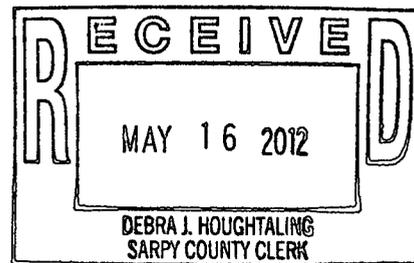


162

**AGENDA FOR MEETING OF BOARD OF TRUSTEES OF  
SANITARY AND IMPROVEMENT DISTRICT NO. 162  
OF SARPY COUNTY, NEBRASKA**

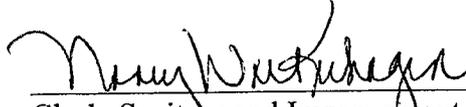
Agenda for meeting of Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska on April 26, 2012, at 3:00 p.m. at Chalco Hills Recreation Area Visitor's Center, 8901 South 154<sup>th</sup> Street, Omaha, Nebraska.

1. Call meeting to order and roll call.
2. Announcement in compliance with Open Meetings Act.
3. Approve minutes of March 29, 2012 meeting.
4. Refunding of construction fund debt.
5. Engineer's report.
  - A. North channel
  - B. Tree trimming over trails
  - C. Mowing by residents within outlots
6. IRS Audit.
7. Resident concerns.
8. Old business
  - A. Newsletter
  - B. Graffiti removal
  - C. Trampoline removal
  - D. Fire pit/wood pile
  - E. County Treasurer reports
  - F. Mission Creek final payment
9. Temporary use permits
  - A. Patrick Zach
  - B. Ted Pelster
  - C. Haining Cheng
  - D. Robert Edmundson
  - E. Tony Barty
  - F. William Middendorf
10. Budget tracking/funds monitoring.
11. Ratification of warrants and payment of bills.
12. Set date for next meeting.



**CERTIFICATE**

The undersigned Clerk of the above-designated District certifies that the foregoing agenda was prepared and available for public inspection at the address shown in the notice of the meeting prior to the commencement of the meeting and no items were added to the agenda after the commencement of the meeting.



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Clerk, Sanitary and Improvement District  
No. 162 of Sarpy County, Nebraska

**SANITARY AND IMPROVEMENT DISTRICT NO. 162  
OF SARPY COUNTY, NEBRASKA**

**Minutes of Meeting of Board of Trustees  
April 26, 2012**

A meeting of the Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska was convened in open and public session on April 26, 2012 at 3:00 p.m. at Chalco Hills Recreation Area Visitor's Center, 8901 South 154<sup>th</sup> Street, Omaha, Nebraska.

Present were: Chairman Richard L. Hansen, Clerk Nancy Wackerhagen and Trustees Wes Lyons, Jim Nichols and John Ritchey.

Absent: None.

Also present: Richard Harman of Ameritas Investment Corp., Engineers Bill Glismann and Dave Harnisch of HGM Associates, Inc. and Attorney Larry Forman.

Notice of the meeting was given in advance thereof by publication in the Papillion Times on April 18, 2012, and the attorney presented proof of publication of said notice, a copy of said proof being attached to these minutes. Advance notice was also given to the members of the Board of Trustees and a copy of their acknowledgment of receipt of such notice is attached to these minutes. Notice was also given to the County Clerk of Sarpy County, Nebraska per the attached Certificate of the Clerk of the District. Availability of the agenda was communicated in the advance notice and in the notice given to the Board of Trustees and to the County Clerk. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

The Chairman called the meeting to order and the Clerk called the roll of Board members.

The Chairman stated the next item of business on the agenda was an announcement in compliance with the Nebraska Open Meetings Act. He stated that in compliance with the provisions of the Act, a copy of the Nebraska Open Meetings Act was available for inspection at the table around which the Trustees were seated.

The Chairman stated that the next item of business on the agenda was approval of the minutes of the March 29, 2012 meeting of the Board of Trustees. After brief discussion, the minutes were approved as submitted.

The Chairman stated that the next item of business on the agenda was refunding of construction fund debt. The Chairman called upon Richard Harman, Senior Vice President of Ameritas Investment Corp. Mr. Harman distributed to the Trustees a four page hand-out, a copy of which is attached to these minutes, containing financial data with regard to the 2004 Bond Issue, the proposed bond issue, and other information of interest to the Board Members. He stated that while the District's current bond fund tax rate is 58¢, the District will be able to reduce that rate to 56¢ after the refunding. He stated that because of the favorable timing of the refunding of the 2004 Bond Issue, the average interest rate will be reduced to 2.6% and the savings to be realized from the refinancing will be \$544,203.09. Following further discussion, upon motion duly made, seconded and roll call vote taken in open session convened, the votes being as follows:

Richard L. Hansen	- Aye
Nancy Wackerhagen	- Aye
Wes Lyons	- Aye
Jim Nichols	- Aye
John Ritchey	- Aye

the following resolutions were adopted:

**RESOLVED**, by the Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska that the outstanding 2004 bonds of the District in the amount of \$4,800,000.00 be called for redemption on June 5, 2012;

**FURTHER RESOLVED**, that the Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska does hereby approve and adopt the Bond Resolution, a copy of which is attached to these minutes and incorporated herein by reference;

**FURTHER RESOLVED**, by the Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska, that Bankers Trust Company, Des Moines, Iowa, has been appointed as Paying Agent for payment of principal and interest on bonds of this District issued June 1, 2012, 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;

**FURTHER RESOLVED**, by the Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska, 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; and

**FURTHER RESOLVED**, by the Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska, that the Official Statement dated April 26, 2012 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.

The Chairman stated that the next item of business on the agenda was the Engineer's report.

Engineer Bill Glismann reported as follows:

A. North Channel. Mr. Glismann reported that the erosion control blanket previously installed in the channel has been extensively damaged. In response to questioning from the Trustees he stated that the blanket was only covered by a six month warranty which is standard practice for materials of this type. He stated that he has discussed this matter with Kohl Construction which proposes to replace 40 square yards of the blanket. After further brief discussion, Mr. Glismann stated that he would contact both Kohl and M.E. Collins for cost estimates to replace the damaged sections of the erosion control blanket. Trustee John Ritchey stated that rocks on the down-stream portion of the north channel need to be removed since they are hindering performance of mowing work in the area. The Trustees directed Mr. Glismann to arrange for removal of those rocks. The Trustees directed the Engineer to also arrange for removal of dirt which has accumulated in the two settling pits adjacent to the channel. It was suggested that this work should be delayed until gravel has been swept from Harrison Street but Trustee John Ritchey indicated that that sweeping has already been performed so clean-out of the pits can proceed immediately.

B. Tree Trimming over Trails. Engineer Dave Harnisch stated that Knust, LLC has been directed to perform tree trimming adjacent to the trail network so as to provide a clearance of eight to ten feet between the trail surface and any overhanging limbs and branches.

C. Mowing by Residents Within Outlots. Clerk Nancy Wackerhagen expressed concern about the inconsistency of mowing work currently being performed on the outlots, with some residents mowing the areas adjacent to their lots while others leave the work to be performed by the mowing contractor. The Attorney stated that any residents performing mowing work on the outlots needed to have the District named as an additional insured under their homeowner's liability insurance policies to protect the District in case mowing work by a resident results in injury to persons in the area. The Trustees indicated that such coverage is already a requirement under the District's procedures for temporary use permits. After further discussion, Trustee John Ritchey stated that he will compile a list of properties covered by temporary use permits where residents have agreed to perform mowing work so the mowing contractor can be notified to avoid those areas during future mowings.

The Chairman stated that the next item of business on the agenda was the IRS Audit. The Chairman stated that he had recently met with an IRS agent who was performing a compliance check prompted by the District's failure to furnish a number of tax forms routinely received by the IRS from SID's. The Chairman stated that he had informed the agent that the District's failure to file 941, 945, W-2, W-3 and W-4 forms was based on the fact the District had no employees and was thus not required to file those forms. He added that the District does need to file W-9 forms for any non-corporate vendors receiving in excess of \$600.00 in any one year. 1099 forms can then be issued by the Accountants at the end of each year. On a related point, the Chairman stated that he had discussed performance of budget tracking work with June Jordening but he stated that Ms. Jordening had indicated she was not currently in a position to perform this work for the District. The Attorney stated that Shirlee Vakoc performs budget tracking work for another of his districts. After brief discussion, the Clerk stated that she would contact Ms. Vakoc to discuss this assignment with her.

The Chairman stated that the next item of business on the agenda was resident concerns.

A. Trustee John Ritchey stated that it was his belief more no-parking signs needed to be installed on Josephine Street. The Attorney stated that he would discuss this matter with handyman Gerald Pesek of G.F. Pesek, Inc.

B. Mr. Ritchey suggested that the playground is in need of additional mulch to bring the mulch up to the level of the adjacent edging. The Attorney suggested that this work could also be performed by Mr. Pesek.

C. Trustee Wes Lyons commended the District's mowing contractor for the high quality of work being performed in that regard.

D. Trustee Jim Nichols expressed concern with cracks in the District's streets, damage to curbing at various locations, and the need for crack filling and joint sealing work. The Chairman stated that the Engineers will be directed to check the overall condition of the streets to determine the scope of repair and sealing work to be done. Trustee Ritchey stated that the inspection by the Engineers should be expanded to include the District's network of trails..

The Chairman stated that the next item of business on the agenda was old business.

A. Newsletter. The Attorney distributed to the Trustees a mock-up newsletter including a summary of the minutes of the March 29, 2012 meeting and an information sheet covering many topics of interest to District residents. The Trustees approved the March 29 summary, suggested a number of changes and additions to the information sheet, and directed that the Attorney proceed with preparation of a newsletter for distribution throughout the District in advance of the May 24 meeting.

B. Graffiti Removal. The Chairman stated there was nothing to report at this time.

C. Trampoline Removal. The Chairman reported that following the March 29 meeting, he had inspected the property where a trampoline had previously been located and had determined that that trampoline had been relocated so as to be situated entirely on private property.

D. Fire Pit/Wood Pile. The Attorney stated that he had submitted a letter to the property owner requesting removal of these items from the outlot. The Chairman reported that those items have now been removed.

E. County Treasurer Reports. The Attorney stated that he had been in touch with the County Treasurer's office and had been advised that reports will be emailed each month so they can be furnished to Board Members at each meeting beginning in May.

