TRANSCRIPT OF PROCEEDINGS

$6,075,000

THE COUNTY OF SARPY, NEBRASKA
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS, SERIES 2009

Dated: date of delivery

Closing: February 18, 2009

Legal Opinion
Gilmore & Bell, P.C.
Lincoln, Nebraska

$6,075,000

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Place of Closing:	Gilmore & Bell, P.C. Wells Fargo Center, Suite 710 1248 "O" Street Lincoln, Nebraska

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I. CLOSING PARTICIPANTS

Closing took place on February 18, 2009 in the law offices of Gilmore & Bell, P.C., Wells Fargo Center, Suite 710, 1248 "O" Street, Lincoln, Nebraska, and the following persons participated:

THE COUNTY OF SARPY, NEBRASKA – County

Joni Jones, Chair
Debra J. Houghtaling, Clerk
Brian E. Hanson, Fiscal Administrator

AMERITAS INVESTMENT CORP. – Managing Underwriter

Al Eveland, Vice President

UNION BANK AND TRUST COMPANY – Registrar and Paying Agent

Ralene K. Klostermeyer, Assistant Vice President and Trust Officer

GILMORE & BELL, P.C. – Bond Counsel

Document No.

II. BASIC DOCUMENTS

Certified Copy of Bond Resolution 1

Preliminary Official Statement 2

Official Statement 3

Bond Purchase Agreement 4

Federal Tax Certificate with the following items attached: 5
- A. Debt Service Schedule and Proof of Bond Yield
- B. IRS Form 8038-G
- C. Resolution of Official Intent
- D. Description of Property Comprising the Financed Facilities

Bond Registrar and Paying Agent Agreement 6

Continuing Disclosure Agreement 7

Specimen Bonds 8

III. COUNTY DOCUMENTS

Closing Certificate with the following items attached: 9
A. Affidavit of Publication of Notice of Meeting held January 27, 2009
B. Minutes of Meeting held January 27, 2009

Request and Authorization to Authenticate, Register, and Deliver Bonds 10

IV. UNDERWRITER DOCUMENT

Closing Certificate 11

V. REGISTRAR AND PAYING AGENT DOCUMENT

Closing Certificate with the following items attached: 12
A. Authorization to Act in a Fiduciary Capacity
B. Authorized Officers

VI. MISCELLANEOUS

Rating Agency Letter 13

DTC Blanket Letter of Representations 14

State Auditor's Certificate 15

VII. LEGAL OPINION

Bond Counsel 16

* * * *

CERTIFICATE

I, **DEBRA J. HOUGHTALING**, Clerk of The County of Sarpy, Nebraska (the **"County"**), do hereby certify that attached hereto is a true, correct and complete copy of Resolution No. 2009-020 (the **"Resolution"**) passed by the Board of Commissioners of the County at a meeting duly held on January 27, 2009, authorizing the issuance of $6,075,000 aggregate principal amount of General Obligation Highway Allocation Fund Pledge Bonds, Series 2009, of the County. The undersigned hereby further certifies that the Resolution remains in full force and effect in the form appended hereto.

IN WITNESS WHEREOF, I have executed this Certificate in my official capacity.

DATED: February 18, 2009

SEAL SARPY COUNTY NEBRASKA

Clerk, The County of Sarpy, Nebraska

Attachment

BEFORE THE BOARD OF COMMISSIONERS
OF THE COUNTY OF SARPY, NEBRASKA

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS, SERIES 2009, OF THE COUNTY OF SARPY, NEBRASKA IN THE AGGREGATE PRINCIPAL AMOUNT OF $6,075,000 FOR THE PURPOSE OF PAYING THE COSTS OF CONSTRUCTING IMPROVEMENTS TO COUNTY ROADS; PRESCRIBING THE FORM AND DETAILS OF THE BONDS; PLEDGING THE RECEIPTS FROM THE NEBRASKA HIGHWAY ALLOCATION FUND AND AGREEING TO LEVY A TAX FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS WITH RESPECT THERETO; AND RELATED MATTERS	)	**RESOLUTION NO. 2009-020**

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF SARPY, NEBRASKA:

Section 1. The Board of Commissioners (the **"Board"**) of The County of Sarpy, Nebraska (the **"County"**) hereby finds and determines as follows:

(a) The County is a county and political subdivision created and existing under the laws of the State of Nebraska (the **"State"**), including, without limitation, Section 22-177, Reissue Revised Statutes of Nebraska, as amended.

(b) The County has previously constructed improvements to certain roads of the County (collectively, the **"Project"**).

(c) The costs for such improvements are not less than $11,000,000.

(d) Pursuant to Section 66-4,101, Reissue Revised Statutes of Nebraska, as amended (the **"Act"**), the County is authorized (1) to issue its general obligation highway allocation fund bonds to pay the costs of the Project, (2) to pledge funds received from the State of Nebraska Highway Allocation Fund (the **"Highway Allocation Fund"**) to the payment of the principal thereof and the interest thereon, and (3) to levy and collect a tax at such rate or rates within any applicable charter, statutory or constitutional limitation upon all the taxable property with the County, except intangible property, which, together with receipts from the Highway Allocation Fund pledged to the payment of such bonds and any other money made available and used for that purpose, will be sufficient in amount to pay the principal thereof and the interest thereon when and as the same become due.

(e) The County received $6,174,728 from the Highway Allocation Fund for the fiscal year ended June 30, 2008, and the County's expected receipts from the Highway Allocation Fund for its current fiscal year are not less than $5,824,064.

(f) The County has no bonds or other evidences of bonded indebtedness outstanding issued pursuant to or payable under the Act and the maximum annual debt service on the bonds herein authorized will not exceed $1,500,000.

(g) Taking into consideration available funds of the County for such purposes, it will be necessary for the County to issue its general obligation highway allocation fund bonds in the aggregate principal amount of $6,075,000 (the **"Bonds"**) to pay the costs of the Project.

(h) All conditions, acts and things required to exist or to be done precedent to the issuance of the Bonds, the pledging of funds and the levying of taxes as provided by the Act and in this Ordinance do exist and have been done as required by law.

Section 2. For the purpose of paying (a) the costs of the Project and (b) the costs of issuing the Bonds, the Bonds shall be and are hereby ordered issued in the aggregate principal amount of Six Million Seventy-Five Thousand Dollars ($6,075,000), designated "The County of Sarpy, Nebraska General Obligation Highway Allocation Fund Pledge Bonds, Series 2009." The Bonds shall (a) be fully registered as to both principal and interest on the books of registration maintained by Union Bank and Trust Company, the registrar and paying agent (the **"Registrar"**) therefor; (2) be issued in the denomination of $5,000 or any integral multiple thereof; (3) be numbered consecutively from R-1 upward in the order of issuance; (4) be dated the date of delivery thereof (the **"Date of Original Issue"**); and (5) mature on the dates and in the amounts and bear interest calculated on the basis of a 360-day year consisting of twelve 30-day months at the rates per annum set forth below:

Maturity Date (December 15)	**Principal Amount**	**Annual Rate of Interest**
2009	$1,195,000	1.00%
2010	1,195,000	1.35
2011	1,210,000	1.50
2012	1,225,000	1.65
2013	1,250,000	1.90

The principal of each Bond shall be paid at maturity or upon redemption prior to maturity by check or draft payable to the registered owner thereof upon presentation and surrender of such Bond at the designated corporate trust office of the Registrar (the **"Designated Office"**). Interest on the Bonds shall be payable on June 15 and December 15 of each year, beginning June 15, 2009 (each such date, an **"Interest Payment Date"**), from the Date of Original Issue or the most recent Interest Payment Date, whichever is later, until maturity or earlier redemption by check or draft mailed by the Registrar or its successor on such Interest Payment Date to the registered owners of the Bonds at such registered owner's address as it appears on the Bond register maintained by the Registrar or its successor at the close of business on the last day of the month next preceding the month in which such Interest Payment Date occurs (the **"Record Date"**), subject to the provisions of **Section 3**.

Section 3. If the date for payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the principal corporate trust offices of the Registrar are located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 4. In the event that payments of interest due on the Bonds on an Interest Payment Date are not timely made, such interest shall cease to be payable to the registered owners thereof as of the

Record Date for such Interest Payment Date and shall be payable to the registered owners of the Bonds as of a special record date for payment of defaulted interest to be designated by the Registrar whenever money for the purpose of paying such defaulted interest becomes available.

Section 5. The Bonds maturing on December 15, 2010 are not subject to redemption prior to their stated maturity. The Bonds maturing on and after December 15, 2011 are subject to redemption at the option of the County prior to the stated maturities thereof at any time on or after June 15, 2011 in whole or in part in such principal amounts and from such maturity or maturities as the County in its absolute discretion may determine, at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the date fixed for redemption. If less than all of the Bonds of a particular maturity are called for redemption, the particular Bonds of such maturity to be redeemed shall be selected by lot.

The Bonds shall be redeemed in integral multiples of $5,000. If any Bond is in a denomination in excess of $5,000, portions of the principal amount thereof in integral multiples of $5,000 may be redeemed. If less than the entire principal amount of any Bond is redeemed, upon the surrender of such Bond a new Bond of like series, maturity and interest rate in any authorized denomination shall be issued to the registered owner thereof without charge therefor for the unredeemed balance thereof.

Section 6. Notice of redemption of all or a portion of the Bonds stating their designation, date, maturity and principal amounts shall be given by the Registrar by mailing such notice by first-class mail, postage prepaid, not less than 30 days prior to the redemption date to each registered owner at its most recent address appearing upon the Bond register; provided, however, failure to mail such notice shall not affect the proceedings for redemption. Notice of redemption need not be given to the registered owner of any Bond who has waived notice of redemption. Notice of redemption having been given as provided above or notice of redemption having been waived, the Bonds so called for redemption shall become due and payable on the designated redemption date. The County shall give written notice to the Registrar of its election to redeem Bonds at least 45 days prior to such redemption date, or such shorter period as shall be acceptable to the Registrar. If on or before such redemption date funds sufficient to pay the Bonds so called for redemption at the applicable redemption price and accrued interest to such redemption date have been deposited or caused to have been deposited by the County with the Registrar for the purpose of such payment and notice of redemption thereof has been given or waived as provided herein, then from and after the date fixed for redemption interest on such Bonds so called shall cease to accrue and become payable. If such funds shall not have been so deposited with the Registrar on or before the date fixed for redemption, such call for redemption shall be revoked and the Bonds so called for redemption shall continue to be outstanding the same as though they had not been so called, and shall continue to bear interest until paid at such rate as they would have borne had they not been called for redemption and shall continue to be protected by this Resolution and entitled to the benefits and security hereof.

Section 7. The Bonds shall be executed on behalf of the County by the manual or facsimile signatures of the Chair and the Clerk. The Bonds shall initially be issued in book-entry form only using the services of The Depository Trust Company (the **"Depository"**), with one typewritten Bond being issued to the Depository. In such connection such officers are authorized to execute and deliver a letter of understanding and representation (the **"Representation Letter"**) in the form required by the Depository, for and on behalf of the County, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the Bonds. Upon the issuance of the Bonds in book entry-form, the following provisions shall apply:

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

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

(1) the accuracy of the records of the Depository, any nominees of the Depository or any Participant with respect to any ownership interest in the Bonds;

(2) the delivery to any Participant, any Beneficial Owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any notice of redemption; or

(3) the payment to any Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the Bonds. The Registrar shall make payments with respect to the Bonds only to or upon the order of the Depository or its nominee, and all such payments shall be valid and effective fully to satisfy and discharge the obligations with respect to such Bonds to the extent of the amounts so paid No person other than the Depository shall receive an authenticated Bond.

(b) Upon receipt by the Registrar of written notice from the Depository to the effect that the Depository is unable or unwilling to discharge its responsibilities, the Registrar shall issue, transfer and exchange Bonds requested by the Depository in appropriate amounts. Whenever the Depository requests the County and the Registrar to do so, the County and Registrar will cooperate with the Depository in taking appropriate action after reasonable notice (1) to arrange, with the prior written consent of the County, for a substitute depository willing and able upon reasonable and customary terms to maintain custody of the Bonds or (2) to make available Bonds registered in whatever name or names the Beneficial Owners transferring or exchanging such Bonds shall designate.

(c) Subject to any operational requirements of the Depository, if the County determines that it is desirable that certificates representing the Bonds be delivered to the Participants and/or Beneficial Owners of the Bonds and so notifies the Registrar in writing, the Registrar shall so notify the Depository, whereupon the Depository will notify the Participants of the availability through the Depository of certificates representing the Bonds. In such event, the County and the Registrar shall issue, transfer or exchange certificates representing the Bonds as requested by the Depository in appropriate amounts and in authorized denominations.

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

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

(1) any successor securities depository or its nominee;

(2) any persons, upon (A) the resignation of the Depository from its functions as depository or (B) termination of the use of the Depository pursuant to this **Section 7**.

(f) In the event of any partial redemption of a Bond, unless and until such partially redeemed Bond has been replaced in accordance with the provisions of **Section 5** hereof, the books and records of the Registrar shall govern and establish the principal amount of such Bond as is then outstanding and all of the Bonds issued to the Depository or its nominee shall contain a legend to such effect.

If for any reason the Depository resigns and is not replaced, the County shall immediately provide a supply of printed Bond certificates, duly executed by the manual or facsimile signatures of the Chair and the Clerk, for issuance upon transfers from the Depository and subsequent transfers or in the event of partial redemption. In the event that such supply of Bonds shall be insufficient to meet the requirements of the County and the Registrar for issuance of replacement Bonds upon transfer or partial redemption, the County covenants to order printed an additional supply of Bonds and to direct their execution by the manual or facsimile signature of its then duly qualified and acting Chair and Clerk. In case any officer whose signature or facsimile thereof shall appear on any Bond shall cease to be such officer before the delivery of such Bond (including any Bonds delivered to the Registrar for issuance upon transfer), such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of such Bond. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until the Registrar shall have duly executed the certificate of authentication thereon. The same representative need not sign the certificate of authentication on every Bond. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution.

