

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

**Minutes of Meeting of Board of Trustees
October 24, 2013**

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 October 24, 2013 at 2:30 p.m. at Chalco Hills Recreation Area Visitors Center, Small Conference Room, 8901 South 154th Street Nebraska.

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

Absent: Trustee John Ritchey.

Also present: Engineer Bill Glismann and Attorney Larry Forman.

Notice of the meeting was given in advance thereof by publication in the Papillion Times on October 16, 2013, 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 first item of business on the agenda was approval of the minutes of the September 26, 2013 meeting of the Board of Trustees. After brief discussion, the minutes of that meeting were approved as submitted.

The Chairman stated the next item of business on the agenda was the Engineer's report. Bill Glismann reported as follows:

A. Mission Creek Channel Re-establishment Project Phase III. Mr. Glismann stated that Mackie Construction is currently scheduled to begin work on this project on Tuesday, October 29.

B. 2013 Millard Park Paving Repair. Mr. Glismann stated that the contractor is scheduled to begin work on this project during the first full week of November. He added that when the most recent phase of this work was performed, the contractor was able to continue working well into the winter season since, in some respects, the work involved with this project is easier to perform during winter conditions.

C. Placement of No-Parking Signs. Mr. Glismann displayed a picture of a "no-parking" sign on a power pole in 156th Circle at a height of approximately 10 feet above the ground. He stated that he had received a call with regard to the height of that sign. He stated that local code provisions require the signs to be a minimum of 7 feet off the ground but the Trustees concurred that "no-parking" signs in the District should be placed at a uniform height at or near 7 feet above the ground. After brief discussion, it was determined that the Chairman should contact Signature Sign Co. to ensure that the signs installed by the company are placed at that uniform height.

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

A. The Chairman stated that he had received a request from Randy Vanderwall for placement of a "no-parking" sign at 167th and Audrey. After brief discussion, the Trustees approved this request.

B. Trustee Wes Lyons inquired as to the status of weed spraying work. He also expressed concern about storm grates throughout the District which were plugged with grass clippings, stating that the grates were to be cleaned weekly during the mowing season and every two weeks thereafter. After brief discussion, the Trustees asked Mr. Lyons to contact LS2 to address these two issues.

The Chairman stated the next item of business on the agenda was the Attorney's report. Larry Forman reported that he is still having a difficult time obtaining insurance information from holders of temporary use permits. He stated that he will continue to pursue evidence of proper insurance coverage.

The Chairman stated the next item of business on the agenda was review and approval of an updated warrant Offering Circular. The Attorney distributed to the Trustees copies of the Circular, a copy of which is attached to these minutes, stating that an Offering Circular was required any time the District was contemplating the issuance of a significant amount of construction fund warrants since the updated Circular needs to be shared with potential investors to comply with securities laws and regulations. He stated that he has reviewed the Circular and has corrected mistakes in the earlier draft of that document to assure that the document to be approved is correct in all material respects. Thereafter, 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	- Absent

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 the form and content of the Offering Circular to be disseminated by the District's fiscal agent with respect to construction fund warrants to be issued with regard to Mission Creek Channel Re-establishment Project Phase III.

The Chairman stated the next item of business on the agenda was budget tracking. The Attorney distributed to the Trustees copies of the budget tracking statement as prepared by Shirlee Vakoc and the County Treasurer's reports through September 30, 2013 for both the general and bond funds, and a brief review of those documents ensued.

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

Shirlee Vakoc - \$199.50 for bookkeeping services
Hillman, Forman Law Firm - \$5,652.31 for legal fees & 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	- Absent

the following resolution was adopted:

RESOLVED, that 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. 5751 through 5753 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:

#5751 Shirlee Vakoc for invoice dated October, 2013	\$199.50
#5752 Hillman, Forman, Law Firm for bill dated 10/8/13	\$5,000.00
#5753 Hillman, Forman, Law Firm for bill dated 10/8/13	\$652.31

The Chairman stated the next item of business on the agenda was setting of the date for the next meeting of the Board. Since the fourth Thursday in November falls on Thanksgiving Day, there will be no Board meeting during November. After brief discussion, it was determined that the next meeting of the Board will be held on Thursday, December 12, 2013 at 6:30 p.m. at Charlie's On The Lake, 4150 South 144th Street, Omaha, Nebraska.

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

Richard L. Hansen
 CHAIRMAN

ATTEST:

Nancy Wackerhagen
 CLERK

OFFERING CIRCULAR

NEW ISSUE

NOT RATED

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing law, the interest on the Warrants described by the Addendum attached hereto is not includable in the gross income of the holders thereof under the Internal Revenue Code of 1986, as amended (the "Code"), and such interest is exempt from Nebraska state income taxation. The District has designated the Warrants as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code. See "TAX MATTERS" herein.

**Sanitary and Improvement District No. 162
of Sarpy County, Nebraska
(Millard Park)
Construction Fund Warrants**

Dated: See Addendum attached hereto.

Due: See Addendum attached hereto.

THIS OFFERING CIRCULAR MUST BE READ TOGETHER WITH THE ADDENDUM ATTACHED HERETO AND MADE A PART HEREOF.

The construction fund warrants (the "Warrants") of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska (the "District") offered hereby, as more fully described in the Addendum attached hereto (the "Addendum"), are being issued by the District to pay the costs of a creek channel reestablishment project (the "Project") as authorized by applicable statutes of the State of Nebraska (the "State") and resolutions of the Board of Trustees of the District. The Addendum sets forth the interest rates, the maturity dates, the aggregate principal amounts and the offering price of the Warrants, as well as the current aggregate principal amount of the District's outstanding debt obligations, including earlier issues of construction fund warrants, general fund warrants and bonds.

THIS OFFERING CIRCULAR SUPERSEDES THE OFFERING CIRCULAR DATED OCTOBER 27, 2003 AND EACH ADDENDUM THERETO.

The Warrants are obligations of the District payable solely from moneys of the District available for such purpose, including ad valorem taxes levied and collected against all real property within the District and the proceeds of the District's bonds, if and when issued for such purpose. The District is not pledging its full faith and credit to the payment of the Warrants. The payment of the Warrants is subordinate to that of the District's outstanding General Obligation Refunding Bonds, Series 2009, and General Obligation Refunding Bonds, Series 2012 (collectively, the "Bonds").

The Warrants are not secured by any mortgage, lien or other interest on any property in the District and are not obligations of Sarpy County, Nebraska (the "County"), the State or any other political subdivision thereof (other than the District). See "WARRANTHOLDERS' RISKS" herein.

The Warrants are being issued in fully registered form in varying denominations. Interest is payable annually on the Warrants each June 1 of every year until maturity, commencing on the date set forth in the Addendum, by warrant or check mailed to the registered owner of record, except as described below and herein. Principal of the Warrants is payable at the local office of Bankers Trust Company, Omaha, Nebraska, as Paying Agent and Registrar (the "Paying Agent"), in the order registered with the Sarpy County Treasurer.

Interest on the Warrants may be paid in the form of additional interest-bearing construction fund warrants issued for such purpose by the District, and not by check or cash. The maturity date of the Warrants may be extended from that set forth in the Addendum by order of the Sarpy County District Court.

The Warrants are redeemable by the District at any time in the principal amounts thereof on or before their stated maturity dates in the order registered with the Sarpy County Treasurer, from funds available for such purpose. Under certain circumstances, the Warrants may be redeemed at less than the principal amount thereof. See "WARRANTHOLDERS' RISKS."