F. Mission Creek Final Payment. The Chairman reported that this matter should be tabled for further action at the May meeting when the final payment can hopefully be authorized.

The Chairman stated that the next item of business on the agenda was temporary use permits. After brief discussion, upon motion duly made, seconded and roll call vote taken in open session convened, the votes being as follows:

- Richard L. Hansen - Aye
- Nancy Wackerhagen - Aye
- Wes Lyons - Aye
- Jim Nichols - Aye
- John Ritchey - Aye

the following resolution was adopted:

**RESOLVED**, that the Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska does hereby approve renewal of the following temporary use permits for a period expiring June 30, 2014:

- Haining Cheng - 7107 South 167<sup>th</sup> Circle;
- Ted Pelster - 15907 Josephine Street
- Patrick Zach - 16514 Olive Street
- William Middendorf - 16522 Olive Street
- Tony Bartu - 7132 South 167<sup>th</sup> Circle
- Robert Edmundson - 16606 Edna Street

Following brief discussion regarding the temporary use permits, the Trustees directed the Attorney to update the Application form and to compile an updated list of approved permits including those approved in February, March and April of 2012, furnishing that list to Trustee John Ritchey.

The Chairman stated that the next item of business on the agenda was budget tracking and funds monitoring. The Chairman stated that he will contact Shirlee Vakoc to determine if she is in a position to perform this work for the District and, assuming she is in a position to do so, he will invite her to the May meeting of the Board.

The Chairman stated that the next item of business on the agenda was payment of bills. The Chairman recommended the following payments from the District's general fund:

HGM Associates, Inc. - \$1,674.60 for engineering services  
Hillman, Forman Law Firm - \$2,419.16 for legal fees and expenses

Upon motion duly made, seconded and roll call vote taken in open session convened, the votes being as follows:

Richard L. Hansen	- Aye
Nancy Wackerhagen	- Aye
Wes Lyons	- Aye
Jim Nichols	- Aye
John Ritchey	- Aye

the following resolution was adopted:

**RESOLVED**, by the Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska, that the Chairman and Clerk be and they hereby are authorized and directed to execute and deliver Warrants No. 5626 and 5627 to the following payees and in the following amounts, said warrants to be drawn on the General Fund of the District and to draw interest at the rate of 7% per annum and to be redeemed no later than three years from the date of issuance, 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:

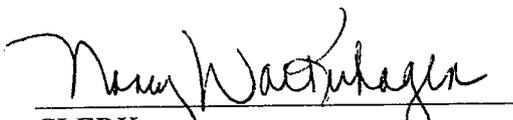
#5626 HGM Associates, Inc.	\$1,674.60
#5627 Hillman, Forman Childers & McCormack	\$2,419.16

The Chairman stated the next item of business on the agenda was setting of the time and place for the next meeting of the Board. After brief discussion it was determined the next meeting of the Board will be held on Thursday, May 24, 2012 at 2:30 p.m. at Chalco Hills Recreation Area Visitor's Center, 8901 South 154<sup>th</sup> Street, Omaha, Nebraska.

There being no further business to come before the meeting, the same was adjourned.

  
CHAIRMAN

ATTEST:

  
CLERK

\*MANDATORY SINK FUND BONDS  
 CASH FLOW FOR SARPY CO. SID NO. 162

SOURCE OF FUNDS:

BOND ISSUE	0.00
CASH ON HAND 03/31/2012	1,177,492.50
FUNDS FROM WARRANTS	<u>0.00</u>
	1,177,492.50

USE OF FUNDS:

PYMT 2003 BONDS MAY 15, 2011	0.00
REDEEM SERIES 03 & 05 BONDS	0.00
INT ON BONDS TO 07/15/2011	0.00
UNDERWRITERS DISCOUNT	0.00
ISSUANCE EXPENSES (EST)	0.00
BOND SINKING FUNDS	<u>1,177,492.50</u>
	1,177,492.50

YEAR	TAXABLE VALUE	BOND LEVY	BD FUND RECEIPTS	SPL ASSES INCOME	INT INCOME @ 0.25%	2004 BOND PAYOUTS	2009 BOND PAYOUT	YEAR END BALANCE	Total Pymts
2011	136,583,050	0.58	0.00		0.00			1,177,492.50	@ Mar 2012
2012	136,583,050	0.58	398,558.07		2,943.73	521,295.00	279,151.25	778,548.05	800,446.25
2013	136,583,050	0.58	776,338.06		1,946.37	524,833.75	278,962.50	753,036.22	803,796.25
2014	136,583,050	0.58	776,338.06		1,882.59	522,352.50	277,882.50	731,021.87	800,235.00
2015	136,583,050	0.58	776,338.06		1,827.55	523,882.50	280,893.75	704,411.23	804,776.25
2016	136,583,050	0.58	776,338.06		1,761.03	524,366.25	278,170.00	679,974.07	802,536.25
2017	136,583,050	0.58	776,338.06		1,699.94	528,650.00	279,727.50	649,634.56	808,377.50
2018	136,583,050	0.58	776,338.06		1,624.09	531,582.50	275,482.50	620,531.70	807,065.00
2019	136,583,050	0.58	776,338.06		1,551.33	528,327.50	280,227.50	589,866.09	808,555.00
2020	136,583,050	0.58	776,338.06		1,474.67	528,322.50	278,875.00	560,481.31	807,197.50
2021	136,583,050	0.45	776,338.06		1,401.20	531,481.25	276,480.00	530,259.32	807,961.25
2022	136,583,050	0.36	602,331.25		1,325.65	533,377.50		600,538.71	533,377.50
2023	136,583,050	0.00	481,865.00		1,501.35	534,011.25		549,893.81	534,011.25
2024			0.00		1,374.73	538,256.25		13,012.30	538,256.25
			=====	=====	=====	=====	=====	=====	
			8,469,796.82	0.00	22,314.22	6,870,738.75	2,785,852.50		9,656,591.25
						<u>408,366.25</u>	June 1st pymt not refunded		
						6,462,372.50			

<u>INT RATES</u>	2004 BONDS	2012 BONDS INTEREST RATES	DIFFERENCE RATES
2013	3.95%	1.20%	-2.75%
2014	4.10%	1.35%	-2.75%
2015	4.25%	1.50%	-2.75%
2016	4.35%	1.70%	-2.65%
2017	4.50%	1.90%	-2.60%
2018	4.60%	2.10%	-2.50%
2019	4.70%	2.35%	-2.35%
2020	5.05%	2.55%	-2.50%
2021	5.05%	2.80%	-2.25%
2022	5.05%	2.95%	-2.10%
2023	5.05%	3.10%	-1.95%
2024	5.05%	3.25%	-1.80%

ISSUER: SARPY COUNTY SID NO. 162  
PURPOSE: GENERAL OBLIGATION REFUNDING BONDS  
AMOUNT: \$4,875,000.00  
DATED: JUNE 1, 2012  
DUE: JUNE 1, 2013-2024  
CALLABLE: JUNE 1, 2017

MATURITY DATE	PRINCIPAL AMOUNT	INTEREST RATE	JUNE 1 INTEREST	JUNE 1 PRINCIPAL	DECEMBER 1 INTEREST	ANNUAL TOTAL	TAKE DOWN	TOTAL TAKEDOWN
2012			56,005.00	340,000.00	56,005.00	56,005.00	0.00	0.00
2013	340,000.00	1.200%	53,965.00	360,000.00	51,535.00	449,970.00	0.00	0.00
2014	360,000.00	1.350%	51,535.00	370,000.00	48,760.00	470,295.00	0.00	0.00
2015	370,000.00	1.500%	48,760.00	375,000.00	45,572.50	469,332.50	0.00	0.00
2016	375,000.00	1.700%	45,572.50	385,000.00	41,915.00	472,487.50	0.00	0.00
2017	385,000.00	1.900%	41,915.00	395,000.00	37,767.50	474,682.50	0.00	0.00
2018	395,000.00	2.100%	37,767.50	405,000.00	33,008.75	475,776.25	0.00	0.00
2019	405,000.00	2.350%	33,008.75	420,000.00	27,653.75	480,662.50	0.00	0.00
2020	420,000.00	2.550%	27,653.75	435,000.00	21,563.75	484,217.50	0.00	0.00
2021	435,000.00	2.800%	21,563.75	450,000.00	14,926.25	486,490.00	0.00	0.00
2022	450,000.00	2.950%	14,926.25	465,000.00	7,718.75	487,645.00	0.00	0.00
2023	465,000.00	3.100%	7,718.75	475,000.00	0.00	482,718.75	0.00	0.00
2024	475,000.00	3.250%						
=====			\$440,391.25	\$4,875,000.00	\$440,391.25	\$5,755,782.50		\$0.00

PURCHASE PRICE	BOND PROCEEDS	NET INTEREST COST	AVERAGE INTEREST COST	UNDERWRITER DISCOUNT
96.00	\$4,680,000.00	3.2219	2.6379	\$195,000.00

\*MANDATORY SINK FUND BONDS  
CASH FLOW FOR SARPY CO. SID NO. 162

SOURCE OF FUNDS:

BOND ISSUE	4,875,000.00
CASH ON HAND 03/31/2012	1,177,492.50
FUNDS FROM WARRANTS	0.00
	6,052,492.50

USE OF FUNDS:

MAY 15 Pymt 2009 BONDS	238,270.00
JUNE 1 Pymt 2004 BONDS	408,366.25
REDEEM SERIES 2004 BONDS	4,800,000.00
INT ON 2004 BONDS TO 06/05/2012	3,136.91
UNDERWRITERS DISCOUNT	195,000.00
ISSUANCE EXPENSES (EST)	39,250.00
BOND SINKING FUNDS	368,469.34
	6,052,492.50

