

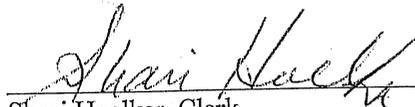
## CERTIFICATE

The undersigned hereby certify that they are the Chairperson and Clerk of Sanitary and Improvement District Number 104 of Sarpy County, Nebraska, (the "District") and hereby further certify as follows:

1. Annexed to this certificate is a true and correct transcript of the proceedings of the Board of Trustees of the District relating to a meeting of said District held on the date and at the time reflected in the meeting minutes contained in said foregoing transcript (the "Meeting"). All of the proceedings of the District and of the Board of Trustees thereof which are set out in the annexed and foregoing transcript have been fully recorded in the journal of proceedings of the District and the undersigned District Clerk has carefully compared the annexed and foregoing transcript with said journal and with the records and files of the District which are in such Clerk's official custody and said transcript is a full, true and complete copy of said journal, records and files which are set out therein.
2. Advance notice for the Meeting was given by publication as set forth in the affidavit of publication contained in the foregoing transcript and was mailed to the Clerk of the municipality or county within whose zoning jurisdiction the District is located at least seven days prior to the date of the Meeting. Advance notice for the Meeting, including notice of agenda subjects, was given to all members of the Board of Trustees. All news media requesting notification of meetings of said body were provided with advance notice of the times and places of such meetings and the subjects to be discussed.
3. All of the subjects addressed at the Meeting were contained in the agenda for the Meeting, which agenda was kept continually current and readily available for public inspection at the address listed in the meeting notice for the Meeting and a copy of which is attached to this Certificate; such subjects were contained in said agenda for at least 24 hours prior to the Meeting and each agenda item was sufficiently descriptive to give the public reasonable notice of the matters to be considered at the Meeting.
4. A current copy of the Nebraska Open Meetings Act was available and accessible to members of the public, posted during the Meeting in the room in which such Meeting was held and all in attendance at the Meeting were informed that such copy of the Nebraska Open Meetings Act was available for review and were informed of the location of such copy in the room in which such Meeting was being held. At least one copy of all resolutions and other reproducible written materials, for which actions are shown in said proceedings, was made available for examination and copying by members of the public at the Meeting.
5. The minutes of the Meeting were in written form and available for public inspection within ten (10) working days after the Meeting or prior to the next convened meeting, whichever occurred earlier, at the office of the District; within thirty (30) days after the date of the Meeting, a copy of the minutes of the Meeting was sent to the Clerk of the municipality or county within whose zoning jurisdiction the District is located.
6. No litigation is now pending or threatened to restrain or enjoin the District from the issuance and delivery of any warrants or other obligations issued by the District or the levy and collection of tax or other revenues or relating to any of the improvements for which any such warrants or other obligations were or are issued nor in any manner questioning the proceedings and authority under which any such warrants or other obligations were or are issued or affecting the validity thereof; neither the corporate existence or boundaries of the District nor the title of its present officers to their respective offices is being contested; no authority or proceedings for the issuance of any warrants or other obligations by the District have been repealed, revoked or rescinded as of the date hereof. All actions taken by the Board of Trustees referred to in said transcript were taken at a public meeting while open to the attendance of the public.

IN WITNESS WHEREOF, we have hereunto affixed our official signatures this 16<sup>th</sup> day of April  
2009.

  
\_\_\_\_\_  
John R. Hill, Jr., Chairperson

  
\_\_\_\_\_  
Shari Hoelker, Clerk

SANITARY AND IMPROVEMENT DISTRICT NO. 104  
OF  
SARPY COUNTY, NEBRASKA  
BOARD OF TRUSTEES MEETING  
April 16, 2009

MINUTES

PRESENT: Shari Hoelker, John R. Hill, Jr., Brian McKenzie, Jillian Burns and Michael Walker

ABSENT: None.

LOCATION: 7020 Highland Boulevard, Omaha, Nebraska

TIME: 6:30 p.m.

Notice was given in advance thereof by publication in The Times, the designated method for giving notice on April 9, 2009, a copy of the Proof of Publication being attached to these minutes. Notice of this meeting was given to all members of the Board of Trustees, and a copy of their acknowledgment of receipt of notice is attached to these minutes. Availability of the agenda was communicated in the published notice and in the notice to the Trustees of this meeting. All proceedings of the Board were taken while the convened meeting was open to the attendance of the public.

The Chairperson publicly stated to all in attendance that a current copy of the Nebraska Open Meetings Act was available for review and indicated the location of such copy in the room where the meeting was being held.

The fiscal agent for the district reported that the district was in a position to issue bonds of the District, the proceeds of which would be used to redeem all the outstanding Series 2001 general obligation bonds.

After discussion, Trustee John R. Hill, Jr. offered the following resolutions and moved their adoption:

BE IT RESOLVED That the Official Statement dated April 16, 2009 pertaining to the issuance and sale of the Bonds is hereby approved in substantially the form attached hereto, the Official Statement as of its date is hereby deemed final within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, and the distribution of the Official Statement by Ameritas Investment Corp., as underwriter of the Bonds is hereby approved.”

“RESOLVED, that Great Western Bank, Omaha, Nebraska, has been appointed as Paying Agent for payment of principal and interest on bonds of this District issued May 15, 2009, which appointment is hereby confirmed and ratified, and the County Treasurer of Sarpy County, Nebraska, as ex officio treasurer of this District, is hereby authorized and directed to pay, from time to time, to said Paying Agent, from funds of the District, such amounts of money as such Paying Agent shall certify in writing to the County Treasurer as shall be needed for payment of principal or interest on bonds of the District, such certificate of the Paying Agent to show the amounts needed for payment of principal or interest, the date

upon which such amount is due, and the date when such transfer shall be made to the Paying Agent by the County Treasurer for each transfer of funds requested by the Paying Agent.”

“BE IT FURTHER RESOLVED, that the Chairman and Clerk of this District shall certify this resolution to said County Treasurer who may deem this resolution to be a continuing resolution and authorization to make transfers to such Paying Agent, until and unless the County Treasurer is notified of termination of such authority.”

Motion seconded by Trustee Shari Hoelker. On roll call, the following voted for the passage and adoption of said resolution:

AYE: Shari Hoelker, John R. Hill, Jr., Brian McKenzie, Jillian Burns and Michael Walker.  
The following voted NAY: None.

Thereupon, the Chairperson declared said motion carried and said resolution passed and adopted.

Trustee John R. Hill, Jr. then offered the following Resolution and moved its adoption:

BE IT RESOLVED by Sanitary and Improvement District No. 104 of Sarpy County, Nebraska:

Section 1. The following bonds, in accordance with their optional redemption provisions are hereby called for payment on May 19, 2009, at par plus accrued interest, after which date interest on the bonds will cease; provided that such bonds shall not be called for payment, and this resolution shall be of no force and effect, if the District does not issue, sell and deliver its \$2,000,000 aggregate principal amount of General Obligation Refunding Bonds, Series 2009 on or before May 19, 2009.

General Obligation Refunding Bonds, Series 2001, dated May 15, 2001, in the principal amount of One Million Nine Hundred Fifteen Thousand Dollars (\$1,915,000) in \$5,000 denominations bearing basic interest as follows:

<u>Amount</u>	<u>Maturity Date</u>	<u>Basic Interest Rate</u> <u>Per Annum</u>
\$255,000	05/15/10	5.05%
\$270,000	05/15/11	5.15%
\$285,000	05/15/12	5.25%
\$300,000	05/15/13	5.35%
\$315,000	05/15/14	5.45%
\$335,000	05/15/15	5.50%
\$155,000	05/15/16	5.50%

Said bonds are subject to redemption at any time on or after May 15, 2006 at par plus accrued interest, and said interest is payable semiannually.

Section 2. Said bonds are to be paid off at the office of Great Western Bank.

Section 3. A true copy of this resolution shall also be filed immediately with Great Western Bank, and said Paying Agent and Registrar is hereby instructed to mail notice to each registered owner of said outstanding bonds not less than thirty days prior to the date fixed for redemption. A true copy of this resolution shall be filed with the County Treasurer of Sarpy County on or before the call date.

Motion seconded by Trustee Shari Hoelker. On roll call, the following voted for the passage and adoption of said resolution:

AYE: Shari Hoelker, John R. Hill, Jr., Brian McKenzie, Jillian Burns and Michael Walker.  
The following voted NAY: None.

Thereupon, the Chairperson declared said motion carried and said resolution passed and adopted.

After discussion, Trustee Shari Hoelker offered the following resolution and moved its adoption:

BE IT FURTHER RESOLVED by the Chairperson and Board of Trustees of Sanitary and Improvement District No. 104 of Sarpy County, Nebraska, that the bond resolution, including the redemption of warrants and refunding of bonds outstanding, a copy of which is attached to these minutes marked Exhibit "B" be passed and adopted.

Trustee John R. Hill, Jr. seconded the resolution and on roll call the following voted yea: John R. Hill, Jr., Shari Hoelker, Michael Walker, Brian McKenzie and Jillian Burns  
The following voted nay: None.

Whereupon the Chairperson declared the resolution passed and adopted.

The Clerk then presented the following statements and recommended the issuance of warrants in payment thereof:

#### General Warrants

<b>OPPD</b>	<b>\$ 3,793.01</b>
<b>Papillion Times</b>	<b>\$ 8.25</b>
<b>Adams &amp; Sullivan, P.C.</b>	<b>\$ 800.00</b>
<b>Matt Ahlborg</b>	<b>\$ 280.00</b>
<b>John R. Hill, Jr.</b>	<b>\$ 165.33</b>
<b>Associated Underwriters, Inc.</b>	<b>\$ 1,025.00</b>
<b>Van Wall Turf &amp; Irrigation</b>	<b>\$ 367.22</b>

Trustee Michael Walker introduced the following resolution and moved its adoption:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 104 of Sarpy County, Nebraska, that the Chairperson and Clerk be and they hereby are authorized and directed to execute and deliver General Warrant Nos. **3815 - 3821** of the District, dated the date of this meeting, to the following payees in the following amounts, said general warrants to be drawn on the **General Fund** of the District and to draw interest at the rate of Seven percent (7%) per annum (interest to be payable in February of each year) and to be redeemed no later than **April 16, 2012**, each subject to extension of said maturity date by order of the District Court of Sarpy County, Nebraska, after notice is given as required by law, to-wit:

**Warrant No. 3815 for \$3,793.01 payable to OPPD**  
**Warrant No. 3816 for \$8.25 payable to Papillion Times**  
**Warrant No. 3817 for \$800.00 payable to Adams & Sullivan, P.C.**  
**Warrant No. 3818 for \$280.00 payable to Matt Ahlborg**

**Warrant No. 3819 for \$165.33 payable to John R. Hill, Jr.**  
**Warrant No. 3820 for \$1,025.00 payable to Associated Underwriters, Inc.**  
**Warrant No. 3821 for \$367.22 payable to Van Wall Turf & Irrigation**

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 104 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 benefited 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. 104 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 in 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) (i) (III) of the Internal Revenue Code of 1986 as amended and covenants 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 \$5,000.00 during the calendar year in which the above warrants are to be issued.

BE IT FURTHER RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 104 of Sarpy County, Nebraska, that this and the preceding resolutions are hereby adopted as the Certificate With Respect to Arbitrage of the District pertaining to the above warrants and the District and the Chairman and Clerk of the District hereby further certify, as of the date of the registration of the above warrants with the County Treasurer of Sarpy County, Nebraska, as follows:

1. No separate reserve or replacement fund has been or will be established with respect to the above warrants. The District reasonably anticipates that monies in its Bond Fund reasonably attributable to the above warrants in excess of the lesser of: (a) 10% of the net principal proceeds of the above warrants, (b) the maximum annual debt service due on the above warrants or (c) 125% of annual debt service due on the above warrants will be expended for payment of principal of an interest on the above warrants within thirteen months after receipt of such monies. That amount which is currently held in the District's Bond Fund which exceeds the amount which is to be expended for payment of principal and interest on the above warrants within thirteen months after receipt of such monies, plus that amount arrived at pursuant to the immediately preceding sentence, will not be invested in any securities or any

other investment obligations which bear a yield, as 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 Service as an issuer that may not certify its bonds.

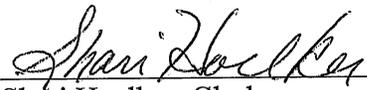
4. The Certificate is being passed, executed and delivered pursuant to Sections 1.148-2(b)(2) of the Income Tax Regulations under the Internal Revenue Code of 1986, as amended.

Motion seconded by Trustee John R. Hill, Jr.. On roll call, the following voted for the passage and adoption of said resolution:

AYE: Shari Hoelker, John R. Hill, Jr., Brian McKenzie, Jillian Burns and Michael Walker.  
The following voted NAY: None.

Thereupon, the Chairperson declared said motion carried and said resolution passed and adopted.

  
\_\_\_\_\_  
John R. Hill, Jr., Chairperson

  
\_\_\_\_\_  
Shari Hoelker, Clerk

# AFFIDAVIT OF PUBLICATION

State of Nebraska}

ss.

County of Sarpy}

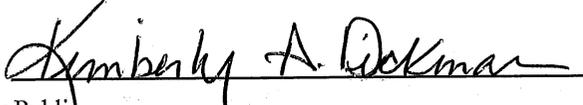
Being duly sworn, upon oath, Shon Barenklau deposes and says that he is the Publisher or Kirk Hoffman deposes and says that he is the Business Manager of the **Papillion Times**, a legal newspaper of general circulation in Sarpy County, Nebraska, and published therein; that said newspaper has been established for more than one year last past; that it has a bona-fide paid subscription list of more than three hundred; that to this personal knowledge, the advertisement, a copy of which is hereto attached, was printed in the said newspaper once each week, the first insertion having been on:

**Thursday, April 9, 2009**

And that said newspaper is a legal newspaper under the statutes of the State of Nebraska. The above facts are within my personal knowledge.

  
\_\_\_\_\_  
Shon Barenklau      OR        
Publisher                      Business Manager

Today's Date 04-07-2009  
Signed in my presence and sworn to before me:

  
\_\_\_\_\_  
Notary Public

NOTICE OF MEETING  
SANITARY IMPROVEMENT DISTRICT  
NO. 104  
OF SARPY COUNTY, NEBRASKA

NOTICE IS HEREBY GIVEN that a meeting of the Board of trustees of Sanitary and Improvement District No. 104 of Sarpy County, Nebraska, will be held at 6:30 P.M. on Thurs. April 16, 2009, at 7020 Highland Blvd., Omaha, Nebraska, which meeting will be open to the public. An Agenda for such meeting kept continuously current is available for public inspection at the principal office of the Board 7020 Highland Blvd., Omaha, Nebraska, and includes payment of bills of the District.  
Signed, John Hill, Chairperson  
11991764; 4/9

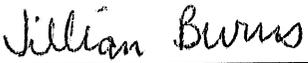
**KIMBERLY A. DICKMAN**  
General Notary  
State of Nebraska  
My Commission Expires Mar 27, 2012

Printer's Fee \$ 8.25  
Customer Number: 10244653  
Order Number: 11991764

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF MEETING

The undersigned Trustees of Sanitary and Improvement District No. 104 of Sarpy County, Nebraska, 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 6:30 p.m. on April 16, 2009, at 7020 Highland Boulevard, Omaha, Nebraska.

