

**EXTRACT OF MINUTES OF BUDGET HEARING AND  
SPECIAL PUBLIC HEARING  
TO ADOPT BUDGET AND SET FINAL TAX REQUEST**

**SANITARY AND IMPROVEMENT DISTRICT  
NO. 246 OF SARPY COUNTY, NEBRASKA**

The Chairman then presented the proposed budget of the District and advised that the Budget Summary had been published in The Papillion Times, a legal newspaper of Sarpy County, Nebraska, on August 31, 2016, a copy of the Proof of Publication being attached to these minutes.

The Chairman then advised that no property owners in the District appeared at this hearing on the proposed budget and Budget Summary to offer support, opposition, criticism, suggestions or observations concerning the proposed budget. The Chairman noted that the budget complies with the current provisions of the Nebraska Lid Law, and that the property taxes for the Bond Fund and General Fund are as follows:

Bond	\$333,029.90 =	0.600000
General	\$166,514.95 =	0.300000
Total	\$499,544.85 =	0.900000

The Chairman further stated that the Board is required to hold a separate Special Public Hearing in order to set the 2016/17 Property Tax Request at an amount which is different from the prior year's tax request, and that the District has until October 13 to file with the County Clerk a resolution setting a tax request different from the prior year. The District must also publish notice of the Special Public Hearing reflecting the date and time for said Special Public Hearing, and the Chairman noted that such notice had been published as reflected in the Proof of Publication attached hereto.

The Chairman then advised that the meeting was now open for a Special Public Hearing on the issue of setting the Property Tax Request at an amount different from the prior year's request as required by Neb. Rev. Stat. §77-1601.02. The Chairman advised that no one appeared in opposition. Following discussion, the Chairman then declared the public hearing on the budget and the Special Public Hearing to be closed, whereupon, a motion was duly made, seconded and the following resolutions passed:

BE IT RESOLVED by the Board of Trustees of Sanitary and Improvement District No. 246 of Sarpy County, Nebraska that the budget be and hereby is adopted as proposed; and

BE IT FURTHER RESOLVED that the 2016/17 Property Tax Request for the Bond Fund and General Fund be set as follows:

Bond Fund	\$333,029.90	0.600000
General Fund	\$166,514.95	0.300000
Total	\$499,544.85	0.900000

BE IT FURTHER RESOLVED that the Clerk be and hereby is authorized and directed on behalf of the District to file or cause to be filed a copy of the Budget and Property Tax Request as adopted by the Board of Trustees with the County Clerk and Auditor of Public Accounts on or before September 20, 2016.

Then, upon, a motion duly made, seconded and unanimously adopted, the Chairman declared the above resolutions duly carried and adopted.

The Chairman further advised that in addition to the base limitation percent increase allowed, it would be necessary for the Board to approve an additional one (1%) increase to the restricted funds, whereupon, a motion was duly made, seconded and unanimously adopted approving such increase by a vote of 100% of the governing body.

The undersigned hereby certifies that Brendan Bishop is the duly elected, qualified and acting Clerk of Sanitary and Improvement District No. 246 of Sarpy County, Nebraska, and that the foregoing extract is a full, true and complete copy of that portion of the minutes as it claims to be and that the foregoing resolutions have been spread upon the minutes of the District.

Dated this 6<sup>th</sup> day of September, 2016

  
\_\_\_\_\_  
Bruce Bode-Stein, Clerk

**2016-2017  
STATE OF NEBRASKA  
SID BUDGET FORM**

**SID # 246**

TO THE COUNTY BOARD AND COUNTY CLERK OF  
Sarpy County

**This budget is for the Period JULY 1, 2016 through JUNE 30, 2017**

**Upon Filing, The Entity Certifies the Information Submitted on this Form to be Correct:**

The following **PERSONAL AND REAL PROPERTY TAX** is requested for the ensuing year:

\$	166,514.95	Property Taxes for Non-Bonds
\$	333,029.90	Principal and Interest on Bonds
\$	499,544.85	<b>Total Personal and Real Property Tax Required</b>

**Budget Document To Be Used As Audit Waiver?**

My Subdivision has elected to use this Budget Document as the Audit Waiver.