YEAR	TAXABLE VALUE	BOND LEVY	BD FUND RECEIPTS	SPL ASSES INCOME	INT INCOME @ 0.25%	2004 BOND PAYOUT	2009 BOND PAYOUT	NEW BOND PAYOUT	YEAR END BALANCE
2011	136,583,050	0.58	0.00		0.00				368,469.34
2012	136,583,050	0.56	398,558.07		460.59		40,881.25	56,005.00	670,601.74
2013	136,583,050	0.56	749,567.78		1,676.50	278,962.50	449,970.00	692,913.53	728,932.50
2014	136,583,050	0.56	749,567.78		1,732.28	277,862.50	465,500.00	700,851.09	743,362.50
2015	136,583,050	0.56	749,567.78		1,752.13	280,893.75	470,295.00	700,982.24	751,188.75
2016	136,583,050	0.56	749,567.78		1,752.46	278,170.00	469,332.50	704,799.98	747,502.50
2017	136,583,050	0.56	749,567.78		1,762.00	279,727.50	472,487.50	703,914.76	752,215.00
2018	136,583,050	0.56	749,567.78		1,759.79	275,482.50	474,682.50	705,077.32	750,165.00
2019	136,583,050	0.56	749,567.78		1,762.69	280,227.50	475,776.25	700,404.04	756,003.75
2020	136,583,050	0.56	749,567.78		1,751.01	278,875.00	480,662.50	692,185.33	759,537.50
2021	136,583,050	0.35	749,567.78		1,730.46	276,480.00	484,217.50	682,786.07	760,697.50
2022	136,583,050	0.25	468,479.86		1,706.97	0.00	486,490.00	666,482.90	486,490.00
2023	136,583,050	0.00	334,628.47		1,666.21	0.00	487,645.00	515,132.58	487,645.00
2024			0.00		1,287.83	0.00	482,718.75	33,701.66	482,718.75
=====			7,947,776.41	0.00	20,800.92	0.00	2,547,562.50	5,755,782.50	8,303,345.00

	2004 Bond Pymts	2012 Bond Pymts	Savings	
2012	112,928.75	56,005.00	(56,923.75)	
2013	524,833.75	449,970.00	(74,863.75)	
2014	522,352.50	465,500.00	(56,852.50)	
2015	523,882.50	470,295.00	(53,587.50)	
2016	524,366.25	469,332.50	(55,033.75)	
2017	528,650.00	472,487.50	(56,162.50)	
2018	531,582.50	474,682.50	(56,900.00)	
2019	528,327.50	475,776.25	(52,551.25)	
2020	528,322.50	480,662.50	(47,660.00)	
2021	531,481.25	484,217.50	(47,263.75)	
2022	533,377.50	486,490.00	(46,887.50)	
2023	534,011.25	487,645.00	(46,366.25)	
2024	<u>538,256.25</u>	<u>482,718.75</u>	<u>(55,537.50)</u>	
	6,462,372.50	5,755,782.50	(706,590.00)	
			<u>162,386.91</u>	Cash Contr.
			(544,203.09)	Savings

NOTE: Cash Contribution is Net Bond Proceeds 4,680,000 -( Refunded Bonds 4,800,000 + Int Costs 3,136.91 + Issuance Exp 39,250)

	Existing Bonds	With New 2012 Bonds	Difference	
Total P & I	9,248,225.00	8,303,345.00	944,880.00	
B Fund Bal	769,126.25	368,469.34	<u>400,656.91</u>	Cash Contr.
			544,223.09	Savings

NOTE: B Fund Balance for Existing Bonds is the March 31st balance less the June 1st payment of 408,250 not refunded

**BOND RESOLUTION**  
**OF**  
**SANITARY AND IMPROVEMENT DISTRICT NO. 162**  
**OF SARPY COUNTY, NEBRASKA**

BE IT RESOLVED, by the Board of Trustees of Sanitary and Improvement District No. 162 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 \$6,850,000 of its General Obligation and Refunding Bonds dated April 1, 2004 (the "Outstanding 2004 Bonds") and that \$4,800,000 of the Outstanding 2004 Bonds remain outstanding and unpaid; that since the Outstanding 2004 Bonds were issued, and considering the maturity schedule of the Outstanding Bonds that by taking up and paying off the aggregate principal amount of the foregoing described Outstanding 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 and refund all of the Outstanding Bonds of the District, which have been called for redemption on June 5, 2012; 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 \$4,875,000; 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. 162 of Sarpy County, Nebraska, is empowered to issue such bonds in the amount of \$4,875,000 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 \$4,875,000 (the "Series

2012 Bonds"). The Series 2012 Bonds shall be dated June 1, 2012, and shall bear interest at the rates per annum and mature on June 1 in each of the years and in the principal amounts as follows:

<u>Maturing on June 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2013	\$340,000	1.20%
2014	\$360,000	1.35%
2015	\$370,000	1.50%
2016	\$375,000	1.70%
2017	\$385,000	1.90%
2018	\$395,000	2.10%
2019	\$405,000	2.35%
2020	\$420,000	2.55%
2021	\$435,000	2.80%
2022	\$450,000	2.95%
2023	\$465,000	3.10%
2024	\$475,000	3.25%

Any of the Series 2012 Bonds maturing on June 1, 2018, to and including June 1, 2024, are subject to redemption in whole or in part, prior to maturity at the option of the District at any time on or after June 1, 2017, 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 2012 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 2012 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 2012 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 2012 Bonds shall be designated: Sanitary and Improvement District No. 162 of Sarpy County, Nebraska General Obligation Refunding Bonds Series 2012, 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 2012 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 June 1, 2012 or the date of authentication thereof and bonds shall be numbered from 1 up, in order of their issuance.

Interest on the Series 2012 Bonds shall be payable semiannually on June 1 and December 1 of each year, commencing December 1, 2012. The principal of the Series 2012 Bonds is payable upon presentation and surrender thereof at the principal corporate trust office of Bankers Trust Company, Des Moines, Iowa, as Paying Agent and Registrar. Interest on the Series 2012 Bonds will be paid 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 fifteenth day of the month next preceding a month in which occurs an interest payment date. The principal and interest on the Series 2012 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 2012 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 2012 Bonds to be kept at the principal office of the Paying Agent and Registrar at all times while any of such Series 2012 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 2012 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 2012 Bonds from the close of business on the fifteenth day of the month next preceding a month in which occurs an interest payment date; (b) to issue, register or transfer any Series 2012 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 2012 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 2012 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 2012 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 2012 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 2012 Bonds and other bonds and construction warrants of the District now or hereafter issued, as such interest and principal become due.

Section 7. Bankers Trust Company, Des Moines, Iowa, is hereby appointed as Paying Agent and Registrar for the Series 2012 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 2012 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 2012 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. 162  
OF SARPY COUNTY, NEBRASKA**

**GENERAL OBLIGATION REFUNDING BOND, SERIES 2012**

**NO.**

**§**

**INTEREST RATE    MATURITY DATE    DATE OF ORIGINAL ISSUE    CUSIP NO.**  
June 1, 2012

**REGISTERED OWNER:**

**PRINCIPAL AMOUNT:**

KNOW ALL MEN BY THESE PRESENTS: that Sanitary and Improvement District No. 162 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 first day of June and December of each year commencing December 1, 2012. 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 Bankers Trust Company, 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 fifteenth day of the month next preceding a 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 June 1, 2018, to and including June 1, 2024, are subject to redemption in whole or in part, prior to maturity at the option of the District at any time on or after June 1, 2017, 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 June 1, 2012, and of like tenor herewith except as to amount, date of maturity and rate of interest, in the total principal amount of Four Million Eight Hundred Seventy-Five Dollars (\$4,875,000), issued by said District for the purpose of providing funds to currently redeem and refund the Outstanding Bonds of the District dated April 1, 2004 in the remaining principal amount of \$4,800,000 and to pay a portion of certain costs of the issuance of the Series 2012 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 2012 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. 162 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. 162 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.

BANKERS TRUST COMPANY  
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. 162 of Sarpy County, Nebraska and Ameritas Investment Corp. dated April 26, 2012, said Series 2012 Bonds shall be and are hereby sold to Ameritas Investment Corp., at a price equal to 96.00% 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; without further authorization or direction \$4,803,136.91 shall be delivered to Great Western Bank, Omaha, Nebraska, the Paying Agent, for the Outstanding Bonds and used exclusively to redeem and pay the Outstanding Bonds on June 5, 2012; 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 2012 Bonds has been paid to the County Treasurer of Sarpy County, Nebraska, said Paying Agent and Registrar shall deliver the Series 2012 Bonds to the purchaser named in Section 9 herein.

Section 11. Each of the Series 2012 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 2012 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 2012 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 2012 Bonds. With respect to

the issuance of the Series 2012 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 2012 Bonds as securities depository (each, a "Bond Participant") or to any person who is an actual purchaser of a Series 2012 Bond from a Bond Participant while the Series 2012 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 2012 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 2012 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 2012 Bonds. The Paying Agent and Registrar shall make payments with respect to the Series 2012 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 2012 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 2012 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 2012 Bonds or (ii) to make available Series 2012 Bonds registered in whatever name or names as the Beneficial Owners transferring or exchanging such Series 2012 Bonds shall designate.

(c) If the District determines that it is desirable that certificates representing the Series 2012 Bonds be delivered to the ultimate beneficial owners of the Series 2012 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 2012 Bonds. In such event, the Paying Agent and Registrar shall

issue, transfer and exchange bond certificates representing the Series 2012 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 2012 Bond is registered in the name of the Depository or any nominee thereof, all payments with respect to such Series 2012 Bond and all notices with respect to such Series 2012 Bond shall be made and given, respectively, to the Depository as provided in the Letter of Representations.

(e) Registered ownership of the Series 2012 Bonds may be transferred on the books of registration maintained by the Paying Agent and Registrar, and the Series 2012 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. 162 of Sarpy County, Nebraska, hereby covenants to the purchasers and holders of the Series 2012 Bonds hereby authorized that it will make no use of the proceeds of Series 2012 Bonds which if such use had been reasonably expected on the date of issue of Series 2012 Bonds, would have caused Series 2012 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 2012 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 \$10,000,000 during the calendar year in which the above Bonds are to be issued.

Section 13. Sanitary and Improvement District No. 162 of Sarpy County, Nebraska, hereby covenants and agrees as follows: that the facilities for which the above Series 2012 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 2012 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 benefitted 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 2012 Bonds.

Section 14. (a) The District does hereby covenant and agree and enter into the written undertaking set forth in this Section 14 (the "Undertaking") for the benefit of the holders and beneficial owners of the Series 2012 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 (f) hereof. It being the intention of the District that there be full and complete compliance with the Rule, this Undertaking 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 construction fund warrants, its outstanding general fund warrants and its outstanding bonds does not exceed \$10,000,000.