Section 8. The Bonds shall be in substantially the following form:

REGISTERED **REGISTERED**
No. _____ **$**_____

UNITED STATES OF AMERICA
STATE OF NEBRASKA
THE COUNTY OF SARPY
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BOND
SERIES 2009

Dated Date	Maturity Date	Interest Rate	CUSIP Number
_____, 2009	December 15, 20__		

REGISTERED OWNER: **CEDE & CO.**

PRINCIPAL AMOUNT: _____ **DOLLARS**

THE COUNTY OF SARPY, NEBRASKA (the **"County"**) hereby acknowledges itself to owe, and for value received, promises to pay to the Registered Owner stated above or its registered assigns, the Principal Amount stated above in lawful money of the United States of America, on the Maturity Date stated above, with interest thereon calculated on the basis of a 360-day year consisting of twelve 30-day months from the Dated Date stated above at the Interest Rate per annum stated above payable on June 15 and December 15 of each year, beginning June 15, 2009 (each such date, an **"Interest Payment Date"**). The Principal Amount is payable upon presentation and surrender of this bond to Union Bank and Trust

Company, the registrar and paying agent (the **"Registrar"**) therefor, at its designated corporate trust offices in Lincoln, Nebraska. Interest on this bond shall be paid by the Registrar by mailing a check or draft on each Interest Payment Date to the registered owner hereof, as shown on the registration books required to be maintained by the Registrar, at the close of business on the last day of the month next preceding the month in which such Interest Payment Date occurs (the **"Record Date"**) to such owner's address as shown on such books and records. Any interest not so timely paid shall cease to be payable to the person entitled thereto as of the Record Date such interest was payable, and shall be payable to the person who is the registered owner of this bond as of a special record date for payment of defaulted interest to be fixed by the Registrar whenever money for such purpose becomes available.

This bond is one of an issue of fully registered bonds (the **"Bonds"**) in the aggregate principal amount of Six Million Seventy-Five Thousand Dollars ($6,075,000), of even date and like tenor except as to number, denomination, maturity date, interest rate and redemption provisions, authorized by a Resolution passed on January 27, 2009 by the Board of Commissioners of the County (the **"Resolution"**) pursuant to Section 66-4,101, Reissue Revised Statutes of Nebraska, as amended, for the purpose of paying (a) the costs of improvements to certain roads of the County (the **"Project"**) and (b) the costs of issuing the Bonds in strict compliance with the provisions of Section 66-4,101, Reissue Revised Statutes of Nebraska, as amended.

This bond is issued on a parity with and is payable from the same sources as additional highway allocation fund bond issuance in accordance with the provisions of the Resolution (the **"Additional Bonds"**). In the Resolution, the County has pledged funds received and to be received from the Highway Allocation Fund of the State of Nebraska and allocates such receipts to payment of the principal hereof and the interest hereon when and as the same becomes due on a parity with any Additional Bonds. In addition, the County has covenanted and agreed that to the extent other legally available money of the County appropriated for such purposes is insufficient to pay the principal of and interest on the Bonds when and as the same shall become due, it shall levy ad valorem taxes upon all the taxable property in the County at such rate or rates, within applicable statutory and constitutional limitations, which, together with receipts from the Highway Allocation Fund and any other money made available and used for such purpose, will be sufficient to make payment of the principal of and interest on the Bonds as the same shall become due.

Reference is hereby made to the Resolution, a copy of which is on file in the office of the Clerk, and to all the provisions of which any owner of this bond by its acceptance hereof hereby assents, for a description of and the nature and extent of the security for the Bonds; the Highway Allocation Fund and tax revenues pledged to the payment of the principal of and interest on the Bonds; the terms and provisions upon which the covenants made therein may be discharged at or prior to the maturity or redemption of the Bonds and the Bonds thereafter no longer be secured by the Resolution or be deemed to be outstanding thereunder, if money or certain specified securities shall have been deposited with the Registrar or the Treasurer sufficient and held in trust solely for the payment thereof; and for the other terms and provisions thereof.

The Bonds maturing on December 15, 2010 are not subject to redemption prior to their stated maturity. The Bonds maturing on and after December 15, 2011 are subject to redemption at the option of the County prior to the stated maturities thereof at any time on or after June 15, 2011 in whole or in part in such principal amounts and from such maturity or maturities as the County in its absolute discretion may determine, at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the date fixed for redemption. If less than all of the Bonds of a particular maturity are called for redemption, the particular Bonds of such maturity to be redeemed shall be selected by lot.

The Registrar shall give notice of the redemption of this bond by mailing such notice by first-class mail, postage prepaid, not less than 30 days prior to the date fixed for redemption to the registered owner

hereof in the manner specified in the Resolution. If less than all of the principal amount of this bond is redeemed, upon surrender of this bond the County shall issue to the registered owner hereof without charge therefor, a new bond or bonds of like series, maturity and interest rate for the then unredeemed balance of the principal amount hereof in any denomination authorized by the Resolution.

This bond is transferable by the registered owner hereof in person or by such registered owner's attorney duly authorized in writing, at the designated corporate trust offices of the Registrar in Lincoln, Nebraska, but only in the manner and subject to the limitations and conditions provided in the Resolution and upon presentation and surrender of this bond to the Registrar for cancellation. Upon any such registration of transfer, the County shall execute and the Registrar shall authenticate and deliver in exchange for this bond, a new registered bond or bonds, registered in the name of the transferee, of authorized denominations, in a principal amount equal to the principal amount of this bond, of the same series and maturity and bearing interest at the same rate. The County and the Registrar may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payments of the principal of and interest on this bond and for all other purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

If the date for payment of the principal of or interest on this bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the offices of the Registrar are located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of the Bonds did exist, did happen and were done and performed in regular and due form and time as required by law, that the Bonds do not exceed any constitutional, statutory or charter limitation on indebtedness; and that provision has been made for the payment of the principal of and interest on the Bonds as provided in the Resolution.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been executed by the Registrar.

IN WITNESS WHEREOF, THE COUNTY OF SARPY, NEBRASKA, has executed this bond by causing it to be signed by the manual or facsimile signature of the Chair and attested by the manual or facsimile signature of the Clerk.

THE COUNTY OF SARPY, NEBRASKA

ATTEST:

By: _____
Chair

By: _____
Clerk

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds described in the within-mentioned Resolution.

UNION BANK AND TRUST COMPANY,
Registrar and Paying Agent

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____
Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Bonds and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Bonds on the books kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

Dated: _____

_____
NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bonds in every particular.

Signature Guaranteed By:

_____
(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-19 (17 CFR 240.17 Ad-19))

By: _____
Title: _____

Section 9. (a) Union Bank and Trust Company is hereby appointed to act as Registrar with respect to the Bonds. The Registrar shall serve in its capacities under the terms of an agreement entitled "Bond Registrar and Paying Agent Agreement" (the **"Registrar's Agreement"**) between the County and the Registrar in substantially the form of **Exhibit A** attached hereto and made a part hereof. The Chair is hereby authorized to execute the Registrar's Agreement. If the Registrar shall merge or consolidate with another entity and the resulting entity is a bank or trust company authorized by law to conduct such business, such resulting entity shall serve as Registrar. The County reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the Bond register to the successor Registrar. The Registrar shall have only such duties and

obligations as are expressly stated herein and in the Registrar's Agreement and no other duties or obligations shall be implied to the Registrar.

(b) The Registrar shall keep and maintain for the County books for the registration and transfer of the Bonds at its Designated Office. The names and registered addresses of the registered owner(s) of the Bonds shall at all times be recorded in such books. Any Bond may be transferred pursuant to its provisions at the Designated Office by surrender of such Bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Registrar, on behalf of the County, will deliver at such offices (or send by registered mail to the transferee owner(s) thereof at such transferee owner's or owners' risk and expense), registered in the name of the transferee owner(s), a new Bond or Bonds of the same interest rate, aggregate principal amount and maturity, bearing numbers not contemporaneously then outstanding. To the extent of the denominations authorized for the Bonds by this Resolution, one Bond may be transferred for several such bonds of the same interest rate and maturity and for a like aggregate principal amount, and several Bonds may be transferred for one or several bonds, respectively, of the same interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a Bond, the surrendered Bonds shall be canceled and destroyed. The Registrar may impose a charge sufficient to defray all costs and expenses incident to registrations of transfer and exchange. In each case, the Registrar shall require the payment by the registered owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer. Bonds issued upon transfer or exchange of Bonds shall be dated as of the date six months preceding the Interest Payment Date next following the date of registration thereof in the offices of the Registrar, unless such date of registration shall be an Interest Payment Date, in which case they shall be dated as of such date of registration; provided, however, that if, as shown by the records of the Registrar, interest on the Bonds shall be in default, the Bonds issued in lieu of Bonds surrendered for transfer or exchange may be dated as of the date to which interest has been paid in full on the Bonds surrendered; and provided further, that if the date of registration shall be prior to the first Interest Payment Date, the Bonds shall be dated the Date of Original Issue. All bonds issued upon transfer of the Bonds so surrendered shall be valid obligations of the County, evidencing the same obligations as the Bonds surrendered and shall be entitled to all the benefits and protection of this Resolution to the same extent as the Bonds upon transfer of which they were delivered. The County and the Registrar shall not be required to transfer any Bond during any period from any Record Date until the immediately following Interest Payment Date or to transfer any Bond called for redemption for a period of 30 days next preceding the date fixed for redemption.

(c) The Registrar shall also be responsible for making the payments of principal and interest on the Bonds as the same become due from funds transferred to it by the County for such purpose, which transfers are hereby authorized without further action or order of the Board. Payments of interest due upon the Bonds shall be made by the Registrar by mailing a check in the amount due for such interest on each Interest Payment Date to the registered owner of each Bond addressed to such owner's registered address as of the Record Date as shown on the books of registration required to be maintained pursuant to this section. Payments of principal due at maturity or upon redemption prior to maturity shall be made by the Registrar upon presentation and surrender of such Bond at its Designated Office. The County and the Registrar may treat the registered owner of any Bond as the absolute owner of such Bond for the purpose of making payment thereon and for all other purposes. All payments on account of principal or interest made to the registered owner of any Bond shall be valid and effectual and shall be a discharge of the County and the Registrar in respect of the liability upon such Bond or claims for interest to the extent of the sum or sums so paid. Notwithstanding the foregoing, Bonds issued in book-entry form shall be paid in accordance with **Section 7**.

Section 10. For the prompt payment of the Bonds, both principal or redemption price and interest, when and as the same shall become due, the County hereby pledges all receipts now or hereafter

received by the County from the Highway Allocation Fund, as provided by the Act. The pledge provided for in this **Section 10** shall not prevent the County from applying receipts from the Highway Allocation Fund in any year so long as sufficient receipts therefrom have been set aside for the payment of the principal or redemption price of and interest on the Bonds falling due in such year. To the extent that other legally available money of the County appropriated for such purposes is insufficient to pay the principal or redemption price of and interest on the Bonds when and as the same shall become due, the County hereby further agrees that it will cause to be levied and collected annually a tax on all the taxable property in the County within any applicable statutory and constitutional limitations sufficient in amount to pay the principal or redemption price of and interest on the Bonds until the same is fully paid. The provisions of this Resolution shall constitute a contract between the County and the owners of the Bonds, and any owner may either in law or equity, by suit, action, mandamus or other proceedings enforce or compel performance of this Resolution.

Section 11. Notwithstanding anything in this Resolution to the contrary, the County reserves the right to issue additional highway allocation fund bonds (**"Additional Bonds"**) payable on a parity with the Bonds and equally and ratably secured by a pledge of receipts from the Highway Allocation Fund if the maximum annual debt service on all highway allocation fund bonds of the County outstanding upon the issuance of the Additional Bonds does not exceed the receipts from the Highway Allocation Fund for the prior fiscal year of the County.

Section 12. The proceeds of the Bonds shall be deposited with the Registrar in a separate fund and disbursed upon orders of the Board to (a) pay the costs of issuing the Bonds and (b) reimburse the County for the costs of constructing, equipping and furnishing the Project upon orders of the Board.

Section 13. The Bond Purchase Agreement (the **"Purchase Agreement"**), dated January 27, 2009, between the County and Ameritas Investment Corp., underwriter of the Bonds (the **"Underwriter"**) for the purchase of the Bonds, is hereby in all respects authorized, adopted, specified, accepted, ratified, approved, and confirmed in the form presented to the Board. The Chair is hereby authorized to execute the Purchase Agreement.

Section 14. The Bonds shall be delivered to the Registrar for registration and authentication. Upon execution, registration and authentication of the Bonds, the Registrar is authorized to deliver the Bonds to the Underwriter upon receipt of the purchase price specified in the Purchase Agreement. The Underwriter shall have the right to direct the registration of the Bonds, subject to the restrictions of this Resolution.

Section 15. The Clerk is hereby directed to make and certify a transcript of the proceedings of the County precedent to the issuance of the Bonds, a copy of which transcript shall be delivered to the Underwriter.

Section 16. (a) The County covenants and agrees that (1) it will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the **"Code"**), including Sections 103 and 141 to 150, inclusive, necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds, and (2) it will not use or permit the use of any proceeds of the Bonds or any other funds of the County, nor take or permit any other action, nor fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of the interest on the Bonds. The County will, in addition, adopt such other resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the County.

(b) The County covenants and agrees that (1) it will comply with all requirements of Section 148 of the Code to the extent applicable to the Bonds, (2) it will use the proceeds of the Bonds as soon as practicable and with all reasonable dispatch for the purposes for which the Bonds are issued, and (3) it will not invest or directly or indirectly use or permit the use of any proceeds of the Bonds or any other funds of the County in any manner, or take or omit to take any action, that would cause the Bonds to be an "arbitrage bond" within the meaning of Section 148(a) of the Code.