Dated this 16<sup>th</sup> day of April 2009



Jillian Burns



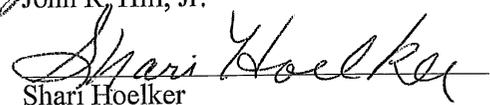
Brian McKenzie



Michael Walker



John R. Hill, Jr.



Shari Hoelker

**WARRANT OF SANITARY AND IMPROVEMENT DISTRICT NO. 104 OF SAPPY COUNTY, NEBRASKA**

**TO: TREASURER OF SAPPY COUNTY, NEBRASKA**  
(Ex. Office Treasurer of the District)

ISSUE DATE April 16, NO. 3815

PAY TO OPFD OR SUBSEQUENT REGISTERED OWNER HEREOF

Three Thousand Seven Hundred Ninety-Three & 01/100 DOLLARS \$ 3,793.01

AND CHARGE TO THE GENERAL ACCOUNT OF THE DISTRICT.

IF THIS WARRANT IS REGISTERED BY THE COUNTY TREASURER, THE FOLLOWING PROVISIONS SHALL APPLY:

THIS WARRANT SHALL DRAW INTEREST AT THE RATE OF 7% PER CENTUM PER ANNUM FROM DATE OF REGISTRATION UNTIL PAID, PAYABLE UPON REDEMPTION HEREOF. PAYMENT OF PRINCIPAL AND ACCRUED INTEREST THEREON SHALL BE MADE UPON PRESENTATION OF THIS WARRANT TO THE PAYING AGENT. THE REGISTER SHALL MAINTAIN RECORDS OF THE OWNERSHIP AND TRANSFER HEREOF AND THE DISTRICT, THE COUNTY TREASURER AND THE PAYING AGENT. THE REGISTER MAY TREAT THE REGISTERED OWNER AS SHOWN BY SUCH RECORDS AS THE ASSOLUTE OWNER FOR ALL PURPOSES. THE OWNERSHIP OF THIS WARRANT MAY BE TRANSFERRED ONLY UPON PRESENTATION HEREOF TO THE REGISTER, ACCOMPANIED BY AN ASSIGNMENT IN FORM SATISFACTORY TO THE REGISTER, DULY EXECUTED BY THE REGISTERED OWNER OR DULY AUTHORIZED AGENT.

THIS WARRANT SHALL BECOME DUE ON April 16, 20 12 UNLESS REDEEMED PRIOR TO SAID DATE. NOTICE OF REDEMPTION PRIOR TO MATURITY SHALL BE MAILED TO THE REGISTERED OWNER AT LEAST 7 DAYS PRIOR TO REDEMPTION DATE.

THE PAYING AGENT AND REGISTRAR FOR THIS WARRANT IS:

**GREAT WESTERN BANK**  
 9290 West Dodge Road, Suite 202, Omaha, NE 68114-3320

IN PAYMENT OF \_\_\_\_\_ CHAIRMAN John R. Hill, Jr.

CLERK \_\_\_\_\_

**WARRANT OF SANITARY AND IMPROVEMENT DISTRICT NO. 104 OF SAPPY COUNTY, NEBRASKA**

**TO: TREASURER OF SAPPY COUNTY, NEBRASKA**  
(Ex. Office Treasurer of the District)

ISSUE DATE April 16, NO. 3816

PAY TO The Threes OR SUBSEQUENT REGISTERED OWNER HEREOF

Eight & 25/100 DOLLARS \$ 8.25

AND CHARGE TO THE GENERAL ACCOUNT OF THE DISTRICT.

IF THIS WARRANT IS REGISTERED BY THE COUNTY TREASURER, THE FOLLOWING PROVISIONS SHALL APPLY:

THIS WARRANT SHALL DRAW INTEREST AT THE RATE OF 7% PER CENTUM PER ANNUM FROM DATE OF REGISTRATION UNTIL PAID, PAYABLE UPON REDEMPTION HEREOF. PAYMENT OF PRINCIPAL AND ACCRUED INTEREST THEREON SHALL BE MADE UPON PRESENTATION OF THIS WARRANT TO THE PAYING AGENT. THE REGISTER SHALL MAINTAIN RECORDS OF THE OWNERSHIP AND TRANSFER HEREOF AND THE DISTRICT, THE COUNTY TREASURER AND THE PAYING AGENT. THE REGISTER MAY TREAT THE REGISTERED OWNER AS SHOWN BY SUCH RECORDS AS THE ASSOLUTE OWNER FOR ALL PURPOSES. THE OWNERSHIP OF THIS WARRANT MAY BE TRANSFERRED ONLY UPON PRESENTATION HEREOF TO THE REGISTER, ACCOMPANIED BY AN ASSIGNMENT IN FORM SATISFACTORY TO THE REGISTER, DULY EXECUTED BY THE REGISTERED OWNER OR DULY AUTHORIZED AGENT.

THIS WARRANT SHALL BECOME DUE ON April 16, 20 12 UNLESS REDEEMED PRIOR TO SAID DATE. NOTICE OF REDEMPTION PRIOR TO MATURITY SHALL BE MAILED TO THE REGISTERED OWNER AT LEAST 7 DAYS PRIOR TO REDEMPTION DATE.

THE PAYING AGENT AND REGISTRAR FOR THIS WARRANT IS:

**GREAT WESTERN BANK**  
 9290 West Dodge Road, Suite 202, Omaha, NE 68114-3320

IN PAYMENT OF \_\_\_\_\_ CHAIRMAN John R. Hill, Jr.

CLERK \_\_\_\_\_

**WARRANT OF SANITARY AND IMPROVEMENT DISTRICT NO. 104 OF SAPPY COUNTY, NEBRASKA**

**TO: TREASURER OF SAPPY COUNTY, NEBRASKA**  
(Ex. Office Treasurer of the District)

ISSUE DATE April 16, NO. 3817

PAY TO Adams & Sullivan, P.C. OR SUBSEQUENT REGISTERED OWNER HEREOF

Eight Hundred & 00/100 DOLLARS \$ 800.00

AND CHARGE TO THE GENERAL ACCOUNT OF THE DISTRICT.

IF THIS WARRANT IS REGISTERED BY THE COUNTY TREASURER, THE FOLLOWING PROVISIONS SHALL APPLY:

THIS WARRANT SHALL DRAW INTEREST AT THE RATE OF 7% PER CENTUM PER ANNUM FROM DATE OF REGISTRATION UNTIL PAID, PAYABLE UPON REDEMPTION HEREOF. PAYMENT OF PRINCIPAL AND ACCRUED INTEREST THEREON SHALL BE MADE UPON PRESENTATION OF THIS WARRANT TO THE PAYING AGENT. THE REGISTER SHALL MAINTAIN RECORDS OF THE OWNERSHIP AND TRANSFER HEREOF AND THE DISTRICT, THE COUNTY TREASURER AND THE PAYING AGENT. THE REGISTER MAY TREAT THE REGISTERED OWNER AS SHOWN BY SUCH RECORDS AS THE ASSOLUTE OWNER FOR ALL PURPOSES. THE OWNERSHIP OF THIS WARRANT MAY BE TRANSFERRED ONLY UPON PRESENTATION HEREOF TO THE REGISTER, ACCOMPANIED BY AN ASSIGNMENT IN FORM SATISFACTORY TO THE REGISTER, DULY EXECUTED BY THE REGISTERED OWNER OR DULY AUTHORIZED AGENT.

THIS WARRANT SHALL BECOME DUE ON April 16, 20 12 UNLESS REDEEMED PRIOR TO SAID DATE. NOTICE OF REDEMPTION PRIOR TO MATURITY SHALL BE MAILED TO THE REGISTERED OWNER AT LEAST 7 DAYS PRIOR TO REDEMPTION DATE.

THE PAYING AGENT AND REGISTRAR FOR THIS WARRANT IS:

**GREAT WESTERN BANK**  
 9290 West Dodge Road, Suite 202, Omaha, NE 68114-3320

IN PAYMENT OF \_\_\_\_\_ CHAIRMAN John R. Hill, Jr.

CLERK \_\_\_\_\_

**WARRANT OF SANITARY AND IMPROVEMENT DISTRICT NO. 104 OF SAPPY COUNTY, NEBRASKA**

**TO: TREASURER OF SAPPY COUNTY, NEBRASKA**  
(Ex. Office Treasurer of the District)

ISSUE DATE April 16, NO. 3818

PAY TO Matt Ahlborg OR SUBSEQUENT REGISTERED OWNER HEREOF

Two Hundred Eighty & 00/100 DOLLARS \$ 280.00

AND CHARGE TO THE GENERAL ACCOUNT OF THE DISTRICT.

IF THIS WARRANT IS REGISTERED BY THE COUNTY TREASURER, THE FOLLOWING PROVISIONS SHALL APPLY:

THIS WARRANT SHALL DRAW INTEREST AT THE RATE OF 7% PER CENTUM PER ANNUM FROM DATE OF REGISTRATION UNTIL PAID, PAYABLE UPON REDEMPTION HEREOF. PAYMENT OF PRINCIPAL AND ACCRUED INTEREST THEREON SHALL BE MADE UPON PRESENTATION OF THIS WARRANT TO THE PAYING AGENT. THE REGISTER SHALL MAINTAIN RECORDS OF THE OWNERSHIP AND TRANSFER HEREOF AND THE DISTRICT, THE COUNTY TREASURER AND THE PAYING AGENT. THE REGISTER MAY TREAT THE REGISTERED OWNER AS SHOWN BY SUCH RECORDS AS THE ASSOLUTE OWNER FOR ALL PURPOSES. THE OWNERSHIP OF THIS WARRANT MAY BE TRANSFERRED ONLY UPON PRESENTATION HEREOF TO THE REGISTER, ACCOMPANIED BY AN ASSIGNMENT IN FORM SATISFACTORY TO THE REGISTER, DULY EXECUTED BY THE REGISTERED OWNER OR DULY AUTHORIZED AGENT.

THIS WARRANT SHALL BECOME DUE ON April 16, 20 12 UNLESS REDEEMED PRIOR TO SAID DATE. NOTICE OF REDEMPTION PRIOR TO MATURITY SHALL BE MAILED TO THE REGISTERED OWNER AT LEAST 7 DAYS PRIOR TO REDEMPTION DATE.

THE PAYING AGENT AND REGISTRAR FOR THIS WARRANT IS:

**GREAT WESTERN BANK**  
 9290 West Dodge Road, Suite 202, Omaha, NE 68114-3320

IN PAYMENT OF \_\_\_\_\_ CHAIRMAN John R. Hill, Jr.

CLERK \_\_\_\_\_

**WARRANT OF SANITARY AND IMPROVEMENT DISTRICT NO. 104 OF SAPPY COUNTY, NEBRASKA**

**TO: TREASURER OF SAPPY COUNTY, NEBRASKA**  
(Ex. Office Treasurer of the District)

ISSUE DATE April 16, NO. 3819

PAY TO John R. Hill, Jr. OR SUBSEQUENT REGISTERED OWNER HEREOF

One Hundred Sixty-Five & 33/100 DOLLARS \$ 165.33

AND CHARGE TO THE GENERAL ACCOUNT OF THE DISTRICT.

IF THIS WARRANT IS REGISTERED BY THE COUNTY TREASURER, THE FOLLOWING PROVISIONS SHALL APPLY:

THIS WARRANT SHALL DRAW INTEREST AT THE RATE OF 7% PER CENTUM PER ANNUM FROM DATE OF REGISTRATION UNTIL PAID, PAYABLE UPON REDEMPTION HEREOF. PAYMENT OF PRINCIPAL AND ACCRUED INTEREST THEREON SHALL BE MADE UPON PRESENTATION OF THIS WARRANT TO THE PAYING AGENT. THE REGISTER SHALL MAINTAIN RECORDS OF THE OWNERSHIP AND TRANSFER HEREOF AND THE DISTRICT, THE COUNTY TREASURER AND THE PAYING AGENT. THE REGISTER MAY TREAT THE REGISTERED OWNER AS SHOWN BY SUCH RECORDS AS THE ASSOLUTE OWNER FOR ALL PURPOSES. THE OWNERSHIP OF THIS WARRANT MAY BE TRANSFERRED ONLY UPON PRESENTATION HEREOF TO THE REGISTER, ACCOMPANIED BY AN ASSIGNMENT IN FORM SATISFACTORY TO THE REGISTER, DULY EXECUTED BY THE REGISTERED OWNER OR DULY AUTHORIZED AGENT.

THIS WARRANT SHALL BECOME DUE ON April 16, 20 12 UNLESS REDEEMED PRIOR TO SAID DATE. NOTICE OF REDEMPTION PRIOR TO MATURITY SHALL BE MAILED TO THE REGISTERED OWNER AT LEAST 7 DAYS PRIOR TO REDEMPTION DATE.

THE PAYING AGENT AND REGISTRAR FOR THIS WARRANT IS:

**GREAT WESTERN BANK**  
 9290 West Dodge Road, Suite 202, Omaha, NE 68114-3320

IN PAYMENT OF \_\_\_\_\_ CHAIRMAN John R. Hill, Jr.

CLERK \_\_\_\_\_

**WARRANT OF SANITARY AND IMPROVEMENT DISTRICT NO. 104 OF SAPPY COUNTY, NEBRASKA**

**TO: TREASURER OF SAPPY COUNTY, NEBRASKA**  
(Ex. Office Treasurer of the District)

ISSUE DATE April 16, NO. 3820

PAY TO Associated Underwriters, Inc. OR SUBSEQUENT REGISTERED OWNER HEREOF

One Thousand Twenty-Five & 00/100 DOLLARS \$ 1,025.00

AND CHARGE TO THE GENERAL ACCOUNT OF THE DISTRICT.

IF THIS WARRANT IS REGISTERED BY THE COUNTY TREASURER, THE FOLLOWING PROVISIONS SHALL APPLY:

THIS WARRANT SHALL DRAW INTEREST AT THE RATE OF 7% PER CENTUM PER ANNUM FROM DATE OF REGISTRATION UNTIL PAID, PAYABLE UPON REDEMPTION HEREOF. PAYMENT OF PRINCIPAL AND ACCRUED INTEREST THEREON SHALL BE MADE UPON PRESENTATION OF THIS WARRANT TO THE PAYING AGENT. THE REGISTER SHALL MAINTAIN RECORDS OF THE OWNERSHIP AND TRANSFER HEREOF AND THE DISTRICT, THE COUNTY TREASURER AND THE PAYING AGENT. THE REGISTER MAY TREAT THE REGISTERED OWNER AS SHOWN BY SUCH RECORDS AS THE ASSOLUTE OWNER FOR ALL PURPOSES. THE OWNERSHIP OF THIS WARRANT MAY BE TRANSFERRED ONLY UPON PRESENTATION HEREOF TO THE REGISTER, ACCOMPANIED BY AN ASSIGNMENT IN FORM SATISFACTORY TO THE REGISTER, DULY EXECUTED BY THE REGISTERED OWNER OR DULY AUTHORIZED AGENT.

THIS WARRANT SHALL BECOME DUE ON April 16, 20 12 UNLESS REDEEMED PRIOR TO SAID DATE. NOTICE OF REDEMPTION PRIOR TO MATURITY SHALL BE MAILED TO THE REGISTERED OWNER AT LEAST 7 DAYS PRIOR TO REDEMPTION DATE.