YES  NO  
(If YES, Board Minutes **MUST** be Attached)

If YES, Page 2, Column 2 **MUST** contain **ACTUAL** Numbers.  
If YES, DO NOT COMPLETE/SUBMIT SEPARATE AUDIT WAIVER REQUEST.

Outstanding Registered Warrants/Bonded Indebtedness as of JULY 1, 2016

\$	5,943,751.02	Principal
\$	2,238,695.41	Interest
\$	8,182,446.43	<b>Total Bonded Indebtedness</b>

**SID is Less Than 5 Years Old**

YES, SID is Less than 5 Years Old; Therefore, Lid and Levy Limit **DO NOT APPLY**  
Date SID was formed: \_\_\_\_\_

\$ 55,504,984 **Total Certified Valuation (All Counties)**  
(Certification of Valuation(s) from County Assessor **MUST** be attached)

**Report of Joint Public Agency & Interlocal Agreements**

Was this Subdivision involved in any Interlocal Agreements or Joint Public Agencies for the reporting period of July 1, 2015 through June 30, 2016?  
 YES  NO  
If YES, Please submit Interlocal Agreement Report by December 31, 2016.

County Clerk's Use Only

**Report of Trade Names, Corporate Names & Business Names**

Did the Subdivision operate under a separate Trade Name, Corporate Name, or other Business Name during the period of July 1, 2015 through June 30, 2016?  
 YES  NO  
If YES, Please submit Trade Name Report by December 31, 2016.

**APA Contact Information**

Auditor of Public Accounts  
State Capitol, Suite 2303  
Lincoln, NE 68509  
**Telephone:** (402) 471-2111 **FAX:** (402) 471-3301  
**Website:** [www.auditors.nebraska.gov](http://www.auditors.nebraska.gov)  
**Questions - E-Mail:** [Deann.Haeffner@nebraska.gov](mailto:Deann.Haeffner@nebraska.gov)

**Submission Information**

**Budget Due by 9-20-2016**

**Submit budget to:**

1. Auditor of Public Accounts -Electronically on Website or Mail
2. County Board (SEC. 13-508), C/O County Clerk



Sanitary and Improvement District # 246  
IN  
Sarpy County, Nebraska

**NOTICE OF BUDGET HEARING AND BUDGET SUMMARY**

PUBLIC NOTICE is hereby given, in compliance with the provisions of State Statute Sections 13-501 to 13-513, that the governing body will meet on the 6th day of September 2016, at 5:00 o'clock P.M., at 6021 Grand Lodge Avenue, Papillion, NE for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to the following proposed budget. The budget detail is available at the office of the Clerk during regular business hours.

	Clerk/Secretary
2014-2015 Actual Disbursements & Transfers	\$ 5,449,115.71
2015-2016 Actual Disbursements & Transfers	\$ 1,683,002.74
2016-2017 Proposed Budget of Disbursements & Transfers	\$ 1,352,832.74
2016-2017 Necessary Cash Reserve	\$ 321,494.12
2016-2017 Total Resources Available	\$ 1,674,326.86
Total 2016-2017 Personal & Real Property Tax Requirement	\$ 499,544.85
Unused Budget Authority Created For Next Year	\$ 219,026.24
 <b>Breakdown of Property Tax:</b>	
Personal and Real Property Tax Required for Non-Bond Purposes	\$ 166,514.95
Personal and Real Property Tax Required for Bonds	\$ 333,029.90

**NOTICE OF SPECIAL HEARING TO SET FINAL TAX REQUEST**

PUBLIC NOTICE is hereby given, in compliance with the provisions of State Statute Section 77-1601.02, that the governing body will meet on the 6th day of September 2016, at 5:00 o'clock P.M., at 6021 Grand Lodge Avenue, Papillion, NE for the purpose of hearing support, opposition, criticism, suggestions or observations of taxpayers relating to setting the final tax request at a different amount than the prior year tax request.