(c) The County covenants and agrees that it will pay or provide for the payment from time to time of all amounts required to be rebated to the United States of America (the **"United States"**) pursuant to Section 148(f) of the Code and any U.S. Treasury Regulations applicable to the Bonds from time to time. This covenant shall survive payment in full or defeasance of the Bonds. The County specifically covenants to pay or cause to be paid to the United States the required amounts of rebatable arbitrage at the times and in the amounts determined by the Federal Tax Certificate, dated the date of delivery of the Bonds (the **"Tax Certificate"**), to be prepared by bond counsel in connection with the issuance of the Bonds. The Chair is hereby authorized to execute the Tax Certificate in the form determined necessary by the Chair and bond counsel. Notwithstanding anything to the contrary contained herein, the Tax Certificate may be amended or replaced if, in the opinion of counsel nationally recognized on the subject of municipal finance, such amendment or replacement will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(d) The County covenants and agrees that it will not use any portion of the proceeds of the Bonds, including any investment income earned on such proceeds, directly or indirectly, in a manner that would cause the Bonds to be considered a "private activity bond."

(e) The foregoing covenants of this section shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to **Section 16** or any other provision of this Resolution, until the final maturity date of the Bonds.

Section 17. The County's obligation under this Resolution shall be fully discharged and satisfied as to the Bonds authorized and issued hereunder, and the Bonds shall no longer be deemed outstanding hereunder when payment of the principal of such Bonds plus interest thereon to the date of maturity or redemption thereof (a) shall have been made or caused to be made in accordance with the terms thereof; or (b) shall have been provided by depositing with the Registrar or in escrow with a national or state bank having trust powers, in trust solely for such payment (1) sufficient money to make such payment or (2) direct general obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States, or obligations of an agency of the United States (**"Government Obligations"**), in such amount and maturing as to principal and interest at such times, as will insure the availability of sufficient money to make such payment, and such Bonds shall cease to draw interest from the date of their redemption or maturity and, except for the purposes of such payment, shall no longer be entitled to the benefits of this Resolution; provided that notice of redemption shall have been duly given. If money shall have been deposited in accordance with the terms hereof with the Registrar as escrow agent in trust for that purpose sufficient to pay the principal of the Bonds, together with all interest due thereon to the due date thereof or to the date fixed for redemption, as the case may be, all liability of the County for such payment shall forthwith cease, determine and be completely discharged, and the Bonds shall no longer be considered outstanding.

Section 18. The County hereby covenants that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement, dated the date of delivery of the Bonds (the **"Disclosure Agreement"**) between the County and the Registrar, to be prepared by bond counsel in connection with the issuance of the Bonds. Notwithstanding any other provision of this Resolution, failure of the County to comply with the Disclosure Agreement shall not be considered an event of default; however, the registered owner of any Bond may take such actions as may be necessary and

appropriate, including seeking a writ of mandamus or specific performance by court order, to cause the County to comply with its obligations under this section. The Chair is hereby authorized to execute the Disclosure Agreement in the form determined necessary by the Chair and bond counsel.

Section 19. All actions heretofore taken by all officers, officials, employees and agents of the County, including without limitation the expenditure of funds and the selection, appointment and employment of bond counsel, underwriters, paying agents or registrars, in connection with the issuance and sale of the Bonds, together with all other actions taken in connection with any of the matters which are the subject hereof, be and the same is hereby in all respects authorized, adopted, specified, accepted, ratified, approved and confirmed.

Section 20. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Board hereby (a) authorizes and directs the Chair, the Clerk, the County Attorney and all other officers, officials, employees and agents of the County to carry out or cause to be carried out, and to perform such obligations of the County and such other actions as they, or any of them, in consultation with bond counsel, the Underwriter and its counsel, shall consider necessary, advisable, desirable or appropriate in connection with this Resolution and the issuance, sale and delivery of the Bonds, including, without limitation, and whenever appropriate, the execution and delivery thereof and of all other related documents, instruments, certifications and opinions, and (b) delegates, authorizes and directs the Chair the right, power and authority to exercise his independent judgment and absolute discretion in the taking of all actions and the making of all arrangements necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery of the Bonds. The execution and delivery by the Chair or by any such other officers, officials, employees or agents of the County of any such documents, instruments, certifications and opinions, or the doing by them of any act in connection with any of the matters that are the subject of this Resolution, shall constitute conclusive evidence of both the County's and their approval of the terms, provisions and contents thereof and all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the County and the authorization, approval and ratification by the County of the documents, instruments, certifications and opinions so executed and the actions so taken.

Section 21. If any one or more of the provisions of this Resolution should be determined by a court of competent jurisdiction to be contrary to law, then such provisions shall be deemed severable from the remaining provisions of this Resolution and the invalidity thereof shall in no way affect the validity of the other provisions of this Resolution or of the Bonds and the registered owner of the Bonds shall retain all the rights and benefits accorded to it under this Resolution and under any applicable provisions of law.

If any provisions of this Resolution shall be held or deemed to be or shall, in fact, be inoperative or unenforceable or invalid in any particular case in any jurisdiction or jurisdictions, or in all cases because it conflicts with any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable or invalid in any other case or circumstances, or of rendering any other provision or provisions herein contained inoperative or unenforceable or invalid to any extent whatever.

Section 22. All resolutions or orders or parts thereof in conflict with the provisions of this Resolution are to the extent of such conflict hereby repealed.

Section 23. This Resolution shall be in full force and effect from and after its passage as provided by law.

[The remainder of this page intentionally left blank.]

DATED: January 27, 2009.

BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF SARPY NEBRASKA

[SEAL]

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

APPROVED AS TO FORM
this 27 day of January, 2009.

County Attorney

ATTEST:

Clerk

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances may this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of these securities in any jurisdictions in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 16, 2009

NEW ISSUE – BOOK-ENTRY
BOOK-ENTRY

RATINGS: Moody's: "____"
See "RATINGS."

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2009 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal and Nebraska income tax purposes, except as described herein, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. The Series 2009 Bonds have ***not*** *been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See "TAX MATTERS."*

OFFICIAL STATEMENT

$6,075,000*
THE COUNTY OF SARPY, NEBRASKA
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS, SERIES 2009

Dated: date of delivery

Due: December 15, as set forth below

The Series 2009 Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company (**"DTC"**), New York, New York, which will act as securities depository for the Series 2009 Bonds. Purchases of the Series 2009 Bonds will be made in book-entry form, in the denomination of $5,000 or any integral multiple thereof through brokers and dealers who are, or who act through, DTC participants. Purchasers will not receive certificates representing their interests in Series 2009 Bonds purchased so long as DTC or a successor securities depository acts as the securities depository for the Series 2009 Bonds. So long as Cede & Co. is the registered owner of the Series 2009 Bonds, references to the Registered Owners shall mean Cede & Co., and shall not mean the Beneficial Owners (herein defined) of the Series 2009 Bonds. So long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2009 Bonds, payments of principal or redemption price of and interest on the Series 2009 Bonds will be made directly to DTC. Disbursement of such payments to DTC Participants (herein defined) is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC Participants. See **"THE SERIES 2009 BONDS – Book-Entry System."** Semiannual interest will be payable on June 15 and December 15, beginning on June 15, 2009 by Union Bank and Trust Company, as registrar and paying agent for the Series 2009 Bonds (the **"Registrar"**) as provided herein.

The Series 2009 Bonds maturing on and after December 15, 2011 are subject to redemption prior to maturity at the option of the County at any time on or after June 15, 2011. See **"THE SERIES 2009 BONDS – Redemption."**

The County will use the proceeds of the Series 2009 Bonds to pay the costs of (a) constructing improvements to certain roads of the County (the **"Project"**) and (b) issuing the Series 2009 Bonds. See **"THE PROJECT"** and **"ESTIMATED SOURCES AND USES OF FUNDS."**

The Series 2009 Bonds are issued pursuant to a resolution passed by the Board of Commissioners of the County on January 27, 2009. The Series 2009 Bonds, together with any additional highway allocation fund bonds hereafter issued (collectively, the **"Bonds"**), are payable from and equally and ratably secured by a pledge of the funds received and to be received from the Highway Allocation Fund of the State of Nebraska. In addition, to the extent that other legally available money of the County appropriated for such purposes is insufficient to pay the principal of and interest on the Bonds when and as the same shall become due, the County has agreed that it will cause to be levied and collected annually ad valorem taxes on all the taxable property in the County within any applicable statutory and constitutional limitations sufficient in amount to pay the principal of and interest on the Bonds until the same is fully paid. The full faith and credit of the County is pledged to the prompt payment of the principal of and interest on the Bonds. See **"SECURITY"** and **"NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION."**

MATURITY SCHEDULE

Maturity (December 15)	Principal Amount*	Interest Rate	Yield	Price	CUSIP Number
2009	$1,180,000				
2010	1,180,000				
2011	1,205,000				
2012	1,240,000				
2013	1,270,000				

The Series 2009 Bonds are offered in book entry form only when, as and if issued by the County and accepted by the Underwriter, subject to the approval of legality by Gilmore & Bell, P.C., Lincoln, Nebraska, Bond Counsel. It is expected that the Series 2009 Bonds in definitive form will be available for delivery through DTC on or about February 18, 2009.

AMERITAS INVESTMENT CORP.

The Date of this Official Statement is January ___, 2009.

*Preliminary, subject to change.

THE COUNY OF SARPY, NEBRASKA

COUNTY OFFICIALS

Board of Commissioners

Joni Jones, Chair
Tom Richards
Rusty Hike
Rich Jansen
Pat Thomas

County Administration

Deb Houghtaling, County Clerk
Rich James, County Treasurer
Dan Pittman, County Assessor
L. Kenneth Polikov, County Attorney

BOND COUNSEL

Gilmore & Bell, P.C.,

REGISTRAR AND PAYING AGENT

Union Bank and Trust Company

UNDERWRITER

Ameritas Investment Corp.

REGARDING USE OF THIS OFFICIAL STATEMENT

AUTHORIZED INFORMATION AND REPRESENTATIONS

No dealer, broker, sales representative or other person has been authorized by the County or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement; and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2009 Bonds 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 obtained from the County and other sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The Underwriter has provided the following sentence for inclusion in this Official Statement: "The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information." The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstance, create any implication that there has been no change in the affairs of the County since the date hereof.

REGISTRATION EXEMPTION

The Series 2009 Bonds have not been registered with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended (the **"Securities Act"**), in reliance upon an exemption contained in the Securities Act. In making an investment decision, investors must rely upon their own examination of the County and the terms of the offering, including the merits and risks involved. No federal or state securities commission or regulatory authority has recommended the Series 2009 Bonds. Moreover, none of the foregoing authorities has confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "budget," "intend" or other 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. Neither the County nor any other party plans to issue any updates or revisions to those forward-looking statements if or when the expectations, or events, conditions or circumstances upon which such statements are based occur.

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THE UNDERWRITER INTENDS TO OFFER THE SERIES 2009 BONDS INITIALLY AT THE OFFERING PRICES SET FORTH ON THE COVER PAGE OF THIS OFFICIAL STATEMENT, WHICH MAY SUBSEQUENTLY CHANGE WITHOUT ANY REQUIREMENT OF PRIOR NOTICE. IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2009 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFICIAL STATEMENT IS NOT, AND MAY NOT BE CONSTRUED AS, A CONTRACT WITH THE PURCHASERS OF THE SERIES 2009 BONDS. STATEMENTS CONTAINED IN THE OFFICIAL STATEMENT WHICH INVOLVE ESTIMATES, FORECASTS, OR MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY SO DESCRIBED HEREIN, ARE INTENDED SOLELY AS SUCH AND ARE NOT TO BE CONSTRUED AS A REPRESENTATION OF FACTS.

OFFICIAL STATEMENT

$6,075,000*

THE COUNTY OF SARPY, NEBRASKA
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS, SERIES 2009

INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information relating to (a) The County of Sarpy, Nebraska (the **"County"**), and (b) the General Obligation Highway Allocation Fund Pledge Bonds, Series 2009 (the **"Series 2009 Bonds"**) of the County, dated the date of delivery thereof, to be issued in the aggregate principal amount of $6,075,000.*

The County

The County is a county and political subdivision created and existing under the laws of the State of Nebraska (the **"State"**), including, without limitation, Section 22-177, Reissue Revised Statutes of Nebraska, as amended. See **"THE COUNTY."**

The Series 2009 Bonds

The Series 2009 Bonds will be issued pursuant to a resolution passed January 27, 2009 (the **"Bond Resolution"**) by the Board of Commissioners of the County for the purpose of paying (a) the costs of constructing improvements to certain roads of the County (the **"Project"**), and (b) the costs of issuing the Series 2009 Bonds. See **"PLAN OF FINANCING"** and **"THE SERIES 2009 BONDS."**

Security and Source of Payment

The Series 2009 Bonds, together with any additional highway allocation fund bonds hereafter issued (collectively, the **"Bonds"**), are payable from and equally and ratably secured by a pledge of the funds received and to be received from the Highway Allocation Fund of the State of Nebraska. In addition, to the extent that other legally available money of the County appropriated for such purposes is insufficient to pay the principal of and interest on the Bonds when and as the same shall become due, the County has agreed that it will cause to be levied and collected annually ad valorem taxes on all the taxable property in the County within any applicable statutory and constitutional limitations sufficient in amount to pay the principal of and interest on the Bonds until the same is fully paid. The full faith and credit of the County is pledged to the prompt payment of the principal of and interest on the Series 2009 Bonds. See **"SECURITY"** and **"NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION."**

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*Preliminary; subject to change.