THE PAYING AGENT AND REGISTRAR FOR THIS WARRANT IS:

**GREAT WESTERN BANK**  
 9290 West Dodge Road, Suite 202, Omaha, NE 68114-3320

IN PAYMENT OF \_\_\_\_\_ CHAIRMAN John R. Hill, Jr.

CLERK \_\_\_\_\_

WARRANT OF SANITARY AND IMPROVEMENT DISTRICT NO. 104 OF SARPY COUNTY, NEBRASKA

TO: TREASURER OF SARPY COUNTY, NEBRASKA  
(Ex Officio Treasurer of the District)

NO. 3821  
ISSUE DATE April 16, 2009

PAY TO Van Wall Turf & Irrigation OR SUBSEQUENT REGISTERED OWNER HEREOF  
Three Hundred Sixty-Seven & 22/100 DOLLARS (\$ 367.22 )

AND CHARGE TO THE GENERAL ACCOUNT OF THE DISTRICT.  
IF THIS WARRANT IS REGISTERED BY THE COUNTY TREASURER, THE FOLLOWING PROVISIONS SHALL APPLY:  
THIS WARRANT SHALL DRAW INTEREST AT THE RATE OF 7% PER CENTUM PER ANNUM FROM DATE OF REGISTRATION UNTIL PAID, PAYABLE UPON REDEMPTION HEREOF. PAYMENT OF PRINCIPAL AND ACCRUED INTEREST THEN DUE SHALL BE MADE UPON PRESENTATION OF THIS WARRANT TO THE PAYING AGENT. THE REGISTRAR SHALL MAINTAIN RECORDS OF THE OWNERSHIP AND TRANSFER HEREOF AND THE DISTRICT, THE COUNTY TREASURER AND THE PAYING AGENT AND REGISTRAR MAY TREAT THE REGISTERED OWNER AS SHOWN BY SUCH RECORDS AS THE ABSOLUTE OWNER FOR ALL PURPOSES. THE OWNERSHIP OF THIS WARRANT MAY BE TRANSFERRED ONLY UPON PRESENTATION HEREOF TO THE REGISTRAR, ACCOMPANIED BY AN ASSIGNMENT IN FORM SATISFACTORY TO THE REGISTRAR, DULY EXECUTED BY THE REGISTERED OWNER OR DULY AUTHORIZED AGENT.

THIS WARRANT SHALL BECOME DUE ON April 16, 2012 (UNLESS REDEEMED PRIOR TO SAID DATE); NOTICE OF REDEMPTION PRIOR TO MATURITY SHALL BE MAILED TO THE REGISTERED OWNER AT LEAST 7 DAYS PRIOR TO REDEMPTION DATE.  
THE PAYING AGENT AND REGISTRAR FOR THIS WARRANT IS:

GREAT WESTERN BANK  
9290 West Dodge Road, Suite 202, Omaha, NE 68114-3320

John R. Smith CHAIRMAN  
Sharon Wood CLERK

IN PAYMENT OF \_\_\_\_\_

NEW ISSUE – Book Entry Only

NOT RATED

*In the opinion of Bond Counsel, under existing law and assuming compliance with certain covenants, interest on the Bonds is not includable in the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended, and is exempt from Nebraska state income taxes. No opinion is expressed with respect to the additional corporate minimum tax on “adjusted current earnings” or any other tax. See “LEGAL MATTERS—Tax Exemption” herein. Sanitary and Improvement District No. 104 of Sarpy County, Nebraska (the “District”) has designated the Bonds as “Qualified Tax-Exempt Obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.*

**\$2,000,000**  
**SANITARY AND IMPROVEMENT DISTRICT NO. 104**  
**OF SARPY COUNTY, NEBRASKA**  
**(Millard Highlands South)**  
**GENERAL OBLIGATION REFUNDING BONDS SERIES 2009**

Dated: May 15, 2009

Due: May 15, as shown below

The Series 2009 Bonds (the “Bonds”) are issuable in fully registered form in the denominations of \$5,000 and integral multiples thereof. Interest is payable semiannually on May 15 and November 15 of each year, commencing November 15, 2009, by check or draft mailed to the registered owner as of the applicable record date at the address shown on the books of registry maintained by Great Western Bank as Registrar. Principal of the Bonds is payable upon presentation and surrender of the Bonds at the principal corporate office of Great Western Bank, as Paying Agent, in Omaha, Nebraska.

The Bonds maturing on May 15, 2015 and thereafter are subject to optional redemption prior to maturity at the option of the District, in whole or in part, at any time on or after May 15, 2014, all as described in this Official Statement.

The Bonds initially will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Purchases of the Bonds may be made only in book-entry form in authorized denominations by credit to participating broker-dealers and other institutions on the books of DTC as described herein. Purchasers will not receive certificates evidencing the Bonds. Principal of and interest on the Bonds will be payable by the paying agent directly to DTC as the registered owner thereof. Disbursement of such payments to the DTC Participants is the responsibility of DTC, and disbursement of such payments to the beneficial owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described herein. Any purchaser of a beneficial interest in the Bonds must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of and interest on such Bonds. See “THE BONDS—Book-Entry Only System” herein.

The Bonds and the interest thereon will constitute **general obligations** of the District, payable from ad valorem taxes, without limitation as to rate or amount, which, together with any collections of special assessments or any other funds legally available for the purpose, will be sufficient to meet the punctual payment of principal of and interest on the Bonds as such principal and interest become due.

**MATURITY SCHEDULE**  
**\$2,000,000 Serial Bonds**

<b>Maturity Date</b> <b>(May 15)</b>	<b>Principal</b> <b>Amount</b>	<b>Interest</b> <b>Rate</b>	<b>Price</b>
2010	\$290,000	2.00%	100%
2011	300,000	2.25	100
2012	305,000	2.55	100
2013	310,000	2.85	100
2014	320,000	3.25	100
2015	330,000	3.50	100
2016	145,000	3.75	100

(plus accrued interest from May 15, 2009)

SEE “BONDHOLDERS’ RISKS” HEREIN FOR A DISCUSSION OF SPECIAL RISK FACTORS THAT SHOULD BE CONSIDERED (IN ADDITION TO THE OTHER MATTERS SET FORTH HEREIN) IN EVALUATING THE INVESTMENT QUALITY OF THE BONDS.

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

The Bonds are offered when, as and if issued, and received by the Underwriter subject to the approval of legality of the Bonds by Baird Holm LLP, Bond Counsel, and to certain other conditions. Certain legal advice will be provided to the Underwriter by Kutak Rock LLP, Counsel to the Underwriter. It is expected that the Bonds in definitive form will be available for delivery at DTC in New York, New York, on or about May 19, 2009.

**AMERITAS INVESTMENT CORP.**

Dated: April 16, 2009

**SANITARY AND IMPROVEMENT DISTRICT  
NO. 104  
OF SARPY COUNTY, NEBRASKA**

**BOARD OF TRUSTEES**

John R. Hill, Jr. .... Chairman  
Shari Hoelker ..... Clerk  
Brian McKenzie ..... Trustee  
Michael Walker ..... Trustee  
Jillian Burns ..... Trustee

**BOND COUNSEL**

Baird Holm LLP

**ATTORNEY FOR DISTRICT**

Adams & Sullivan

**REGISTRAR AND PAYING AGENT**

Great Western Bank

**ACCOUNTANT**

O'Donnell, Ficenc, Wills and Ferdig LLP

**UNDERWRITER**

Ameritas Investment Corp.

**UNDERWRITER'S COUNSEL**

Kutak Rock LLP

No dealer, broker, salesperson or other person has been authorized by the District or the Underwriter to give any information or to make any representations in connection with the Bonds or the matters described herein, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the District or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds 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 contained herein are subject to change, without notice, and neither the delivery of this Official Statement, nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the matters described herein since the date hereof. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. The Underwriter may offer and sell Bonds to certain dealers and others at prices lower than the offering prices stated on the cover page hereof. The offering prices may be changed from time to time by the Underwriter.

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IN CONNECTION WITH ITS REOFFERING OF THE BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

## OFFICIAL STATEMENT

**\$2,000,000**  
**SANITARY AND IMPROVEMENT DISTRICT**  
**NO. 104**  
**OF SARPY COUNTY, NEBRASKA**  
**(Millard Highlands South)**  
**GENERAL OBLIGATION REFUNDING BONDS SERIES 2009**

### INTRODUCTION

This Official Statement has been prepared in connection with the offer for sale of the \$2,000,000 General Obligation Refunding Bonds Series 2009 (the "Bonds") issued by Sanitary and Improvement District No. 104 of Sarpy County, Nebraska (Millard Highlands South) (the "District"), a body corporate and politic and a political subdivision of the State of Nebraska.

By authority of Reissue Revised Statutes of Nebraska, as amended, constituting Sections 31-727 et seq. (the "Act"), a sanitary and improvement district may be established for the purpose of, among other things, financing the capital costs of public improvements within the boundaries of the district. Once duly established, a sanitary and improvement district is a body corporate and politic and a political subdivision of the State of Nebraska, with the powers to issue warrants (which are orders of the district to the county treasurer, as ex officio treasurer of the district, to pay district debts) and bonds for its authorized purposes and to assess special assessments and levy ad valorem taxes to repay such indebtedness.

Brief descriptions of the Bonds, the security therefor and the District are included in this Official Statement together with summaries of certain provisions of the Bonds and the District's related Resolution (as hereinafter defined). Such descriptions do not purport to be comprehensive or definitive. All references herein to the Bonds and the Resolution are qualified in their entirety by reference to the complete documents, copies of which are available for inspection at the office of the Underwriter, Ameritas Investment Corp., Suite 222, 440 Regency Parkway Drive, Omaha, Nebraska 68114, Attention: Mr. Richard S. Harman, during normal business hours.

*Prospective investors are advised to read carefully "BONDHOLDERS' RISKS" herein for a description of certain risk factors that should be considered (in addition to other matters set forth herein) in evaluating the investment quality of the Bonds.*

### THE BONDS

#### General Description

The Bonds will be dated May 15, 2009 and will bear interest from that date, payable November 15, 2009 and semiannually thereafter on May 15 and November 15 of each year. Pursuant to the Resolution, the Bonds will be issued as fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof, not exceeding the amount of each maturity. Interest on the Bonds will be calculated on the basis of a 360-day year.

The Bonds will mature on May 15 of each year in the years and principal amounts and bear interest at the rates referred to on the cover page of this Official Statement.

## **Authority for Issuance**

The District was formed and the Bonds are being issued pursuant to and by authority of the Act, an order of the Sarpy County District Court as required by the Act and a Bond Resolution (the "Resolution") of the Board of Trustees of the District adopted on April 16, 2009, authorizing the issuance and sale of the Bonds for the purpose of providing the funds, together with funds on deposit in the District's Bond Fund, required to currently refund \$1,915,000 aggregate principal amount (plus interest to the redemption date) of the District's outstanding General Obligation Refunding Bonds, Series 2001 (the "Refunded Bonds") previously issued by the District.

## **Registration, Transfer and Payment**

The principal of the Bonds is payable upon presentation and surrender thereof at the principal corporate trust office of Great Western Bank, as Paying Agent and Registrar (the "Paying Agent and Registrar"). The interest on the Bonds will be payable by check or draft mailed to registered owners appearing on the books of the Paying Agent and Registrar at the close of business on the first day of each calendar month in which occurs an interest payment date.

The District, the Paying Agent and Registrar may treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of making payment thereof and for all other purposes and neither the District nor the Paying Agent and Registrar shall be bound by any notice or knowledge to the contrary, whether such Bond shall be overdue or not. All payments of or on account of interest to any registered owner of any Bond and all payments of or on account of principal to the registered owner of any Bond shall be valid and effectual and shall be a discharge of the District and the Paying Agent and Registrar, in respect of the liability upon the Bond or claim for interest, as the case may be, to the extent of the sum or sums paid.

The District will cause books for the registration and transfer of the Bonds to be kept at the principal office of the Paying Agent and Registrar at all times while any of such Bonds shall be outstanding. Any Bond may be transferred pursuant to its provisions at the principal office of the Paying Agent and Registrar by surrender of such Bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to such Paying Agent and Registrar, duly executed by the registered owner in person or by his duly authorized agent, and thereupon the Paying Agent and Registrar will authenticate and deliver at the office of the Paying Agent and Registrar (or send by registered mail to the owner thereof at such owner's expense), in the name of the transferee or transferees, a new Bond of the same series, interest rate, principal amount and maturity, dated so there shall result no gain or loss of interest as a result of such transfer. To the extent of denominations authorized for Bonds by the Resolution, one Bond may be transferred for several other Bonds of the same series, interest rate and maturity, and for a like aggregate principal amount and several such Bonds, of the same series, interest rate and maturity may be transferred for one or several such Bonds, respectively, of the same series, interest rate and maturity and for a like aggregate principal amount.

As a condition of any registration or transfer, the Paying Agent and Registrar may at its option require the payment of a sum sufficient to reimburse it or the District for any tax or other governmental charge that may be imposed thereon, but no fee shall be charged for the registration or transfer or issuance.

The Paying Agent and Registrar shall not be required (a) to issue, transfer or exchange Bonds from the close of business on the first day of each calendar month in which occurs an interest payment date until such interest payment date; (b) to issue, register or transfer any Bonds for a period of 15 days immediately preceding any selection of Bonds for redemption or for a period of 15 days thereafter; or

(c) to register, transfer or exchange any Bonds which have been designated for redemption within a period of 30 days next preceding the date fixed for redemption.

### **Book-Entry Only System**

The Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by The Depository Trust Company (“DTC”), New York, New York. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of Bonds and Beneficial Owners (as hereinafter defined) will not be or be considered to be, and will not have any rights as, owners or holders of the Bonds under the Resolution. The following information about the book-entry only system applicable to the Bonds has been supplied by DTC. Neither the District nor the Paying Agent makes any representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of 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, 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 highest rating: “AAA.” 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](http://www.dtcc.com). and [www.dtc.org](http://www.dtc.org).

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

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds 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 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District, as issuer of the Bonds, 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments, redemption proceeds and distributions on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District 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 Bonds 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 (nor its nominee), the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments 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 District 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 Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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

NEITHER THE DISTRICT NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE PAYING AGENT AS BEING A HOLDER WITH RESPECT TO: (1) THE BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE BONDS; (4) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE RESOLUTION TO BE GIVEN TO HOLDERS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

Each Beneficial Owner for whom a Direct Participant or Indirect Participant acquires an interest in the Bonds, as nominee, may desire to make arrangements with such Direct Participant or Indirect Participant to receive a credit balance in the records of such Direct Participant or Indirect Participant, to have all notices of redemption, elections to tender Bonds or other communications to or by DTC which may affect such Beneficial Owner forwarded in writing by such Direct Participant or Indirect Participant, and to have notification made of all debt service payments.

Beneficial Owners may be charged a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation to any transfer or exchange of their interests in the Bonds.

THE DISTRICT AND PAYING AGENT CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (i) PAYMENTS OF PRINCIPAL OF AND INTEREST ON THE BONDS, (ii) BONDS REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS OR (iii) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION, AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWED IN DEALING WITH DIRECT PARTICIPANTS ARE ON FILE WITH DTC.

