding Bond Dated 1/15/2012	NDEQ LOAN Bond Dated 12/15/2002	Aggregate Bond Debt Service	PROPERTY INFLATION	PROPERTY VALUATION
2014/2015	0.26	391,786	83,046	4,496	0.00	0.00	205,000.00	25,320.00	107,700.66	133,020.66	0.00%	65,813,310
2015/2016	0.23	404,718	167,692	5,485	0.00	0.00	0.00	80,392.50	79,853.14	160,245.64	0.00%	65,813,310
2016/2017	0.23	399,014	148,343	5,666	0.00	0.00	0.00	79,860.00	79,853.16	159,713.16	0.00%	65,813,310
2017/2018	0.23	393,815	148,343	5,586	0.00	0.00	0.00	79,275.00	79,853.14	159,128.14	0.00%	65,813,310
2018/2019	0.23	389,196	148,343	5,513	0.00	0.00	0.00	78,622.50	79,853.14	158,475.64	0.00%	65,813,310
2019/2020	0.23	380,311	148,343	5,449	0.00	0.00	0.00	82,823.75	79,853.16	162,676.91	0.00%	65,813,310
2020/2021	0.23	398,687	148,343	5,324	0.00	0.00	0.00	81,887.50	53,403.95	135,291.45	0.00%	65,813,310
2021/2022	0.23	417,609	148,343	5,582	0.00	0.00	0.00	135,002.50	0.00	135,002.50	0.00%	65,813,310
2022/2023	0.23	380,629	148,343	5,847	0.00	0.00	0.00	191,170.00	0.00	191,170.00	0.00%	65,813,310
2023/2024	0.23	348,156	148,343	5,329	0.00	0.00	0.00	186,145.00	0.00	186,145.00	0.00%	65,813,310
2024/2025	0.23	310,696	148,343	4,874	0.00	0.00	0.00	190,677.50	0.00	190,677.50	0.00%	65,813,310
2025/2026	0.23	273,685	148,343	4,350	0.00	0.00	0.00	189,703.75	0.00	189,703.75	0.00%	65,813,310
2026/2027	0.23	232,662	148,343	3,832	0.00	0.00	0.00	193,197.50	0.00	193,197.50	0.00%	65,813,310
2027/2028	0.00	193,078	148,343	3,257	0.00	0.00	0.00	191,185.00	0.00	191,185.00	0.00%	65,813,310
2028/2029	0.00	6,989	0	2,703	0.00	0.00	0.00	188,792.50	0.00	188,792.50	0.00%	65,813,310
2029/2030	0.00	7,086	0	98	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	65,813,310
2030/2031	0.00	7,186	0	99	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	65,813,310
2031/2032	0.00	7,286	0	101	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	65,813,310
2032/2033	0.00	7,388	0	102	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	65,813,310
2033/2034	0.00	7,492	0	103	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	65,813,310
2034/2035	0.00	7,597	0	105	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	65,813,310
2035/2036	0.00	7,703	0	106	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	65,813,310
2036/2037	0.00	7,811	0	108	0.00	0.00	0.00	0.00	0.00	0.00	0.00%	65,813,310
								1,974,055.00	560,370.35	2,534,425.35		