Financial Statements

Audited financial statements of the County, as of and for the year ended June 30, 2007, are included in "**APPENDIX B – FINANCIAL STATEMENTS.**" These financial statements have been audited by Orizon CPAs LLC, independent certified public accountants, to the extent and for the periods indicated in their report, which is also included in "**APPENDIX B – FINANCIAL STATEMENTS.**"

Ratings

The Series 2009 Bonds have been rated "___" by Moody's Investors Service, Inc. See "**MISCELLANEOUS – Ratings.**"

THE COUNTY

The County is a county and political subdivision created and existing under the laws of the State, including, without limitation, Section 22-177, Reissue Revised Statutes of Nebraska, as amended. The County encompasses approximately 249 square miles and is located on the eastern border of Nebraska immediately south of Omaha. The County includes the cities of Bellevue, Papillion, LaVista, Gretna and Springfield, and has a current estimated population of 146,756. See "**APPENDIX A – THE COUNTY OF SARPY, NEBRASKA**" and "**APPENDIX B - FINANCIAL STATEMENTS.**"

PLAN OF FINANCING

Authorization and Purpose of Bonds

The Series 2009 Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State including, particularly, Section 66-4,101, Reissue Revised Statutes of Nebraska, as amended (the "**Act**"). The Series 2009 Bonds will be issued pursuant to the Bond Resolution for the purpose of paying (a) the costs of the Project and (b) the costs of issuing the Series 2009 Bonds

The Project

The Project consists of constructing improvements to certain roads of the County. The County received approximately $7,000,000 in federal funds for the construction of 96th Street in the County. A preliminary review by the Federal Highway Administration ("**FHWA**") determined that certain regulations regarding the purchase of right-of-way may not have been followed. The County was compelled to refund the $7,000,000 in federal funds that had been received. The proceeds of the Bonds will be deposited in the Sarpy County Road fund to replace the money refunded to FHWA. The decision of FHWA is being appealed by the County.

Sources and Uses of Funds

The following table summarizes the estimated sources of funds, including the proceeds from the sale of the Series 2009 Bonds, and the expected uses of such funds, in connection with the plan of financing:

Sources of Funds:

Proceeds of the Series 2009 Bonds	$
Total	$

Uses of Funds:

Deposit to Sarpy County Road Fund	$
Costs of Issuance	
Total	$

THE SERIES 2009 BONDS

The following is a summary of certain terms and provisions of the Series 2009 Bonds. Reference is hereby made to the Series 2009 Bonds and the provisions of the Bond Resolution for the detailed terms and provisions thereof.

Principal Maturities and Interest Rates

The Series 2009 Bonds will be dated the date of delivery thereof, numbered from R-1 upward in order of their issuance, mature on December 15 in the years and in the principal amounts set forth on the cover page of this Official Statement and bear interest calculated on the basis of a 360-day year consisting of twelve 30-day months at the rates per annum set forth on the cover page hereof. Interest is payable on June 15 and December 15 of each year, commencing June 15, 2009. The **"Record Date"** for each installment of interest shall be the 15th day (whether or not a business day) next preceding such interest payment date.

Form and Denomination

The Series 2009 Bonds are issuable as fully registered bonds and when issued will initially be available in book-entry form only in denominations of $5,000 and any integral multiple thereof. See **"THE SERIES 2009 BONDS – Book-Entry System."**

Place of Payment

Unless the Series 2009 Bonds are being held in book-entry form only, the principal or redemption price thereof due at maturity or upon redemption prior to maturity is payable upon presentation and surrender of the Series 2009 Bonds to Union Bank and Trust Company, as bond registrar and paying agent (the **"Registrar"**), at its designated corporate trust administration office in Lincoln, Nebraska. Interest on the Series 2009 Bonds is payable by check or draft mailed on the date such interest is payable by the Registrar to the registered owner of such Bonds at such registered owner's address as shown on the Record Date on the books of registry kept by the Registrar. During such time as the Series 2009 Bonds are being held in book-entry form only, the principal or redemption price of and interest on the Series 2009 Bonds are payable as described under **"THE SERIES 2009 BONDS – Book-Entry System."**

Redemption

Optional Redemption. The Series 2009 Bonds maturing December 15, 2010 are not subject to optional redemption prior to their stated maturities. The Series 2009 Bonds maturing on and after December 15, 2011 are subject to optional redemption at the option of the County prior to the stated maturities thereof at any time on or after June 15, 2011 in such principal amounts and from such maturity or maturities as the County in its absolute discretion may determine, at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the date fixed for redemption.

Partial Redemption. The Series 2009 Bonds shall be redeemed in whole multiples of $5,000 and if any Series 2009 Bond be in a denomination in excess of $5,000, portions of the principal amount thereof in installments of $5,000 or any integral multiple thereof may be redeemed, and if less than all of the principal amount thereof is to be redeemed, in such case upon the surrender of such Series 2009 Bond, there shall be issued to the registered owner thereof without charge therefor, for the then unredeemed balance of the principal amount thereof, registered bonds of like series, maturity and interest rate in any of the authorized denominations provided by the Bond Resolution.

Notice of Redemption. Notice of redemption of any Series 2009 Bond shall be sent by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption to the registered owner thereof at the address maintained by the Registrar. No further interest shall accrue after the redemption date on any Series 2009 Bonds duly called for redemption if payment thereof has been duly provided for with the Registrar.

Book-Entry System

General. The Series 2009 Bonds will be made available initially in book-entry form only in denominations of $5,000 each and integral multiples thereof. The Depository Trust Company (**"DTC"**), New York, New York, will act as securities depository for the Series 2009 Bonds. The ownership of one fully registered Series 2009 Bond for each maturity, as set forth on the cover of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as the nominee for DTC. Ownership interests in the Series 2009 Bonds will be available to purchasers only through the book-entry system maintained by DTC (the **"Book-Entry System"**). A description of DTC, the Book-Entry System and definitions of initially capitalized terms used under this heading are found in **"APPENDIX D – BOOK-ENTRY SYSTEM."**

Risk Factors. Beneficial Owners of the Series 2009 Bonds may experience some delay in their receipt of distributions of the principal or redemption price of and interest on the Series 2009 Bonds because such distributions will be forwarded by the Registrar to DTC, credited by DTC to the accounts of its Direct Participants, which will thereafter credit them to the accounts of the Beneficial Owners either directly or indirectly through Indirect Participants.

Because transactions in the Series 2009 Bonds can be effected only through DTC, DTC Participants and certain banks, the ability of a Beneficial Owner to pledge a Series 2009 Bond to persons or entities that do not participate in the Book-Entry System or otherwise to take actions in respect of such Series 2009 Bonds may be limited due to the lack of physical certificates. Beneficial Owners will not be recognized by the Registrar as registered owners for purposes of the Bond Resolution, and Beneficial Owners will be permitted to exercise the rights of registered owners only indirectly through DTC and DTC Participants.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Series 2009 Bonds, but neither the failure to print such numbers on any Series 2009 Bonds, nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and payment for any Series 2009 Bonds.

SECURITY

The Series 2009 Bonds, together with any additional highway allocation fund bonds hereafter issued (collectively, the **"Bonds"**), are payable from and equally and ratably secured by a pledge of the funds received and to be received from the Highway Allocation Fund of the State of Nebraska. In addition, to the extent that other legally available money of the County appropriated for such purposes is insufficient to pay the principal of and interest on the Bonds when and as the same shall become due, the County has agreed that it will cause to be levied and collected annually ad valorem taxes on all the taxable property in the County within any applicable statutory and constitutional limitations sufficient

in amount to pay the principal of and interest on the Bonds until the same is fully paid. The full faith and credit of the County is pledged to the prompt payment of the principal of and interest on the Series 2009 Bonds. See **"NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION."**

The pledge of money received from the Highway Allocation Fund shall not prevent the County from applying receipts from the Highway Allocation Fund in any year for other lawful purposes so long as sufficient receipts from the Highway Allocation Fund have been set aside for the payment of the principal of and interest falling due in such year on the Bonds. Pursuant to the Bond Resolution, the County has reserved the right to issue additional highway allocation fund bonds (the **"Additional Bonds"**) payable on a parity with the Series 2009 Bonds and equally and ratably secured by a pledge of the receipts from the Highway Allocation Fund if the maximum annual debt service on all highway allocation fund bonds of the County outstanding upon the issuance of such Additional Bonds does not exceed the receipts from the Highway Allocation Fund for the prior fiscal year of the County.

Maximum annual debt service on the Series 2009 Bonds is $_____. See **"DEBT SERVICE SCHEDULE."** The County received $6,174,728 from the Highway Allocation Fund during the fiscal year ended June 30, 2008 and expects to receive approximately $5,824,604 from the Highway Allocation Fund during the fiscal year ending June 30, 2009. The County currently uses receipts from the Highway Allocation Fund to pay the costs of road construction and maintenance.

Among the factors affecting an investment in the Series 2009 Bonds, potential investors should be aware that the United States Bankruptcy Code enables debtors (including political subdivisions such as the County) that are insolvent to obtain relief through petition and plan which may result in the modification or delay of payments to creditors, including bondholders. In the event of any insolvency upon the part of the County, the holders of the Series 2009 Bonds would be treated as general creditors of the County along with other unsecured claimants. The extent to which the exception from limitations upon overall tax rates provided for in existing legislation might entitle bondholders to be treated as a separate class or otherwise given priority over other unsecured claimants is a matter that would be subject to future determinations of State and federal courts interpreting and applying both State law and the United States Bankruptcy Code. Procedures under the Bankruptcy Code or other insolvency laws could result in delays in payment and modifications of payment rights. The State has authorized its political subdivisions to seek relief under the United States Bankruptcy Code.

DEBT SERVICE SCHEDULE

Year Ending December 15	Principal	Interest	Total
2009	,000.00		
2010	,000.00		
2011	,000.00		
2012	,000.00		
2013	,000.00		
TOTAL			

NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION

The State Legislature (the **"Legislature"**) has enacted legislation intended to reduce the level of expenditures and property taxes by political subdivisions in the State. Sections 13-518 to 13-522, inclusive, Reissue Revised Statutes of Nebraska, as amended, and related sections (collectively, the **"Budget Limitations"**), limit the increase of certain restricted funds that may be budgeted by governmental units such as the County. Such restricted funds include

property taxes, sales taxes and other funding sources used to fund the County's tax supported budget, but exclude restricted funds pledged to retire bonded indebtedness. The Budget Limitations currently provide for a base limitation of 2.5% upon increases plus the percentage increase in the property tax provided by new construction, improvements to existing property, annexations and new personal property added to the property tax base. The base limitation is subject to review by the Legislature from year to year and may be exceeded by an additional 1% upon an affirmative vote of at least 75% of the governing body. The Budget Limitations are enforced through the office of the Auditor of Public Accounts of the State and State aid may be withheld from governmental units that fail to comply. The Budget Limitations do not apply to the revenues of proprietary funds except to the extent such revenues are used for general fund purposes.

The County's tax base growth has exceeded the base limitation of 2.5% each year the Budget Limitations have been in effect. Unused restricted fund authority from prior years can be carried over into future fiscal years to use in addition to the annual increases allowed. As of June 30, 2008, the County had accumulated $3,669,759 of unused restricted funds authority that would be available for future fiscal years.

The Legislature has also enacted Section 77-3442, Reissue Revised Statutes of Nebraska, as amended, and related sections (collectively, the **"Levy Limitations"**), to provide overall limitations on the property tax levies of political subdivisions, including the County. The Levy Limitations expressly exclude any property taxes levied for bonded indebtedness. The maximum levy for the County is presently set at 45¢ per $100 of taxable valuation with an additional 5¢ per $100 of taxable valuation available to provide for the County's share of revenue required under any agreement executed by the County with another governmental unit pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. The County may allocate up to 15¢ of its authority to other political subdivisions subject to allocation of authority under Section 77-3443(1), Reissue Revised Statutes of Nebraska, as amended, to levy taxes as authorized by law which do not collectively exceed 15¢ per $100 of taxable valuation on any parcel or item of taxable property. The County may exceed the Levy Limitations or a final levy allocation by an amount not to exceed a maximum levy approved by a majority of registered voters.

Ad valorem taxes levied to pay debt service on the Bonds are not subject to either the Budget Limitations or the Levy Limitations. However, the Nebraska Constitution imposes a maximum levy on the County of 50¢ per $100 of taxable valuation of property subject to the levy. The County's total levy (including bond levy) for its 2008-09 fiscal year is 29.90¢ which is expected to produce $32,139,779 in collected taxes.

Future legislation, decisions of the Nebraska Supreme Court, or initiative petitions proposed and passed by qualified voters in the State may alter the Budget Limitations and the Levy Limitations, or may otherwise modify the sources of and limitations on the revenues used by governmental units in the State to finance their activities.

LEGAL MATTERS

Legal Proceedings

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or threatened raising, or which may raise, any question or dispute or affecting in any way the legal organization of the County or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Series 2009 Bonds, or the constitutionality or validity of the Series 2009 Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof, or which might affect the County's ability to meet its obligations to pay the Series 2009 Bonds.

Approval of Legality

All legal matters incident to the authorization and issuance of the Series 2009 Bonds are subject to the approval of Gilmore & Bell, P.C., Lincoln, Nebraska, Bond Counsel. Bond Counsel has participated in the preparation of this Official Statement, but the factual and financial information appearing herein has been supplied or reviewed by certain officials of the County and certified public accountants, as referred to herein, and Bond Counsel expresses no opinion as to the accuracy or sufficiency thereof except for the matters appearing in the sections of this Official Statement captioned **"THE BONDS," "LEGAL MATTERS - Approval of Legality"** and **"TAX MATTERS."**

TAX MATTERS

Tax Opinion of Bond Counsel

Federal and Nebraska Tax Exemption. In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law, the interest on the Series 2009 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal and Nebraska income tax purposes. Interest on the Series 2009 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals and corporations but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinions set forth in this paragraph are subject to the condition that the County comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2009 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal and Nebraska income tax purposes. The County has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2009 Bonds in gross income for federal and Nebraska income tax purposes retroactive to the date of issuance of the Series 2009 Bonds.

Bank Qualification. The Series 2009 Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b) of the Code.

Original Issue Discount. In the opinion of Bond Counsel, under existing law, the original issue discount in the selling price of each Series 2009 Bond purchased in the original offering at a price less than the principal amount thereof, to the extent properly allocable to each owner of such Series 2009 Bond, is excludable from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such Series 2009 Bond over its initial offering price to the public (excluding underwriters and intermediaries) at which price a substantial amount of the Series 2009 Bonds were sold. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner during any accrual period generally equals (i) the issue price of such Series 2009 Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity on such Series 2009 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (iii) any interest payable on such Series 2009 Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in such Series 2009 Bond. Owners of any Series 2009 Bonds purchased at an original issue discount should consult with their tax advisors regarding the determination and treatment of original issue discount for federal income tax purposes and the state and local tax consequences of owning such Series 2009 Bonds.