### **Optional Redemption**

The Bonds maturing on May 15, 2015 and thereafter are subject to redemption in whole or in part, prior to maturity at the option of the District at any time on or after May 15, 2014, at the principal amount thereof plus interest accrued thereon to the date fixed for redemption, with no redemption premium. The District may select the Bonds so to be redeemed in its sole discretion.

### **Notice of Redemption**

Notice of redemption of any Bond or any portion thereof shall be given by first-class mail to the registered owner of such Bond, addressed to his or her registered address and placed in the mail not less than 30 nor more than 60 days prior to the date fixed for redemption. Such notice shall specify the numbers of the Bonds called for redemption, the redemption date and the place where the redemption

amount will be payable, and in the case of Bonds to be redeemed in part only, such notice shall specify the respective portion of the principal amount thereof to be redeemed. If funds sufficient for such redemption shall be held by the Paying Agent and Registrar on the date fixed for redemption and such notice shall have been given, the Bonds or the portion thereof thus called for redemption shall not bear interest after the date fixed for redemption.

If less than all the Bonds of any maturity are to be redeemed, the Paying Agent and Registrar shall determine, in its sole discretion, in any manner deemed by it to be fair and equitable, the particular Bonds or portions of Bonds of such maturity so to be redeemed. Any Bond shall be subject to redemption in part in a principal amount equal to \$5,000 or any integral multiple thereof.

**Security for Bonds**

Pursuant to the Resolution, the full faith, credit and resources of the District will be irrevocably pledged for the prompt payment of the principal of and the interest on the Bonds as the same become due. The District further agrees that it will cause to be levied annually upon all the taxable property in the District an ad valorem tax which, together with any collections of special assessments or any other funds legally available for the purpose, will be sufficient to meet the payment of principal of and interest on the Bonds and any other bonds now or hereafter issued by the District, as such principal and interest become due. The Resolution does not limit such ad valorem tax as to rate or amount. See “BONDHOLDERS’ RISKS” and “APPENDIX A—Ad Valorem Taxes,” including “*Revisions of State Property Tax System*” thereunder for a discussion of challenges to Nebraska’s property tax system and “APPENDIX A—Special Assessments.”

**Sources and Uses of Funds**

The Resolution provides that the proceeds of the sale of the Bonds (net of Underwriter’s discount) shall be paid to the County Treasurer of Sarpy County, Nebraska (the District’s ex officio treasurer), for deposit into the District’s Bond Fund held by the County Treasurer. Such net proceeds together with other amounts on deposit in the District’s Bond Fund and available for such purpose, shall be applied to the payment and redemption of the \$1,915,000.00 outstanding aggregate principal amount of the District’s Refunded Bonds.

**Sources:**

Bond Proceeds (net of accrued interest, if any)	\$2,000,000.00
Bond Fund (February 28, 2009)	<u>468,757.06</u>
Total	<u>\$2,468,757.06</u>

**Uses:**

May 15 Payment on Refunded Bonds	\$ 296,836.25
Redeem Refunded Bonds	1,915,000.00
Costs of Issuance (estimated)	15,000.00
Underwriter’s Discount	70,000.00
Bond Fund	<u>171,920.81</u>
Total	<u>\$2,468,757.06</u>

## **BONDHOLDERS' RISKS**

### **Challenges to Property Tax System**

The levy and collection of ad valorem taxes by taxing jurisdictions in the State of Nebraska have been the object of legislative, judicial and elector action. Ad valorem tax revenues are the primary source of payment of the Bonds; any diminution in the legal authority to levy and collect such taxes could adversely affect the timely payment of the Bonds. See "APPENDIX A—Ad Valorem Taxes—*Revisions of State Property Tax System.*"

### **Adverse Property Development Conditions**

The full and timely payment of the principal of and interest on the Bonds is subject to the successful development of the District and the sale and continued occupation of developed properties. The District is fully developed. Accordingly, the risks described under this paragraph are for general information purposes and are not expected to affect the District. The development and sales of sanitary and improvement district properties are contingent upon numerous factors. In general, the development of a district may be adversely affected by changes in general economic conditions, fluctuations in the local real estate market, interest rates on construction loans, the availability of mortgage money and other similar factors. Other factors influencing decisions to buy property in a district will include the overall tax levels, the proximity and reputation of schools, the convenience to local shopping and employment and the availability and cost of utility services. Land development is subject to comprehensive federal, state and local regulations. There can be no assurance that land development operations within a district will not be adversely affected by future government policies. The ultimate consequence of such adverse conditions may be an inability by a district to pay its debts, including its bonds. See "Bankruptcy of District" below and "APPENDIX A—Special Assessments—*Remedies for Delinquencies*" and "—Ad Valorem Taxes."

### **Delinquent Special Assessments**

The District does not have any outstanding special assessments to collect, and does not anticipate levying new special assessments. Accordingly, the District does not expect to be subject to the risk of delinquent special assessment collections. See "APPENDIX A—Special Assessments—*Remedies for Delinquencies*" herein for general information about delinquent special assessments.

### **Bankruptcy of District**

Significant delays in the development of a sanitary and improvement district after the incurrence of debt for public improvements while interest on the debt continues to compound can result in a debt burden that discourages sales of houses and impedes the ability of the district to provide services to residents. For such reasons, among others, several Nebraska sanitary and improvement districts have over the years filed bankruptcy petitions under Chapter 9 of the United States Bankruptcy Code. Such a filing by the District would result in an automatic stay of certain District payments, including its debt service payments, and enforcement actions against the District or its property. The consequences for the District's bondholders of a Chapter 9 filing could include material modification of the terms of the Bonds and related documents and significant delays in the payment of, or the loss of, all or a portion of the principal of and interest on the Bonds. The Nebraska Supreme Court has held that the payment of a district's bonds would have priority over the payment of such district's warrants, including those warrants issued before the bonds.

## **Bankruptcy of Property Owners**

The payment of property owners' taxes and the ability of the District or Sarpy County to foreclose the lien of a delinquent unpaid tax, as discussed under "Ad Valorem Taxes" and "Special Assessments" in Appendix A, may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State of Nebraska relating to judicial foreclosure. Bond Counsel's approving legal opinion will be qualified, as to the enforceability of the various legal instruments, by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Although personal bankruptcy proceedings would not cause the ad valorem taxes to become extinguished, the bankruptcy of property owners could result in a delay in prosecuting foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds and the possibility of delinquent tax installments not being paid in full. This risk of delay is mitigated in the case of the District by the dispersal of the ownership of the developed residential property within the District to dozens of residential property owners.

## **No Investment Rating**

Neither the Bonds, nor any other debt obligations of the District are rated by a securities rating agency. The District has not applied, and does not intend to apply, for any such rating. The absence of an investment rating may adversely affect the marketability of the Bonds.

## **No Secondary Market Maker**

The Underwriter has not agreed to maintain a secondary market for the District's bonds, including the Bonds, and the District does not anticipate that such a market will exist. Prospective purchasers of the Bonds should be prepared, therefore, to hold their Bonds until retired by the District.

## **ONGOING DISCLOSURE**

Including the Bonds, the outstanding aggregate amount of the District's municipal securities does not exceed \$10,000,000. Accordingly, the Bonds qualify for the "small issuer" continuing disclosure exemption provided by Section (d)(2) of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). The District, by Resolution, has approved the Continuing Disclosure Undertaking attached hereto as Appendix E as the District's undertaking on behalf of the Bondholders and beneficial owners to provide upon request to any person financial information and operating data about the District which is customarily prepared by the District and is publicly available, and to the Repositories referred to by the Rule, notices of the material events specified by the Rule. See "APPENDIX E—FORM OF CONTINUING DISCLOSURE UNDERTAKING." The District has designated the following person from whom to obtain the foregoing information, data and notices: Mr. Richard S. Harman, Ameritas Investment Corp., Suite 222, 440 Regency Parkway Drive, Omaha, Nebraska 68114, Telephone: (402) 384-8433.

The District is required by the Act annually to file its independently audited financial statements with the Nebraska State Auditor of Public Accounts, where they are available as public records for inspection during normal business hours. See "FINANCIAL STATEMENTS."

## LEGAL MATTERS

### Legal Opinion

The legal opinion of Baird Holm LLP, Omaha, Nebraska ("Bond Counsel"), approving the validity of the Bonds will be provided to purchasers at the time of original delivery. See "APPENDIX D—FORM OF OPINION OF BOND COUNSEL" and "APPENDIX A—Ad Valorem Taxes—Revisions of State Property Tax System". Bond Counsel examined a transcript of the District's proceedings and relied thereon without undertaking to verify the same by independent investigation. Bond Counsel has not reviewed, and undertakes no responsibility for, this Official Statement or any of the information contained herein. Certain legal matters will be passed upon for the Underwriter by Kutak Rock LLP, as Counsel to the Underwriter.

### Tax Exemption

In the opinion of Bond Counsel, under existing laws and assuming compliance by the District with certain covenants:

- (a) The interest on the Bonds is not includable in the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"); and
- (b) The Bonds are not "private activity bonds" as defined in the Code.

Bond Counsel also is of the opinion that the Bonds are not "arbitrage bonds" under Sections 103(b)(2) and 148 of the Code and regulations applicable thereto. Such opinion, however, is subject to qualification that certain intentional actions on the part of the District under the terms of the Code could result in the classification of the Bonds as arbitrage bonds.

No opinion is expressed by Bond Counsel with respect to the treatment of interest on the Bonds under the additional corporate minimum tax on "adjusted current earnings" as provided for in Sections 56(c) and (g) of the Code or with respect to any other tax based thereon or with respect to any other consequences affecting the federal income tax liability of a recipient of interest on the Bonds.

Under existing laws with respect to Nebraska state income taxes, such state income taxes are based upon the federal income taxes and federal taxable income and interest on the Bonds in the hands of the holders thereof will be subject to Nebraska state income taxes only to the extent that it may be subject to federal income taxes.

The opinions set forth above are subject to continuing compliance by the District with its covenants regarding federal tax laws in the Resolution. Failure to comply with such covenants could cause interest on the Bonds to be included in gross income retroactive to the date of issue of the Bonds.

The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of certain recipients such as banks, thrift institutions, property and casualty insurance companies, corporations (including S corporations and foreign corporations operating branches in the United States), Social Security or Railroad Retirement benefit recipients or taxpayers otherwise entitled to claim the earned income credit or taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations, among others. The extent of these other tax consequences will depend upon the recipients' particular tax status or other items of income or deduction. Bond Counsel expresses no opinion regarding any such consequences and investors should consult their own tax advisors regarding the tax consequences of purchasing or holding the Bonds.

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds 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 of the Bonds. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond 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 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

The District has designated the Bonds as its "qualified tax exempt obligations" under Section 265(b)(3)(B)(i)(III) of the Code and has covenanted and warranted 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 during the current calendar year. Financial institutions considering investing in the Bonds should consult with their tax advisors regarding the tax consequences of investing in the Bonds.

The rights of the holders of the Bonds and the priorities and enforceability thereof may be subject to valid bankruptcy, insolvency, reorganization, moratorium, extension, compromise and other similar laws for the relief of debtors.

#### **NO LITIGATION**

No litigation is pending or, to the knowledge of the District, threatened in any court to restrain or enjoin the issuance or delivery of any of the Bonds or in any way contesting or affecting the validity of the Bonds or the Resolution approving the Bonds or contesting the powers or authority of the District to issue the Bonds or to adopt such Resolution.

#### **UNDERWRITING**

Ameritas Investment Corp., as Underwriter, is purchasing the Bonds from the District for resale at a purchase price of 96.50% of the principal amount plus accrued interest, if any. The Underwriter is obligated to purchase all of the Bonds if any of such Bonds are purchased. The Bonds may be offered and sold to certain dealers at prices lower than such public offering prices, and such public offering prices may be changed from time to time by the Underwriter.

#### **FINANCIAL STATEMENTS**

The audited financial statements for the District for the fiscal year ended June 30, 2008 are included in this Official Statement as Part Two of Appendix B and should be read in their entirety. Audited financial statements for the District for fiscal years ending prior to June 30, 2008 are available for inspection at the offices of the District in Omaha, Nebraska and at the offices of the State Auditor of Public Accounts in Lincoln, Nebraska. The financial statements of the District as of June 30, 2008 included as Appendix B of this Official Statement have been audited by O'Donnell, Ficenec, Wills and Ferdig LLP, independent auditors, as stated in their report appearing therein.

## MISCELLANEOUS

This Official Statement has been executed and delivered by the Chairman of the Board of Trustees of the District, on behalf of the District. At the date of this Official Statement and at the date of delivery of the Bonds, (a) the information and statements, including financial statements, of or pertaining to the District, contained in this Official Statement were and are correct in all material respects; and (b) insofar as the District and its affairs, including its financial affairs, are concerned, this Official Statement did not and does not contain an 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. The District further confirms that insofar as the descriptions and statements, including financial data, contained in this Official Statement of or pertaining to nongovernmental bodies or governmental bodies other than the District are concerned, such descriptions, statements and data have been obtained from sources believed by the District to be reliable, and that the District has no reason to believe that they are untrue or incomplete in any material respect.

The information contained in this Official Statement has been obtained from the District and other sources believed to be reliable, but said information is not warranted or guaranteed, either expressly or implied, as to accuracy or completeness by the Underwriter.

Any statement in this Official Statement involving matter of opinion, whether or not expressly so stated, is intended as such and not as representations of fact.

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

The delivery of this Official Statement has been duly authorized by the District.

SANITARY AND IMPROVEMENT  
DISTRICT NO. 104 OF SARPY COUNTY,  
NEBRASKA

By /s/ John R. Hill, Jr. \_\_\_\_\_  
Chairman

## APPENDIX A

### SANITARY AND IMPROVEMENT DISTRICT NO. 104 OF SARPY COUNTY, NEBRASKA – GENERAL INFORMATION

#### THE DISTRICT

##### General

The District, commonly known as Millard Highlands South, was established on August 27, 1976. The northern boundary of the District is Harrison Street, which is the dividing line between Douglas and Sarpy Counties. The District is immediately Southwest of Omaha, Nebraska and extends approximately ½ mile both east and west of 132<sup>nd</sup> Street and ½ mile south of Harrison Street. Subdivisions immediately north of the District in Douglas County include Timber Creek, Holling Heights and Millard Heights. A map identifying the District's location is included at the end of this Appendix A.

The District lies within the zoning jurisdiction of the City of La Vista, Nebraska. The District is furnished water and gas by the Metropolitan Utilities District, while electrical service is provided by Omaha Public Power District. Sanitary Sewer service is provided by the City of Omaha. The District is located in the Millard School District. Students attend various elementary schools in the area, Central Middle School and either Millard South or Millard West High School.

The District is fully developed with approximately 960 improved lots and 960 houses on the January 1, 2008 tax rolls.

##### Board of Trustees

The District is governed by a five-member Board of Trustees:

Name	Position
John R. Hill, Jr.	Chairman
Shari Hoelker	Clerk
Brian McKenzie	Trustee
Michael Walker	Trustee
Jillian Burns	Trustee

The Trustees are all resident property owners within the District. Under the Act, the members of the Board of Trustees are elected every two years. The District's next election will be in September 2010.