- (c) The District undertakes to provide Financial Information about the District to the MSRB in an electronic format accompanied by identifying information as prescribed by the MSRB, to the extent that the District customarily prepares such Financial Information and makes it publicly available.
- (d) The District designates as the person from whom its Financial Information and Material Event Notices can be obtained: Mr. Richard Harman, Ameritas Investment Corp., 440 Regency Parkway Drive, Suite 222, Omaha, Nebraska 68114, Telephone: (402) 384-8433.
- (e) If a Material Event occurs while any Series 2012 Bonds are Outstanding, the District shall provide a Material Event Notice in a timely manner, not in excess of 10 business days after the occurrence of the event, to the MSRB. Each Material Event Notice shall be so captioned and shall prominently state the date and title of the Series 2012 Bonds.
- (f) 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 with respect to the Series 2012 Bonds:
    - (i) Principal and interest payment delinquencies;
    - (ii) Non-payment related defaults, if material;
    - (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;

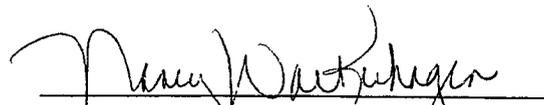
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Series 2012 Bonds;
  - (vii) Modifications to rights of Bondholders, if material;
  - (viii) Bond calls, if material, and tender offers;
  - (ix) Defeasances;
  - (x) Release, substitution or sale of property securing repayment of the Series 2012 Bonds, if material;
  - (xi) Rating changes;
  - (xii) Bankruptcy, insolvency, receivership or similar event of District;
  - (xiii) The consummation of a merger, consolidation or acquisition involving the District or the sale of all or substantially all of the assets of the District other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
  - (xiv) Appointment of a successor or additional paying agent or the change of name of a paying agent, if material
- (4) “*Material Event Notice*” means an electronic notice of a Material Event.
- (5) “*MSRB*” means the Municipal Securities Rulemaking Board. As of July 1, 2009, the MSRB is the sole repository to which the District must electronically submit Financial Information, Audited Financial Statements, if any, and Material Event Notices pursuant to this Undertaking. 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 became effective on July 1, 2009. To the extent applicable to its Undertakings, the District shall comply with the Release and with EMMA.
- (g) 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 Series 2012 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 Series 2012 Bonds, provided that the District shall have provided notice of such delivery and the cancellation of this Undertaking to the MSRB.

- (h) 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 with the Rule, provided that the District shall have provided notice of such delivery and of the amendment to the MSRB. Any such amendment shall satisfy, unless otherwise permitted by the Rule, the following conditions:
- (1) 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 District or type of business conducted;
  - (2) 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
  - (3) 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.
- (i) 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.
- (j) Any failure by the District to perform in accordance with this Undertaking shall not constitute an event of default with respect to the Series 2012 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 26th day of April, 2012.

  
Chairman

  
Clerk

REFUNDING—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. 162 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.*

\$4,875,000  
SANITARY AND IMPROVEMENT DISTRICT NO. 162  
OF SARPY COUNTY, NEBRASKA  
(MILLARD PARK)  
GENERAL OBLIGATION REFUNDING BONDS SERIES 2012

Dated: June 1, 2012

Due: June 1, as shown below

The Series 2012 Bonds (the "Bonds") are issuable in fully registered form in the denominations of \$5,000 and integral multiples thereof. Interest is payable semiannually on June 1 and December 1 of each year, commencing December 1, 2012, 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 Bankers Trust Company, as Registrar. Principal of the Bonds is payable upon presentation and surrender of the Bonds at the principal corporate office of Bankers Trust Company, as Paying Agent, in Des Moines, Iowa.

The Bonds maturing on June 1, 2018 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 June 1, 2017 at the principal amount thereof plus interest to the redemption date, 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**

Maturity Date (June 1)	Principal Amount	Interest Rate	Price	Maturity Date (June 1)	Principal Amount	Interest Rate	Price
2013	\$340,000	%	100%	2019	\$405,000	%	100%
2014	360,000		100	2020	420,000		100
2015	370,000		100	2021	435,000		100
2016	375,000		100	2022	450,000		100
2017	385,000		100	2023	465,000		100
2018	395,000		100	2024	475,000		100

(plus accrued interest from June 1, 2012)

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 June 1, 2012.*

AMERITAS INVESTMENT CORP.

Dated: April 26, 2012

**SANITARY AND IMPROVEMENT DISTRICT  
NO. 162  
OF SARPY COUNTY, NEBRASKA**

**BOARD OF TRUSTEES**

Richard L. Hansen .....Chairman  
Nancy Wackerhagen ..... Clerk  
Wes Lyons ..... Trustee  
Jim Nichols ..... Trustee  
John E. Ritchey ..... Trustee

**BOND COUNSEL**

Baird Holm LLP

**ATTORNEY FOR DISTRICT**

Hillman, Forman, Childers & McCormack

**REGISTRAR AND PAYING AGENT**

Bankers Trust Company

**ACCOUNTANT**

Seim Johnson, 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

**\$4,875,000**  
**SANITARY AND IMPROVEMENT DISTRICT NO. 162**  
**OF SARPY COUNTY, NEBRASKA**  
**(MILLARD PARK)**  
**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012**

### INTRODUCTION

This Official Statement has been prepared in connection with the offer for sale of the \$4,875,000 General Obligation Refunding Bonds, Series 2012 (the "Bonds") issued by Sanitary and Improvement District No. 162 of Sarpy County, Nebraska (Millard Park) (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 June 1, 2012 and will bear interest from that date, payable December 1, 2012 and semiannually thereafter on June 1 and December 1 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 June 1 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 Bonds are being issued pursuant to and by authority of the Act and a Bond Resolution (the "Resolution") of the Board of Trustees of the District adopted on April 26, 2012, authorizing the issuance and sale of the Bonds for the purpose of providing the funds, including funds on deposit in the District's bond fund, required to currently refund and redeem on June 1, 2012 the District's General Obligation and Refunding Bonds, Series 2004 outstanding in the aggregate principal amount of \$4,800,000 (the "Refunded Bonds"). The Refunded Bonds were previously issued by the District to pay for the installation of public improvements in the District and to refund the District's General Obligation Bonds, Series 1999 (the "Series 1999 Bonds"). The proceeds of the 1999 Bonds were used to pay for the installation of public improvements and public infrastructure in the District. The District's General Obligation Refunding Bonds, Series 2009 (the "Parity Bonds") which are secured on a parity with the Bonds, are outstanding in the aggregate principal amount of \$2,085,000.

## **Registration, Transfer and Payment**

The principal of the Bonds is payable upon presentation and surrender thereof at the principal corporate trust office of Bankers Trust Company, as Registrar and Paying Agent (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 fifteenth day of the calendar month immediately preceding the 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 fifteenth day of each calendar month immediately preceding the 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 next 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 are being 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 securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 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 a Standard & Poor’s rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

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 DTC 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, the Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the 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 to DTC.

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.

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

NEITHER THE DISTRICT NOR THE PAYING AGENT AND REGISTRAR 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 AND REGISTRAR 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 THE PAYING AGENT AND REGISTRAR 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**

Bonds maturing on June 1, 2018 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 June 1, 2017, 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 Bonds or any portion thereof shall be given by first-class mail to the registered owner of such Bonds, 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, the Parity Bonds and any other bonds now or thereafter 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 and it does not limit the ability or authority of the District to issue additional bonds in the future. See "APPENDIX A—Budget and Levy Limitations" thereunder for a discussion of challenges to Nebraska's property tax system and "APPENDIX A—Special Assessments." See also "BONDHOLDERS' RISKS—Parity Bonds."

## **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 Refunded Bonds.

<b>Sources:</b>	
Bond Proceeds (net of accrued interest, if any).....	\$4,875,000.00
Bond Fund.....	<u>159,250.00</u>
Total .....	<u>\$5,034,250.00</u>
<b>Uses:</b>	
Principal Redemption of Refunded Bonds .....	\$4,800,000.00
Interest on Refunded Bonds to June 1, 2012.....	0.00
Costs of Issuance (estimated).....	39,250.00
Underwriter's Discount .....	<u>195,000.00</u>
Total .....	<u>\$5,034,250.00</u>

## **BONDHOLDERS' RISKS**

### **Adverse Property Sale Conditions**

The District is fully developed. See "APPENDIX A—District Development" herein. Accordingly, the risks described under this paragraph are not expected to materially affect the District. The development and sale 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 sanitary and improvement district would 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.

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

The levy and collection of ad valorem taxes by taxing jurisdictions in the State of Nebraska has 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—Budget and Levy Limitations".

### **Delinquent Special Assessments**

The District has a de minimis amount of 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—Remedies for Delinquencies" herein for general information about delinquent special assessments.

### **Parity Bonds**

Other than the Parity Bonds, the District presently has no other bonds outstanding that are payable from or secured by the pledge of ad valorem taxes as permitted under the Act. However, neither the Act nor the Resolution limits the ability or the authority of the District to issue additional bonds

secured by a pledge of the revenues derived from such tax. While the District does not currently anticipate issuing additional bonds payable from such tax levy, no assurance can be given that the District will not elect to do so prior to the final maturity of the Bonds.

### **Bankruptcy of District**

Significant delays in the development of a sanitary and improvement district after the incurrence of indebtedness for public improvements while interest on such indebtedness continues to compound can result in a debt burden and a significant tax levy that discourage sale of property and impedes the ability of the district to provide services to current residents. This risk is small in the case of the District because development in the District is complete. 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 District, however, does not have significant exposure to the risks of a compounding debt burden because it does not have any outstanding construction fund warrants. 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.

### **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 "Remedies for Delinquencies" 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 or tax certificate sales. 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 a property owner could result in a delay in prosecuting foreclosure proceedings. Such delay in prosecuting foreclosure proceedings would increase the likelihood of a delay or default in payment of the principal and interest on the Bonds and the possibility of delinquent tax installments not being paid in full. The risk of delay in the payment of the principal and interest on the Bonds due to a District property owner filing for bankruptcy is mitigated in the case of the District by the dispersal of ownership of property within the District to hundreds of property owners. See "APPENDIX B—Major Taxpayers".