SEE "WARRANTHOLDERS' RISKS" HEREIN FOR A DISCUSSION OF CERTAIN RISK FACTORS THAT SHOULD BE CONSIDERED (IN ADDITION TO THE OTHER MATTERS SET FORTH HEREIN) IN EVALUATING THE INVESTMENT QUALITY OF THE WARRANTS. THE WARRANTS ARE OFFERED BY THIS OFFERING CIRCULAR SUBJECT TO THE CONDITIONS SET FORTH HEREIN.

This cover page contains information for quick reference only. It is not a summary of the issue. Investors must read the entire Offering Circular (including the Addendum) to obtain information essential to the making of an informed investment decision.

The Warrants are offered when, as and if issued, subject to approval as to their legality by Baird Holm LLP, Omaha, Nebraska, Bond Counsel, and certain other conditions. Kutak Rock LLP has served as Counsel to the Underwriter. The Addendum states the anticipated delivery date in Omaha, Nebraska, of the Warrants.

AMERITAS INVESTMENT CORP.

Date: October 24, 2013

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

BOARD OF TRUSTEES

Richard L. HansenChairman
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

Infinity CPA Group, Inc.

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 WITH RESPECT TO THE WARRANTS REFERRED TO HEREIN OTHER THAN THOSE CONTAINED IN THIS OFFERING CIRCULAR, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ANY OF THE FOREGOING. THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE WARRANTS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE. THE INFORMATION SET FORTH HEREIN HAS BEEN FURNISHED BY THE DISTRICT AND IS BELIEVED TO BE RELIABLE, BUT SUCH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION, BY THE UNDERWRITER. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT SINCE THE DATE HEREOF. THIS OFFERING CIRCULAR IS SUBMITTED IN CONNECTION WITH THE SALE OF THE WARRANTS 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 WARRANTS TO CERTAIN DEALERS AND TO OTHERS AT PRICES LOWER THAN THE OFFERING PRICES STATED ON THE ADDENDUM HERETO. THE OFFERING PRICE MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

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IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE DISTRICT AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE WARRANTS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, AND THE WARRANTS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTION 3(a)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED. THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

THIS OFFERING CIRCULAR CONTAINS STATEMENTS WHICH SHOULD BE CONSIDERED "FORWARD-LOOKING STATEMENTS," MEANING THEY REFER TO FORECASTED, EXPECTED OR PROJECTED FUTURE EVENTS OR CONDITIONS. SUCH STATEMENTS ARE GENERALLY IDENTIFIABLE BY WORDS SUCH AS "PLAN," "EXPECT," "ESTIMATE" AND "BUDGET" OR SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT DOES NOT EXPECT OR INTEND TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED, OCCUR.

**Sanitary and Improvement District No. 162
of Sarpy County, Nebraska
(Millard Park)
Construction Fund Warrants**

INTRODUCTORY STATEMENT

The purpose of this Offering Circular, including the Addendum attached hereto (the "Addendum" and, collectively with this Offering Circular, the "Offering Circular") relating to the particular issue of the construction fund warrants (the "Warrants") of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska (the "District") identified by the Addendum, is to provide certain information concerning the issuance by the District of the Warrants.

INVESTORS MUST READ THE ENTIRE OFFERING CIRCULAR, INCLUDING THE ADDENDUM, BEFORE MAKING AN INVESTMENT DECISION.

By authority of Sections 31-727 et seq., Reissue Revised Statutes of Nebraska, as amended (the "Act"), sanitary and improvement districts may be established for the purpose of, among other things, financing the capital costs of acquiring, constructing and installing public improvements within the boundaries of the district. Such districts typically are sponsored and established by or on behalf of the developer of the particular subdivision that is, at the creation of the district, the owner of the district's undeveloped property.

Once duly established, a sanitary and improvement district is a body corporate and politic and a political subdivision of the State of Nebraska (the "State"), with the powers to issue warrants and bonds for its authorized purposes and to assess special assessments and levy ad valorem taxes to repay such indebtedness.

In particular, the Act authorizes the District to issue the Warrants for the purpose of paying amounts owed by the District to contractors and vendors with respect to the financing of public improvements and infrastructure in the District. The Warrants and all other construction fund warrants heretofore and hereafter issued by the District are obligations of the District payable from the moneys of the District available for such purpose, including its special assessments, bond fund ad valorem tax levy and proceeds of the District's bonds. The stated maturity date of the Warrants may be extended by order of the Sarpy County District Court (the "County District Court"). The annual interest payment on the Warrants may be in the form of additional construction fund warrants issued for such purpose, and not a check or cash.

The Warrants are not secured by any mortgage, lien or other interest on any property in the District and are not obligations of Sarpy County, Nebraska (the "County"), the State or any other political subdivision thereof (other than the District). In addition, the Warrants may, under certain circumstances, be redeemed at less than the principal amount thereof. Prospective investors are advised to read carefully "WARRANTHOLDERS' 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 Warrants.

The principal of individual Warrants (together with all unpaid interest accrued thereon) is payable in full in the order of registration with the County Treasurer by Bankers Trust Company, as paying agent and registrar (the "Paying Agent"), at its local office in Omaha, Nebraska. The Addendum describing each issue of Warrants states the aggregate principal amount of construction fund warrants, general fund warrants and other District debt outstanding at the time of issuance of such Warrants. The payment of the Warrants is subordinate to that of the District's outstanding General Obligation Refunding Bonds, Series 2009, and General Obligation Refunding Bonds, Series 2012 (collectively, the "Bonds"). See "THE WARRANTS—Warrants Junior to Bonds" herein.

Brief descriptions of the Warrants, the security therefor and the District are included in this Offering Circular together with summaries of certain provisions of the Warrants and the District's related resolutions. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Warrants and the District's related resolutions and agreements 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.

WARRANT PAYMENT PROCEDURES

General Information

Warrants are orders of the District to the County Treasurer, as ex-officio Treasurer of the District, to pay debts of the District. All claims against the District must be paid by warrant, and the Board of Trustees (the "Board") of the District must authorize all warrants. Warrants are drawn on the District's general fund, which is used to pay operating expenses of the District, or its bond fund, which is used to pay costs of capital improvements within the District, such as streets, utilities and other public infrastructure improvements. The Warrants are not payable from the general fund tax levy and any general fund warrants are not payable from the bond fund tax levy. No general fund warrants of the District are offered by this Offering Circular.

Construction fund warrants must be presented for payment to the paying agent named on such construction fund warrant or to the County Treasurer, who will issue a check if money is available in the bond fund. Warrants so presented and not paid because adequate funds are not then on hand in the bond fund, including warrants offered for investment such as the Warrants, are then registered and bear interest at the rate shown on the warrant from the date of registration until paid. Interest on construction fund warrants is paid annually and at redemption or final maturity.

The Warrants are issued in fully registered form, with principal and interest payments made by the Paying Agent from its local office in Omaha, Nebraska. Warrants are paid or redeemed by the Paying Agent from moneys obtained from the County Treasurer. The Paying Agent pays warrant holders in the order in which such warrants were initially registered with the County Treasurer, so that warrants first registered are paid in full before any principal payment is made on later registered warrants. No warrant holder has any right or claim to any particular special assessment, tax levy or other source of payment, and warrants are not paid on a pro rata basis but rather by priority based on their respective dates of registration with the County Treasurer.

The District will issue additional interest-bearing construction fund warrants to provide cash to pay interest on its outstanding construction fund warrants, but the actual availability of any cash for such purpose will depend upon the District being able to find a purchaser for the additional interest warrants. If a purchaser is not found, the additional construction fund warrants for interest due will be issued directly to the warrant holders in lieu of cash. See "UNDERWRITING" and "WARRANTHOLDERS' RISKS" herein.