##### Financial Information

The taxable valuation of all real and personal property in the District as of January 1, 2008 was \$124,397,642, up from \$122,571,586 as of January 1, 2007. The District's ad valorem tax levy for fiscal year 2008/2009 is \$0.46 per \$100 of taxable value, or \$572,229. The 2008/2009 tax levy payable by District property owners also includes Sarpy County (\$0.296264/\$100), Millard School District (\$1.209970/\$100), Millard Suburban Fire District (\$0.10266/\$100), Papio Natural Resource District (\$0.03375/\$100), Metropolitan Community College (\$0.06740/\$100), Agricultural Society (\$0.001092/\$100), Educational Service Unit #3 (\$0.01624/\$100), and Communications Bond (\$0.003636/\$100).

Pursuant to the Act, the District's financial statements must be audited annually by its independent auditors and the audit report and financial statements placed on file with the Nebraska State Auditor of Public Accounts. See "FINANCIAL STATEMENTS" herein and Appendix B hereto.

### **Description of Budget Process**

As described below under "Ad Valorem Taxes—*Revisions of State Property Tax System*," the post-July 1, 1996 budgets of districts, in existence more than five years are subject to Nebraska's new budget limitation and, effective July 1, 1998, are subject to a property tax levy ceiling. The following discussion is subject to the application of such measures.

Sanitary and improvement districts are required by state law to file a budget document with the county clerk and state auditor on or before September 20<sup>th</sup> of each year. The district's accountant prepares a budget draft in July of each year based on actual expenses and revenues for the three preceding fiscal years and proposed expenses and revenues for the coming fiscal year. District budgets as proposed and adopted can frequently differ substantially from actual figures reviewed after the fact, especially in those years with major changes upward or downward in the tax rate or valuation. This is principally due to the fact that while the fiscal year for a district begins on July 1, tax dollars generated by the budget are not received by the district until the following calendar year. The first half of such tax receipts are received during the spring of that fiscal year. The second half tax receipts are not received until the fall of that calendar year, several months into the ensuing fiscal year.

The proposed budget contains line items for a number of expense and revenue sources in both the general (or operating) fund and the bond (or construction) fund. Expenses in the general fund cover noncapital expenses, including insurance, street lights, legal and accounting fees and maintenance expenses. Expenses in the construction fund consist principally of construction expenses (including associated professional fees), interest on registered warrants and payments of principal and interest under outstanding bond issues. Revenues in the general fund consist principally of ad valorem taxes, with a small amount coming from various state and local sources. Bond fund revenues are derived from those same sources plus special assessments and interest thereon.

The proposed budget compares total anticipated expenses with total anticipated revenues aside from property taxes to arrive at a net amount to be received in each fund from ad valorem taxes. The proposed budget is reviewed by the board of trustees of the district, in consultation with the district's attorney, accountant and fiscal agent. The aim is to strike a balance so that the anticipated tax revenue on property in the district will be sufficiently high to generate income necessary for the district's needs (both short and long-term), yet low enough to stay competitive with other similar areas.

Once the preliminary budget is approved, a budget summary is published in a local legal newspaper one time at least five days prior to the budget meeting, with a copy of the meeting notice being given (in the case of the District) to the Sarpy County at least one week prior to the meeting. At the meeting, the budget is discussed in open and public session, after which it can be adopted as proposed or as modified at the meeting. If modified, a summary of the modifications must be published one time in a legal newspaper within 20 days of adoption of the budget.

While district budgets must "balance," that balance is often accomplished through the registration of warrants. Under the warrant registration process, a warrant drawn on the district is not honored when presented to the county treasurer if adequate funds are not then on hand in that particular district fund to pay the warrant. It is then registered with the date of presentment for payment determining the date when interest begins to accrue and determining the priority of payment. Warrants are paid in the order of registration.

## Ad Valorem Taxes

Property taxes received by sanitary and improvement districts are levied and collected in the same manner as property taxes for other political subdivisions. Once all taxing bodies have submitted their budgets to Sarpy County based on dollar requirements and once any final adjustments have been made in the valuation of property within the District, the taxing requirements are converted to a tax rate (based on cents per \$100 of actual valuation) and total tax bills for the ensuing calendar year (not fiscal year) are compiled showing the breakdown of taxes attributable to each taxing entity and the total tax bill related to each parcel of property.

The Sarpy County Treasurer sends tax statements for all property toward the end of December, with all taxes for the coming year being due December 31 of the prior year. Half the amount for the coming year becomes delinquent April 1 and the other half delinquent August 1.

The Sarpy County Treasurer is the ex officio treasurer for the District. When tax payments are received by the Sarpy County Treasurer, they are allocated among the various taxing bodies entitled to participate. Those funds attributable to the District are in turn divided into the general fund and construction fund shares. Taxes not paid before the date of delinquency draw interest at the rate of 14%.

If taxes are not paid within three years of the due date, the parcel of property to which the taxes appertain is subject to foreclosure by Sarpy County. Subsequent to entry to a decree of foreclosure, a tax certificate can be purchased for an individual parcel by a third party. The tax certificate ripens into a deed if the delinquent taxes, together with interest and court costs, are not paid by the present owner within two years of issuance of the tax certificate. See "Special Assessments—*Remedies for Delinquencies*" below.

The District's claim for its share of general ad valorem taxes is of equal priority with the tax claims of other taxing bodies (e.g., Sarpy County and Millard School District) and these taxes are a first lien against the property, superior to purchase money mortgages and special assessments.

Bondholders look to the payment of ad valorem taxes and special assessments for their repayment. Individual bondholders do not enjoy a lien on the assessed properties. The remedies of tax sale and foreclosure available to the county may accrue to the benefit of the bondholders, but are not directly available to bondholders.

If the payment of bond principal has been in default for over 90 days, a majority of the bondholders may also petition for the appointment of an administrator in lieu of the district board of trustees. The board of trustees of the district or the new administrator, if any, may negotiate agreements to compromise the indebtedness, including the issuance of new bonds in conjunction with a workout. This effort can include a voluntary Chapter 9 bankruptcy filing by the district. There is no assurance under such circumstances that bondholders would receive full payment of amounts owed to them on their bonds. See "BONDHOLDERS' RISKS—Bankruptcy of District."

**Revisions of State Property Tax System.** The State of Nebraska's system of assessing and taxing real and personal property for purposes of local ad valorem taxation for support of local political subdivisions, including sanitary and improvement districts, has been the subject in recent years of constitutional amendment, legislation and litigation.

The Second Session of the 94<sup>th</sup> Nebraska Legislature passed and the Governor signed five related bills designed to reduce property taxes. Two of the bills, LB 299 and LB 1114, have a direct effect on sanitary and improvement district spending and property tax levies, respectively. LB 299 prohibited governmental units, including sanitary and improvement districts, such as the District, in existence for

more than five years, (a) from adopting a fiscal year 1997 budget in excess of the fiscal year 1996 total plus population growth plus 2% expressed in dollars and (b) from adopting a fiscal year 1998 budget in excess of the fiscal year 1997 budget plus population growth expressed in dollars. Under LB 989 of the Second Session of the 95<sup>th</sup> Nebraska Legislature (1998), such governmental units may not adopt budgets for fiscal years beginning on or after July 1, 1998 in excess of 102.5% of the prior fiscal year's budget plus allowable growth (which includes increases in taxable valuation for such things as new construction and annexations). See "Description of Budget Process" above. However, such budgetary limitations do not apply to, among other things, revenue pledged to retire bonded indebtedness, such as the Bonds, or budgeted for capital improvements. Provision also is made for a governmental unit to exceed the budget limit for a given fiscal year by up to an additional 1% upon the affirmative vote of at least 75% of the governing body or in such amount as is approved by a majority vote of the electorate. Effective July 1, 1998, LB 1114 capped the property tax levies of local governments. Levies of a sanitary and improvement district, such as the District, in existence for more than five years are limited to a maximum of 40¢/\$100 of taxable valuation (younger districts are not subject to a maximum levy until they reach their fifth anniversaries). The levy limit does not apply to levies for bonded indebtedness, such as the Bonds, approved according to law and secured by a levy on property. Special assessments are not property taxes subject to the levy limitation. However, a district's ability to use ad valorem collections to pay warrants will be adversely affected. LB 1114 does permit a political subdivision to exceed its levy limitation for a period of up to five years by majority vote of the electorate.

Effective January 1, 1998, the taxable value of motor vehicles no longer constitutes a portion of the ad valorem tax base of taxing bodies, including the District. Instead, the State of Nebraska collects such taxes and fees and distributes a portion of such collections to the taxing bodies. LB 142 of the First Session of the 96<sup>th</sup> Nebraska Legislature (1999) eliminated sanitary and improvement districts from the list of governmental subdivisions allocated motor vehicle taxes.

There can be no assurance that Nebraska's system of assessing and taxing real and personal property will remain substantially unchanged, given the possibility of additional litigation, legislation and initiatives and referenda. Such changes could materially and adversely affect the amount of property tax revenues the District could collect in future years. The District does not believe that the Nebraska Legislature subject to constitutional restrictions, if any, would leave the District without adequate taxing resources to pay for its programs and meet its financial obligations, including the repayment of its warrants, bonds and other obligations. The opinion of Bond Counsel will be rendered based on the law existing as of the date of issuance of the Bonds and in reliance upon general legal presumptions in favor of the constitutionality of statutes and upon the holdings of existing case law. See "BONDHOLDERS' Risk—Challenges to Property Tax System."

### **Special Assessments**

*General.* The District has no outstanding special assessments and has no present plans to levy additional special assessments. The following discussion, accordingly, is not applicable to the District's current circumstances and is provided for information only. Under the Act, a portion of the costs of the work for which the District issues construction fund warrants is assessed against the benefited properties. The Board of Trustees of the District levies (subject to the right of the Underwriter to protest the levy), and Sarpy County collects, the special assessments on behalf of the District. Special assessments relating to the District's improvements constitute a lien in favor of the District on the assessed property, but do not constitute a personal or corporate indebtedness of the owners of property within the District. Special assessments, as levied by the District, are payable in annual installments during a period of not more than 10 years. The lien of the District is inferior only to the general taxes levied by the State of Nebraska and its political subdivisions. If an annual installment is not paid by the property owner when due, the installment becomes delinquent. Interest accrues on nondelinquent installments at the interest rate per

annum of the greater of (a) the rate of interest accruing on the construction fund warrants registered against the District 60 days prior to the actual levy of the special assessments or (b) the average rate of interest accruing on the District's construction fund warrants issued to pay for the improvements for which the special assessments are to be levied adjusted to the next greater ½%. Delinquent installments will bear interest at the rate of 2% per annum above the rate set by the District on such installments before delinquency, subject to a 14% per annum ceiling (subject to adjustment from time to time by the Legislature). If three consecutive installments become delinquent, the Board of Trustees of the District may declare all remaining installments due and payable and increase to 14% per annum (subject to adjustment from time to time by the Legislature) the interest rate on the installments.

***Remedies for Delinquencies.*** Nebraska law provides two statutory schemes for clearing the tax lien in the case of delinquent special assessment installments or ad valorem taxes. Both processes require several years to reach conclusion. The first method is the sale of tax certificates by the county in which the property in question is located. County treasurers are empowered to sell real estate on which taxes have not been paid as provided by law for an amount equal to all of the taxes and, if so requested by the levying district, special assessments. The county treasurer conducts tax certificate sales in March following three weekly notice publications in general circulation newspapers in the county. Such a sale would occur once the three delinquent installment threshold is reached. For the tax sale to occur, the county treasurer must receive a sale price at least equal to the sum of the delinquent assessments, delinquent ad valorem taxes, if any, and certain statutory expenses. If a tax certificate is sold, the liens of the special assessment and any other taxes are cleared, and the county treasurer will distribute to the district that portion of sale price attributable to the delinquent special assessment installments and the district's share of unpaid ad valorem taxes. Outstanding bonds of the district have a prior claim to the proceeds of any tax certificate sales. The owner of the property will have three years from the tax sale date to redeem the tax certificates, after which the owner of the tax certificates, if not so redeemed, may obtain a tax deed or foreclose on the tax lien via a sheriff's sale. If a tax certificate is not sold, the owner retains the property, but interest still will accrue as aforesaid.

The second statutory method for clearing liens is foreclosure of the property in question. Once installments are delinquent for three years running, the district's board of trustees may initiate foreclosure proceedings, and may bid in the amount of delinquent special assessments at the ultimate sheriff's sale, canceling the lien of the delinquent assessments. Confirmation of the sale, however, is not available until the passage of a two-year redemption period (during which time the delinquent assessee may satisfy the delinquency and remove the lien of the delinquent assessment), running from the sale date. The winning bidder must wait two years before receiving clear title. There is no requirement that the auction price equal or exceed the special assessments and ad valorem taxes then owing; the recovery, if any, can be insufficient to make bondholders whole. The district may bid in its lien and will take the property if there are no adequate bids and may resell the property, in which event the proceeds of the resale must be divided among the affected taxing jurisdictions, including the district, in proportion to their respective liens. (Alternatively, the county, at the request of the district, may foreclose on special assessments via an essentially identical process. If the special assessments are not requested by the district to be included in the tax foreclosures, then the district's special assessment lien may be extinguished because a deed issued in pursuance of a Decree of Tax Foreclosure has the effect of conveying title to the purchaser free and clear of liens and taxes or special assessments, junior or inferior to the lien of general real estate taxes of the county, which were foreclosed.) It may take up to six years after the first delinquency of a special assessment installment before a district may receive cash. Outstanding bonds have priority over any outstanding construction fund warrants.

**LOCATION MAP**

**APPENDIX B**

**SANITARY AND IMPROVEMENT DISTRICT NO. 104  
OF SARPY COUNTY, NEBRASKA—FINANCIAL INFORMATION**

*Part One*

*Selected District Financial Information*

## DEBT SERVICE REQUIREMENTS

The annual debt service requirements on the Sanitary and Improvement District No. 104 of Sarpy County, Nebraska General Obligation Refunding Bonds Series 2009 is shown below.