### **No Investment Rating**

None of the Bonds, Parity Bonds or 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

The District has undertaken in the Resolution (the “Undertaking”) on behalf of the Bondholders and beneficial owners to provide to the Municipal Securities Rulemaking Board (“MSRB”), in an electronic format accompanied by identifying information as prescribed by the MSRB, (a) financial information and operating data about the District and (b) notices of the material events specified by the Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the “Rule”). See “APPENDIX E—Form of Continuing Disclosure Undertaking.”

A failure by the District to comply with the Undertaking will not constitute an event of default with respect to the Bonds, although any holder will have any available remedy at law or in equity, including seeking specific performance by court order, to cause the District to comply with its obligations under the Undertaking. The District is in compliance with its prior continuing disclosure obligations.

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 of the Bonds. 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, other than as it relates to its opinion. 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, 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. An example is the American Jobs Act of 2011 (S. 1549), proposed by the President and introduced in the Senate on September 13, 2011. If enacted as introduced, a provision of S. 1549 would limit the amount of exclusions (including tax-exempt interest) and deductions available to certain high income taxpayers for taxable years after 2012, and as a result could affect the market price or marketability 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. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. 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 \$10,000,000 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 96.00% 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, 2011 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, 2011 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, 2011 included as Appendix B of this Official Statement have been audited by Seim Johnson, 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. 162 OF SARPY COUNTY,  
NEBRASKA

By /s/ Richard L. Hansen  
Chairman

**APPENDIX A**  
**SANITARY AND IMPROVEMENT DISTRICT NO. 162**  
**OF SARPY COUNTY, NEBRASKA—GENERAL INFORMATION**

**General**

The District commonly known as Millard Park, was established on March 2, 1994 pursuant to the provisions of the Act. The District consists of approximately 295 acres located in Sarpy County, Nebraska south of Harrison Street between 156<sup>th</sup> and 168<sup>th</sup> Streets within the Omaha, Nebraska metropolitan area. Of the 295 acres, roughly 270 acres are developed with the remainder consisting of a creek along which the District has developed a park and right of ways. The District lies within the zoning jurisdiction of Sarpy County, Nebraska. Metropolitan Utilities District and Omaha Public Power District provide the District with water and natural gas, and electric utility services, respectively. The City of Omaha, through an agreement with Sarpy County, provides sanitary and sewer services to the District. The District lies within the Millard Public School District. An elementary school is located at 162<sup>nd</sup> Street and Harrison Street just north of the District, a middle school is located immediately north and east of the District, and Millard South High School is located at 152<sup>nd</sup> Street and Q Street, approximately one mile from the District.

A location map of the District and related information about Sarpy County, Nebraska are included in the appendices.

**District Development**

The District was developed in phases as a residential subdivision. Development commenced with the installation of sewers, streets, utilities and other public improvements required for the construction and sale of houses and for which the District issued construction fund warrants. The District has completed the utility, sewer and paving public improvements for the first six phases which comprise the District. The District includes 576 single-family lots, 114 townhouse platted lots and a four and one-half acre commercial lot. Development in the District is complete. As of February 1, 2012 there were 688 houses on the tax rolls and the commercial lot was also developed.

**Board of Trustees**

The District is governed by a five member Board of Trustees.

<b>Name</b>	<b>Position</b>
Richard L. Hansen	Chairman
Nancy Wackerhagen	Clerk
Wes Lyons	Trustee
Jim Nichols	Trustee
John E. Ritchey	Trustee

Each member of the Board of Trustees is a resident property owner in 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 2013.

**Financial Information**

The January 1, 2011 taxable valuation of all real property in the District was \$136,283,050, down from \$136,816,955 as of January 1, 2010. The District's ad valorem tax levy for the 2011/2012 fiscal

year is \$0.80000 per \$100 of taxable value, which levy produces tax revenues of approximately \$1,092,664. The 2011/2012 tax levy payable by District property owners in addition to the District levy includes the following: Sarpy County (\$0.299900/\$100), Millard School District (\$0.260000/\$100), Learning Community (\$0.960000/\$100), Millard Fire District (\$0.092500/\$100), Papio Natural Resource District (\$0.032753/\$100), Metropolitan Community College (\$0.085000/\$100), Agricultural Society (\$0.001340/\$100) and Educational Service Unit #3 (\$0.016087/\$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" the Official Statement and Appendix B hereto.

### **Plan of Financing**

The total cost of public improvements within the District approximated \$11,400,000. The District has levied \$5,738,013 of special assessments and as of December 15, 2011, there was \$7,830 in unpaid special assessments.

### **Description of Budget Process**

As described below, budgets of sanitary and improvement districts in existence more than five years are subject to statutory budget limitations and the property tax levies of such districts are subject to tax levy limitations.

A sanitary and improvement district is required by state law to file its budget with the county clerk and state auditor on or before September 20 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 in tax rates or valuation. Such differences are 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 is received during the spring of the following calendar year. The second half tax receipts are not received until the late summer of the following calendar year, several weeks into the ensuing fiscal year.

The proposed budget contains line items detailing, among other things, revenues and expenses in both the general fund and the bond fund. Expenses in the general fund cover noncapital, i.e., operating expenses, including insurance, street lights, legal and accounting fees and maintenance expenses. Expenses in the bond 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 are generated primarily by ad valorem taxes, with a small amount coming from various state and local sources. Bond fund revenues are generated in the same way, plus special assessments and interest thereon. The proposed budget compares total anticipated expenses with total anticipated revenues, other than those to be collected from property taxes, to arrive at a net amount that must be generated 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. Prior to its adoption, 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 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 paid 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 authorities have submitted their budgets to the county in which they are located after any final adjustments have been made in the valuation of property within a district, the dollar requirements of each taxing authority 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 authority and the total tax bill related to each parcel of property.

During December of each year, the Sarpy County Treasurer sends a tax statement to each owner of property within the county which states that the property taxes for such year are due on December 31. Half of such tax amount becomes delinquent April 1 of the subsequent year and the other half delinquent August 1. 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, Nebraska. Subsequent to entry of a decree of foreclosure, a tax certificate with respect to such parcel can be purchased 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 three years of issuance of the tax certificate. See “Remedies for Delinquencies” below.

When tax payments are received by the Sarpy County Treasurer, they are allocated among the various taxing authorities levying taxes. The Sarpy County Treasurer is the ex-officio treasurer for all sanitary and improvement districts within Sarpy County, Nebraska, including the District. Those funds collected pursuant to a district’s tax levy are then deposited into such district’s general fund and bond fund, as applicable. A district’s claim for its share of general ad valorem taxes is of equal priority with the tax claims of other taxing authorities, and such taxes constitute a first lien against the property, superior to purchase money mortgages, special assessments and all other liens.

Bondholders are paid the principal of and the interest on bonds issued by sanitary and improvements districts generally from ad valorem taxes and special assessments. Individual bondholders do not enjoy a lien on the real property within a district. The remedies of a tax certificate sale and foreclosure available to the county and a district, as applicable, 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 petition for the appointment of an administrator in lieu of the district board of trustees. The board of trustees 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. See “BONDHOLDERS’ RISKS—Bankruptcy of District.”

## **Budget and Levy Limitations**

The Nebraska Legislature has imposed budget limitations and property tax restrictions on Nebraska political subdivisions, including sanitary and improvement districts, intended to reduce the level of property taxation and expenditures in the State. State law prohibits governmental units, including sanitary and improvement districts in existence for more than five years, from adopting budgets 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). However, such budgetary limitations do not apply, among other things, to revenues 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. State law also limits the maximum rates that may be levied by each type of governmental unit. Levies by a sanitary and improvement district in existence for more than five years are limited to a maximum of 40¢ per \$100 of taxable valuation (districts in existence less than five years are not subject to any maximum levy until they reach their fifth anniversary). The levy limit does not apply to tax levies for bonded indebtedness, such as the Bonds, approved according to law and secured by a levy on property. Taxable value of motor vehicles no longer constitutes a portion of the ad valorem tax base of sanitary and improvement districts and districts do not receive motor vehicle taxes. 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. State law does permit a political subdivision to exceed its levy limitation for a period of up to five years by majority vote of the electorate.

There can be no assurance that Nebraska's system of assessing and taxing real property will remain substantially unchanged. 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.

## **Special Assessments**

*The District has a de minimis amount (\$7,830) of 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. After the Board of Trustees of the District levies such assessments, they are collected by the Sarpy County Treasurer 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, including the District. If an annual installment of assessments 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 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 all installments.

### **Remedies for Delinquencies**

***Tax Certificate Sale.*** Nebraska law provides two statutory schemes for clearing the tax liens of delinquent special assessment installments and 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 tax certificates for real estate on which taxes or assessments 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. If taxes or assessments are delinquent for three years or more, the county must conduct a tax certificate sale or foreclose as described below in order to recapture anticipated proceeds from property taxes and special assessment. For the tax certificate 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 transferred to the purchaser, 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. Subject to the priority of outstanding bonds, the district then may retire warrants in full in the order registered to the extent of the amount of the proceeds of the tax certificate sale. The owner of the property will have three years from the tax certificate sale date to redeem the tax certificates, after which time the purchaser 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.

***Foreclosure Proceedings.*** The second statutory method for clearing tax liens is foreclosure against the property in question. Either the sanitary and improvement district or the county may exercise the right to foreclose, however, a district may only foreclose its tax lien in the case of delinquent special assessments. The district's board of trustees may initiate foreclosure proceedings once special assessment installments are delinquent for three years running and may bid its tax lien in the amount of delinquent special assessments at the sheriff sale. The district will take the property if there are no other 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 may foreclose the lien of delinquent taxes or special assessments against property within a district. If the special assessments are not requested by a district to be included in the tax foreclosure proceeding and the delinquent special assessments have not been previously offered for sale by the county treasurer, then the district's special assessment lien will survive the tax foreclosure sale.

Confirmation of the sale of foreclosed property pursuant to a sheriff's sale is not available until the passage of a two-year redemption period (during which time the delinquent property owner may satisfy the delinquency and remove the outstanding lien of taxes or special assessments), running from the sale date. Thus, the winning bidder must wait two years before receiving clear title. However, the purchaser of a tax certificate may foreclose its lien at the conclusion of the three year redemption specifically associated with tax certificates sales and will not be subject to an additional two year redemption period. 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.

**LOCATION MAP**

**APPENDIX B**

**SANITARY AND IMPROVEMENT DISTRICT NO. 162  
OF SARPY COUNTY, NEBRASKA—FINANCIAL INFORMATION**

*Part One*

*Selected District Financial Information*

**DEBT SERVICE REQUIREMENTS**

The annual debt service requirements on the Bonds and the Parity Bonds are shown below.