Original Issue Premium. An amount equal to the excess of the purchase price of a Series 2009 Bond over its stated principal amount at maturity constitutes premium on such Series 2009 Bond. An owner of a Series 2009 Bond must amortize any premium over such Series 2009 Bond's term using constant yield principles, based on the Series 2009 Bond's yield to maturity. As premium is amortized, the owner's basis in such Series 2009 Bond and the amount of

tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to such owner. This will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of such Series 2009 Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Owners of any Series 2009 Bonds purchased at a premium, whether at the time of initial issuance or subsequent thereto, should consult their individual tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Series 2009 Bonds.

No Other Opinions. Bond Counsel expresses no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2009 Bonds.

Other Tax Consequences

Prospective purchasers of the Series 2009 Bonds should be aware that ownership of the Series 2009 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2009 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2009 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2009 Bonds, including the possible application of state, local, foreign and other tax laws.

MISCELLANEOUS

Ratings

Moody's Investors Service, Inc. has assigned the Series 2009 Bonds a rating of "___." Such rating reflects only the views of such organization, and an explanation of the significance of such ratings may be obtained from Moody's Investors Service, 7 World Trade Center, 350 Greenwich Street, 23rd Flood, New York, New York 10007, telephone (212) 553-0300.

Generally, a rating agency bases its rating on such information and materials and investigations, studies and assumptions furnished to and obtained and made by the rating agency. The rating is not a recommendation to purchase, sell or hold a security, inasmuch as it does not comment as to market price or suitability for a particular investor. There is no assurance that the above rating will remain for any given period of time or that it may not be lowered, suspended or withdrawn entirely by such rating agency if it deems circumstances are appropriate. Any downward change in, suspension or withdrawal of such rating may have an adverse effect on the market price of the Series 2009 Bonds.

Underwriting

The Underwriter has agreed, subject to certain conditions, to purchase the Series 2009 Bonds from the County at a price equal to $_____ (representing the principal amount of the Series 2009 Bonds [less/plus] net original issue [discount/premium] in the amount of $_____ with respect to the Series 2009 Bonds). The Underwriter is purchasing the Series 2009 Bonds from the County for resale in the normal course of their business activities. The Underwriter reserves the right to offer any of the Series 2009 Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

The Underwriter has read and participated in the preparation of certain portions of this Official Statement and has supervised the compilation and editing thereof. The Underwriter has not, however, independently verified the factual and financial information contained in this Official Statement and, accordingly, expresses no view as to the sufficiency or accuracy thereof.

Certification and Other Matters Regarding Official Statement

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the County, certified public accountants, and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized.

Simultaneously with the delivery of the Series 2009 Bonds, the County will furnish to the Underwriter a certificate which shall state, among other things, that to the best knowledge and belief of such officer, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

The form of this Official Statement, and its distribution and use by the Underwriter, has been approved by the County. Neither the County nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the County or the County's ability to make payments required of it; and further, neither the County nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Series 2009 Bonds other than those either expressly or by fair implication imposed on the County by the Bond Resolution.

Continuing Disclosure

The County has covenanted for the benefit of the Beneficial Owners of the Series 2009 Bonds to provide certain financial information and operating data relating to the County no later than eight months following the end of the County's fiscal year (currently June 30) (the **"Annual Report"**), beginning with the report for the 2008-2009 fiscal year, and to provide notices of the occurrence of certain enumerated events, if material. The Annual Report and any notice of a material event will be filed by the Registrar through the Electronic Municipal Market Access e system stablished by the Municipal Securities Rulemaking Board. The proposed form of the County's Continuing Disclosure Agreement is attached to this Official Statement as **"APPENDIX C – FORM OF CONTINUING DISCLOSURE AGREEMENT."** These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5) (the **"Rule"**).

A failure by the County to comply with the Continuing Disclosure Agreement will not constitute a default under the Bond Resolution, although Beneficial Owners will have any available remedy at law or in equity. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2009 Bonds and their market price. The County is in compliance with each prior undertaking made by it pursuant to the Rule.

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APPENDIX A

THE COUNTY OF SARPY, NEBRASKA

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THE COUNTY OF SARPY, NEBRASKA

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. Current population of the County is estimated at 146,756.

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: Mapa Region 2007 Census place estimates

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 2007 was 75,674. Approximately 10,019 additional people are members of the military assigned to Offutt Air Force Base in Bellevue.

Source: State of Nebraska,
http://info.neded.org/files/research/stathand/csect5.htm (for civilian labor); Sarpy County Department of Labor Planning and Development, John Yochum (for military assigned).

Per Capita Personal Income. In 2006, the per capita personal income of Sarpy County residents was $34,478, which was 99.9 percent of the Nebraska average per capita income of $34,440. The lower per capita income is explained by Sarpy County's 28.7% population under age 18.

Source: http://info.neded.org/files/research/stathand/bsect9.htm (for population under 17 2005 Census Update);
http://info.neded.org/files/research/stathand/dsect7.htm (for per capita personal income by County)

Median Household Income. In 2006 the median income of households in Sarpy County was $61,961. Ninety percent of the households received earnings and 19% received retirement income other than Social Security. Seventeen percent of the households received Social Security. The average income from Social Security was $15,037. These income sources are not mutually exclusive; that is, some households received income from more than one source.

Source: http://factfinder.census.gov

Sales. Net taxable sales (excluding motor vehicles) within the County increased from $885,489,436 in 2006 to $1,002,214,274 in 2007, representing a 13.2% growth rate over the prior year.

Source: Nebraska Department of Revenue Research Department – http://www.revenue.ne.gov/research/sales_07/annual/07.htm

Employers

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

COMPANY	ADDRESS	PHONE	EMPL	IND.
Offutt Air Force Base	205 Looking Glass Ave. #123 Offutt AFB, NE 68113-6000	294-5533	10,019	Military
PayPal, Inc.	12312 Port Grace Blvd. LaVista, NE 68128	935-2000	3,000	Service
Werner Enterprises	Hwy 50 & I-80 Omaha, NE 68138	895-6640	1,686	Trucking
Papillion-LaVista Schools	420 South Washington Street Papillion, NE 68046	537-6200	1,447	Education
Bellevue Public Schools	1600 Hwy 370 Bellevue, NE 68005	293-4000	1,383	Education
AmeriTrade (Southroads)	1001 Fort Crook Road North Bellevue, NE 68005	970-7000	1,050	Financial
Northrop Grumman Info Technology	3200 Sampson Way Bellevue, NE 68005	291-8300	680	Service
Sarpy County Government	1210 Golden Gate Dr. #1126 Papillion, NE 68046	593-2100	575	Government
Bellevue University	1000 Galvin Road S. Bellevue, NE 68005	293-2000	570	Education
Alegent Health Midlands Hospital	1111 South 84th Street Papillion, NE 68046	593-3000	560	Healthcare
InfoUSA	1020 East First Street Papillion, NE 68046	593-4500	480	Service
Wal-Mart Super Center	10504 S. 15th Street Bellevue, NE 68005	292-0156	460	Retail
Professional Veterinary Products	10077 S. 134th Street Omaha, NE 68138	331-4440	330	Distribution
Gretna Public Schools	11717 S. 216th Street Gretna, NE 68028	332-3265	320	Education
Streck Laboratories, Inc.	7002 S. 109th Street LaVista, NE 68128	333-1982	310	Mfg.
Super Target Store	718 North Washington Street Papillion, NE 68046	597-9990	260	Retail
Omni Engineering, Inc.	14012 Giles Road Omaha, NE 68138	895-6666	250	Construction
CSG Systems	14301 Chandler Road Omaha, NE 68138	964-1601	248	Service
Coreslab Structures, Inc. (former Wilson Concrete)	102 Fort Crook Road S. Bellevue, NE 68005	291-0733	246	Mfg.
City of Bellevue	210 West Mission Ave. Bellevue, NE 68005	293-3000	242	Government

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

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

BUSINESS NAME	2008 TAXES	NATURE OF BUSINESS
Werner Leasing, Inc./Werner Enterprises	$914,419.66	Lease/Trucking Company
Wells Exchange-Maass Rd/Samson Way	802,203.38	Foreign LLC
Paypal, Inc.	693,859.30	Commercial Business
Walmart Real Estate/Stores	641,533.52	Retail Business
Harrison Hills Apartments	637,038.12	Apartments
Emperian Bellevue Landings/Overlook	621,433.12	Apartments
Offutt AFB America	621,028.42	Base Housing
Shopko Properties/Real Estate	566,346.66	Distribution
Toys NE QRD 15-74 inc.	509,151.60	Distribution
Rock Creek Apartments	420,961.18	Apartments
Shadow Lake Towne Center LLC	395,602.60	Retail Business
Cole Mt. Papillion NE LLC	394,973.40	Retail Business
Tregaron Oaks Apartments LP	390,619.40	Apartments
Pointe Partnership	381,150.60	Apartments
Rogers Development, Inc.	360,588.58	Land Development
Edward Rose Development Co.	344,973.68	Apartments
Brentwood Crossing Associates	335,042.36	Retail Business
Cox Com/Nebraska/Residential	334,714.00	Telecommunication
Cabela's	333,727.10	Retail Business
SFI LTD Partnership II, V, & 8	326,904.28	Commercial Business

Totals based on names on file.
Source: Sarpy County Treasurer's Office.

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 tax levy for fiscal year 2008-2009 is 29.99 cents per $100 of actual valuation.

Communication System Building Bonds

The County issued bonds on November 15, 1994 in the amount of $4,250,000 for the purchase of an 800 MHz communications system. Refunding bonds were issued September 11, 1995 in the amount of $4,355,000. Refunding bonds were again issued on May 1, 2002 in the amount of $2,690,000, of which $395,000 remain outstanding.

Limited Tax Building Bonds, Series 2001 (Juvenile Justice Center)

The County issued $4,200,000 Limited Tax Building Bonds dated August 8, 2001 to finance the construction of a Juvenile Justice Center. These bonds were paid in full during the 2008 fiscal year.

Limited Tax Building Bonds, Series 2007 (Sarpy County 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, $5,760,000 of which remain outstanding.

Limited Tax Building Bonds, Series 2008 (Sarpy County Courthouse Remodel)

The County issued $5,700,000 Limited Tax Building Bonds dated June 5, 2008 to finance the remodeling and renovation of the existing Courthouse, all of which remain outstanding.

Actual Value Of Taxable Property

Tax Year	Actual Valuation	Percentage of Growth
1983	$ 1,378,048,877.00	
1984	1,452,664,322.00	5.41%
1985	1,659,597,825.00	14.25
1986	1,821,239,246.00	9.74
1987	1,980,359,313.00	8.74
1988	2,062,854,196.00	4.17
1989	2,261,355,091.00	9.62
1990	2,349,891,617.00	3.92
1991	2,431,061,220.00	3.45
1992	2,561,062,677.00	5.35
1993	2,650,331,593.00	3.49
1994	2,891,557,806.00	9.10
1995	3,141,831,468.00	8.66
1996	3,526,624,681.00	12.25
1997*	3,489,589,938.00	-1.05
1998	3,929,398,249.00	12.60
1999	4,315,965,022.00	9.84
2000	5,073,481,790.00	17.55
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

*Reduction is due to legislation excluding motor vehicles from tax base. The value of real and personal property actually increased by approximately $341,000,000.

Source: The County Assessor

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Tax Levies And Collections

	2005	2006	2007
TAX CERTIFIED BY THE ASSESSOR			
Real Estate	$167,086,690	$187,152,005	$197,250,093
Personal	4,497,122	4,505,172	4,989,056
Centrally Assessed	1,177,018	1,118,341	11,712,333
	172,760,830	192,775,518	203,410,482
CORRECTION			
TIF	628,868	694,450	610,817
Additions	496,671	187,795	144,954
Deductions	(293,060)	(306,979)	(248,655)
	832,479	575,266	507,116
CORRECT CERTIFIED TAX	$173,593,309	$193,350,784	$203,917,598
NET TAX COLLECTED BY THE COUNTY TREASURER DURING YEARS ENDED:			
June 30, 2005	$ 93,640,514.74		
June 30, 2006	79,798,141.00	$102,678,212.00	
June 30, 2007	173,245.77	90,282,655.03	$109,919,970.82
	$173,611,904.51	$192,960,877.03	$109,919,970.82
TOTAL UNCOLLECTED TAX	$ (18,505.51)	$ 389,906.97	$93,997,627.18
PERCENTAGE UNCOLLECTED TAX	-0.01%	0.20%	46.10%

Source: Unaudited Financial Statements

History of County Tax Levies(Cents Per $100 Of Assessed Valuation)

Year	Amount
1985	38.893¢
1986	45.345
1987	45.259
1988	45.293
1989	44.925
1990	44.946
1991	44.923
1992	43.891
1993	43.643
1994	40.517
1995	40.719
1996	36.730
1997	34.612
1998	34.052
1999	30.932
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

Source: The County

Sarpy County Population (1970-2007)

Year	Population
April 1, 1979 (census)	66,200
April 1, 1980 (census)	86,015
July 1, 1982 (estimate)	91,359
July 1, 1984 (estimate)	93,589
July 1, 1986 (estimate)	95,600
July 1, 1988 (estimate)	98,500
July 1, 1990 (estimate)	102,582
July 1, 1991 (estimate)	105,012
July 1, 1993 (estimate)	108,000
July 1, 1994 (estimate)	109,000
July 1, 1995 (estimate)	112,000
July 1, 1996 (estimate)	116,271
January 1, 1998 (estimate)	120,329
February, 1999 (estimate)	122,495
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

Source: *www.mapacog.org

Sarpy County Building Permits*

	Single Family		Multi Family	
Year	Permits	Value	Permits	Value
1990	509	$25,290,087	16	$3,742,470
1991	677	37,758,340	7	1,640,950
1992	536	39,713,646	15	2,656,241
1993	236	16,568,130	0	0
1994	264	20,137,242	1	1,288,160
1995	232	18,020,733	1	726,600
1996	285	24,679,195	1	799,575
1997	292	24,751,428	0	0
1998	342	27,271,098	5	6,720,000
1999	341	30,254,924	4	4,815,220
2000	258	26,190,175	10	14,040,000
2001	281	28,562,177	0	0
2002	340	35,253,309	0	0
2003	467	49,115,417	2	460,880
2004	696	71,447,719	0	0
2005	685	72,518,595	0	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

Year	Commercial/Industrial Permits	Value
1990	95	$10,813,986
1991	88	8,593,578
1992	45	16,152,792
1993	14	10,354,400
1994	15	3,009,641
1995	22	7,369,264
1996	17	8,033,800
1997	18	4,588,647
1998	44	16,488,396
1999	24	18,374,200
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

Source: Sarpy County Building and Planning Department

*Includes only areas outside city zoning jurisdictions.