<b>General Obligation Refunding Bonds Series 2009</b>				
<b>Maturity Date</b>	<b>Principal</b>	<b>May 15 Interest</b>	<b>November 15 Interest</b>	<b>Total</b>
2009	\$ -	\$ -	\$ 28,275.00	\$ 28,275.00
2010	290,000.00	28,275.00	25,375.00	343,650.00
2011	300,000.00	25,375.00	22,000.00	347,375.00
2012	305,000.00	22,000.00	18,111.25	345,111.25
2013	310,000.00	18,111.25	13,693.75	341,805.00
2014	320,000.00	13,693.75	8,493.75	342,187.50
2015	330,000.00	8,493.75	2,718.75	341,212.50
2016	<u>145,000.00</u>	<u>2,718.75</u>	<u>-</u>	<u>147,718.75</u>
<b>Total</b>	<u>\$2,000,000.00</u>	<u>\$118,667.50</u>	<u>\$118,667.50</u>	<u>\$2,237,335.00</u>

**SELECTED FINANCIAL INFORMATION**

2008 Taxable Valuation	\$124,397,642
Outstanding District Bonded Debt (Upon issuance of the Bonds)	\$ 2,000,000
Outstanding Construction Fund Warrants	\$ 0
Total District Debts (Upon issuance of the Bonds)	\$ 2,000,000
Ratio of District Debt to 2008 Taxable Valuation	1.61%
Bond Fund Balance (Upon issuance of the Bonds)	\$ 171,921
Outstanding Special Assessments	\$ 0

**PROPERTY VALUATIONS**

**As of January 1, 2009**

**Sanitary and Improvement District No. 104  
of Sarpy County, Nebraska**

<b>Year</b>	<b>Taxable Valuation</b>
2008	\$124,397,642
2007	122,571,586
2006	116,155,565
2005	109,556,653
2004	104,207,275

Source: Sarpy County Assessor

**STATEMENT OF DEBT AND DEBT RATIOS  
(January 2, 2009)**

<b>Direct Debt</b>	
General Obligation Refunding Bonds Series 2009*	\$ 2,000,000
Construction Fund Warrants	<u>0</u>
Total Direct Debt	\$ 2,000,000
 <b>Overlapping General Obligation Debt</b>	
Millard School District	\$ 2,148,780
Sarpy County	<u>159,026</u>
Total Overlapping General Obligation Debt	\$ 2,307,806
<b>Total Direct and Overlapping General Obligation Debt</b>	<b><u>\$ 4,327,806</u></b>
 2008 Taxable Valuation	
	\$124,397,642
Ratio of Direct Debt to Taxable Valuation	1.61%
Ratio of Direct and Overlapping Debt to Taxable Valuation	3.48%

\* As if issued January 2, 2009

Source: Sarpy County Assessor and Nebraska State Auditor Website

**OVERLAPPING DEBT  
(January 2, 2009)**

	2008 Taxable Valuation	Net Bonded Debt	Net Bonded Debt Applicable to S.I.D. No. 104
Millard School District	\$ 8,937,690,566	\$154,385,000	\$2,148,780
Sarpy County	\$10,716,831,121	\$ 13,700,000	<u>159,026</u>
Total			\$2,307,806

Source: Sarpy County Assessor and Nebraska State Auditor Website

**TOTAL PROPERTY TAX LEVIES**

**Sanitary and Improvement District No. 104  
of Sarpy County, Nebraska  
(levy rates are dollars per \$100 of actual valuation)**

	2008/09	2007/08	2006/07
<b>S.I.D. No. 104</b>			
General Fund	\$0.170000	\$0.172022	\$0.172024
Bond Fund	<u>0.290000</u>	<u>0.287979</u>	<u>0.287980</u>
Total	\$0.460000	\$0.460001	\$0.460004
<b>Other Taxing Units</b>			
Sarpy County	\$0.296264	\$0.295804	\$0.295300
Millard School District	1.209970	1.20990	1.279580
Millard Fire District	0.102660	0.102660	0.114310
Papio NRD	0.033750	0.034850	0.038440
Metro. Community College	0.067400	0.067400	0.067400
Agricultural Society	0.001092	0.001106	0.001157
Educational Service Unit No. 3	0.016240	0.16290	0.016420
Communications Bond	<u>0.003636</u>	<u>0.004096</u>	<u>0.004600</u>
Total Other Units	\$1.731012	\$1.732196	\$1.817207
Total Tax Levy	\$2.191012	\$2.192197	\$2.277211

Source: Sarpy County Treasurer

**PROPERTY TAX COLLECTIONS**

**Sanitary and Improvement District No. 104  
of Sarpy County, Nebraska  
(as of February 28, 2009)**

Year	Due*	Levied	Collected	Percent Collected
2008/09	12/31/08	\$572,229	\$ 14,730	2.58%
2007/08	12/31/07	\$563,829	\$528,319	93.70%
2006/07	12/31/06	\$534,320	\$527,608	98.74%

\*Taxes are due on December 31 of the year levied, but may be paid in two equal installments due April 1 and August 1 of the following year. The taxes for the 2008/09 year, accordingly, were due on December 31, 2008, but the first installment of such taxes did not become delinquent until April 1, 2009, and the second installment will not become delinquent until August 1, 2009.

Source: Sarpy County Treasurer

## MAJOR TAXPAYERS

There are no taxpayers within the District who own property with a taxable valuation in excess of 1% of the District's total taxable valuation.

*Part Two*

*Independent Auditor's Report and Combined Financial Statements*

## APPENDIX C

### SARPY COUNTY, NEBRASKA STATISTICAL INFORMATION

The following financial and economic information about Sarpy County, Nebraska is included because the District is located within the County. *The Bonds are not a debt of, nor are they payable by, Sarpy County.*

Sarpy County encompasses approximately 249 square miles, or 159,360 acres in area, and is located on the eastern border of Nebraska. Sarpy County is bordered by Douglas County on the north, Saunders County on the west, Cass County on the south and the State of Iowa across the Missouri River on the east. Papillion, the county seat of Sarpy County, is located 10 miles from Omaha, Nebraska, and 45 miles from Lincoln, Nebraska. The 2000 population of the County was 122,595.

Sarpy County, unlike most of Nebraska, does not have an agriculturally oriented economy. Offutt Air Force Base is located in the County, making the U.S. military the County's largest employer. Offutt is the headquarters for the Strategic Command ("STRATCOM").

The major highways serving Sarpy County include Interstate I-80 running from the north-center county line to the southwest corner of the County and connecting Omaha with Lincoln. U.S. Routes 73/75 and 6, and the Kennedy Freeway, run north-south along with Nebraska Routes 50 and 85. The major east-west thoroughfare is Nebraska Route 370.

Rail facilities serving the County include the Union Pacific Railroad and the Burlington Northern Santa Fe Railroad. Residents of the County use Omaha's Eppley Field for air transportation.

#### Sarpy County Total Population (Selected Years)

Year	Population	Change from Preceding Census	
		Number	Percent
2000	122,595	20,012	19.51%
1990	102,583	16,568	19.26
1980	86,015	22,319	35.04
1970	63,696	32,415	103.62
1960	31,281	15,588	99.33

Source: U.S. Census Bureau; Nebraska Databook

#### Sarpy County Population by Education 2000

Educational Attainment	Total
<i>Universe: Persons 25 years and over</i>	
Less than 9 <sup>th</sup> grade	1,403
9 <sup>th</sup> to 12 <sup>th</sup> grade, no diploma	3,564
High school graduate (includes equivalency)	18,236
Some college, less than 1 year	7,089
1 or more years of college, no degree	14,576
Associate degree	6,611
Bachelor's degree	15,173
Master's degree	5,669
Professional degree	1,161
Doctorate degree	322

Source: U.S. Census Bureau

**Sarpy County Population by Age  
2000**

Age	Total
Total Persons	122,595
0-4	10,112
5-9	10,615
10-14	10,652
15-19	9,227
20-24	8,278
25-29	9,388
30-34	10,163
35-39	11,615
40-44	10,251
45-49	8,370
50-54	7,086
55-59	4,836
60-64	3,879
65-69	3,016
70-74	2,024
75-79	1,472
80-84	880
85+	731

Source: U.S. Census Bureau

**Sarpy County  
Total Net Taxable Sales  
Selected Years**

Year	Retail Sales
2006	\$885,489,436
2005	840,660,751
2004	790,731,873
2003	718,979,082
2002	652,407,666

Source: Nebraska Department of Revenue

**Labor Force and Work Force Summary  
For Sarpy County  
Annual Average 2006**

Labor Force Total	73,715
Unemployment	2,081
Unemployment Rate	2.8%
Employment	71,635
Manufacturing	2,329
Durable Goods	606
Nondurable Goods	1,723
Natural Resources & Construction	4,712
Total Trade	7,870
Wholesale Trade	2,513
Retail Trade	5,358
Financial Activities	4,468
Professional & Business Services	7,046
Educational & Heal Services	6,017
Leisure & Hospitality Services	4,194
Other Services	2,679
Total Government (Pub Admin)	8,941
Federal Government	2,826
State Government	304
Local Government	5,810

Source: Labor Market Information, Nebraska Department of Labor

**Sarpy County Economic Facts**

	<b>Factor/Value</b>	<b>County Ranking (out of 93 Counties in Nebraska)</b>
Population, 2000	122,595	3
Population change (1990-2000)	+19.5%	1
Population change (1980-1990)	+19.3%	4
Population change (1970-1980)	+11.7%	4
Projected population change (1980-1990)	+15.1%	1
Median family income (1989)	\$38,315	2
Total area income change (1980-1990)	221.9%	4
Persons employed (1991)	44,770	3
Percent of families with two incomes (1980)	65.7%	2
Retail sales (1991—\$million)	342.40	4
Retail sales change (1984-1991)	31.5%	1
Number of commercial banks	10.0	16
Number of bank facilities	17.0	3

Source: University of Nebraska Bureau of Business Research

**Per Capita Income  
Selected Years**

Years	Sarpy County	Nebraska
2005	\$32,657	\$32,923
2004	31,445	31,957
2003	29,435	30,737
2002	28,863	29,177
2001	27,454	28,676
2000	26,978	27,622

Sources: Nebraska Databook; Bureau of Economic Analysis

**Occupational Breakdown  
Employed Persons 16 Years and Over  
2000**

	Sarpy County	United States
Management, professional, and related occupations	36.8%	33.6%
Service Occupations	13.1%	14.9%
Sale and office occupations	31.3%	26.7%
Farming, fishing and forestry occupations	0.2%	0.7%
Construction, extraction, and maintenance occupations	8.6%	9.4%
Production, transportation and material moving occupations	10.1%	14.6%

Source: U.S. Census Bureau

**Major Taxpayers in Sarpy County  
2006**

Business Name	2006 Ad Valorem Tax Levy	Nature of Business
Werner Leasing, Inc./Werner Enterprises	\$900,379.00	Lease/Trucking Company
Wells Exchange-Maass Rd/Samson Way	657,872.44	Foreign LLC
Offutt AFB America	623,993.68	Base Housing
Shopko Properties/SPE Real Estate	587,647.68	Distribution
Toys NE QRD 15-74 Inc.	538,483.76	Foreign Corporation
Paypal, Inc.	537,239.40	Commercial Business
Harrison Hills Apartments	447,500.24	Apartments
Nebco Inc./Intermodal	393,689.94	Commercial Business
GPI at Bellevue Overlook	382,767.40	Apartments
Rock Creek Apartments GP	361,257.38	Apartments
Pointe Partnership	360,022.50	Apartments
Brentwood Crossing Associates III	357,674.02	Retail Business
Nebraska Machinery Co.	328,662.36	Commercial Business
Twin Creek LP	319,792.94	Domestic LP
Walmart Real Estate/Stores	303,225.66	Retail Business
Tregaron Oaks Apartments LP	300,859.02	Apartments
Rogers Development, Inc.	296,106.14	Land Development
Claas Omaha LLC	295,124.42	Manufacturing
Haley Fontenelle Hills LP	283,652.10	Apartments
Great Western Bank	277,175.70	Banking

Source: Sarpy County Treasurer's Office

**APPENDIX D**

**FORM OF OPINION OF BOND COUNSEL**

## APPENDIX E

### FORM OF CONTINUING DISCLOSURE UNDERTAKING

*Following is an excerpt from the District's Resolution passed on April 16, 2009, comprising the District's continuing disclosure undertaking pursuant to Securities and Exchange Commission Rule 15c2-12(d)(2).*

(a) The District does hereby covenant and agree and enter into a written undertaking (the "Undertaking") for the benefit of the holders and beneficial owners of the District's bonds (the "Bonds") required by Section (d)(2) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 C.F.R. § 240.15c2-12) (the "Rule"). Capitalized terms used in this Undertaking and not otherwise defined in this Undertaking shall have the meanings assigned such terms in subsection (e) hereof. It being the intention of the District that there be full and complete compliance with the Rule, this Section shall be construed in accordance with the written interpretative guidance and no-action letters published from time to time by the Securities and Exchange Commission and its staff with respect to the Rule.

(b) The District represents and warrants that the aggregate amount of its outstanding and projected construction fund warrants, its outstanding and projected general fund warrants and its outstanding bonds does not exceed \$10,000,000.

(c) The District undertakes to provide upon request to any person (or at least annually to the SD, if any) Financial Information about the District. The District designates as the person from whom its Financial Information and Material Event Notices can be obtained: Mr. Richard S. Harman, Ameritas Investment Corp. Suite 222, 440 Regency Parkway Drive, Omaha, Nebraska 68114, Telephone: (402) 384-8433.

(d) If a Material Event occurs while any Bonds are Outstanding, the District shall provide a Material Event Notice in a timely manner to each then existing NRMSIR or the MSRB and the SD, if any. Each Material Event Notice shall be so captioned and shall prominently state the date, title and CUSIP numbers of the Bonds.

Any filing under this Undertaking may be made solely by transmitting such filing to the Central Post Office, Disclosure USA established by the Texas Municipal Advisory Council (the "MAC") as provided at <http://www.disclosureusa.org> unless the United States Securities and Exchange Commission has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004.

(e) The following are the definitions of the capitalized terms used in this Undertaking and not otherwise defined in this Undertaking:

(1) "*Financial Information*" means the financial information or operating data with respect to the District, which is customarily prepared by the District and is publicly available. The District customarily prepares and makes publicly available its Audited Financial Statements. In connection with its issues of warrants and bonds, the District from time to time prepares and makes publicly available its offering documents containing, among other things, financial information and operating data about the District.

(2) “*Audited Financial Statements*” means the District’s annual financial statements, prepared in accordance with GAAP for governmental units as prescribed by GASB, which financial statements shall have been audited by such auditor as shall then be required or permitted by the laws of the State of Nebraska.

(3) “*Material Event*” means any of the following events, if material, with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (vii) Modifications to rights of Bondholders;
- (viii) Unscheduled Bond calls;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Bonds; and
- (xi) Rating changes.

(4) “*Material Event Notice*” means written or electronic notice of a Material Event.

(5) “*NRMSIRs*” means, as of any date, all Nationally Recognized Municipal Securities Information Repositories then recognized by the Commission for purposes of the Rule. As of the date of this undertaking, and until July 1, 2009, the NRMSIRs are:

Bloomberg Municipal Repository  
100 Business Park Drive  
Skillman, NJ 08558  
Phone: (609) 279-3225  
Fax: (609) 279-5962  
<http://www.bloomberg.com/markets/rates/municontacts.html>  
Email: [Munis@Bloomberg.com](mailto:Munis@Bloomberg.com)

DPC Data Inc.  
One Executive Drive  
Fort Lee, NJ 07024  
Phone: (201) 346-0701  
Fax: (201) 947-0107  
<http://www.munifilings.com>  
Email: [nrmsir@dpccdata.com](mailto:nrmsir@dpccdata.com)

Interactive Data Pricing and Reference Data, Inc.  
Attn: NRMSIR  
15th Floor  
100 William Street  
New York, NY 10038  
Phone: (212) 771-6999 or (800) 689-8466  
Fax: (212) 771-7390  
<http://www.interactivedata-prd.com>  
Email: [NRMSIR@interactivedata.com](mailto:NRMSIR@interactivedata.com)

Standard & Poor's Securities Evaluations, Inc.  
55 Water Street  
45th Floor  
New York, NY 10041  
Phone: (212) 438-4595  
Fax: (212) 438-3975  
<http://www.disclosuredirectory.standardandpoors.com>  
Email: [nrmsir\\_repository@sandp.com](mailto:nrmsir_repository@sandp.com)

Beginning July 1, 2009, the sole NRMSIR will be the Municipal Securities Rulemaking Board; Email: <http://www.emma.msrb.org>. Reference is made to Commission Release No. 34-59062, December 8, 2008 (the "Release") relating to the MSRB's Electronic Municipal Market Access ("EMMA") system for municipal securities disclosure that becomes effective on July 1, 2009. To the extent applicable to its Undertakings, the District shall comply with the Release and with EMMA.