<b>For Year Ending December 31</b>	<b>Debt Service Payments on Parity Bonds</b>	<b>Principal</b>	<b>June 1 Interest</b>	<b>December 1 Interest</b>	<b>Total</b>
2012					
2013					
2014					
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
<b>TOTAL</b>					

**SELECTED FINANCIAL INFORMATION**

2011 Taxable Valuation	\$136,583,050
Outstanding District Bonded Debt (Including the Bonds)	\$ 6,960,000
Total Outstanding District Debt (Upon issuance of the Bonds)	\$ 6,960,000
Bond Fund Balance (Following issuance of the Bonds)	\$ 371,606.25
Outstanding Special Assessments (December 15, 2011)	\$ 7,830
Ratio of District Debt to 2011 Taxable Valuation	5.10%

**PROPERTY VALUATIONS  
as of January 1  
Sanitary and Improvement District No. 162  
of Sarpy County, Nebraska**

Year	Taxable Valuation as of January 1
2011	\$136,583,050
2010	\$136,816,955
2009	\$137,353,889
2008	\$141,956,127
2007	\$142,288,885

Source: Sarpy County Assessor

**STATEMENT OF DEBT AND DEBT RATIOS  
(January 6, 2012)**

<b>Direct Debt*</b>	
General Obligation Refunding Bonds, Series 2009	\$2,085,000
General Obligation Refunding Bonds, Series 2012	<u>4,875,000</u>
Total Direct Debt	\$6,960,000
<b>Overlapping General Obligation Debt</b>	
Millard School District	\$1,998,800
Sarpy County	<u>236,443</u>
Total Overlapping General Obligation Debt	\$2,235,243
<b>Total Direct and Overlapping General Obligation Debt</b>	<b>\$9,195,243</b>
2011 Taxable Valuation	\$136,583,050
Ratio of Direct Debt to 2011 Taxable Valuation	5.10%
Ratio of Direct and Overlapping Debt to 2011 Taxable Valuation	6.73%

Source: Sarpy County Treasurer and Nebraska State Auditor Website

\*As if issued January 6, 2012

**OVERLAPPING DEBT  
(January 6, 2012)**

	<b>2011 Taxable Valuation</b>	<b>Net Bonded Debt</b>	<b>Net Bonded Debt Applicable to S.I.D. No. 162</b>
Millard School District	\$ 9,160,315,289	\$134,055,000	\$1,998,800
Sarpy County	\$11,197,886,353	\$ 19,385,000	<u>236,443</u>
Total			<u>\$2,235,243</u>

Source: Sarpy County Assessor and Nebraska State Auditor Website

**TOTAL PROPERTY TAX LEVIES  
Sanitary and Improvement District No. 162  
of Sarpy County, Nebraska  
(levy rates are dollars per \$100 of actual valuation)**

	<u>2011/2012</u>	<u>2010/2011</u>	<u>2009/2010</u>
<b>Sanitary and Improvement District No. 162</b>			
General Fund	\$0.200000	\$0.200000	\$0.200000
Bond Fund	<u>0.600000</u>	<u>0.600000</u>	<u>0.600000</u>
Total	\$0.800000	\$0.800000	\$0.800000
<b>Other Taxing Units</b>			
Sarpy County	\$0.299900	\$0.299900	\$0.299900
Millard School District	0.260000	0.260000	0.250000
Learning Community	0.960000	0.961250	0.965000
ESU No. 3	0.016087	0.016103	0.016180
Metropolitan Community College	0.085000	0.085000	0.085000
Millard Fire District	0.092500	0.102000	0.102660
Agricultural Society	0.001340	0.001136	0.001111
Papio Natural Resource District	<u>0.032753</u>	<u>0.032753</u>	<u>0.032756</u>
Total Other Taxing Units	\$1.747580	\$1.758140	\$1.752610
Total Levy S.I.D. No. 162	<u>\$2.547580</u>	<u>\$2.558140</u>	<u>\$2.552610</u>

Source: Sarpy County Treasurer and Sarpy County Assessor

**PROPERTY TAX COLLECTIONS**  
**Sanitary and Improvement District No. 162**  
**of Sarpy County, Nebraska**  
**(as of March 31, 2012)**

<b>Year</b>	<b>Due*</b>	<b>Levied</b>	<b>Collected</b>	<b>Percent</b>
2011/12	12/31/11	\$1,092,664	\$391,819	35.86%
2010/11	12/31/10	\$1,094,536	\$1,068,037	97.58%
2009/10	12/31/09	\$1,098,831	\$1,082,966	98.56%
2008/09	12/31/08	\$ 993,693	\$965,334	97.15%

\* 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 2011/2012 year, accordingly, were due on December 31, 2011, but the first installment of such taxes did not become delinquent until April 1, 2012 and the second installment will not become delinquent until August 1, 2012.

Source: Sarpy County Treasurer and Sarpy County Assessor

**MAJOR TAXPAYERS**

Shaver Realty Company (the owner of the single commercial lot in the District) owns property in the District with a taxable valuation of 1.19% (i.e., \$1,630,000) of the District's total 2011 taxable valuation. No other property owner in the District owns property with a taxable valuation exceeding 1.00% of the District's 2011 taxable valuation of \$136,583,050.

Source: Sarpy County Assessor

*Part Two*

*Independent Auditor's Report and Combined Financial Statements*

## APPENDIX C

### SARPY COUNTY, NEBRASKA INFORMATION

The following 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.*

#### GENERAL DESCRIPTION OF THE COUNTY

The County encompasses approximately 249 square miles, or 159,360 acres in area, and is located on the eastern border of Nebraska. Sarpy County is surrounded by Douglas County on the north, Saunders County on the west, Cass County on the south, and borders with the State of Iowa on the east. The Missouri River separates Iowa and Nebraska on Sarpy County's eastern edge. Papillion, the county seat of Sarpy County, is located ten miles from Omaha, Nebraska, and 45 miles from Lincoln, Nebraska. The current population of the County is 158,840.

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.

*Source: 2010 US Census*

#### THE ECONOMY

The economy of Sarpy County can be described as follows:

Labor Force. According to the Nebraska Department of Labor, the average monthly civilian labor force in Sarpy County in 2010 was 78,286. According to Offutt Air Force Base, there are 9,546 military and civilian personnel employed on the base in Bellevue.

*Source: State of Nebraska, (for civilian labor); Sarpy County Department of Labor Planning and Development, Toby Churchill (for military assigned)*

Per Capita Personal Income. In 2010, the per capita personal income of Sarpy County residents was \$28,029, which was 70% of the Nebraska average per capita income of \$39,557.

*Source: Sarpy Chamber of Commerce*

Median Household Income. The 2010 median income of households in Sarpy County was \$71,867. .

*Source: Sarpy Chamber of Commerce*

Sales. Net taxable sales (excluding motor vehicles) within the County increased from \$1,020,721,260 in 2009 to \$1,073,751,329 in 2010, representing a 5.2% increase over the prior year.

*Source: Nebraska Department of Revenue Research Department*

## **INDEBTEDNESS**

The County by law may assess taxes in an amount not to exceed \$0.50 per \$100 of actual valuation without an approving vote of the citizens of the County. The County's total tax levy for fiscal year 2010-2011 is 29.990 cents per \$100 of actual valuation.

### **LIMITED TAX BUILDING BONDS, SERIES 2007 (Courthouse Addition)**

The County issued \$7,000,000 Limited Tax Building Bonds dated February 6, 2007 to finance the construction of a Courthouse Administrative Addition. Refunding bonds were issued on August 8, 2011 in the amount of \$4,165,000, of which \$3,915,000 remain outstanding.

### **LIMITED TAX BUILDING BONDS, SERIES 2008 (Courthouse Remodel)**

The County issued \$5,700,000 Limited Tax Building Bonds dated June 5, 2008 to finance the remodel of the existing Courthouse, \$4,155,000 of which remain outstanding.

### **HIGHWAY ALLOCATION BONDS, SERIES 2009 (96TH STREET)**

The County issued \$6,075,000 in Highway Allocation Bonds dated February 18, 2009 to finance the repayment of the 96<sup>th</sup> Street Project, of which \$2,475,000 remain outstanding.

### **LIMITED TAX BUILDING BONDS, SERIES 2009 (Law Enforcement Center)**

The County issued \$7,790,000 Limited Tax Building Bonds dated December 8, 2009 to finance the construction of a Law Enforcement Center, \$6,350,000 of which remain outstanding.

### **SARPY COUNTY LEASING CORPORATION LEASE RENTAL REVENUE BONDS (OMAHA ROYALS STADIUM PROJECT) (DEBT ISSUED BY SARPY COUNTY LEASING CORPORATION)**

The Sarpy County Leasing Corporation issued bonds dated October 15, 2009 in the aggregate principal amount of \$18,985,000 to pay the costs of acquiring, constructing, equipping and furnishing a baseball stadium owned by Sarpy County and leased to Omaha Royals Limited Partnership for use by the Omaha Storm Chasers Baseball Team.

The aggregate principal amount consists of the following:

- **Series 2009A** Bonds \$4,195,000, of which \$4,195,000 remain outstanding.
- **Taxable Series 2009B** (Build America Bonds) \$9,290,000, of which \$9,290,000 remain outstanding.
- **Taxable Series 2009C** \$5,500,000, of which \$5,500,000 remain outstanding.

The Sarpy County Leasing Corporation issued bonds dated November 23, 2010 to pay the costs of acquiring, constructing, equipping and furnishing a baseball stadium owned by Sarpy County and leased to Omaha Royals Limited Partnership for use by the Omaha Storm Chasers Baseball Team. The aggregate principal amount consists of the following:

- **Series 2010** (Recovery Zone Facility Bonds) \$8,070,000, of which \$8,070,000 remain outstanding.