2015-2016 Property Tax Request	\$ 378,414.89
2015 Tax Rate	0.900000
Property Tax Rate (2015-2016 Request/2016 Valuation)	0.681767
2016-2017 Proposed Property Tax Request	\$ 499,544.85
Proposed 2016 Tax Rate	0.900000

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**SANITARY AND IMPROVEMENT DISTRICT NO. 246  
OF SARPY COUNTY, NEBRASKA  
CERTIFICATION OF BOARD MINUTES AND PROPERTY TAX REQUEST**

STATE OF NEBRASKA                    )  
  ) ss  
COUNTY OF SARPY                    )

The undersigned Clerk does hereby certify that the following is a true and correct copy of the Minutes of the Meeting of the Board of Trustees of said District concerning the adoption of the proposed Budget of the District and certification of the Property Tax Request.

The Chairman then presented the proposed Budget of the District and advised that the Budget Summary had been published in The Papillion Times, a legal newspaper of Sarpy County, Nebraska on August 31, 2016, a copy of the Proof of Publication being attached to these Minutes. The Chairman then called the Board's attention to the proposed Budget and advised that the proposed Property Tax Request is as follows:

Bond Fund	\$333,029.90	0.600000
General Fund	\$166,514.95	0.300000
Total	\$499,544.85	0.900000

The Chairman then advised that the Property Tax Request is a different amount than the Property Tax Request for the prior year and that it would be necessary of the Board of Trustees to conduct a Special Public Hearing to hear and consider comments concerning such Property Tax Request. The Chairman further advised that Notice of a Special Public Hearing had been published for such purpose. A discussion was then had concerning the proposed Budget and setting the Property Tax Request at a different amount than the prior year, whereupon, a motion was duly made, seconded and the following Resolutions unanimously adopted:

BE IT RESOLVED, that

WHEREAS, Nebraska Revised Statute 77-1601.02 provides that the Property Tax Request for the prior year shall be the Property Tax Request for the current year for the purposes of the levy set by the County Board of Equalization unless the Governing Body of the District passes by a majority vote a Resolution or Ordinance setting the Tax Request at a different amount; and

WHEREAS, it is in the best interest of the District that the Property Tax Request for the current year be a different amount than the Property Tax Request for the prior year.

NOW, THEREFORE, the Governing Body of Sanitary and Improvement District No. 246 of Sarpy County, Nebraska by a majority vote resolves that:

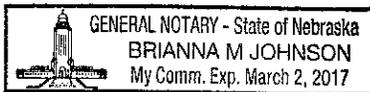
1. The 2016/17 Property Tax Request be set as follows:

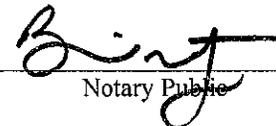
Bond Fund	\$333,029.90	0.600000
General Fund	\$166,514.95	0.300000
Total	\$499,544.85	0.900000

2. A copy of this Resolution shall be certified and forwarded to the County Clerk on or before September 20, 2016.

  
Clerk  
Bruce Bode-Steinke

SUBSCRIBED AND SWORN TO before me on this 6<sup>th</sup> day of September, 2016.



  
Notary Public

**CERTIFICATION OF TAXABLE VALUE  
And VALUE ATTRIBUTABLE TO GROWTH**

(format for all political subdivisions other than  
a) sanitary improvement districts in existence five years or less.  
b) community colleges, and c) school districts)

**TAX YEAR 2016**

(certification required on or before August 20th, of each year)

TO : SID 246

**TAXABLE VALUE LOCATED IN THE COUNTY OF SARPY COUNTY**

Name of Political Subdivision	Subdivision Type (e.g. city, fire, NRD)	Value attributable to Growth	Total Taxable Value
SID 246	MISC-DISTRICT	13,601,816	55,504,984

*\*Value attributable to growth is determined pursuant to section 13-518 which includes real and personal property and annexation, if applicable.*

I Dan Pittman, Sarpy County Assessor hereby certify that the valuation listed herein is, to the best of my knowledge and belief, the true and accurate taxable valuation for the current year, pursuant to Neb. Rev. Stat. 13-509 and 13-518.