Redemption

The Warrants are subject to redemption by the District in whole at any time in advance of their stated maturity (or maturity as extended by court order) at the principal amount thereof plus accrued interest to the redemption date.

Notice of Redemption

The District shall mail or cause to be mailed notice of redemption prior to maturity of a Warrant to the registered owner thereof at least seven days prior to the redemption date.

Transfer and Registration

The ownership of a Warrant may be transferred only by presentation thereof to the Paying Agent, accompanied by an assignment in form satisfactory to the Paying Agent duly executed by the registered owner or its duly authorized agent.

Warrants Payable in Order Registered

As set forth in the Addendum, the District may have other warrants outstanding and expects to issue from time to time additional warrants, including construction fund warrants issued to provide cash to pay interest on outstanding construction fund warrants. Warrants are payable in the order in which registered with the County Treasurer. No warrant holder has any right or claim to any particular special assessments (if applicable), tax levy or other source of payment, and warrants are not paid on a pro rata basis but rather by priority based on their respective dates of registration with the County Treasurer. Consequently, the earlier the registration date of a particular warrant, the more likely it is that such warrant will be paid or called for redemption in advance of maturity for payment from the proceeds of special assessment collections (if applicable) and tax revenues. In the event of significant delinquencies in the collection of special assessments (if applicable) and ad valorem taxes, the principal of an earlier registered warrant is more likely to be paid than that of subsequently registered warrants. See "WARRANTHOLDERS' RISKS" herein.

Maturity Date

The Warrants must become due within five years from their date of issuance, except that the County District Court may extend the maturity date (with such extension not constituting a default) upon application of the District. The County District Court may extend the maturity date if it finds that the District does not have funds to retire the Warrants and either (a) the District cannot sell bonds in an amount sufficient to retire the Warrants or (b) an unreasonably high tax levy, as compared to the levy on other similar property within the County, would be required to cover debt service requirements on bonds issued to retire the Warrants. Upon making such a determination, the County District Court may make such orders concerning retirement of the Warrants as it shall determine proper under the circumstances of the District, including ordering an increase in the tax levy of the District to provide funds for warrant redemption. (However, the court may not order a tax levy for such purpose that would cause the total tax levy of the District to be unreasonably high as compared with the tax levy of other similar property in the County.) Notice of any such extension application must be published three weeks before the County District Court hearing and mailed to each construction fund warrant holder known to the District. Warrant holders may appear before the County District Court at such hearing.

The Warrants are to be paid from ad valorem tax revenues and other funds available for the purpose, including, if and when issued, the proceeds of the District's bonds issued for such purpose. Construction fund warrants generally are retired at the time of a bond issue using bond proceeds, special assessment collections, if any, and other available moneys, if any. The District does not plan to levy special assessments in conjunction with the financing of the Project. See "THE DISTRICT—The Project and Plan of Financing" herein. Bonds to redeem construction fund warrants are issued at one time or from time to time as the development and taxable valuation of the District increase so that the debt service on the bonds can be covered by future special assessment collections, if any, and a reasonable bond fund ad valorem tax levy. The issuance of additional bonds by the District will depend on numerous factors, including the availability of a purchaser therefor. See "UNDERWRITING" and "WARRANTHOLDERS' RISKS" herein.

Authority for Issuance

The Board must adopt a resolution authorizing each issue of the Warrants in order to finance the costs of the public improvements in the District. Such costs, with respect to each such issuance, may include, among other things, hard construction costs identified to the Board by the District's engineer, Lamp, Rynearson & Associates, Inc., and bills submitted by the District's counsel, Pansing Hogan Ernst & Bachman LLP, the Underwriter and other professional service providers.

Description of the Warrants

The Warrants shall have the specific terms set out in the Addendum attached to this Offering Circular. The Warrants will be issued as fully registered warrants without coupons in varying denominations. Interest on the Warrants shall be payable annually on June 1, accruing from the date of registration with the County Treasurer by check mailed by the Paying Agent to the registered owners thereof at the owner's address as it appears on the registration books to be kept by the Paying Agent in its capacity as Paying Agent at its local office in Omaha,

Nebraska, or at such other address as is furnished to the Paying Agent by the registered owner. If the District does not then have on hand sufficient funds from the sale of additional District construction fund warrants issued for such purpose to make such interest payment by check or cash, the interest on the Warrants shall be payable by such additional construction fund warrants in lieu of cash. Any such additional construction fund warrants shall bear interest until paid at the interest rate per annum set at the time of issuance of such additional construction fund warrants. The principal of the Warrants shall be payable in lawful money of the United States of America at the local office of the Paying Agent upon presentation of the Warrants to the Paying Agent and shall be paid in the order of registration with the County Treasurer to the extent that the Paying Agent has sufficient funds to make such payment.

Warrants Junior to Bonds

The Bonds are outstanding in the aggregate amounts set forth in the Addendum and mature serially with a final stated maturity of June 1, 2024. The District expects to issue additional general obligation bonds and apply the proceeds thereof to the payment of its outstanding construction fund warrants, including the Warrants. The payment of the principal of and interest on the District's construction fund warrants, including the Warrants, will be subordinate to any general obligation bonds that the District may issue or has issued, regardless of the respective issuance and registration dates of such warrants and of such bonds. See "WARRANTHOLDERS' RISKS" herein.

Sources of Payments on the Warrants

The Warrants and the interest payable thereon are payable from the collections of ad valorem taxes levied annually by the District against all real property within the District and collected by the County on behalf of the District and by other available moneys of the District, including the proceeds of additional bonds, if and when issued for such purpose. The Warrants are not secured by a lien or mortgage interest on any property located within the District's boundaries. No landowner in the District is personally liable for the special assessments or ad valorem taxes relating to such landowner's properties. Neither the full faith and credit nor the taxing power of the District is pledged to the payment of the Warrants, and the Warrants are not obligations of the County.

Special Assessments. The following discussion is provided for general information purposes only because the District does not intend to levy special assessments in conjunction with the financing of the Project with the proceeds of the Warrants. Under the Act, a portion of the costs of the improvements for which the District issues construction fund warrants is assessed against the benefited properties. After the Board levies such assessments, the County Treasurer collects the special assessments on behalf of the District. Special assessments relating to the District's improvements constitute a lien in favor of the District on the assessed property, but do not constitute a personal or corporate indebtedness of the owners of property within the District. Such special assessments, as levied by the District, are payable at the time of the sale of the benefited property or 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 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 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.

Ad Valorem Tax. The District's 2012/2013 ad valorem tax levy is \$0.80 per \$100 of taxable valuation upon all real property within the District. The County Treasurer collects ad valorem taxes on behalf of the District in the same manner and at the same time as it collects all other ad valorem taxes levied against real property within the County. Ad valorem tax revenues generated by the District's bond fund portion of its overall property tax levy (for 2012/2013 the bond fund portion of the overall tax levy is \$0.60 per \$100 of taxable valuation), may also be applied to the payment of the principal of the Warrants. The District expects ad valorem tax revenues to be the sole source of payment for the Warrants, prior to the anticipated issuance of additional bonds to redeem the Warrants.

NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND DELINQUENCIES

Remedies for Delinquencies

Tax Certificate Sale. State law provides two statutory schemes for removing the liens of delinquent special assessment installments and ad valorem taxes. Both processes can 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 a general circulation newspaper 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 assessments. 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 assessments and any other taxes are transferred to the purchaser, and the county treasurer will distribute to the district that portion of the 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 liens of taxes or assessments is foreclosure against the property in question. Either the sanitary and improvement district or the county may exercise the right to foreclose; however, the district may only foreclose its lien in the case of delinquent special assessments. A district's board of trustees may initiate foreclosure proceedings once special assessment installments are delinquent for three years running and may bid its lien in the amount of delinquent special assessments at the sheriff sale. A district will take the property if there are no other adequate bids and may resell the property, in which case 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 county treasurer has not previously offered the delinquent special assessments for sale via the tax certificate sale described above, then a 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 period specifically associated with tax certificate 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 Warrantholders whole.