## EMPLOYERS

The twenty largest employers located in the County and the nature of their business are as follows:

<b>COMPANY</b>	<b>ADDRESS</b>	<b>PHONE</b>	<b>INDUSTRY</b>
Offutt Air Force Base	205 Looking Glass Ave. #121	402-294-5533	Military
PayPal, Inc.	12312 Port Grace Blvd. LaVista, NE 68128	402-935-2000	Service
Papillion-LaVista Schools	420 South Washington Street	402-537-6200	Education
Bellevue Public Schools	1600 Hwy 370 Bellevue, NE 68005	402-293-4000	Education
Werner Enterprises	Hwy 50 & I-80 Omaha, NE 68138	402-895-6640	Trucking
AmeriTrade (Southroads)	1001 Fort Crook Road North	402-970-7000	Financial
InfoGroup Compilation Center	1020 East First Street Papillion, NE 68046	402-593-4500	Service
Bellevue University	1000 Galvin Road S. Bellevue, NE 68005	402-293-3800	Education
Oriental Trading Company	4206 South 108th Street Omaha, NE 68137	402-331-5511	Warehouse/ Distribution
Ehrling Bergquist Clinic	2501 Capehart Road Offutt AFB, NE 68113	402-294-5533	Military Healthcare
Hillcrest Health Systems	1804 Hillcrest Drive Bellevue, NE 68005	402-682-4800	Healthcare
Sarpy County Government	1210 Golden Gate Dr. #1126	402-593-2346	Gov't
Alegent Health Midlands Hospital	1111 South 84th Street Papillion, NE 68046	402-593-3000	Healthcare
Northrup Grumman	3200 Sampson Way Bellevue, NE 68005	402-291-8300	Service
Bellevue Medical Center	2500 Bellevue Med Ctr Dr Bellevue, NE 68123	402-763-3000	Healthcare
Wal-Mart Super Center (Bellevue, Gretna & Papillion)	10504 S. 15th Street Bellevue, NE 68005	402-292-0156	Retail
Gretna Public Schools	11717 S. 216th Street Gretna, NE 68028	402-332-3265	Education
Super Target Stores (Bellevue & Papillion)	718 N. Washington Street Papillion, NE 68046	402-597-9990	Retail
Securities America, Inc.	12325 Port Grace Blvd. LaVista, NE 68128	402-339-9111	Service
Streck, Inc.	7002 S. 109th Street LaVista, NE 68128	402-333-1982	Mfg.

Source: Sarpy County Department of Labor Planning & Development, Toby Churchill

**20 LARGEST TAXPAYERS**

The largest taxpayers located in the County, the actual taxes of their property and the type of their business include the following:

<b>BUSINESS NAME</b>	<b>2010 Taxes</b>	<b>NATURE OF BUSINESS</b>
Shadow Lake Towne Center LLC	\$2,007,542.00	Retail Business
JQH LaVista Conference/CY Dev/III Dev	\$1,396,187.00	Conference Center & Hotel
Offutt AFB America	\$ 974,292.00	Base Housing
Werner Leasing, Inc./Werner Enterprises	\$ 880,665.00	Lease/Trucking Company
Wells Exchange-Maass Rd/Samson Way	\$ 773,125.00	Foreign LLC
Walmart Real Estate/Stores	\$ 768,867.00	Retail Business
Emperian Bellevue Landings/Overlook	\$ 734,785.00	Apartments
Harrison Hills Apartments	\$ 632,498.00	Apartments
Toys NE QRS 15-74 Inc.	\$ 598,074.00	Distribution
PayPal	\$ 590,861.00	Commercial Business
Cole Mt. Papillion NE LLC	\$ 520,662.00	Retail Business
Shopko Properties/Real Estate	\$ 477,514.00	Distribution
Yahoo, Inc.	\$ 467,035.00	Commercial Business
Rock Creek Apartments	\$ 408,230.00	Apartments
Nebraska Machinery	\$ 403,034.00	Retail Business
Edward Rose Development	\$ 373,547.00	Apartments
Pointe Partnership	\$ 379,117.00	Apartments
Twin Creek Apartments, Inc.	\$ 352,059.00	Apartments
Cox Communications	\$ 348,810.00	Telecommunications
Rotella Italian Bakery	\$ 342,715.00	Retail Business

\*Totals based on names on file

Source: Sarpy County Treasurer's Office

**SARPY COUNTY BUILDING PERMITS\***

<u>Year</u>	<u>Single Family</u>		<u>Multi Family</u>	
	<u>Permits</u>	<u>Value</u>	<u>Permits</u>	<u>Value</u>
2000	258	\$ 26,190,175	10	\$14,040,000
2001	281	\$ 28,562,177	0	\$ -
2002	340	\$ 35,253,309	0	\$ -
2003	467	\$ 49,115,417	2	\$ 460,880
2004	696	\$ 71,447,719	0	\$ -
2005	685	\$ 72,518,595	0	\$ -
2006	689	\$ 75,054,119	1	\$ 1,080,000
2007	400	\$ 48,871,958	1	\$ 1,000,000
2008	359	\$ 58,579,543	1	\$ 1,080,000
2009	216	\$ 43,714,130	1	\$ 1,617,941
2010	78	\$ 34,085,230	1	\$ 1,238,465
2011	169	\$ 36,527,462	0	\$ -

\* Includes only areas outside city zoning jurisdictions.

**Commercial/Industrial Permits**

<u>Year</u>	<u>Permits</u>	<u>Value</u>
2000	12	\$ 18,421,674
2001	20	\$ 15,780,009
2002	18	\$ 10,553,549
2003	16	\$ 8,074,954
2004	10	\$ 6,265,000
2005	29	\$ 20,637,828
2006	25	\$ 15,496,200
2007	20	\$ 18,089,880
2008	12	\$ 13,027,139
2009	7	\$ 3,061,475
2010	4	\$ 2,742,806
2011	12	\$ 1,727,142

Source: Sarpy County Building and Planning Department

**LEVIES, COLLECTIONS AND VALUATIONS**

**History of Levied and Collected Taxes**

	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>TAX CERTIFIED BY THE ASSESSOR:</b>			
Real Estate	\$211,307,141.00	\$220,181,970.00	\$223,785,014.00
Personal	\$ 6,065,877.00	\$ 6,542,588.00	\$ 6,444,400.00
Centrally Assessed	\$ <u>1,166,863.00</u>	\$ <u>1,454,081.00</u>	\$ <u>1,433,290.00</u>
	\$203,959,699.00	\$228,178,639.00	\$231,662,704.00
<b>NET TAX COLLECTED BY THE COUNTY TREASURER AS OF JUNE 30, 2011:</b>			
Real Estate	\$211,213,578.00	\$219,980,113.00	\$119,608,682.00
Personal	\$ 5,986,838.00	\$ 6,390,213.00	\$ 3,804,172.00
Centrally Assessed	\$ <u>1,166,863.00</u>	\$ <u>1,454,081.00</u>	\$ <u>850,598.00</u>
	\$218,364,279.00	\$227,824,407.00	\$124,263,452.00
<b>TOTAL UNCOLLECTED TAX AS OF JUNE 30, 2011:</b>			
Real Estate	\$ 93,563.00	\$ 201,857.00	\$104,176,332.00
Personal	\$ 82,039.00	\$ 152,375.00	\$ 2,640,228.00
Centrally Assessed	\$ <u>-</u>	\$ <u>-</u>	\$ <u>582,692.00</u>
	\$ 175,602.00	\$ 354,232.00	\$107,399,252.00
<b>PERCENTAGE</b>	<u>0.08%</u>	<u>0.16%</u>	<u>46.36%</u>

Source: Sarpy County Unaudited Financial Statements

**Actual Value of Taxable Property**

<b>Tax Year</b>	<b>Actual Valuation</b>	<b>Percentage of Increase</b>
2000	\$5,073,481,790.00	
2001	\$5,693,368,879.00	12.22%
2002	\$6,211,567,033.00	9.10%
2003	\$6,693,775,606.00	7.76%
2004	\$7,262,349,503.00	8.49%
2005	\$8,105,260,699.00	11.61%
2006	\$9,053,018,756.00	11.69%
2007	\$9,969,144,239.00	10.12%
2008	\$10,716,813,121.00	7.50%
2009	\$10,977,324,419.00	2.43%
2010	\$11,076,469,531.00	0.90%
2011	\$11,197,886,358.00	1.10%

*Source: Sarpy County Assessor*

**History of County Tax Levies (Cents per \$100 of Assessed Valuation)**

<b>Year</b>	<b>Amount</b>
2000	29.008
2001	29.008
2002	29.990
2003	29.990
2004	29.990
2005	29.990
2006	29.990
2007	29.990
2008	29.990
2009	29.990
2010	29.990
2011	29.990

*Source: Sarpy County*

**POPULATION**

**Sarpy County Population (2000-2010)**

<b>Year</b>	<b>Population</b>
July 1, 2000 (census)	122,595
October 24, 2002 (estimate)	125,836
July 2003 (estimate)	132,476
July 2004 (estimate)	135,973
July 2005 (estimate)	139,371
July 2006 (estimate)	142,637
July 2007 (estimate)	146,756
July 2008 (estimate)	150,467
July 2009 (estimate)	153,504
July 2010 (Census)	158,840

*Source: U.S. Census*

**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 26, 2012, 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 enters into the written undertaking set forth in this Section 14 (the "Undertaking") for the benefit of the holders and beneficial owners of the Series 2012 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 (f) hereof. It being the intention of the District that there be full and complete compliance with the Rule, this Undertaking 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 construction fund warrants, its outstanding general fund warrants and its outstanding bonds does not exceed \$10,000,000.
- c) The District undertakes to provide Financial Information about the District to the MSRB in an electronic format accompanied by identifying information as prescribed by the MSRB, to the extent that the District customarily prepares such Financial Information and makes it publicly available.
- d) 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 Drive, Suite 222, Omaha, Nebraska 68114, Telephone: (402) 384-8433.
- e) If a Material Event occurs while any Series 2012 Bonds are Outstanding, the District shall provide a Material Event Notice in a timely manner, not in excess of 10 business days after the occurrence of the event, to the MSRB. Each Material Event Notice shall be so captioned and shall prominently state the date and title of the Series 2012 Bonds.
- f) 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 with respect to the Series 2012 Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (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, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Series 2012 Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Series 2012 Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of District;
- (xiii) The consummation of a merger, consolidation or acquisition involving the District or the sale of all or substantially all of the assets of the District other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) Appointment of a successor or additional paying agent or the change of name of a paying agent, if material

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

(5) “*MSRB*” means the Municipal Securities Rulemaking Board. As of July 1, 2009, the MSRB is the sole repository to which the District must electronically submit Financial Information, Audited Financial Statements, if any, and Material Event Notices pursuant to this Undertaking. 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 became effective on July 1, 2009. To the extent applicable to its Undertakings, the District shall comply with the Release and with EMMA.