Dan Pittman

(signature of county assessor)

8-18-16

(date)

CC: County Clerk, Sarpy County  
CC: County Clerk where district is headquartered, if different county, Sarpy County

*Note to political subdivision: A copy of the Certification of Value must be attached to your budget document.*

Guideline form provided by Nebraska Depr. of Revenue Property Assessment Division, Rev. 2016

SID # 246 in Sarpy County

Line No.	TOTAL ALL FUNDS	Actual 2014 - 2015 (Column 1)	Actual 2015 - 2016 (Column 2)	Adopted Budget 2016 - 2017 (Column 3)
1	<b>Beginning Balances, Receipts, &amp; Transfers:</b>			
2	Net Cash Balance	\$ -	\$ -	\$ -
3	Investments	\$ -	\$ -	\$ -
4	County Treasurer's Balance	\$ 877,950.82	\$ 844,900.04	\$ 758,893.83
5	<b>Subtotal of Beginning Balances (Lines 2 thru 4)</b>	\$ 877,950.82	\$ 844,900.04	\$ 758,893.83
6	<b>Personal and Real Property Taxes (Columns 1 and 2-See Preparation Guidelines)</b>	\$ 310,826.70	\$ 344,474.19	\$ 489,749.86
7	Federal Receipts	\$ -	\$ -	\$ -
8	State Receipts: Motor Vehicle Pro-Rate	\$ 707.90	\$ 1,245.74	\$ 1,250.00
9	State Receipts: State Aid			
10	State Receipts: Other	\$ 13,010.60	\$ 5,343.77	\$ -
11	State Receipts: Property Tax Credit	\$ -	\$ 12,306.26	
12	Local Receipts: Nameplate Capacity Tax	\$ -	\$ -	\$ -
13	Local Receipts: In Lieu of Tax	\$ -	\$ -	\$ -
14	Local Receipts: Other	\$ 5,091,519.73	\$ 1,233,626.57	\$ 424,433.17
15	Transfers In Of Surplus Fees	\$ -	\$ -	\$ -
16	Transfer In Other Than Surplus Fees (Should agree to Line 28)	\$ -	\$ -	\$ -
17	<b>Total Resources Available (Lines 5 thru 16)</b>	\$ 6,294,015.75	\$ 2,441,896.57	\$ 1,674,326.86
18	<b>Disbursements &amp; Transfers:</b>			
19	Operating Expenses	\$ 136,346.26	\$ 1,683,002.74	\$ 230,318.62
20	Capital Improvements (Real Property/Improvements)	\$ -	\$ -	\$ 370,000.00
21	Other Capital Outlay (Equipment, Vehicles, Etc.)	\$ -	\$ -	\$ -
22	Debt Service: Bond Principal & Interest Payments	\$ 5,312,769.45	\$ -	\$ 365,670.00
23	Debt Service: Payments to Retire Interest-Free Loans (Public Airports)			
24	Debt Service: Payments to Bank Loans & Other Instruments (Fire Districts)			
25	Debt Service: Other	\$ -	\$ -	\$ 386,844.12
26	Judgments	\$ -	\$ -	\$ -
27	Transfers Out of Surplus Fees	\$ -	\$ -	\$ -
28	Transfers Out Other Than Surplus Fees (Should agree to Line 16)	\$ -	\$ -	\$ -
29	<b>Total Disbursements &amp; Transfers (Lines 19 thru 28)</b>	\$ 5,449,115.71	\$ 1,683,002.74	\$ 1,352,832.74
30	<b>Balance Forward/Cash Reserve (Line 17 - Line 29)</b>	\$ 844,900.04	\$ 758,893.83	\$ 321,494.12
31	Cash Reserve Percentage			33%

<b>PROPERTY TAX RECAP</b>	Tax from Line 6	\$ 489,749.86
	County Treasurer's Commission at 2% of Line 6	\$ 9,794.99
	Delinquent Tax Allowance	\$ -
	<b>Total Property Tax Requirement</b>	<b>\$ 499,544.85</b>

## SID # 246 in Sarpy County

### To Assist the County For Levy Setting Purposes

The Cover Page identifies the Property Tax Request between Principal & Interest on Bonds and All Other Purposes. If your SID needs more of a breakdown for levy setting purposes, complete the section below.

Property Tax Request by Fund:		Property Tax Request	
General Fund	\$	166,514.95	
Bond Fund	\$	333,029.90	
<b>Total Tax Request</b>	<b>** \$</b>	<b>499,544.85</b>	

\*\* This Amount should agree to the Total Personal and Real Property Tax Required on the Cover Page (Page 1).