Warrantholders are paid the principal of and the interest on warrants issued by sanitary and improvement district's generally from ad valorem taxes and special assessments. Individual warrantholders do not enjoy a lien on the real property within a district. The remedies of a tax certificate sale and foreclosure available to the district or the county may accrue to the benefit of the warrantholders, but are not directly available to warrantholders.

If there is warrantholder unanimity, the warrantholders may waive or otherwise settle any defaults or delinquencies with the district. If the payment of warrant principal has been in default for over 90 days, a majority of the warrantholders may also petition for the appointment of an administrator in lieu of the district's 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 and warrants in conjunction with a workout. This effort can

include a voluntary Chapter 9 bankruptcy filing by a district. There is no assurance under such circumstances that warrant holders will receive full payment of amounts owed to them on their warrants. See "WARRANTHOLDERS' RISKS."

Budget and Levy Limitations

The State 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, or budgeted for capital improvements, such as the proceeds of the Warrants. 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. The general fund levy by a sanitary and improvement district in existence for more than five years is limited to a maximum of 40¢ per \$100 of taxable valuation (districts in existence less than five years are not subject to any maximum general fund levy until they reach their fifth anniversary). The levy limit does not apply to tax levies for bonds or warrants approved according to law and secured by a levy on property (such as the bond fund levy of the District). 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. State law permits 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 State'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 State 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.

Description of Budget Process

A sanitary and improvement district is required by State law to file its budget with the county clerk and the State Auditor on or before September 20 of each year. Each 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 (April 1). The second half tax receipts are not received until the late summer of the following calendar year (August 1), 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. Revenues in the general fund cover noncapital expenses (i.e., operating expenses) including insurance, streetlights, legal and accounting fees and maintenance expenses. Revenues in the bond fund cover principally construction expenses (including associated professional fees), interest on registered construction fund warrants and payments of principal and interest on 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 a 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 a 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.

THE DISTRICT

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 156th and 168th 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 162nd 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 152nd 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

Development in the District progressed in six separate phases. Installation of all public improvements and public infrastructure for all phases is complete. The District is a residential subdivisions comprised of 576 single-family lots, 114 townhouse lots and a four and one-half acre commercial lot. Development in the District is complete. As of May 1, 2013, there were 688 houses on the tax rolls and the commercial lot was also developed and occupied.

Board of Trustees

A five member Board of Trustees governs the District.

Name	Position
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 2015.

Financial Information

The District’s preliminary taxable valuation as of January 1, 2013 is \$132,990,286, down from \$135,530,902 as of January 1, 2012. The lower 2013 preliminary taxable valuation for property in the District was

the result of a reappraisal by the Sarpy County Assessor. The District's ad valorem tax levy for the 2012/2013 fiscal year is \$0.80000 per \$100 of taxable value, which levy produces tax revenues of approximately \$1,084,247. The 2012/2013 tax levy payable by District property owners in addition to the District levy includes the following:

Other Taxing Units	2012/2013
Sarpy County	\$0.299900
Millard School District	0.260000
Learning Community	0.960000
ESU No. 3	0.016057
Metropolitan Community College	0.085000
Millard Fire District	0.086300
Agricultural Society	0.001358
Papio Natural Resource District	<u>0.032753</u>
Total Other Taxing Units	\$1.741368

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.

The Project and Plan of Financing

The District has entered into an Interlocal Agreement with the Papillion Natural Resource District in connection with the Project. The total Project costs are approximately \$646,150; the District will finance all such costs. The District does not plan to levy special assessments to repay the Warrants associated with these costs; rather the District expects to repay the Warrants from ad valorem taxes and a future bond issue.

WARRANTHOLDERS' RISKS

Adverse Property Development Conditions

The District is fully developed. See "THE DISTRICT—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 warrants.

Bankruptcy of District

Significant delays in the development of a sanitary and improvement district after the incurrence of debt for public improvements while interest on the debt continues to compound can result in a debt burden that discourages sales of undeveloped property and impedes the ability of such district to provide services to its 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 warrant holders of a Chapter 9 filing could include material modification of the terms of the Warrants 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 Warrants. The Nebraska Supreme Court has held that the payment of a district's bonds, such as the Bonds, would have priority over the payment of such district's warrants, including those warrants issued before the bonds.

Bankruptcy of Property Owners

The payment of property owners' taxes and the ability of the District or the County to foreclose the lien of a delinquent unpaid tax, as discussed in "NEBRASKA DEVELOPMENTS RELATED TO BUDGETS AND DELINQUENCIES," may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure and tax certificate sales. Bond Counsel's approving legal opinion regarding the Warrants 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 of and interest on the Warrants and the possibility of delinquent installments of taxes not being paid in full. The risk of delay in the payment of the principal of and interest on the Warrants due to a single District property owner filing for bankruptcy is mitigated in the case of the District by the dispersal of ownership of the property within the District to hundreds of property owners.

Challenges to Property Tax System

The levy and collection of ad valorem taxes by taxing jurisdictions in the State is the object of frequent legislative, judicial and elector action. Ad valorem tax revenues are a source of payment of the Warrants; any diminution in the legal authority to levy and collect such taxes could adversely affect the timely payment of the Warrants.

Absence of Rating

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

Lack of Secondary Market

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

Delinquent Special Assessments

The District has a de minimis amount of special assessments outstanding, and does not anticipate levying new special assessments in connection with the Project. Accordingly, the District does not expect to be subject to the risk of delinquent special assessment collections. See "WARRANT PAYMENT PROCEDURES—Sources of Payments on the Warrants" herein for general information about special assessments.

Interest Payable in Warrants

The District expects to annually issue additional construction fund warrants representing the interest due on the Warrants and will seek to sell such construction fund warrants through the Underwriter to obtain funds to pay Warrant interest when due. The Underwriter is not obligated, however, to offer such warrants for sale, and there can be no assurance that any such sale will be possible otherwise. If the District is unable for any reason to sell the interest warrants, the District will issue such warrants directly to Warrantholders in lieu of checks or cash. Interest on all construction fund warrants, including the Warrants, paid in the form of cash or check is paid by the Paying Agent to the holders thereof in order of their registration with the County Treasurer.

Inability to Issue Bonds

The Act authorizes sanitary and improvement districts to issue bonds for the purpose of retiring construction fund warrants. The District expects to issue additional bonds to retire the Warrants; however, the District may be unable to issue such bonds or, if issued, be insufficient in amount (together with other available moneys) to retire all the Warrants. General market conditions or changes in federal or State laws, including income tax laws, may preclude such an issuance. The District also may not issue such bonds unless and until the District has sufficient taxable value to support (together with special assessments and other available moneys) the payment of debt service on the bonds. There can be no assurance that the District in fact will be able to issue bonds for the purpose of retiring the Warrants, in which case the timely payment of the Warrants will remain dependent on the collection of ad valorem taxes.

Extension of Warrant Maturity

Construction fund warrants, such as the Warrants, must become due no later than five years after their date of issuance. The Act permits the extension of such maturity (without there being a default), upon petition by the District to the County District Court, for a period determined by the County District Court (often three years). The District may file such a petition if for any reason there are insufficient funds to pay Warrant principal at the original maturity.

Warrantholders receive notice of and may appear at the hearing held by the County District Court preliminary to the issuance of the court's order. Because the Warrants will be paid and retired in the order registered, the holders of later registered Warrants are more exposed to delay in or nonpayment of the payment of their principal than are the holders of the Warrants first registered.