CASH FUNDS ON HAND

Operating Funds:	6/30/2003	6/30/2004	6/30/2005	6/30/2006	6/30/2007	6/30/2008
General	$7,016,393	$7,123,248	$7,171,107	$8,345,422	$9,884,971	$10,954,227
Road	2,622,364	494,827	787,879	665,326	928,354	1,088,654
Child Support-District Court	20,460	607	43,109	74,730	99,891	87,856
Child Support-County Attorney	70,707	97,579	128,055	78,027	217,434	399,989
Landfill	2,498,549	2,617,367	1,765,033	2,208,523	1,867,773	1,144,968
Noxious Weed	2,158	24	832	5,230	118	5,376
Information Systems	46,494	7,246	47,219	53,206	3,006	22,981
Purchasing	8,865	1,493	6,157	5,250	1,837	1,033
Fleet	102,278	15,420	53,975	34,657	67,803	82,240
E911 Communication	(5,307)	32,480	215,243	127,782	129,268	57,071
Total operating funds:	12,382,961	10,390,291	10,218,609	11,598,153	13,200,455	13,844,395

Non-Operating Funds:	6/30/2003	6/30/2004	6/30/2005	6/30/2006	6/30/2007	6/30/2008
Wireless Communications	$ 0	$ 0	$ 0	$ 0	$ 0	$ 17,000
Tourism	110,683	$ 31,586	$ 2,677	$ 43,596	$ 71,449	123,617
Visitors Improvement	0	11,927	84,673	134,807	318,098	558,371
Employment Security	12,322	10,051	13,664	8,325	386	1,011
District Health Dept.	806,709	1,016,582	0	0	0	0
Medical	67,465	14,521	39,762	91,161	44,204	9,114
Institutions	16,850	16,197	2,506	14,393	33,977	37,661
Alcohol Diversion	20,224	126,010	193,481	122,491	24,971	4,884
County Drug Enforcement	10	10	1,875	1,875	3,925	2,694
FG-Drug Court	323	329	334	790	1,429	1,156

FG-JAIBG	30,692	19,703	26,314	9,777	(554)	3,140
FG-Title 1D	1,706	6,443	9,419	343	647	182
FG-Juvenile Pretrial Assessment	0	0	0	0	909	549
State Education Reimbursement	0	0	0	35	321	1,101
Federal Forfeitures	29,574	50,933	32,953	32,411	246,782	226,878
Fed Forf – County Atty.	0	0	(25,532)	173,585	84,629	42,673
STOP Program	0	76,047	95,307	56,721	62,476	63,697
FG-Victim Witness	8,457	1,674	20,277	5,932	2,407	(144)
CDBG - Oakdale Park	290,054	358,934	417,200	474,929	505,348	569,043
SG – Juvenile Justice	1,211	6,731	265	399	18	0
FG – Project Engage	0	0	0	0	0	654
FG – School Resource Training	358	0	0	0	0	0
CCP Grant-Diversion	742	0	3	0	0	0
FG-GREAT	9,194	11,243	36,703	46,916	63,705	38,018
FG-Youth Project	2,397	0	0	0	0	0
FG-Tobacco Free NE	127	2,775	0	0	0	0
FG-Drug Enforcement	18,288	22,236	1,094	138	11	639
FG-Gun Violence	15	56	10	0	0	0
FG-MCH-C	2,088	0	0	0	0	0
Juvenile Serv LB640	81,333	117,827	16,768	(88)	9,650	997
FG-Bioterrorism	31,286	45,234	0	0	0	0
FG-MCH-A	0	4,645	0	0	0	0
FG-Homeland Security FY03	0	11,850	3,662	0	0	0
FG-Homeland Security FY03 Supp	0	13,000	0	0	0	0
FG-Homeland Security FY02 Plan	0	2,015	973	0	0	0
FG-Women's Health	0	4,062	0	0	0	0
FG-Universal Hiring	0	1,588	5,273	0	1	0
FG-Tobacco Free Media	0	4,208	0	0	0	0
FG-GIS Addressing	0	1,721	0	0	0	0
FG-GIS Transportation	0	0	136	94	19,464	991
FG-Adult Drug Court	0	0	0	310	6,189	22,532
FG-Homeland Security Exercise	0	0	96	0	0	0
SG-Tobacco Compliance Checks	0	0	1	0	0	0
FG-Victims of Crime	0	0	11	0	0	0
FG-Buffer Zone	0	0	0	21	34	34
Juvenile Wellness	0	0	0	1,943	222	0
FG-Drug Eradication	0	0	0	5,000	0	4,856
FG-Juvenile Day/Evening Reporting	0	0	0	0	11,554	3,119
FG-MIP Mini Grant	0	0	0	0	19,333	12,529
FG-Accident Reconstruction	0	0	0	0	0	6,175
SG-Stormwater Management		0	0	0	0	116,770
Inheritance Tax	1,003,739	871,856	1,087,294	958,079	1,249,082	2,144,298
County Tax Refund	79,139	129,395	178,144	8,245	0	0
Keno	142,299	188,203	137,851	121,161	143,073	178,840
800 MHz Bond	400,389	392,402	374,206	380,340	395,984	415,280
Courthouse Bond	604,492	699,536	648,098	657,470	732,397	877,635
Courthouse Administrative Bond	0	0	0	0	372,781	349,532
Courthouse Remodel Bond	0	0	0	0	0	363,142
Landfill Bond Surplus	1,470,444	2,011,545	2,152,423	2,541,903	2,815,903	3,255,355
Oil Collection Grant	23,687	0	0	0	0	0
Sinking Fund	41,279	183,576	375,132	434,449	452,745	386,985
Landfill Closure	5,099,101	5,994,907	6,321,528	6,510,405	6,824,283	7,182,127
Hazardous Waste	173,439	214,721	215,788	212,856	59,596	58,546
Sewer Fund	1,133,838	288,707	504,394	302,009	1,084,389	1,202,705
Sewer Operations	0	106,488	134,388	134,227	131,147	129,104
Phase II Stormwater	0	0	0	0	2,000	7,500
GIS	0	0	11,561	26,392	16,139	18,536

Total non-operating funds:	11,713,954	13,071,474	13,120,712	13,513,440	15,811,104	18,439,526
Grand Total:	$24,096,915	$23,461,765	$23,339,321	$25,111,593	$29,011,559	$32,283,921

Source: The County

ESTIMATED OVERLAPPING AND UNDERLYING INDEBTEDNESS*

	Actual Valuation	Total Net Debt	Percent Applicable To County	Amount Applicable To County
Sarpy County	$ 10,716,831,121	$ 13,700,000	100.00%	$ 13,700,000
City of Bellevue	2,364,147,364	27,485,000	100.00	27,485,000
City of Papillion	1,310,376,494	45,985,000	100.00	45,985,000
City of LaVista	950,626,037	64,735,000	100.00	64,735,000
City of Gretna	268,198,065	8,445,000	100.00	8,445,000
City of Springfield	75,643,923	1,230,000	100.00	1,230,000
School District 1 (Bellevue)	2,385,077,659	-	100.00	-
School District 27 (Papio-LaVista)	3,885,209,412	79,055,000	100.00	79,055,000
School District 37 (Gretna)	1,325,631,470	44,105,000	92.80	40,929,440
School District 46 (So. Sarpy)	1,013,185,331	5,030,000	100.00	5,030,000
School District 1 (Omaha)	18,530,017,173	241,561,949	4.40	10,628,726
School District 17 (Millard)	8,937,690,566	154,385,000	15.40	23,775,290
School District 32 (Louisville)	351,325,883	1,565,000	0.76	11,894
School District 78 (Ashland-Greenwood)	311,540	1,300,000	0.00001	0
ESU #2	311,540	-	0.00500	-
ESU #3	9,895,953,473	2,730,000	0.028	764
ESU #19	18,830,017,171	-	4.30	-
Metro Com. College	10,116,831,121	-	23.00	-
Ag Society	10,716,831,121	-	100.00	-
Papio-Mo NRD	49,164,063,475	-	21.80	-
Eastern Sarpy Fire	788,475,161	765,000	100.00	765,000
Good Luck Fire	21,702,026	-	100.00	-
Gretna Fire	1,160,064,762	710,000	100.00	710,000
Millard Fire	4,204,377,029	-	34.50	-
Papillion Fire	2,112,551,051	180,000	100.00	180,000
Springfield Fire	289,674,135	-	100.00	-
SID #23	46,222,899	1,277,979	100.00	1,277,979
SID #24	6,557,096	-	100.00	-
SID #29	7,510,549	130,000	100.00	130,000
SID #34	15,290,223	-	100.00	-
SID #38	23,845,715	-	100.00	-
SID #48	82,833,786	-	100/00	-
SID #52	78,826,874	1,310,000	100.00	1,310,000
SID #59	147,308,512	7,295,000	100.00	7,295,000
SID #65	67,290,637	1,270,000	100.00	1,270,000
SID #67	34,837,186	995,000	100.00	995,000
SID #68	25,827,716	630,000	100.00	630,000
SID #79	24,075,835	170,000	100.00	170,000
SID #81	18,742,967	-	100.00	-
SID #82	4,658,528	125,000	100.00	125,000
SID #85	64,297,345	970,000	100.00	970,000
SID #87	17,069,939	255,000	100.00	255,000
SID #92	29,925,439	960,000	100.00	960,000
SID #96	38,543,587	530,000	100.00	530,000
SID #97	56,445,568	830,000	100.00	830,000
SID #101	62,521,485	2,565,000	100.00	2,565,000
SID #104	124,397,642	2,355,000	100.00	2,355,000
SID #110	33,508,513	605,000	100.00	605,000
SID #111	63,770,917	1,630,000	100.00	1,630,000
SID #112	29,489,521	585,000	100.00	585,000

	Actual Valuation in Sarpy Co.	Total Net Debt	Percent Applicable To County	Amount Applicable To County
SID #113	10,057,932	58,000	100.00	58,000
SID #117	36,143,151	1,830,000	100.00	1,830,000
SID #122	30,794,904	430,000	100.00	430,000
SID #127	22,020,989	1,110,000	100.00	1,110,000
SID #130	3,450,665	-	100.00	-
SID #133	39,024,009	1,325,000	100.00	1,325,000
SID #136	14,536,405	455,000	100.00	455,000
SID #137	49,791,873	1,860,000	100.00	1,860,000
SID #138	21,753,888	1,000,000	100.00	1,000,000
SID #142	34,311,637	1,130,000	100.00	1,130,000
SID #143	77,662,935	3,050,000	100.00	3,050,000
SID #144	40,426,358	97,050	100.00	97,050
SID #147	34,616,306	670,000	100.00	670,000
SID #151	5,852,488	430,000	100.00	430,000
SID #154	19,338,281	900,000	100.00	900,000
SID #156	67,559,614	3,185,000	100.00	3,185,000
SID #158	135,019,496	7,815,000	100.00	7,815,000
SID #162	14,956,127	8,935,000	100.00	8,935,000
SID #163	43,450,662	2,405,000	100.00	2,405,000
SID #164	1,323,814	-	100.00	-
SID #165	17,880,432	1,090,000	100.00	1,090,000
SID #168	22,601,190	495,000	100.00	495,000
SID #171	98,825,907	8,180,000	100.00	8,180,000
SID #172	38,276,783	2,310,000	100.00	2,310,000
SID #176	45,787,925	4,160,000	100.00	4,160,000
SID #177	17,790,580	2,100,000	100.00	2,100,000
SID #179	45,642,348	3,065,000	100.00	3,065,000
SID #180	201,075,134	10,995,000	100.00	10,995,000
SID #182	7,279,536	870,000	100.00	870,000
SID #183	46,175,385	2,005,000	100.00	2,005,000
SID #184	135,398,697	7,705,000	100.00	7,705,000
SID #186	49,275,981	2,600,000	100.00	2,600,000
SID #189	73,916,485	4,900,000	100.00	4,900,000
SID #190	72,383,880	5,095,00	100.00	5,095,000
SID #191	4,695,579	360,000	100.00	360,000
SID #192	46,278,525	3,245,000	100.00	3,245,000
SID #195	43,100,466	2,890,000	100.00	2,890,000
SID #197	26,440,279	2,015,000	100.00	2,015,000
SID #199	11,278,212	2,430,000	100.00	2,430,000
SID #201	38,764,068	2,100,000	100.00	2,100,000
SID #202	68,914,151	8,490,000	100.00	8,490,000
SID #204	19,127,627	1,780,000	100.00	1,780,000
SID #205	25,724,322	1,515,000	100.00	1,515,000
SID #206	22,773,624	2,700,000	100.00	2,700,000
SID #207	7,448,285	340,000	100.00	340,000
SID #208	52,449,160	2,565,000	100.00	2,565,000
SID #209	10,805,259	860,000	100.00	860,000
SID #210	32,811,171	2,605,000	100.00	2,605,000
SID #211			100.00	-
SID #212	24,919,431	2,070,000	100.00	2,070,000
SID #213	3,784,327	325,000	100.00	325,000
SID #214	28,027,331	350,000	100.00	350,000
SID #215	70,184,651	5,530,000	100.00	5,530,000
SID #216	80,059,460	5,645,000	100.00	5,645,000
SID #217	8,559,839	975,000	100.00	975,000
SID #220	67,703,684	6,050,000	100.00	6,050,000
SID #221	25,008,303	2,870,000	100.00	2,870,000