(6) "SD" means a state information depository as operated or designated by the State of Nebraska and recognized by the Securities and Exchange Commission by no-action letter as such for the purposes referred to in the Rule. As of the date of this Undertaking, there is not an SD in the State of Nebraska.

(f)(1) The continuing obligation hereunder of the District to provide Financial Information, Audited Financial Statements, if any, and Material Event Notices shall terminate immediately once the Bonds no longer are Outstanding. This Undertaking, or any provision hereof, shall be null and void in the event that the District obtains an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require this Undertaking, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds, provided that the District shall have provided notice of such delivery and the cancellation of this Undertaking to each then existing NRMSIR or the MSRB and the SD, if any.

(2) This Undertaking may be amended, without the consent of the Bondholders, but only upon the District obtaining an opinion of nationally recognized bond counsel to the effect

that such amendment, and giving effect thereto, will not adversely affect the compliance of this Undertaking and by the District with the Rule, provided that the District shall have provided notice of such delivery and of the amendment to each then existing NRMSIR or the MSRB and the SD, if any. Any such amendment shall satisfy, unless otherwise permitted by the Rule, the following conditions:

(i) The amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the obligated person or type of business conducted;

(ii) This Undertaking, as amended, 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

(iii) The amendment does not materially impair the interests of Bondholders, as determined either by parties unaffiliated with the District (such as nationally recognized bond counsel), or by approving vote of Bondholders pursuant to the terms of this Undertaking at the time of the amendment.

(g) The initial Financial Information after the amendment shall explain, in narrative form, the reasons for the amendment and the effect of the change, if any, in the type of operating data or financial information being provided.

(h) Any failure by the District to perform in accordance with this Undertaking shall not constitute an event of default with respect to the Bonds. If the District fails to comply herewith, any Bondholder or beneficial owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the District to comply with its obligations hereunder.

**BOND RESOLUTION  
OF  
SANITARY AND IMPROVEMENT DISTRICT NO. 104  
OF SARPY COUNTY, NEBRASKA**

BE IT RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 104 of Sarpy County, Nebraska:

Section 1. The Board of Trustees finds and determines: that such District was duly organized under the provisions of Sections 31-727 to 31-770, R.R.S. Neb. 1943, as amended; that the Board of Trustees of the District has previously adopted resolutions of necessity for the installation of certain improvements; that all of such improvements have been installed and the work completed and previously has been or is hereby accepted by the Board of Trustees of the District, and special assessments have been levied as provided by law to pay the cost of such improvements; that the District has previously issued \$3,750,000 of its General Obligation Refunding Bonds dated May 15, 2001 (the "2001 Bonds") and that \$2,155,000 of the 2001 Bonds remain outstanding and unpaid; that since the 2001 Bonds were issued, and considering the maturity schedule of the 2001 Bonds that, by making a payment on May 15, 2009 of the foregoing described 2001 Bonds in the aggregate principal amount of \$240,000 and interest, and taking up and paying off the aggregate principal amount of \$1,915,000 and interest of the foregoing described 2001 Bonds which mature on May 15, 2010 and thereafter (the "Outstanding 2001 Bonds"), a substantial savings in the amount of annual principal and interest payments will be made to the District; that to provide funds to redeem all of the Outstanding 2001 Bonds of the District, which have been called for redemption on May 19, 2009; to pay certain costs of issuance of this bond issue; and considering the amount of funds now held by the District it is necessary and appropriate for the District to issue bonds in the principal amount \$2,000,000; that all conditions acts and things required by law to exist or to be done precedent to the issuance of General Obligation Refunding Bonds for the foregoing purposes do exist and have been done in due form and time as required by law, and in compliance with the provisions of Section 10-615 and Sections 31-727 to 31-785, inclusive, R. R. S. Neb. 1943, as amended; and

that Sanitary and Improvement District No. 104 of Sarpy County, Nebraska, is empowered to issue such bonds in the amount of \$2,000,000 for the purposes aforesaid.

Section 2. For the purposes set forth in Section 1 hereof, there are hereby ordered issued fully registered bonds of the District in the aggregate principal amount of \$2,000,000 (the "Series 2009 Bonds"). The Series 2009 Bonds shall be dated May 15, 2009, and shall bear interest at the rates per annum and mature on May 15 in each of the years and in the principal amounts as follows:

<u>Maturing on May 15</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2010	\$290,000	2.00%
2011	\$300,000	2.25%
2012	\$305,000	2.55%
2013	\$310,000	2.85%
2014	\$320,000	3.25%
2015	\$330,000	3.50%
2016	\$145,000	3.75%

Any of the Series 2009 Bonds maturing on May 15, 2015, to and including May 15, 2016, are subject to redemption in whole or in part, prior to maturity at the option of the District at any time on or after May 15, 2014, at the principal amount thereof plus interest accrued thereon to the date fixed for redemption, with no redemption premium. The District may select the maturities of the Series 2009 Bonds so to be redeemed in its sole discretion. Such scheduled mandatory redemptions shall be at a price equal to 100% of the principal amount redeemed plus interest accrued on the principal amount being redeemed to the date fixed for redemption.

If less than all of the Series 2009 Bonds of any maturity are to be redeemed, the Paying Agent and Registrar shall determine, in its sole discretion, in any manner deemed by it to be fair and equitable, the particular bonds or portions of bonds of such maturity of the Series 2009 Bonds to be redeemed. Any bond shall be subject to redemption in part in a principal amount equal to \$5,000 or any integral multiple thereof.

The Series 2009 Bonds shall be designated: Sanitary and Improvement District No. 104 of Sarpy County, Nebraska General Obligation Refunding Bonds Series 2009, and shall be issued in the form of fully registered bonds, in the denomination of \$5,000 or any integral multiple of \$5,000, and may contain such variations, omissions and insertions as are incidental to such differences of denomination in form. The Series 2009 Bonds issued upon exchanges and transfers of bonds shall

be dated so that no gain or loss of interest shall result from such exchange or transfer. Each bond shall bear interest from the earlier of May 15, 2009 or the date of authentication thereof and bonds shall be numbered from 1 up, in order of their issuance.

Interest on the Series 2009 Bonds shall be payable semiannually on May 15 and November 15 of each year, commencing November 15, 2009. The principal of the Series 2009 Bonds is payable upon presentation and surrender thereof at the principal corporate trust office of Great Western Bank, Omaha, Nebraska, as Paying Agent and Registrar. Interest on the Series 2009 Bonds will be paid on each May 15 and November 15 by check or draft mailed by the Paying Agent to the person in whose name the ownership of each Bond is registered on the books of the Paying Agent and Registrar at the close of business on the first day of each month in which occurs an interest payment date. The principal and interest on the Series 2009 Bonds are payable in lawful money of the United States of America.

Section 3. Each Bond shall have endorsed thereon a certificate of authentication substantially in the form hereinafter set forth, duly executed by the Paying Agent and Registrar. No Series 2009 Bonds shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Paying Agent and Registrar and such executed certificate upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered in accordance with this Bond Resolution.

Section 4. The District and the Paying Agent and Registrar may treat the registered owner of any bond as the absolute owner of such bond for the purpose of making payment thereof and for all other purposes and neither the District nor the Paying Agent and Registrar shall be bound by any notice or knowledge to the contrary, whether such bond shall be overdue or not. All payments of or on account of interest to any registered owner of any bond and all payments of or on account of principal to the registered owner of any bond shall be valid and effectual and shall be a discharge of the District and the Paying Agent and Registrar, in respect of the liability upon the bond or claim for interest, as the case may be, to the extent of the sum or sums paid.

The District will cause books for the registration and transfer of the Series 2009 Bonds to be kept at the principal office of the Paying Agent and Registrar at all times while any of such Series 2009 Bonds shall be outstanding. Any bond may be transferred pursuant to its provisions at the principal office of the Paying Agent and Registrar by surrender of such bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to such Paying Agent and

Registrar, duly executed by the registered owner in person or by his duly authorized agent, and thereupon the Paying Agent and Registrar will authenticate and deliver at the office of the Paying Agent and Registrar (or send by registered mail to the owner thereof at such owner's expense), in the name of the transferee or transferees, a new bond of the same series, interest rate, principal amount and maturity, dated so there shall result no gain or loss of interest as a result of such transfer. To the extent of denominations authorized for Series 2009 Bonds by the terms of this Bond Resolution, one bond may be transferred for several other bonds of the same series, interest rate and maturity, and for a like aggregate principal amount and several such bonds of the same series may be transferred for one or several such bonds, respectively, the same series, interest rate and maturity and for a like aggregate principal amount.

As a condition of any registration or transfer, the Paying Agent and Registrar may at its option require the payment of a sum sufficient to reimburse it or the District for any tax or other governmental charge that may be imposed thereon, but no fee shall be charged for the registration of transfer or issuance.

The Paying Agent and Registrar shall not be required (a) to issue, transfer or exchange Series 2009 Bonds from the close of business on the first day of each month in which occurs an interest payment date; (b) to issue, register or transfer any Series 2009 Bonds for a period of 15 days next preceding any selection of bonds for redemption or for a period of 15 days thereafter; or (c) to register, transfer or exchange any Series 2009 Bonds which have been designated for redemption within a period of 30 days next preceding the date fixed for redemption.

Section 5. Notice of redemption of any Series 2009 Bond or any portion thereof shall be given by first class mail to the registered owner of such bond, addressed to his or her registered address and placed in the mail not less than 30 nor more than 60 days prior to the date fixed for redemption. Such notice shall specify the numbers of the Series 2009 Bonds called for redemption, the redemption date and the place where the redemption amount will be payable, and in the case of bonds to be redeemed in part only, such notice shall specify the respective portion of the principal amount thereof to be redeemed. If funds sufficient for such redemption shall be held by the Paying Agent and Registrar on the date fixed for redemption and such notice shall have been given, the Series 2009 Bonds or the portion thereof thus called for redemption shall not bear interest after the date fixed for redemption.

Section 6. The District agrees that it will cause to be levied annually upon all the taxable property in the District, an ad valorem tax which, together with such sinking fund and any other funds available for the purpose, will be sufficient to meet the payment of interest on and principal of the Series 2009 Bonds and other bonds and construction warrants of the District now or hereafter issued, as such interest and principal become due.

Section 7. Great Western Bank, Omaha, Nebraska, is hereby appointed as Paying Agent and Registrar for the Series 2009 Bonds. The Chairman and Clerk of the District are hereby authorized to execute and deliver an agreement with said Paying Agent and Registrar, setting forth the respective duties of the parties, in such form as the Chairman and Clerk shall determine. The District agrees to pay the fees and expenses of said Paying Agent and Registrar. At least five (5) days before any interest or principal payment date or any date upon which the Series 2009 Bonds are to be redeemed, the District shall transfer to the Paying Agent and Registrar funds sufficient to pay the principal, and interest due on such payment or redemption date and the Chairman and Clerk then serving are hereby authorized and directed, without further authorization or direction, to make such transfers of funds and draw warrants upon the County Treasurer, as treasurer of the District, in such amounts and at such times as shall be necessary to provide to the Paying Agent and Registrar funds sufficient for such purpose.

Section 8. The Series 2009 Bonds shall be in substantially the following form, with such modifications as shall be necessary or advisable to comply with the terms of this Bond Resolution:

**UNITED STATES OF AMERICA  
STATE OF NEBRASKA**

**SANITARY AND IMPROVEMENT DISTRICT NO. 104  
OF SARPY COUNTY, NEBRASKA**

**GENERAL OBLIGATION REFUNDING BOND, SERIES 2009**

NO.

\$

**INTEREST RATE    MATURITY DATE    DATE OF ORIGINAL ISSUE    CUSIP NO.**  
May 15, 2009

**REGISTERED OWNER:**

**PRINCIPAL AMOUNT:**

KNOW ALL MEN BY THESE PRESENTS: that Sanitary and Improvement District No. 104 of Sarpy County, Nebraska, being organized and existing under Chapter 31, Article 7, Reissue Revised Statutes of Nebraska, 1943, as amended, hereby acknowledges itself to owe and for value received promises to pay to the registered owner specified above or registered assigns, the principal sum specified above on the maturity date specified above (unless sooner redeemed) upon surrender of this bond, and to pay interest on said sum from the date of original issue shown above to maturity or earlier redemption at the rate per annum specified above, payable semiannually on the fifteenth day of May and November of each year commencing November 15, 2009. Said interest shall be computed on the basis of a 360 day year consisting of twelve 30 day months. The principal on this bond is payable upon presentation and surrender hereof at the principal corporate trust office of Great Western Bank, Paying Agent and Registrar. Interest on this bond will be paid on each interest payment date by check or draft mailed to the person in whose name this bond is registered on the books of the Paying Agent and Registrar at the close of business on the first day of each month in which occurs an interest payment date. Interest in default shall be paid to the registered owner hereof as of the special record date designated by the Paying Agent and Registrar. The principal and interest on this bond are payable in lawful money of the United States of America and for the prompt payment of such principal and interest as the same become due, the full faith, credit and resources of said District are hereby irrevocably pledged.

Bonds of this issue maturing on May 15, 2015, to and including May 15, 2016, are subject to redemption in whole or in part, prior to maturity at the option of the District at any time on or after May 15, 2014, at the principal amount thereof plus interest accrued thereon to the date fixed for redemption, with no redemption premium.

If less than all of the bonds of any maturity of this issue are to be redeemed, the Paying Agent and Registrar shall determine, in its sole discretion, in any manner deemed by it to be fair and equitable, the particular bonds or portions of bonds of such maturity to be redeemed.

Notice of redemption of this bond or any portion hereof shall be given by first class mail to the registered owner addressed to his or her registered address and placed in the mail not less than 30 days nor more than 60 days prior to the date fixed for redemption. If funds sufficient for such redemption shall be held by the Paying Agent on the date fixed for redemption and such notice shall have been given, this bond or the portion thus called for redemption, shall not bear interest after the date fixed for redemption.

This bond is one of an issue of bonds, all originally dated May 15, 2009, and of like tenor herewith except as to amount, date of maturity and rate of interest, in the total principal amount of Two Million Dollars (\$2,000,000), issued by said District for the purpose of providing funds to currently refund and redeem all of the District's Bonds dated May 15, 2001 in the remaining principal amount of \$1,915,000 and to pay a portion of certain costs of the issuance of the Series 2009 Bonds; in strict compliance with the provisions of Section 10-615 and Sections 31-727 to 31-785, inclusive, Reissue Revised Statutes of Nebraska, 1943, as amended, and the issuance of the Series 2009 Bonds of this issue has been duly authorized by proceedings duly had and a Bond Resolution duly passed and adopted by the Board of Trustees of said District.

The District will cause to be levied annually upon all taxable property in said District, a tax which together with such sinking fund and other funds available for the purpose, will be sufficient to meet the payment of interest on and principal of this bond and other bonds and construction warrants of the District now or hereafter issued, as such principal and interest become due.