UNDERWRITING

Ameritas Investment Corp., as Underwriter, is purchasing the Warrants from the District for resale at a purchase price of 100% of the principal amount plus accrued interest, if any. The Underwriter will receive a fee (payable in additional construction fund warrants) from the District, equal to 5% of the aggregate principal amount of the Warrants. The Underwriter shall make a public offering of the Warrants at prices not in excess of the public offering prices set forth on the Addendum. The Warrants may be offered and sold to certain dealers at prices lower than such public offering prices, and the Underwriter may change such public offering prices from time to time.

Pursuant to its agreement with the District, the Underwriter has undertaken several roles relating to the District's warrants. The Underwriter monitors the progress of the District's development and assists the District with all aspects of debt issuance. In its agreement with the District, the Underwriter agreed to place or purchase the District's construction fund warrants with respect to the public improvements described under "THE DISTRICT—The Project and Plan of Financing," at such times and in such amounts as the Underwriter determines. Such agreement is subject, among other factors, to the continued availability of unqualified Bond Counsel opinions as to the tax exemption of such construction fund warrants.

From time to time, employees of the Underwriter may be offered and may purchase general fund warrants issued by the District.

The District has agreed with the Underwriter not to award or enter into any contract for any improvement in excess of the construction cost figure shown in the District engineer's estimate in regards to the Project and not to amend any contract to bring the total price to an amount in excess of the construction cost figure in the engineer's estimate without the prior written consent of the Underwriter. The District has further agreed that it will not install nor in any manner become obligated for any improvement not covered by the engineer's estimate without the prior written consent of the Underwriter. The Underwriter has the right to purchase warrants for its own account, and any profit made or loss suffered on any subsequent resale of such warrants shall be for the account of the Underwriter.

The District is required to pay annual interest upon the Warrants, and the District will issue additional warrants to pay such interest. The Underwriter has no obligation to purchase or place such warrants to provide cash

for interest payments on warrants. If cash is not available for payment of interest on the Warrants, such additional warrants for interest due will be issued directly to the Warrantholder.

The Underwriter has further agreed to purchase bonds of the District, in addition to the Bonds, in an amount which, after considering other available funds, will be sufficient to retire warrants and provide for an appropriate reserve. The proceeds of such bond issue or issues may or may not be sufficient in amount to retire all of the outstanding construction fund warrants. The decision of the Underwriter to purchase bonds of the District would be based upon the taxable value of the District, the amount of special assessments, the reasonableness of the tax levy and the amount of development to date as well as general market conditions and interest rate levels. The bonds would be issued at one time or from time to time as and when determined by the Underwriter. The District and the Underwriter have not identified a projected issuance date for such bonds, and there can be no assurance that any such bonds will be issued. The Underwriter's obligation to purchase any such bonds is subject to receipt at the time of issuance of an unqualified opinion of recognized bond counsel that the bonds are legally and validly issued, are general obligations of the District and that the interest thereon is exempt from federal and Nebraska state income taxes.

TAX MATTERS

Legal Opinion

The legal opinion of Baird Holm LLP, Omaha, Nebraska ("Bond Counsel"), approving the validity of the Warrants only will be provided to purchasers at the time of original delivery. Bond Counsel has 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 Offering Circular or any of the information contained herein. Kutak Rock LLP, Omaha, Nebraska, has served 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 Warrants 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 Warrants are not "private activity bonds" as defined in the Code.

Bond Counsel also is of the opinion that the Warrants 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 Warrants as arbitrage bonds.

No opinion is expressed by Bond Counsel with respect to the treatment of interest on Warrants 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 the interest on the Warrants.

Under existing laws with respect to State income taxes, such State income taxes are based upon the federal income taxes and federal taxable income, and interest on the Warrants 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 respective resolutions. Failure to comply with such covenants could cause interest on the Warrants to be included in gross income retroactive to the date of issue of the Warrants.

The accrual or receipt of interest on the Warrants 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 Warrants.

The District has designated the Warrants 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 Warrants should consult their tax advisors regarding the tax consequences of investing in the Warrants.

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 Warrants. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds or warrants 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 Warrants. Purchasers of the Warrants 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 Warrants, and Bond Counsel has expressed no opinion as of any date subsequent hereto or with respect to any pending legislation, regulatory initiatives or litigation.

The rights of the holders of the Warrants 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 Warrants or in any way contesting or affecting the validity of the Warrants or the District's resolutions approving the Warrants or contesting the powers or authority of the District to issue the Warrants or to adopt such resolutions.

ONGOING DISCLOSURE

The District has undertaken in a resolution (the "Undertaking") on behalf of the Warrantholders 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 as identified in the Undertaking and (b) notices of the material events specified by Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Rule"). See "APPENDIX D—Continuing Disclosure Undertaking."

A failure by the District to comply with the Undertaking will not constitute an event of default with respect to the Warrants, 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 in relation to the Rule.

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".

FINANCIAL STATEMENTS

The audited financial statements for the District for its fiscal year ended June 30, 2012 are included in this Offering Circular as Appendix B and should be read in its entirety. The audited financial statements for the District for its fiscal years ended prior to June 30, 2012 are available for inspection at the offices of the District's counsel 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, 2012 included as Appendix B of this Offering Circular have been audited by Lutz & Company, P.C., as its independent accountant, as stated in their report appearing herein.

MISCELLANEOUS

The Board, on behalf of the District, has approved this Offering Circular and the delivery thereof. At the date of this Offering Circular and at the date of delivery of the Warrants, (a) the information and statements, including financial statements, of or pertaining to the District, contained in this Offering Circular were and are correct in all material respects; and (b) insofar as the District and its affairs, including its financial affairs, are concerned, this Offering Circular 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 Offering Circular 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 appendices and the Addendum attached hereto are an integral part of this Offering Circular and must be read in conjunction with the foregoing material.

So far as any statements made in this Offering Circular involve matters of opinion, forecasts or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact.

AUTHORIZATION OF OFFERING CIRCULAR

The District has duly authorized this Offering Circular and its distribution and use by the Underwriter.

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

APPENDIX A

LOCATION MAP OF THE DISTRICT

APPENDIX B

**INDEPENDENT AUDITOR'S REPORT AND FINANCIAL
STATEMENTS OF THE DISTRICT**

APPENDIX C

SARPY COUNTY, NEBRASKA INFORMATION

The following information about Sarpy County, Nebraska is included because the District is located within the County. *The Warrants 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 estimated at 162,561.

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 2011 was 82,002. According to Offutt Air Force Base, there are 9,657 military and civilian personnel employed on the base in Bellevue.

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

Per Capita Personal Income. In 2011, the per capita personal income of Sarpy County residents was \$41,865, which was 98.6% of the Nebraska average per capita income of \$42,450. Sarpy County's 28.5% population under age 18 explains the lower per capita income.

Source: US Census and Sarpy County

Median Household Income. In 2011, the median income of households in Sarpy County was \$69,018.

Source: US Census

Sales. Net taxable sales (excluding motor vehicles) within the County increased from \$1,073,751,329 in 2010 to \$1,118,043,437 in 2011, representing a 4.1% 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 2011-2012 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 \$3,150,000 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, \$3,615,000 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 96th Street Project, of which \$1,250,000 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, \$5,620,000 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 \$3,860,000 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.