	Actual Valuation in Sarpy Co.	Total Net Debt	Percent Applicable To County	Amount Applicable To County
SID #223	69,118,113	6,500,000	100.00	6,500,000
SID #224	18,466,038	-	100.00	-
SID #225	21,748,954	3,210,000	100.00	3,210,000
SID #228	64,520,162	5,035,000	100.00	5,035,000
SID #230	36,648,647	1,625,000	100.00	1,625,000
SID #231	7,822,941	775,000	100.00	775,000
SID #232	1,954,519	325,000	100.00	325,000
SID #233	75,862,554	6,510,000	100.00	-
SID #234	13,396,516	1,510,000	100.00	1,510,000
SID #235	41,525,693	4,685,000	100.00	4,685,000
SID #236	13,637,184	1,345,000	100.00	1,345,000
SID #237	84,073,701	4,755,000	100.00	4,755,000
SID #238	11,488,686	-	100.00	-
SID #239	12,884,175	1,685,000	100.00	1,685,000
SID #240	14,475,657	-	100.00	-
SID #241	50,010,758	3,810,000	100.00	3,810,000
SID #242	6,659,456	170,000	100.00	170,000
SID #243	27,494,258	2,610,000	100.00	2,610,000
SID #244	17,189,674	1,450,000	100.00	1,450,000
SID #245	78,202,715	8,452,858	100.00	8,452,858
SID #246	11,496,618	-	100.00	-
SID #248	8,221,907	1,000,000	100.00	1,000,000
SID #249	22,221,399	1,140,000	100.00	1,140,000
SID #250	17,452,711	2,200,000	100.00	2,200,000
SID #251	18,344,364	-	100.00	-
SID #254	367,903	-	100.00	-
SID #255	18,045,781	1,470,000	100.00	1,470,000
SID #257	37,850,324	3,500,000	100.00	3,500,000
SID #258	9,178,972	-	100.00	-
SID #260	41,366,034	3,370,000	100.00	3,370,000
SID #261	58,682,012	3,675,000	100.00	3,675,000
SID #263	28,299,989	3,000,000	100.00	3,000,000
SID #264	49,874,628	-	100.00	-
SID #265	12,744,857	-	100.00	-
SID #266	5,475,757	-	100.00	-
SID #268	3,751,935	-	100.00	-
SID #269	5,960,826	-	100.00	-
SID #270	12,557,961	-	100.00	-
SID #272	16,744,518	-	100.00	-
SID #274	3,204,312	-	100.00	-
SID #275	9,630,818	-	100.00	-
SID #276	14,376,643	-	100.00	-
SID #279	3,694,536	-	100.00	-
SID #280	2,761,259	-	100.00	-
SID #282	6,391,739	-	100.00	-
SID #284	2,726,905	-	100.00	-
SID #286	5,297,255	-	100.00	-
SID #288	3,770,113	-	100.00	-
SID #289	753,300	-	100.00	-
Total	$182,142,296,663	$941,227,836		$564,417,001

*Based on 2007 Fiscal Year End

Source: Budget on file in County Clerk's Office

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APPENDIX B

ACCOUNTANT'S REPORT AND AUDITED FINANCIAL STATEMENTS

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SARPY COUNTY, NEBRASKA

JUNE 30, 2007

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ORIZON CPAS LLC
CERTIFIED PUBLIC ACCOUNTANTS
16924 FRANCES STREET, SUITE 210
OMAHA, NEBRASKA 68130

Orizon CPAs

402 330/7008/PHONE
330/6851/FAX
www.orizongroup.com

January 11, 2008

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Sarpy County, Nebraska

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sarpy County, Nebraska (the County) as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2008, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 11 and the budgetary comparison schedules on pages 35 through 40 are not a required part of the basic financial statements but are supplementary information required by generally accepted accounting principles in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-1 33, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Our audit was performed for the purpose of forming an opinion on the financial statements of Sarpy County, Nebraska taken as a whole. The supplemental financial information presented on pages 41 through 51, is presented for purposes of additional analysis and is not a required part of the basic financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Orizon CPAs LLC

ORIZON CPAs LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Sarpy County, Nebraska, we offer readers of Sarpy County, Nebraska's financial statements this narrative overview and analysis of the financial activities of Sarpy County, Nebraska for the fiscal year ended June 30, 2007. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and notes to the financial statements.

This discussion focuses on the County as the primary government and does not include any separate component units because there are no such entities meeting the requirements for inclusion in the financial statements as set forth by the Governmental Accounting Standards Board.

Financial Highlights

As of June 30, 2007, the County's total assets exceeded its total liabilities by $133,036,887.

Total net assets are comprised of the following:

- Capital assets, net of related debt, of $95,994,227. This represents the property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of the County's capital assets.
- Restricted net assets of $4,271,389.
- Unrestricted net assets of $32,771,271.

The County's total revenues exceeded its total expenses by $14,913,825.

The County's governmental activities reported a net increase in net assets of $15,158,268 and a total ending net asset balance of $128,350,350.

The County's proprietary funds reported a net decrease in net assets of $244,443 and a total ending net asset balance of $4,686,537.

For the year ending June 30, 2007, the General Fund reported revenues in excess of expenditures of $1,877,627 and had an ending fund balance of $20,033,172.

The County's total debt increased by $5,281,736 during the current fiscal year to a total debt balance of $11,454,680 as of June 30, 2007.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Sarpy County, Nebraska's basic financial statements. The basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of Sarpy County, Nebraska's finances, in a manner similar to a private sector business. The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall status. Financial reporting at this level uses a full accrual basis of accounting and the elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Assets. This is the County-wide statement of position presenting information that includes the County's assets and liabilities, with the difference reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating.

Evaluation of the overall economic health of the County would extend to other financial factors such as diversification of the taxpayer base or the condition of County infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the County's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by taxes and intergovernmental revenues from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities include general government, public safety, public health, social services, special roads and debt service interest. Business-type activities include landfill functions.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Sarpy County, Nebraska, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Sarpy County, Nebraska can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on near-term spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near term.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

Sarpy County, Nebraska maintains over fifty individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, special roads fund, courthouse bond fund, and the landfill bond surplus fund, each of which are considered to be major funds. All other special revenue funds are combined and are shown as non-major funds.

Budgetary comparison schedules are included in the basic financial statements for the general fund and special revenue funds. These statements and schedules demonstrate compliance with the County's adopted and final revised budget.

Proprietary funds are reported in the fund financial statements and generally report services for which the County charges customers a fee. There are two kinds of proprietary funds. There are enterprise funds and internal services funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization such as the landfill function. Internal service funds provide services and charge fees to customers within the County organization.

The County's landfill functions are accounted for and reported as an enterprise fund. The County currently has no internal service funds.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also includes certain other supplementary information. This section includes the tax reconciliation and statements of accountability for individual offices. Supplementary information follows the notes to the financial statements.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Sarpy County, Nebraska, assets exceeded liabilities by $133,036,887, as of June 30, 2007.

A significant portion of Sarpy County, Nebraska's net assets (72 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Sarpy County, Nebraska's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table provides a summary of the County's net assets:

Summary of Net Assets

	Government Activities	Business-Type Activities	Total
Current and other assets	$ 41,881,428	$ 9,252,291	$ 51,133,719
Capital assets	106,140,397	1,308,510	107,448,907
Total Assets	148,021,825	10,560,801	158,582,626
Current liabilities	6,799,652	243,783	7,043,435
Long-term liabilities	12,871,823	5,630,481	18,502,304
Total Liabilities	19,671,475	5,874,264	25,545,739
Net Assets:			
Invested in capital assets, Net of related debt	94,685,717	1,308,510	95,994,227
Restricted	2,980,293	1,291,096	4,271,389
Unrestricted	30,684,340	2,086,931	32,771,271
Total Net Assets	$128,350,350	$ 4,686,537	$133,036,887

This reflects an increase in net assets of $14,913,825 or 13% for the County from the previous year restated balance of $118,123,062; an indication that the County's overall financial position improved during the fiscal year 2007. The largest factor contributing to this increase was the net addition (after depreciation) of $7,384,425 for County Roads.

The governmental activities had an increase in net assets of $15,158,268 and the business-type activities had a decrease of $244,443 for a total increase in net assets for the County of $14,913,825. A summary of the government-wide operations is presented below:

	2007	2006	Increase (Decrease)
General revenues and transfers	$38,387,571	$ 34,559,342	$3,828,229
Charges for services	16,105,354	17,121,744	(1,016,390)
Operating grants and contributions	8,964,518	8,922,276	42,242
Capital grants and contributions	4,807,720	1,297,047	3,510,673
Total revenues	68,265,163	61,900,409	6,364,754
Expenses	(53,351,338)	(51,270,516)	(2,080,822)
Changes in net assets	$ 14,913,825	$ 10,629,893	$4,283,932

The total revenues increased by $6,364,754 with a large increase relating to general revenues increase of $3,828,229 and capital grants and contributions increase of $3,510,673. The general revenue increase was largely due to governmental activity revenues and is described below. The increase in capital grants and contributions was mainly due to a $3,542,389 increase in federal funding for a County Road project.

GOVERNMENTAL ACTIVITY REVENUES

General revenues from governmental activities totaled $38,562,946 in 2007, an increase of $2,941,257 or 8% from 2006. The amount of general revenues by source and increase or decrease from the prior year are summarized below:

	2007	2006	Increase (Decrease)
Property taxes	$34,685,556	$31,475,999	$3,209,557
Investment income	2,964,890	2,200,086	764,804
Miscellaneous	307,500	678,027	(370,527)
Operating transfers	605,000	1,267,577	(662,577)
Total general revenues	$38,562,946	$35,621,689	$2,941,257

The County relies heavily on property taxes to support its governmental operations. Tax revenue provided approximately 53% of the County's total governmental revenues.

GOVERNMENTAL EXPENDITURES

Expenditures of governmental activities totaled $50,200,195 for 2007, an increase of $1,756,412 from 2006 expenditures of $48,443,783. As shown below, the largest factor affecting the increase in governmental activity expenditures is the increase in Public Safety expenditures. This is due to across the board increases in law enforcement costs, including the boarding of prisoners. These expenditures, by function, are summarized below:

	2007	2006	Increase (Decrease)
General government	$19,764,602	$17,764,653	$ 1,999,949
Public Health	906,730	2,170,348	(1,263,618)
Public Safety	22,064,423	18,937,885	3,126,538
Public Health and Social Services	1,080,468	950,511	129,957
Special Roads	5,985,106	8,342,206	(2,357,100)
Debt Service Interest	398,866	278,180	120,686
	$50,200,195	$48,443,783	$ 1,756,412

BUSINESS-TYPE ACTIVITIES

Business-type activities are shown comparing costs to revenues generated by related services. The landfill functions are designated to be self-supporting with user charges and other revenues designed to recover costs. For the year ending June 30, 2007, these functions very nearly broke even; however, transfers from the Landfill functions were made to the General fund that caused a decrease in net assets. A summary of this activity is presented below.

	2007	2006
Operating revenues	$ 3,082,075	$ 3,937,742
Operating expenses	(3,151,143)	(2,826,733)
Operating income (loss)	(69,068)	1,111,009
Non-operating revenues	429,625	205,230
Non-operating expenses	(605,000)	(1,267,577)
Increase (decrease) in net assets	$ (244,443)	$ 48,662

Financial Analysis of the County's Funds

Governmental funds

As previously discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending cash balances of $27,901,282 as of June 30, 2007, which represents 46% of the current total expenses. The Governmental Fund information is summarized below:

	Total Governmental Funds	
	2007	2006
ASSETS		
Cash and cash equivalents	$ 27,901,282	$ 18,206,342
Accounts receivable	162,404	204,803
Taxes receivable	12,509,091	11,078,566
Prepaid expenses	360,758	362,977
Inventory	583,383	502,911
Total assets	$ 41,516,918	$ 30,355,599
LIABILITIES		
Accounts payable	$ 2,646,620	$ 4,181,207
Wages and benefits payable	1,022,200	564,886
Deferred revenue	802,368	672,176
Compensated absences	150,539	164,478
Total liabilities	4,621,727	5,582,747
FUND BALANCES		
Reserved		
Inventory	583,383	502,911
Debt Services	2,980,293	2,337,580
Compensated absences	150,539	164,478
Prepaid expenses	360,761	362,977
Unreserved	32,820215	21,404,906
Total fund balances	36,895,191	24,772,852
Total liabilities and fund balances	$41,516,918	$30,355,599

The General Fund is the County's primary operating fund and largest source of day-to-day service delivery. The General Fund had a Net Fund Balance increase of $1,877,627 based on the modified accrual basis of accounting.

Proprietary funds

The proprietary fund statements share the same focus as the government-wide statement, reporting both short-term and long-term information about financial status. We have summarized the operating results of these funds above.

General Fund Budgetary Highlights

The General Fund budgeted revenues for the 2007 fiscal year were $37,563,935 while actual revenues were $40,728,754 for a favorable variance of $3,164,819. The General Fund budgeted expenses were $34,657,799 while actual expenses were $32,512,647 for a favorable variance of $2,145,152. These amounts are exclusive of transfers.

Prior Period Adjustment

The County analyzed their capital assets and noted that an asset had been left off of the schedule in previous years. Accordingly, an adjustment of $500,000 was made to the governmental activities beginning net assets. The correction had no effect on the operating results of the current year.

Assessed Valuation and Property Taxes

Assessed valuation of $9,053,019,006 represented an 11.7% increase over the preceding year's valuation of $8,105,260,699. Property taxes are assessed on actual valuation. The tax rates are applied to each $100 of actual valuation. The breakdown of tax rates for 2007 fiscal year and the preceding two years are as follows:

	2007	2006	2005
General fund	.2590	.2665	.2624
All other funds	.0409	.0334	.0375
Total	.2999	.2999	.2999
Total Valuation	$9,053,019,006	$8,105,260,699	$7,262,349,503
% Valuation Increase over preceding year	11.7%	11.6%	8.5%

Capital Assets

As of June 30, 2007, the County had $107,448,907 invested in capital assets, including roads, bridges, buildings, machinery, equipment, etc. This is an increase of $9,196,951 from the previous year amount. The net book value of these assets are summarized below.