### Cash Reserve Funds

Statute 13-503 says cash reserve means funds required for the period before revenue would become available for expenditure but shall not include funds held in any special reserve fund. If the cash reserve on Page 2 exceeds 50%, you can list below funds being held in a special reserve fund.

Special Reserve Fund Name	Amount	
<b>Total Special Reserve Funds</b>	<b>\$</b>	<b>-</b>
Total Cash Reserve	\$	321,494.12
Remaining Cash Reserve	\$	321,494.12
Remaining Cash Reserve %		0.327109697

### Documentation of Transfers:

*(Only complete if there are transfers noted on Page 2, Column 2)*

Please explain what fund the monies were transferred from, what fund they were transferred to, and the reason for the transfer.

Transfer From:	Transfer To:
Amount: \$	-
Reason:	

Transfer From:	Transfer To:
Amount: \$	-
Reason:	

Transfer From:	Transfer To:
Amount: \$	-
Reason:	

## CORRESPONDENCE INFORMATION

### ENTITY OFFICIAL ADDRESS

*If no official address, please provide address where correspondence should be sent*

NAME	<b>Jon Zellars</b>
ADDRESS	<b>2001 Atlas Drive</b>
CITY & ZIP CODE	<b>Papillion, NE 68133</b>
TELEPHONE	<b>402-331-0996</b>
WEBSITE	

	BOARD CHAIRPERSON	CLERK/TREASURER/SUPERINTENDENT/OTHER	PREPARER
NAME	Jon Zellars	Larry Jobeun	C. David Bruce, CPA
TITLE /FIRM NAME	Chairperson	Attorney of the District	Accountant of the District
TELEPHONE	402-331-0996	402-334-0700	402-829-5576
EMAIL ADDRESS	<u>sevenzees_1@cox.net</u>	<u>brianna@fdjlaw.com</u>	<u>dbruce@hsmcorizon.com</u>

For Questions on this form, who should we contact (please  one): Contact will be via email if supplied.

- Board Chairperson
- Clerk / Treasurer / Superintendent / Other
- Preparer

**NOTE:** If Budget Document is used as an Audit Waiver, approval of the Audit Waiver will be sent to the Board Chairperson via email. If no email address is supplied for the Board Chairperson, notification will be mailed via post office to address listed above.

SID # 246 in Sarpy County  
**2016-2017 LID SUPPORTING SCHEDULE**

**Calculation of Restricted Funds**

Total Personal and Real Property Tax Requirements	(1) \$	499,544.85
Motor Vehicle Pro-Rate	(2) \$	1,250.00
In-Lieu of Tax Payments	(3) \$	-
Transfers of Surplus Fees	(4) \$	-
Prior Year Budgeted Capital Improvements that were excluded from Restricted Funds.		
Prior Year Capital Improvements Excluded from Restricted Funds (From 2014-2016 Lid Exceptions, Line (10))	\$	-
LESS: Amount Spent During 2015-2016	\$	-
LESS: Amount Expected to be Spent in Future Budget Years	\$	-
Amount to be included as Restricted Funds <i>(Cannot be a Negative Number)</i>	(8) \$	-
Nameplate Capacity Tax	(8a) \$	-
<b>TOTAL RESTRICTED FUNDS (A)</b>	<b>(9) \$</b>	<b>500,794.85</b>

**Lid Exceptions**

Capital Improvements (Real Property and Improvements on Real Property)	\$	-	(10)
LESS: Amount of prior year capital improvements that were excluded from previous lid calculations but were not spent and now budgeted this fiscal year <i>(cannot exclude same capital improvements from more than one lid calculation.)</i>			
Agrees to Line (7).	\$	-	(11)
Allowable Capital Improvements	(12) \$	-	
Bonded Indebtedness	(13) \$	333,829.90	
Public Facilities Construction Projects (Statutes 72-2301 to 72-2308)	(14)		
Interlocal Agreements/Joint Public Agency Agreements	(15)		
Judgments	(16)		
Refund of Property Taxes to Taxpayers	(17)		
Repairs to Infrastructure Damaged by a Natural Disaster	(18)		
<b>TOTAL LID EXCEPTIONS (B)</b>	<b>(19) \$</b>	<b>333,829.90</b>	

<b>TOTAL RESTRICTED FUNDS</b>		
<b>For Lid Computation (To Line 9 of the Lid Computation Form)</b>	<b>\$</b>	<b>166,964.95</b>
<i>To Calculate: Total Restricted Funds (A)-Line 9 MINUS Total Lid Exceptions (B)-Line 19</i>		

Total Restricted Funds for Lid Computation cannot be less than zero. See Instruction Manual on completing the Lid Supporting Schedule.