Source: Bond Debt Service Schedules

EMPLOYERS

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

COMPANY	ADDRESS	PHONE	INDUSTRY
Offutt Air Force Base	205 Looking Glass Ave. #121	402-294-5533	Government
PayPal, Inc.	12312 Port Grace Blvd. LaVista, NE 68128	402-935-2000	Service
Bellevue Public Schools	1600 Hwy 370 Bellevue, NE 68005	402-293-4000	Education
Werner Enterprises	14507 Frontier Road Omaha, NE 68145	402-895-6640	Trucking
Papillion-LaVista Schools	420 South Washington Street, Papillion, NE 68046	402-537-6200	Education
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
Ehrling Bergquist Clinic	2501 Capehart Road Offutt AFB, NE 68113	402-294-5533	Military Healthcare
Hillcrest Health Systems	1702 Hillcrest Drive Bellevue, NE 68005	402-682-4800	Healthcare
Oriental Trading Company	4206 South 108th Street Omaha, NE 68137	402-331-5511	Warehouse/ Distribution
TD Ameritrade	1001 Fort Crook Road N. Bellevue, NE 68005	402-970-7000	Financial
Sarpy County Government	1210 Golden Gate Dr. Papillion, NE 68046	402-593-2346	Gov't
Northrup Grumman	3200 Sampson Way Bellevue, NE 68005	402-291-8300	Service
Alegent Health Midlands Hospital	1111 South 84th Street Papillion, NE 68046	402-593-3000	Healthcare
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. 216 th Street Gretna, NE 68028	402-332-3265	Education
Securities America, Inc.	12325 Port Grace Blvd. LaVista, NE 68128	402-339-9111	Financial
Super Target Stores (Bellevue & Papillion)	716 N. Washington Street Papillion, NE 68046	402-597-9990	Retail
TSL Cos.	9902 S. 148 th Street Omaha, NE 68138	402-895-6692	Trucking

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:

BUSINESS NAME	2011 Taxes*	NATURE OF BUSINESS
Shadow Lake Towne Center LLC	\$2,135,828.00	Retail Business
JQH LaVista Conference/CY Dev/III Dev	\$1,332,916.00	Conference Center & Hotel
Offutt AFB America	\$993,100.00	Base Housing
Walmart Real Estate/Stores	\$927,555.00	Retail Business
Werner Leasing, Inc./Werner Enterprises	\$889,780.00	Lease/Trucking Company
PayPal	\$786,715.00	Commercial Business
Wells Exchange-Maass Rd/Samson Way	\$777,356.00	Foreign LLC
Harrison Hills Apartments	\$642,309.00	Apartments
Toys NE QRD 15-74 Inc.	\$604,457.00	Distribution
Cole Mt. Papillion NE LLC	\$520,314.00	Retail Business
Shopko Properties/Real Estate	\$462,575.00	Distribution
Edward Rose Development	\$434,077.00	Apartments
NS OVLK LLC	\$415,875.00	Apartments
Rock Creek Apartments	\$406,604.00	Apartments
Hillcrest Development	\$389,226.00	Healthcare & Apartments
Pointe Partnership	\$385,534.00	Apartments
Nebraska Machinery	\$359,117.00	Retail Business
Twin Creek Apartments, LLC	\$354,527.00	Apartments
Cox Communications	\$333,980.00	Telecommunications
MFR Partners IX LLC	\$328,801.00	Apartments

*Totals based on names on file

Source: Sarpy County Treasurer's Office

SARPY COUNTY BUILDING PERMITS*

Year	Single Family		Multi Family	
	Permits	Value	Permits	Value
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	\$ -
2012	195	\$38,787,474	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
2012	17	\$ 6,540,526

Source: Sarpy County Building and Planning Department

LEVIES, COLLECTIONS AND VALUATIONS

History of Levied and Collected Taxes

	2009	2010	2011
TAX CERTIFIED BY THE ASSESSOR-			
Including Interest and Publication Fees:			
Real Estate	\$220,153,177	\$223,763,709	\$229,114,944
Personal	6,543,243	6,418,201	5,689,567
Centrally Assessed	<u>1,306,095</u>	<u>1,210,009</u>	<u>1,088,752</u>
	\$228,002,515	\$231,391,919	\$235,893,263

NET TAX COLLECTED BY THE COUNTY

TREASURER AS OF JUNE 30, 2012-

Including Interest and Publication Fees:			
Real Estate	\$220,061,421	\$223,459,975	\$124,789,534
Personal	6,395,665	6,349,004	3,832,127
Centrally Assessed	<u>1,306,095</u>	<u>1,207,451</u>	<u>669,043</u>
	\$227,763,181	\$231,016,430	\$129,290,704

TOTAL UNCOLLECTED TAX

AS OF JUNE 30, 2012:

Real Estate	\$ 91,756.00	\$303,734.00	\$104,325,410.00
Personal	147,578.00	69,197.00	1,857,440.00
Centrally Assessed	<u>-</u>	<u>2,558.00</u>	<u>419,709.00</u>
	\$239,334.00	\$375,489.00	\$106,602,559.00

PERCENTAGE	<u>0.10%</u>	<u>0.16%</u>	<u>45.19%</u>
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Source: Sarpy County Unaudited Financial Statements

Actual Value of Taxable Property

Tax Year	Actual Valuation	Percentage of Increase
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%
2012	\$11,451,696,861.00	2.30%

Source: Sarpy County Assessor

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

Year	Amount
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
2012	29.990

Source: Sarpy County

POPULATION

Sarpy County Population (2000-2011)

Year	Population
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
July 2011 (estimate)	162,561

Source: U.S. Census

APPENDIX D

CONTINUING DISCLOSURE UNDERTAKING

The following is the District's continuing disclosure undertaking pursuant to Securities and Exchange Commission Rule 15c2-12(d)(2) which the District has incorporated by reference into the resolution approving this Offering Circular.

- a) The District does hereby covenant and agree and enters into this written undertaking (the "Undertaking") for the benefit of the holders of the District's construction fund warrants (the "Warrants") 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., Suite 222, 440 Regency Parkway Drive, Omaha, Nebraska 68114, Telephone: (402) 384-8433.
- e) If a Material Event occurs while any Warrants 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 Warrants.
- f) The following are the definitions of the capitalized terms used in this Undertaking and not otherwise defined in this Undertaking:
 - i) "*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.
 - ii) "*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.
 - iii) "*Material Event*" means any of the following events with respect to the Warrants:
 - (a) Principal and interest payment delinquencies;
 - (b) Non-payment related defaults, if material;
 - (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (e) Substitution of credit or liquidity providers, or their failure to perform;

- (f) 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 Warrants;
 - (g) Modifications to rights of Warrantholders, if material;
 - (h) Warrant calls, if material;
 - (i) Defeasances;
 - (j) Release, substitution or sale of property securing repayment of the Warrants, if material;
 - (k) Rating changes;
 - (l) Bankruptcy, insolvency, receivership or similar event of District;
 - (m) 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
 - (n) Appointment of a successor or additional paying agent or the change of name of a paying agent, if material
- iv) *“Material Event Notice”* means an electronic notice of a Material Event.
- v) *“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 Warrants 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 Warrants, 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 Warrantholders, 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:
- i) The amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the District or type of business conducted;
 - ii) This Undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

- iii) The amendment does not materially impair the interests of Warrantholders, as determined either by parties unaffiliated with the District (such as nationally recognized bond counsel), or by approving vote of Warrantholders 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 Warrants. If the District fails to comply herewith, any Warrantholder 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.