- g) 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 Series 2012 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 Series 2012 Bonds, provided that the District shall have provided notice of such delivery and the cancellation of this Undertaking to the MSRB.
- h) 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 with the Rule, provided that the District shall have provided notice of such delivery and of the amendment to the MSRB. Any such amendment shall satisfy, unless otherwise permitted by the Rule, the following conditions:
  - (1) 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 District or type of business conducted;
  - (2) 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
  - (3) 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.
- i) 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.
- j) Any failure by the District to perform in accordance with this Undertaking shall not constitute an event of default with respect to the Series 2012 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.



\*\*\*\*\* INVOICE \*\*\*\*\*

SID No. 162  
Millard Park Subdivision  
c/o Larry Forman  
7171 Mercy Road Suite 650  
Omaha, NE 68105

DATE : 4/19/2012  
CLIENT NO. : 7241  
INVOICE NO. : 703510-10

Progress billing for professional engineering services for the Millard Park 2011 general services as per agreement; from 2/16/12 through 3/31/12.

	CURRENT HOURS	RATE	CURRENT PERIOD
<b>Board Meetings</b>			
(Attend meeting 2/29/12 & 3/29/12)			
Senior Project Engineer- W. Glismann	1.50	144.00	\$ 216.00
Design Engineer - D. Harnisch	1.50	75.72	<u>113.58</u>
			\$ 329.58
<b>Mowing &amp; Snow Contract</b>			
(Document Preparation, Bid Opening and Project Contract)			
Senior Project Engineer- W. Glismann	7.50	144.00	\$ 1,080.00
Design Engineer - D. Harnisch	3.50	75.72	<u>265.02</u>
			\$ 1,345.02
		<b>Current Amount Due</b>	<u><u>\$ 1,674.60</u></u>

*pd 4-26-12  
# 5626*



\*\*\* INVOICE \*\*\*

SID No. 162  
Millard Park Subdivision  
c/o Larry Forman  
7171 Mercy Road Suite 650  
Omaha, NE 68105

DATE : 4/19/2012  
CLIENT NO. : 7241  
INVOICE NO. : 703510-10

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	CURRENT HOURS	RATE		CURRENT PERIOD
<b>Board Meetings</b>				
(Attend meeting 2/29/12 & 3/29/12)				
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Design Engineer - D. Harnisch	1.50	75.72		113.58
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<b>Mowing &amp; Snow Contract</b>				
(Document Preparation, Bid Opening and Project Contract)				
Senior Project Engineer- W. Glismann	7.50	144.00	\$	1,080.00
Design Engineer - D. Harnisch	3.50	75.72		265.02
			\$	<u>1,345.02</u>
				<u><b>Current Amount Due</b></u>
			\$	<u><b>1,674.60</b></u>

REMITTANCE COPY  
PLEASE  
RETURN WITH PAYMENT  
Thank You!

# HILLMAN, FORMAN, CHILDERS & McCORMACK

7171 Mercy Road, Suite 650  
Omaha, Nebraska 68106-2669  
(402) 397-8051  
Tax ID #47-0648847

Sanitary and Improvement District No 162 of Sarpy Count

PAGE 1  
BILLING DATE: 04/10/12  
ACCT NO.: LRF-162-001

RE: General

DATE	PROFESSIONAL SERVICES RENDERED	INDIV	TIME	AMOUNT
02/28/12	Review agenda; conference chairman re meeting time; conference NRD office re space; prepare room reservation form	LRF	0.80	152.00
02/29/12	Finalize room reservation form and fax to NRD; review T.U.P. list, letters and e-mail	LRF	0.60	114.00
03/06/12	Conference Mr. Hansen re OPPD payment status	LRF	0.20	38.00
03/07/12	Conference OPPD re bill balance; prepare warrants and cover letter to Mr. Hansen; conference Mr. Ritchie, arrange meeting	LRF	1.00	190.00
03/07/12	Review materials re refunding of bonds; conference Ameritas re same; e-mail to Mr. Hansen	LRF	0.80	152.00
03/08/12	Prepare meeting notice and cover letter to paper; notices to trustees, county clerk; meet with Mr. Ritchie re district matters	LRF	2.20	418.00
03/19/12	Conference Rich Harman re refunding and other issues; forward duplicate notice to Theresa	LRF	0.30	57.00
03/20/12	Review audit report and letters re same from accountants; review e-mails from state auditor; review e-mail from bond house	LRF	1.20	228.00
03/21/12	Warrants and cover letter to bond house; e-mail to Mr. Hansen re fund monitoring	LRF	0.60	114.00
03/22/12	Proof and pay meeting publication notice	LRF	0.30	57.00
03/28/12	Prepare receipts of notice and agenda for trustee's meeting; e-mail memo and agenda to board members	LRF	0.80	152.00
03/29/12	Call to chairman; conference Ryan Costanzo (Royal Lawns), Rhonda Riha (Infinity CPAS), and Rich Harman; revise agenda; conf. chairman; attend trustees meeting	LRF	3.60	684.00
03/30/12	Conf. June Jordening re budget tracking	LRF	0.20	38.00

*pd 4-26-12  
# 5627*

# HILLMAN, FORMAN, CHILDERS & McCORMACK

7171 Mercy Road, Suite 650  
Omaha, Nebraska 68106-2669  
(402) 397-8051  
Tax ID #47-0648847

Sanitary and Improvement District No 162 of Sarpy Count

PAGE 2

BILLING DATE: 04/10/12

ACCT NO.: LRF-162-001

**Total of New Services: 12.60 2,394.00**

DATE	EXPENSE	AMOUNT
03/09/12	Omaha World Herald - publication	11.96
03/31/12	Mileage	13.20
<b>Total of New Expenses:</b>		<b>25.16</b>

## ACCOUNT SUMMARY

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PREVIOUS BALANCE:	\$0.00
NEW SERVICES:	\$2,394.00
NEW EXPENSES:	\$25.16
NEW PAYMENTS:	\$0.00
TOT. CURRENT PERIOD:	\$2,419.16
<b>CURRENT BALANCE:</b>	<b>\$2,419.16</b>

**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 **Bellevue Leader, Papillion Times, Gretna Breeze and Springfield Monitor**, legal newspapers 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:

Wednesday, April 18, 2012 Papillion Times

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



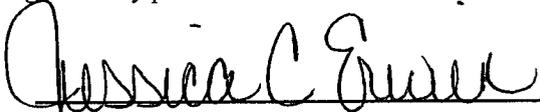
Shon Barenklau OR Kirk Hoffman  
Publisher Business Manager

HILLMAN, FORMAN,  
CHILDERS & McCORMACK  
ATTORNEYS AT LAW  
SUITE 650  
7171 MERCY ROAD  
OMAHA, NEBRASKA 68106

**NOTICE OF MEETING**

Sanitary and Improvement District No: 162 of Sarpy County, Nebraska

Today's Date 04-18-2012  
Signed in my presence and sworn to before me:



Notary Public

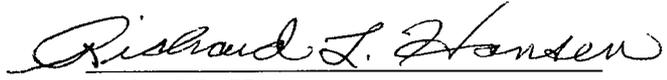
NOTICE IS HEREBY GIVEN that a meeting of the Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska, will be held at 3:00 p.m. on Thursday, April 26, 2012; at Chalco Hills Recreation Area Visitors Center, Small Conference Room; 8901 South 154th Street, Omaha, Nebraska 68138, which meeting will be open to the public.

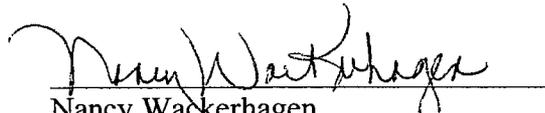
An agenda for such meeting, kept continuously current, is available for public inspection at 7171 Mercy Road, Suite 650, Omaha, Nebraska 68106, and includes payment of bills of the District.  
Nancy Wackerhagen  
Clerk of the District  
1502523: 4/18

Printer's Fee \$ 11.96  
Customer Number: 31901  
Order Number: 0001502523

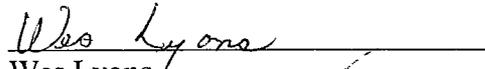
**ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF MEETING**

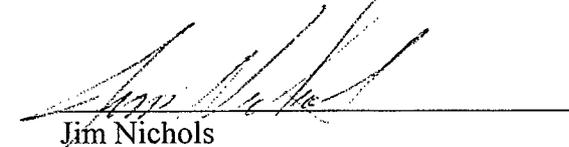
The undersigned Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska, hereby acknowledge receipt of advance notice of a meeting of the Board of Trustees of said District and the agenda for such meeting held at 6:30 o'clock p.m. on Thursday, April 26, 2012, at Chalco Hills Recreation Area Visitor's Center, 8901 South 154<sup>th</sup> Street, Omaha, Nebraska.

  
Richard L. Hansen

  
Nancy Wackerhagen

  
John Ritchey

  
Wes Lyons

  
Jim Nichols

## CERTIFICATE

The undersigned hereby certify that they are the Chairman and Clerk of Sanitary and Improvement District Number 162 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 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.

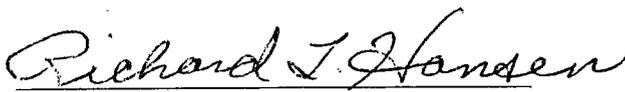
3. All of the subjects addressed at the Meeting were contained in the agenda for the Meeting, which agenda was kept continually current and readily available for public inspection at the address listed in the meeting notice for the Meeting and a copy of which is attached to this Certificate; such subjects 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.

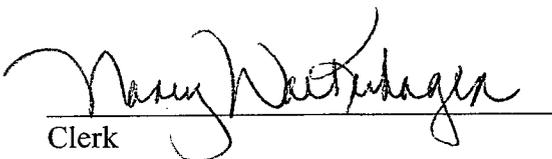
4. A current copy of the Nebraska Open Meetings Act was available and accessible to members of the public, posted during the Meeting in the room in which such Meeting was held and all in attendance at the Meeting were informed that such copy of the Nebraska Open Meetings Act was available for review 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 11 day of May, 2012.

  
Chairman

  
Clerk