This bond is transferable by the registered owner or his attorney duly authorized in writing at the principal office of the Paying Agent and Registrar, upon surrender and cancellation of this bond, and thereupon a new bond (or bonds) in the same principal amount (or in any multiple of \$5,000) and with the same interest rate and maturity will be issued to the transferee as provided in the Bond Resolution. The District and the Paying Agent and Registrar and any other person may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment hereof and for all other purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

This bond shall not be valid and binding on the District until authenticated by the Paying Agent and Registrar in the space hereinbelow indicated.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond, did exist, did happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of the District, including this bond, does not exceed any limitation imposed by law.

IN WITNESS WHEREOF, Sanitary and Improvement District No. 104 of Sarpy County, Nebraska, has caused this bond to be executed in its behalf with the facsimile signatures of its Chairman and Clerk and a facsimile of its corporate seal to be affixed hereto, all as of the date of original issue shown above.

SANITARY AND IMPROVEMENT DISTRICT  
NO. 104 OF SARPY COUNTY, NEBRASKA

(SEAL)

By: (facsimile signature)  
Chairman

ATTEST:

(facsimile signature)  
Clerk

**CERTIFICATE OF AUTHENTICATION**

This bond is one of the bonds delivered pursuant to the within-mentioned proceedings.

GREAT WESTERN BANK  
PAYING AGENT AND REGISTRAR

By: \_\_\_\_\_  
Authorized signature

Dated: \_\_\_\_\_

Form of Assignment

For value received \_\_\_\_\_  
hereby sells, assigns and transfers unto \_\_\_\_\_  
the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_  
Attorney, to transfer the same on the books of registration in the office of the within mentioned  
Paying Agent and Registrar with full power of substitution in the premises.

Dated: \_\_\_\_\_

Registered Owner(s):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Authorized Signature

NOTICE: The signature of this assignment must correspond with the name(s) as written on the face of the within bond in every particular without alteration enlargement or any change whatsoever. Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signature Program ("MSP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

Section 9. In accordance with that certain bond purchase agreement between Sanitary and Improvement District No. 104 of Sarpy County, Nebraska and Ameritas Investment Corp. dated April 16, 2009, said Series 2009 Bonds shall be and are hereby sold to Ameritas Investment Corp., at a price equal to 96.50% of the principal amount thereof, plus accrued interest to date of delivery, which purchase price shall be paid to the County Treasurer of Sarpy County, Nebraska. Said purchase price shall be paid into the Bond Fund of the District and applied to the payment and redemption on May 19, 2009 of the Outstanding 2001 Bonds; and to the payment of certain costs of issuance of this bond issue, as hereinbefore provided. The Chairman and the Clerk are hereby authorized and directed to execute and deliver the bond purchase agreement between the District and Ameritas Investment Corp. substantially in the form before this meeting.

Section 10. Upon receipt by the Paying Agent and Registrar of evidence satisfactory to it that the purchase price for the Series 2009 Bonds has been paid to the County Treasurer of Sarpy County, Nebraska, said Paying Agent and Registrar shall deliver the Series 2009 Bonds to the purchaser named in Section 9 herein.

Section 11. Each of the Series 2009 Bonds shall be executed on behalf of the District with the manual or facsimile signatures of the Chairman and the Clerk and shall have affixed or imprinted thereon the District's seal. In case any officer whose signature or facsimile thereof shall appear on any Series 2009 Bond shall cease to be such officer before the delivery of such bond (including such certificates delivered to the Paying Agent and Registrar for issuance upon transfer or partial redemption), such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of such bond. The Series 2009 Bonds shall be issued initially as "book-entry-only" bonds under the services of The Depository Trust Company (the "Depository"), with one typewritten bond per maturity being registered to and delivered to the Depository. In such connection said officers are authorized to execute and deliver a Letter of Representations (the "Letter of Representations") in the form required by the Depository, for and on behalf of the District, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the Series 2009 Bonds. With respect to the issuance of the Series 2009 Bonds as "book-entry-only" bonds, the following provisions shall apply:

- (a) The District and the Paying Agent and Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds Series 2009 Bonds as securities depository (each, a "Bond Participant") or to any person who is an actual purchaser of a Series 2009 Bond from a

Bond Participant while the Series 2009 Bonds are in book-entry form (each, a "Beneficial Owner") with respect to the following:

(i) the accuracy of the records of the Depository, any nominees of the Depository or any Bond Participant with respect to any ownership interest in the Series 2009 Bonds,

(ii) the delivery to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any notice with respect to the Series 2009 Bonds, including any notice of redemption, or

(iii) the payment to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the Series 2009 Bonds. The Paying Agent and Registrar shall make payments with respect to the Series 2009 Bonds only to or upon the order of the Depository or its nominee, and all such payments shall be valid and effective fully to satisfy and discharge the obligations with respect to such Series 2009 Bonds to the extent of the sum or sums so paid. No person other than the Depository shall receive an authenticated Bond, except as provided in (e) below.

(b) Upon receipt by the Paying Agent and Registrar of written notice from the Depository to the effect that the Depository is unable or unwilling to discharge its responsibilities, the Paying Agent and Registrar shall issue, transfer and exchange Series 2009 Bonds requested by the Depository in appropriate amounts. Whenever the Depository requests the Paying Agent and Registrar to do so, the Paying Agent and Registrar will cooperate with the Depository in taking appropriate action after reasonable notice (i) to arrange, with the prior written consent of the District, for a substitute depository willing and able upon reasonable and customary terms to maintain custody of the Series 2009 Bonds or (ii) to make available Series 2009 Bonds registered in whatever name or names as the Beneficial Owners transferring or exchanging such Series 2009 Bonds shall designate.

(c) If the District determines that it is desirable that certificates representing the Series 2009 Bonds be delivered to the ultimate beneficial owners of the Series 2009 Bonds and so notifies the Paying Agent and Registrar in writing, the Paying Agent and Registrar shall so notify the Depository, whereupon the Depository will notify the Bond Participants of the availability through the Depository of bond certificates representing the Series 2009 Bonds. In such event, the Paying Agent and Registrar shall issue, transfer and exchange bond certificates representing the Series 2009 Bonds as requested by the Depository in appropriate amounts and in authorized denominations.

(d) Notwithstanding any other provision of this Resolution to the contrary, so long as any Series 2009 Bond is registered in the name of the Depository or any nominee thereof, all payments with respect to such Series 2009 Bond and all notices with respect to such Series 2009 Bond shall be made and given, respectively, to the Depository as provided in the Letter of Representations.

(e) Registered ownership of the Series 2009 Bonds may be transferred on the books of registration maintained by the Paying Agent and Registrar, and the Series 2009 Bonds may be delivered in physical form to the following:

(i) any successor securities depository or its nominee;

(ii) any person, upon (A) the resignation of the Depository from its functions as depository or (B) termination of the use of the Depository pursuant to this Section.

If for any reason the Depository resigns and is not replaced, the District shall immediately provide a supply of printed bond certificates for issuance upon the transfers from the Depository and subsequent transfers or in the event of partial redemption. In the event that such supply of certificates shall be insufficient to meet the requirements of the Paying Agent and Registrar for issuance of replacement certificates upon transfer or partial redemption, the District agrees to order printed an additional supply of such certificates and to direct their execution by manual or facsimile signatures of its then duly qualified and acting Chairman and Clerk and by imprinting thereon or affixing thereto the District's seal.

Section 12. Sanitary and Improvement District No. 104 of Sarpy County, Nebraska, hereby covenants to the purchasers and holders of the Series 2009 Bonds hereby authorized that it will make no use of the proceeds of Series 2009 Bonds which if such use had been reasonably expected on the date of issue of Series 2009 Bonds, would have caused Series 2009 Bonds to be arbitrage bonds within the meaning of Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and further covenants to comply with Sections 103 and 148 and all applicable regulations thereunder throughout the term of Series 2009 Bond issue. The District hereby covenants and agrees to take all actions necessary under current federal law to maintain the tax exempt status (as to taxpayers generally) of interest on the above Bonds; and (b) to the extent that it may lawfully do so, the District hereby designates the above Bonds as its "qualified tax-exempt obligations" under Section 265(b) (3) (B) (i) (III) of the Internal Revenue Code of 1986 as amended, (the "Code") and covenants 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 during the calendar year in which the above Bonds are to be issued.

Section 13. Sanitary and Improvement District No. 104 of Sarpy County, Nebraska, hereby covenants and agrees as follows: that the facilities for which the above Series 2009 Bonds are issued are for essential governmental functions and are designed to serve members of the general public on

an equal basis; that there are no persons with rights to use said facilities other than as members of the general public; that ownership and operation of said facilities is with the District or another political subdivision; that none of the proceeds of the above Series 2009 Bonds will be loaned to any person and to the extent that special assessments have been or are to be levied for any of said facilities, such special assessments have been or are to be levied under Nebraska law as a matter of general application to all property specially benefited by such facilities in the District; that the development of the land in the District for sale and occupation by the general public is proceeding with reasonable speed; and the District hereby authorizes and directs the Chairman or Clerk to file, when due, an information reporting form pursuant to Section 149(e) of the Internal Revenue Code of 1986 pertaining to the above Series 2009 Bonds.

Section 14. (a) The District does hereby covenant and agree and enter into a written undertaking (the "Undertaking") for the benefit of the holders and beneficial owners of the District's bonds (the "Bonds") required by Section (d)(2) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 C.F.R. § 240.15c2-12) (the "Rule"). Capitalized terms used in this Undertaking and not otherwise defined in this Undertaking shall have the meanings assigned such terms in subsection (e) hereof. It being the intention of the District that there be full and complete compliance with the Rule, this Section shall be construed in accordance with the written interpretative guidance and no-action letters published from time to time by the Securities and Exchange Commission and its staff with respect to the Rule.

(b) The District represents and warrants that the aggregate amount of its outstanding and projected construction fund warrants, its outstanding and projected general fund warrants and its outstanding bonds does not exceed \$10,000,000.

(c) The District undertakes to provide upon request to any person (or at least annually to the SD, if any) Financial Information about the District. The District designates as the person from whom its Financial Information and Material Event Notices can be obtained: Mr. Richard S. Harman, Ameritas Investment Corp., 440 Regency Parkway, Suite 222, Omaha, Nebraska 68114, Telephone: (402) 384-8433.

(d) If a Material Event occurs while any Bonds are Outstanding, the District shall provide a Material Event Notice in a timely manner to each then existing NRMSIR or the MSRB and the SD, if any. Each Material Event Notice shall be so captioned and shall prominently state the date, title and CUSIP numbers of the Bonds.

Any filing under this Undertaking may be made solely by transmitting such filing to the Texas Municipal Advisory Council (the "MAC") as provided at <http://www.disclosureusa.org> unless the United States Securities and Exchange Commission has withdrawn the interpretive advice in its letter to the MAC dated September 7, 2004.

(e) The following are the definitions of the capitalized terms used in this Section 14 and not otherwise defined in this Resolution:

(1) "*Financial Information*" means the financial information or operating data with respect to the District, which is customarily prepared by the District and is publicly available. The District customarily prepares and makes publicly available its Audited Financial Statements. In connection with its issues of warrants and bonds, the District from time to time prepares and makes publicly available its offering documents containing, among other things, financial information and operating data about the District.

(2) "*Audited Financial Statements*" means the District's annual financial statements, prepared in accordance with GAAP for governmental units as prescribed by GASB, which financial statements shall have been audited by such auditor as shall then be required or permitted by the laws of the State of Nebraska.

(3) "*Material Event*" means any of the following events, if material, with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (vii) Modifications to rights of Bondholders;
- (viii) Unscheduled Bond calls;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Bonds; and
- (xi) Rating changes.

(4) "*Material Event Notice*" means written or electronic notice of a Material Event.

(5) "NRMSIRs" means, as of any date, all Nationally Recognized Municipal Securities Information Repositories then recognized by the Commission for purposes of the Rule. As of the date of this undertaking, and until July 1, 2009, the NRMSIRs are:

Bloomberg Municipal Repository  
100 Business Park Drive  
Skillman, NJ 08558  
Phone: (609) 279-3225  
Fax: (609) 279-5962  
<http://www.bloomberg.com/markets/rates/municontacts.html>  
Email: [Munis@Bloomberg.com](mailto:Munis@Bloomberg.com)

DPC Data Inc.  
One Executive Drive  
Fort Lee, NJ 07024  
Phone: (201) 346-0701  
Fax: (201) 947-0107  
<http://www.munifilings.com>  
Email: [nrmsir@dpccdata.com](mailto:nrmsir@dpccdata.com)

Interactive Data Pricing and Reference Data, Inc.  
Attn: NRMSIR  
15th Floor  
100 William Street  
New York, NY 10038  
Phone: (212) 771-6999 or (800) 689-8466  
Fax: (212) 771-7390  
<http://www.interactivedata-prd.com>  
Email: [NRMSIR@interactivedata.com](mailto:NRMSIR@interactivedata.com)

Standard & Poor's Securities Evaluations, Inc.  
55 Water Street  
45th Floor  
New York, NY 10041  
Phone: (212) 438-4595  
Fax: (212) 438-3975  
<http://www.disclosuredirectory.standardandpoors.com>  
Email: [nrmsir\\_repository@sandp.com](mailto:nrmsir_repository@sandp.com)

Beginning July 1, 2009, the sole NRMSIR will be the Municipal Securities Rulemaking Board; Email: <http://www.emma.msrb.org>. Reference is made to Commission Release No. 34-59062, December 8, 2008 (the "Release") relating to the MSRB's Electronic Municipal Market Access ("EMMA") system for municipal securities disclosure that becomes effective on July 1, 2009. To the extent applicable to its Undertakings, the District shall comply with the Release and with EMMA.

(6) "SD" means a state information depository as operated or designated by the State of Nebraska and recognized by the Securities and Exchange Commission by no-action letter as such for the purposes referred to in the Rule. As of the date of this Resolution, there is not an SD in the State of Nebraska.

(f) (1) The continuing obligation hereunder of the District to provide Financial Information, Audited Financial Statements, if any, and Material Event Notices shall terminate immediately once the Bonds no longer are Outstanding. This Section 14, or any provision hereof, shall be null and void in the event that the District obtains an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require this Section 14, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds, provided that the District shall have provided notice of such delivery and the cancellation of this Section 14 to each then existing NRMSIR or the MSRB and the SD, if any.

(2) This Section 14 may be amended, without the consent of the Bondholders, but only upon the District obtaining an opinion of nationally recognized bond counsel to the effect that such amendment, and giving effect thereto, will not adversely affect the compliance of this Section 14 and by the District with the Rule, provided that the District shall have provided notice of such delivery and of the amendment to each then existing NRMSIR or the MSRB and the SD, if any. Any such amendment shall satisfy, unless otherwise permitted by the Rule, the following conditions:

(i) The amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the obligated person or type of business conducted;

(ii) This Section 14, as amended, 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

(iii) The amendment does not materially impair the interests of Bondholders, as determined either by parties unaffiliated with the District (such as nationally recognized bond counsel), or by approving vote of Bondholders pursuant to the terms of the Resolution at the time of the amendment.

The initial Financial Information after the amendment shall explain, in narrative form, the reasons for the amendment and the effect of the change, if any, in the type of operating data or financial information being provided.

(g) Any failure by the District to perform in accordance with this Section 14 shall not constitute an Event of Default with respect to the Bonds. If the District fails to comply herewith, any Bondholder or beneficial owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the District to comply with its obligations hereunder.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2009

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Clerk