SID 162
Profit & Loss Budget vs. Actual
July 2013 through June 2014

	Jul '13 - Jun 14	Budget	\$ Over Budget	% of Budget
Income				
Bond Fund				
Taxes				
Personal Property Taxes	344.32			
Real Estate Taxes	312,433.88	756,143.00	-443,709.12	41.3%
Total Taxes	312,778.20	756,143.00	-443,364.80	41.4%
Homestead Exemption Allocation	3,837.08			
Motor Vehicle Pro Rate	1,090.66	1,500.00	-409.34	72.7%
Total Bond Fund	317,705.94	757,643.00	-439,937.06	41.9%
General Fund				
Taxes				
Personal Property Taxes	130.62			
Real Estate Taxes	118,509.23	286,813.00	-168,303.77	41.3%
Total Taxes	118,639.85	286,813.00	-168,173.15	41.4%
Homestead Exemption Allocation	1,455.44			
Motor Vehicle Pro Rate	413.70	500.00	-86.30	82.7%
Total General Fund	120,508.99	287,313.00	-166,804.01	41.9%
Total Income	438,214.93	1,044,956.00	-606,741.07	41.9%
Expense				
BondFund				
Bond Principal Paid	0.00	565,000.00	-565,000.00	0.0%
Bond Interest Pymt.	0.00	184,093.00	-184,093.00	0.0%
Capital Improvements	0.00	362,000.00	-362,000.00	0.0%
Collection Fees - Sarpy Treas	6,255.57			
Fiscal Agent Fees	0.00	1,250.00	-1,250.00	0.0%
Total BondFund	6,255.57	1,112,343.00	-1,106,087.43	0.6%
GeneralFund				
Audit Fees	5,385.00	5,365.00	20.00	100.4%
Bookkeeping	0.00	500.00	-500.00	0.0%
Chairman and Clerk Bonds	0.00	500.00	-500.00	0.0%
Collection Fees - Sarpy Treas	2,372.80			
Engineering Fees	13,377.24	40,000.00	-26,622.76	33.4%
Green Area Maintenance	13,169.27	65,000.00	-51,830.73	20.3%
Insurance	2,331.00	4,000.00	-1,669.00	58.3%
Legal Fees				
Legal Services	13,900.00	40,000.00	-26,100.00	34.8%
Expenses	1,711.39			
Total Legal Fees	15,611.39	40,000.00	-24,388.61	39.0%
Miscellaneous	0.00	2,000.00	-2,000.00	0.0%
Publishing	0.00	1,000.00	-1,000.00	0.0%
Repairs&Maintenance				
Paving	3,204.28			
Repairs&Maintenance - Other	0.00	150,000.00	-150,000.00	0.0%
Total Repairs&Maintenance	3,204.28	150,000.00	-146,795.72	2.1%
Snow Removal	0.00	5,000.00	-5,000.00	0.0%
Street Cleaning	0.00	1,100.00	-1,100.00	0.0%
Street Lighting/Utilities	8,000.00	51,000.00	-43,000.00	15.7%
Street Signs	0.00	500.00	-500.00	0.0%
Total GeneralFund	63,450.98	365,965.00	-302,514.02	17.3%
Total Expense	69,706.55	1,478,308.00	-1,408,601.45	4.7%
Net Income	368,508.38	-433,352.00	801,860.38	-85.0%

10/3/2013
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**** COUNTY TREASURER GENERAL LEDGER ****
DETAIL REVENUE LISTING PER FUND
FOR: SEPTEMBER 2013

PAGE: 1

FUND: 8062	SID #162 GENERAL	M-T-D	Y-T-D
10100	- BEGINNING CASH ON HAND	200,906.81	156,795.20
15100	- BEGINNING INVESTMENT ON HAND	0.00	0.00
BEGINNING BALANCE:		200,906.81	156,795.20
TAX RECEIPT COLLECTIONS:			
30138	- 2012 PERSONAL PROPERTY TAX	0.00	130.62
30338	- 2012 REAL ESTATE TAXES	168.59	118,509.23
TAX RECEIPT TOTALS:		168.59	118,639.85
34401	- HOMESTEAD EXEMP ALLOCATION	0.00	1,455.44
34601	- MOTOR VEHICLE PRO RATE	93.89	413.70
OTHER RECEIPT TOTALS:		93.89	1,869.14
60000	- DISBURSEMENTS	-24,043.33	-97,808.80
60001	- PROPERTY TAX COMMISSION	-3.37	-2,372.80
10000	ENDING CASH ON HAND	177,122.59	177,122.59
15100	ENDING INVESTMENT ON HAND	0.00	0.00
GRAND TOTALS		177,122.59	177,122.59

10/3/2013
09:58:22

**** COUNTY TREASURER GENERAL LEDGER ****
DETAIL REVENUE LISTING PER FUND
FOR: SEPTEMBER 2013

PAGE: 1

FUND: 8362	SID #162 BOND	M-T-D	Y-T-D

10100	- BEGINNING CASH ON HAND	811,478.90	500,711.64
15100	- BEGINNING INVESTMENT ON HAND	0.00	0.00

	BEGINNING BALANCE:	811,478.90	500,711.64
TAX RECEIPT COLLECTIONS:			
30138	- 2012 PERSONAL PROPERTY TAX	0.00	344.32
30338	- 2012 REAL ESTATE TAXES	444.46	312,433.88

	TAX RECEIPT TOTALS:	444.46	312,778.20
34401	- HOMESTEAD EXEMP ALLOCATION	0.00	3,837.08
34601	- MOTOR VEHICLE PRO RATE	247.54	1,090.66

	OTHER RECEIPT TOTALS:	247.54	4,927.74
60001	- PROPERTY TAX COMMISSION	-8.89	-6,255.57
10000	ENDING CASH ON HAND	812,162.01	812,162.01
15100	ENDING INVESTMENT ON HAND	0.00	0.00

	GRAND TOTALS	812,162.01	812,162.01

SHIRLEE R. VAKOC
1107 South 93rd Avenue
Omaha, NE 68124
592-4040

STATEMENT FOR SERVICES RENDERED

October 21, 2013

TO: SID#162 Sarpy County
c/o Larry Forman
7171 Mercy Rd. Suite 650
Omaha, NE 68106-2669

Attn. Sharon
Fax# 402-397-2868

For services rendered

Posting issued warrants and posting income information from Treasurer's June, July, August and September; reconcile ending balances to Treasurer's Report through September 2013; produce reports and email; deliver fiscal year information to accountant; input approved budget for coming year.

5.7 Hours @ \$35.00 ----- \$ 199.50

7/11/13 .8
7/15/13 .4
8/5/13 .8
8/9/13 .3
9/5/13 1.1
10/13 2.3

*pd 10-24-13
#5751*

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: 10/08/13
ACCT NO.: LRF-162-001

RE: General

PREVIOUS BALANCE: \$12,990.75

DATE	PROFESSIONAL SERVICES RENDERED	INDIV	TIME	AMOUNT
09/03/13	Conf. NRD representative re interlocal agreement; revise agreement and e-mail to Bowen, trustees and Glissman with memo	LRF	0.70	105.00
09/03/13	Assemble August proceedings; letter and set of proceedings to bond house; letters and copies of proceedings to county clerk and accountant; letter to owner re insurance for T.U.P.	LRF	1.50	225.00
09/03/13	Conf. Paul Peters (NRD attorney) re additional change in interlocal agreement; revise agreement; prepare exhibits, e-mail documents to Mr. Peters; call paper re budget publication proofs	LRF	1.80	270.00
09/04/13	Review Bowen e-mail re attendance at subcommittee meeting; e-mail to Bowen; conf. Bill Glissman re attendance at meeting, e-mail to trustees and Glissman; prepare agenda, receipts of notice; call to accountant; review e-mail response from Bowen; review budget documents; prepare excerpt of minutes re budget matters and minutes of special public hearing to set tax rate	LRF	3.40	510.00
09/05/13	Conf. Gerry Bowen re additional changes to interlocal agreement; prepare re-revised agreement and e-mail to Bowen, trustees and engineer with cover memo	LRF	0.90	135.00
09/05/13	Assemble meeting files; review letter from bond house re project impact on taxes; attend trustees meeting	LRF	2.80	420.00
09/09/13	Warrants and cover letter to 4 creditors	LRF	0.80	120.00
09/09/13	Receipts of notice, meeting packet and cover letter to Jim; assemble budget packets; letters and budget packets to state auditor and county board	LRF	1.40	210.00