**SID # 246 in Sarpy County**

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TOTAL ALLOWABLE PERCENT INCREASE = Line (2) + Line (3) + Line (4) + Line (5)	<u>33.35</u> % (6)
Allowable Dollar Amount of Increase to Restricted Funds = Line (1) x Line (6)	<u>96,533.98</u> (7)
Total Restricted Funds Authority = Line (1) + Line (7)	<u>385,991.19</u> (8)
<b>Less:</b> Restricted Funds from Lid Supporting Schedule	<u>166,964.95</u> (9)
Total Unused Restricted Funds Authority = Line (8) - Line (9)	<u>219,026.24</u> (10)

**LINE (10) MUST BE GREATER THAN OR EQUAL TO ZERO OR  
YOU ARE IN VIOLATION OF THE LID LAW.**

**THE AMOUNT OF UNUSED RESTRICTED FUNDS AUTHORITY ON LINE (10)  
MUST BE PUBLISHED IN THE NOTICE OF BUDGET HEARING.**

2016-2017 Levy Limit Form  
Sanitary and Improvement Districts

**SID # 246 in Sarpy County**

Total Personal and Real Property Tax Request		\$ <u>499,544.85</u>
		(1)
Less Personal and Real Property Tax Request for:		
Judgments (not paid by liability insurance coverage)	( _____ )	
	(A)	
Preexisting lease-purchase contracts approved prior to <u>July 1, 1998</u>	( _____ )	
	(B)	
Bonded Indebtedness	( \$ <u>333,029.90</u> )	
	(C)	
Public Facilities Construction Projects (Statutes 72-2301 to 72-2308)	( _____ )	
	(D)	
Total Exclusions		( \$ <u>333,029.90</u> )
		(2)
Personal and Real Property Tax Request subject to Levy Limit		\$ <u>166,514.95</u>
		(3)
Valuation (Per the County Assessor)		\$ <u>55,504,984.00</u>
		(4)
Calculated Levy for Levy Limit Compliance [Line (3) Divided By Line (4) Times 100]		<u>0.300000</u>
		(5)

**Note :** Levy Limit established by State Statute Section 77-3442:  
Sanitary and Improvement District (SID) Levy - 40 cents

**Attach supporting documentation if a vote was held to exceed levy limits.**

HSMC ORIZON LLC  
CPAs, BUSINESS & TECHNOLOGY CONSULTANTS  
16924 FRANCES STREET  
OMAHA, NEBRASKA 68130



402.330.7008 / PHONE

402.330.6851 / FAX

www.hsmcorizon.com

September 6, 2016

## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Trustees  
**Sanitary and Improvement District No. 246 of  
Sarpy County, Nebraska**

Management is responsible for the accompanying historical financial statements of Sanitary and Improvement District No. 246 of Sarpy County, Nebraska (the "District"), which comprise of the statements of cash receipts and disbursements for the years ended June 30, 2016 and 2015, in accordance with the cash basis of accounting and included in the accompanying prescribed form required by the State of Nebraska Auditor of Public Accounts. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the historical financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these historical financial statements.

We have also compiled the accompanying forecasted statement of cash receipts and disbursements of the District for the year ended June 30, 2017, in accordance with attestation standards established by the American Institute of Certified Public Accountants and included in the accompanying prescribed form required by the State of Nebraska Auditor of Public Accounts.

A compilation of forecasted statements limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying forecasted statements or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

### Other Matters

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Management has elected to omit substantially all of the disclosures and summary of significant forecast assumptions ordinarily included in historical and forecasted financial statements prepared on the cash basis of accounting. If the omitted disclosures and summary of significant forecast assumptions were included in the financial statements, they might influence the user's conclusions about the District's receipts and disbursements. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The financial statements included in the accompanying prescribed form are intended to comply with the requirements of the State of Nebraska Auditor of Public Accounts, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.

**HSMC ORIZON LLC**