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Tax ID #47-0648847

Sanitary and Improvement District No 162 of Sarpy Count

PAGE 2
BILLING DATE: 10/08/13
ACCT NO.: LRF-162-001

09/10/13	Review and forward miscellaneous correspondence; call paper re additional budget proofs; coordinate retrieval of proofs	LRF	0.70	105.00
09/10/13	Attend NRD subcommittee meeting re interlocal agreement	LRF	1.90	285.00
09/11/13	Letter and documents to trustees re subcommittee meeting of Sept. 10	LRF	0.30	45.00
09/12/13	Review e-mail from Miracle Equipment; e-mail to Miracle; review letter from Rich Harman re financing of Mission Creek project; letter to Rich re same	LRF	1.00	150.00
09/12/13	Receive budget receipts from state and county; e-mail copies to trustees with cover memo	LRF	0.50	75.00
09/12/13	Prepare agenda/certificate, officers certificate, minutes of September budget meeting, cover letter to chairman; prepare meeting notice and cover letter to paper; notices to trustees, county clerk, engineers and Denny Wilson; letter to Mr. Wilson	LRF	2.80	420.00
09/13/13	Review e-mail from Bowen; message to Bowen; e-mail to trustees; proof and pay meeting publication notice	LRF	0.90	135.00
09/21/13	Review report of election results from election commissioner; review executed copy of interlocal agreement; letters and copies to Rich Harman and bond counsel; e-mail memo and documents to trustees	LRF	0.90	135.00
09/21/13	E-mail memo and copy of election results to trustees; pay bill from election commissioner; review e-mails from board members	LRF	1.00	150.00
09/23/13	Prepare receipts of notice and agenda for Sept 26 meeting; assemble meeting files; review and revise Sept. 5 minutes; review e-mail from Gerry Bowen; message to Bowen	LRF	1.80	270.00

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Sanitary and Improvement District No 162 of Sarpy Count

PAGE 3
 BILLING DATE: 10/08/13
 ACC'T NO.: LRF-162-001

09/24/13	Prepare summary of Sept. 5 minutes; letter to Al Weedin declining payment of tree trimming costs; e-mail to LS2 re oil stains on walkways; letter and signed copy of interlocal agreement to Gerry Bowen	LRF	1.30	195.00
09/25/13	Review Knust e-mail	LRF	0.20	30.00
09/26/13	Review e-mail from Knust re oil on sidewalks; review and finalize summary of Sept. 5 meeting; review meeting file; attend trustees meeting	LRF	3.60	540.00
09/27/13	Review e-mail from Nancy; conf. Charlies, make meeting reservation for Dec. 12	LRF	0.30	45.00
09/30/13	Assemble Sept. 5 proceedings; letter and set of proceedings to bond house; letters and copies of proceedings to county clerk and accountant; prepare agenda/certificate, officers certificate, minutes of Sept. 26 meeting, cover letter to chairman	LRF	3.90	585.00

Total of New Services:	34.40	5,160.00
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DATE	EXPENSE	AMOUNT
09/23/13	World Herlad - publication	11.89
09/24/13	Sarpy County Election - election expense	437.52
09/30/13	Mileage	42.90

Total of New Expenses:		492.31
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DATE	PAYMENT	AMOUNT
09/23/13		6,962.44

Total of New Payments:		6,962.44
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Sanitary and Improvement District No 162 of Sarpy Count

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BILLING DATE: 10/08/13
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ACCOUNT SUMMARY

PREVIOUS BALANCE:	\$12,990.75
NEW SERVICES:	\$5,160.00
NEW EXPENSES:	\$492.31
NEW PAYMENTS:	\$6,962.44
TOT. CURRENT PERIOD:	<u>\$5,652.31</u>
CURRENT BALANCE:	\$11,680.62

*pd 10-24-13
5752 +
5753*

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 Anne Lee 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, October 16, 2013 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 Anne Lee
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

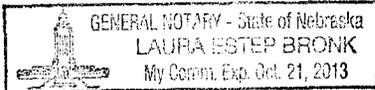
NOTICE IS HEREBY GIVEN that a meeting of the Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska, will be held at 2:30 p.m. on Thursday, October 24, 2013, at Chalco Hills Recreation Area Visitors Center Small Conference Room, 8901 South 154th Street, Omaha, Nebraska 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,

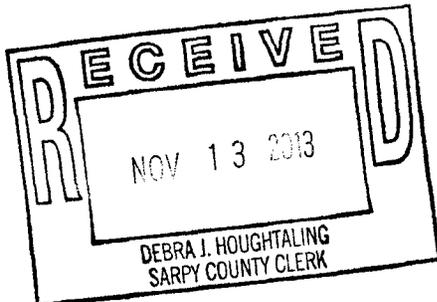
Omaha, Nebraska 68106, and includes payment of bills of the District.
Nancy Wackerhagen
Clerk of the District
1689205: 10/16

Today's Date 10-16-2013
Signed in my presence and sworn to before me:

Notary Public



Printer's Fee \$ 12.30
Customer Number: 31901
Order Number: 0001689205



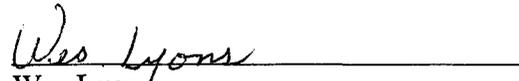
ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF MEETING

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 2:30 o'clock p.m. on Thursday, October 24, 2013, at Chalco Hills Recreation Area Visitors Center, Small Conference Room, 8901 South 154th Street, Omaha, Nebraska 68138.


Richard L. Hansen


Nancy Waekerhagen


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.

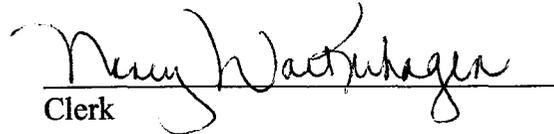
4. A current copy of the Nebraska Open Meetings Act was available and accessible to members of the public, posted during the Meeting in the room in which such Meeting was held and all in attendance at the Meeting were informed that such copy of the Nebraska Open Meetings Act was available for review 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 7 day of Nov, 2013.


Chairman


Clerk

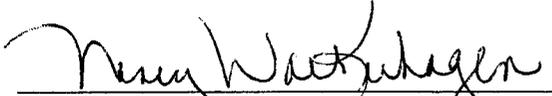
**AGENDA FOR MEETING OF BOARD OF TRUSTEES OF
SANITARY AND IMPROVEMENT DISTRICT NO. 162
OF SARPY COUNTY, NEBRASKA**

Agenda for meeting of Board of Trustees of Sanitary and Improvement District No. 162 of Sarpy County, Nebraska on October 24, 2013, at 2:30 p.m. at Chalco Hills Recreation Area Visitor's Center, 8901 South 154th Street, Omaha, Nebraska.

1. Call meeting to order and roll call.
2. Announcement in Compliance with Open Meetings Act.
3. Approval of minutes of September 26, 2013 meeting.
4. Engineer's Report
 - A. Mission Creek Channel Re-establishment Project Phase III
 - B. 2013 Millard Park Paving Repairs
 - C. Placement of No-Parking Signs
5. Resident Concerns.
6. Attorney's Report
7. Review and Approval of Offering Circular
8. Budget Tracking
9. Payment of Bills
10. 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.



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