Land	$ 3,954,251
Construction in progress	1,585,203
Infrastructure	81,157,086
Buildings	16,310,552
Land improvements	222,779
Machinery and equipment	4,219,036
Net capital assets	$107,448,907

The increase in capital assets during the year is due primarily to significant additions to the County's road system in excess of the current year depreciation and asset disposals. The annual depreciation for the County for 2007 was $4,235,222.

Debt Administration

At the end of the fiscal year, the County had total bonded debt and notes payable outstanding of $11,454,680. During the current year, the County issued one new bond in the amount of $7,000,000 and made principal payments on outstanding bonds totaling $1,625,000. The County's total future debt service requirements are presented below.

Year ending June 30.	Principal	Interest	Total Requirements
2008	$ 2,980,292	$ 396,964	$ 3,377,257
2009	2,038,886	287,607	2,326,493
2010	1,075,327	224,839	1,300,166
2011	681,906	190,593	872,499
2012	702,606	165,440	868,046
2013 through 2017	3,975,663	409,056	4,384,718
	$11,454,680	$1,674,499	$13,129,179

Economic Environment

Sarpy County encompasses approximately 249 square miles, or 159,360 acres in area, and is located on the eastern border of Nebraska. Papillion, the county seat of Sarpy County, is located ten miles from Omaha, Nebraska, and 45 miles from Lincoln, Nebraska. The current population of Sarpy County is estimated at 142,637.

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")

According to the Nebraska Department of Labor, the average monthly civilian labor force in Sarpy County in 2006 was 72,978. Approximately 9,750 additional people are members of the military assigned to Offutt Air Force Base in Bellevue.

In 2005, the per capita personal income of Sarpy County residents was $32,657, which was 99.2 percent of the Nebraska average per capita income of $32,923. The lower per capita income is explained by Sarpy County's 28.7% population under age 18.

In 2006, the median income of households in Sarpy County was $61,961. Ninety percent of the households received earnings and 19 percent received retirement income other than Social Security. Seventeen percent of the households received Social Security. The average income from Social Security was $15,037. These income sources are not mutually exclusive; that is, some households received income from more than one source.

Net taxable sales (excluding motor vehicles) within Sarpy County increased from $840,660,751 in 2005 to $885,489,436 in 2006, representing a 5.3 percent growth rate over the prior year.

The five largest employers located Sarpy County, the number of employees, and the nature of their business are as follows:

Company	Employees	Industry
Offutt Air Force Base	9750	Military
PayPal, Inc.	3000	Service
Werner Enterprises	1720	Trucking
Bellevue Public Schools	1300	Education
Papillion-La Vista Schools	1287	Education

Sarpy County's population figures from 2000 through 2006 are as follows:

Year	Population
July 1, 2000 (census)	122,595
October, 2002 (estimate)	125,836
July, 2003 (estimate)	132,476
July, 2004 (estimate)	135,973
July, 2005 (estimate)	139,371
July, 2006 (estimate)	142,637

Information for the number of building permits for single-family dwellings issued for Sarpy County from 2002 through 2007 are as follows.

Year	Permits	Value
2002	340	$35,253,309
2003	467	$49,115,417
2004	696	$71,447,719
2005	685	$72,518,595
2006	689	$75,054,119
2007	400	$48,871,958

Information for the number of building permits for commercial/industrial dwellings issued for Sarpy County from 2002 through 2007 are as follows.

Year	Permits	Value
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

2006-2007 Budget

The County adopted a total budget for the year ending June 30, 2007 of $98,781,682. This is an increase of $10,334,437 over the previous year budget of $88,447,245. The property tax request for the 2006-07 fiscal year is $27,150,004 on assessed valuation of $9,053,019,006 which results in a tax levy of $0.2999 per $100 of valuation. This is the same rate as the previous year levy of $0.2999.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Sarpy County Fiscal Administrator, 1210 Golden Gate Drive, Suite 1129, Papillion, NE 68046.

SARPY COUNTY, NEBRASKA

STATEMENT OF NET ASSETS
JUNE 30, 2007

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 27,901,282	$ 2,043,346	$ 29,944,628
Accounts receivable	526,914	368,225	895,139
Taxes receivable	12,509,091		12,509,091
Prepaid expense	360,758	16,437	377,195
Inventory	583,383		583,383
Restricted cash		6,824,283	6,824,283
Capital assets			
Land	3,278,234	676,017	3,954,251
Construction in progress	1,585,203		1,585,203
Depreciable assets	159,097,743	3,471,630	162,569,373
Less accumulated depreciation	(57,820,783)	(2,839,137)	(60,659,920)
Total assets	148,021,825	10,560,801	158,582,626
LIABILITIES			
Accounts payable	2,646,620	220,536	2,867,156
Wages and benefits payable	1,022,200	16,350	1,038,550
Compensated absences			
Current	150,539	6,897	157,436
Non-current	4,397,436	97,294	4,494,730
Accrued landfill closure and post closure costs		5,533,187	5,533,187
Bonds payable			
Current	2,360,000		2,360,000
Non-current	8,000,000		8,000,000
Notes payable			
Current	620,293		620,293
Non-current	474,387		474,387
Total liabilities	19,671,475	5,874,264	25,545,739
NET ASSETS			
Invested in capital assets, net of related debt	94,685,717	1,308,510	95,994,227
Restricted for:			
Debt service	2,980,293		2,980,293
Post closure costs		1,291,096	1,291,096
Unrestricted	30,684,340	2,086,931	32,771,271
Total net assets	$ 128,350,350	$ 4,686,537	$ 133,036,887

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

		Program Revenues			Change in Net Assets		
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities							
General government	$ 19,764,602	$ 7,223,826	$ 2,002,165	$ 11,893	$ (10,526,718)		$ (10,526,718)
Public health	906,730	1,357,209	1,695		452,174		452,174
Public safety	22,064,423	2,452,353	2,026,215		(17,585,855)		(17,585,855)
Public health and social services	1,080,468	190,428	419		(889,621)		(889,621)
Special roads	5,985,106	1,799,463	4,934,024	4,795,827	5,544,208		5,544,208
Debt service interest	398,866				(398,866)		(398,866)
Total governmental activities	50,200,195	13,023,279	8,964,518	4,807,720	(23,404,678)		(23,404,678)
Business-type activities							
Landfill	3,151,143	3,082,075				$ (69,068)	(69,068)
Total business-type activities	3,151,143	3,082,075				(69,068)	(69,068)
	$ 53,351,338	$ 16,105,354	$ 8,964,518	$ 4,807,720	(23,404,678)	(69,068)	$ (23,473,746)
		General revenues					
		Property taxes and assessments			34,685,556		34,685,556
		Investment income			2,964,890	429,625	3,394,515
		Miscellaneous			307,500		307,500
		Operating transfers			605,000	(605,000)	
		Total general revenues and transfers			38,562,946	(175,375)	38,387,571
		Change in net assets			15,158,268	(244,443)	14,913,825
		Net assets, beginning of year			112,692,082	4,930,980	117,623,062
		Prior period adjustment			500,000		500,000
		Net assets, restated			113,192,082	4,930,980	118,123,062
		Net assets, end of year			$ 128,350,350	$ 4,686,537	$ 133,036,887

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2007

	General Fund	Special Roads	Non-major Funds	Total Governmental Funds
ASSETS				
Cash and investments	$ 12,117,042	$ 928,404	$ 14,855,836	$ 27,901,282
Accounts receivable	17,311		145,093	162,404
Taxes receivable	10,805,723		1,703,368	12,509,091
Prepaid expenses	254,748	49,165	56,845	360,758
Inventory		570,621	12,762	583,383
Total assets	$ 23,194,824	$ 1,548,190	$ 16,773,904	$ 41,516,918
LIABILITIES				
Accounts payable	$ 1,536,703	$ 726,314	$ 383,603	$ 2,646,620
Wages and benefits payable	809,316	41,475	171,409	1,022,200
Deferred revenue	694,942		107,426	802,368
Compensated absences	120,691	11,266	18,582	150,539
Total liabilities	3,161,652	779,055	681,020	4,621,727
FUND BALANCES				
Reserved				
Prepaid expenses	254,751	49,164	56,846	360,761
Inventory		570,621	12,762	583,383
Compensated absences	120,691	11,266	18,582	150,539
Debt services	225,189	863,292	1,891,812	2,980,293
Unreserved	19,432,541	(725,208)	14,112,882	32,820,215
Total fund balances	20,033,172	769,135	16,092,884	36,895,191
Total liabilities and fund balances	$ 23,194,824	$ 1,548,190	$ 16,773,904	$ 41,516,918

RECONCILIATION

Total fund balances - Governmental Funds	$ 36,895,191
Amounts reported for governmental activities in the statement of net assets are different because:	
Deferred revenues represents funds not available in the current period and therefore are not recognized as revenue in the governmental funds.	802,368
Other accounts receivable are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.	364,510
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	106,140,397
Some liabilities, including bonds payable and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.	(15,852,116)
Net assets of Governmental Activities	$ 128,350,350

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	General Fund	Special Roads	Non-major Funds	Total Governmental Funds
REVENUES				
Taxes	$ 23,035,080		$ 3,628,628	$ 26,663,708
Intergovernmental				
Federal	470,130	$ 4,795,828	1,851,114	7,117,072
State	1,650,629	5,622,476	268,444	7,541,549
Local	16,450,478	1,166,018	5,661,637	23,278,133
Total revenues	41,606,317	11,584,322	11,409,823	64,600,462
EXPENDITURES				
Current				
Personal services	24,555,548	2,574,898	6,439,556	33,570,002
Operating expenses	6,206,946	717,291	2,282,751	9,206,988
Supplies and materials	1,077,521	1,394,159	210,182	2,681,862
Equipment and office rentals	78,212	27,055	36,013	141,280
Capital outlay	817,071	8,473,556	2,241,088	11,531,715
Debt service				
Debt service principal	307,361	1,006,675	1,238,374	2,552,410
Debt service interest	9,473	48,320	236,106	293,899
Total expenditures	33,052,132	14,241,954	12,684,070	59,978,156
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,554,185	(2,657,632)	(1,274,247)	4,622,306
OTHER FINANCING SOURCES (USES)				
Proceeds from new bond offering			6,895,033	6,895,033
Operating transfers in	850,000	4,924,893	3,246,999	9,021,892
Operating transfers out	(7,526,558)		(890,334)	(8,416,892)
Net other financing sources (uses)	(6,676,558)	4,924,893	9,251,698	7,500,033
NET CHANGE IN FUND BALANCES	1,877,627	2,267,261	7,977,451	12,122,339
FUND BALANCES, BEGINNING OF YEAR	18,155,545	(1,498,126)	8,115,433	24,772,852
FUND BALANCES, END OF YEAR	$ 20,033,172	$ 769,135	$ 16,092,884	$ 36,895,191

RECONCILIATION

Total net change in fund balances for the governmental funds.	$ 12,122,339
Amounts reported in the governmental activities in the government-wide statement of activities are different because.	
Deferred revenues represent funds not available in the current period and therefore are not recognized as revenues in the governmental funds.	130,192
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation expense	8,403,914
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(216,444)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net assets	(5,281,733)
Changes in net assets of governmental activities.	$ 15,158,268

The accompanying notes are an integral part of the financial statements

SARPY COUNTY, NEBRASKA

STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2007

CURRENT ASSETS	
Cash and investments	$ 2,043,346
Accounts receivable	368,225
Prepaid expenses	16,437
Total current assets	2,428,008
NON-CURRENT ASSETS	
Restricted cash	6,824,283
Capital assets	
Land	676,017
Land improvements	586,898
Buildings	474,500
Machinery and equipment	2,410,232
Less accumulated depreciation	(2,839,137)
Total non-current assets	8,132,793
TOTAL ASSETS	$ 10,560,801
CURRENT LIABILITIES	
Accounts payable	$ 220,536
Wages and benefits payable	16,350
Compensated absences	6,897
Total current liabilities	243,783
NON-CURRENT LIABILITIES	
Compensated absences	97,294
Accrued landfill closure and post closure costs	5,533,187
Total non-current liabilities	5,630,481
Total liabilities	5,874,264
NET ASSETS	
Invested in capital assets, net of related debt	1,308,510
Unrestricted	2,086,931
Restricted for post closure costs	1,291,096
Total net assets	4,686,537
TOTAL LIABILITIES AND NET ASSETS	$ 10,560,801

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2007

OPERATING REVENUES	
Charges for services	$ 3,082,075
OPERATING EXPENSES	
Personal services	768,822
Operating expenses	1,588,519
Supplies/materials	239,328
Equipment rental	18,776
Capital outlay	535,698
Total operating expenses	3,151,143
OPERATING LOSS	(69,068)
NON-OPERATING REVENUES	
Investment income	429,625
NET INCOME BEFORE TRANSFERS OUT	360,557
OPERATING TRANSFERS OUT	(605,000)
CHANGE IN NET ASSETS	(244,443)
NET ASSETS, BEGINNING OF YEAR	4,930,980
NET ASSETS, END OF YEAR	$ 4,686,537

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2007

CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$	(69,068)
Adjustment to reconcile operating income to net cash provided by operating activities		
Depreciation		91,980
Change in accounts receivable		(37,760)
Change in prepaid expenses		111
Change in accounts payable		106,357
Change in compensated absences		6,725
Change in accrued salaries, wages, and pension		3,867
Change in accrued landfill closure and post closure costs		323,347
Net cash provided by operating activities		425,559
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchase of capital assets		(385,017)
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash payments to other funds		(605,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income received for landfill closure and post closure costs		429,625
NET DECREASE IN CASH AND INVESTMENTS		(134,833)
CASH AND INVESTMENTS, BEGINNING OF YEAR		9,002,462
CASH AND INVESTMENTS, END OF YEAR	$	8,867,629
CASH AND INVESTMENTS ON THE STATEMENT OF NET ASSETS		
Cash and investments	$	2,043,346
Restricted cash		6,824,283
Total cash and investments	$	8,867,629

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

STATEMENT OF NET ASSETS - FIDUCIARY FUND
JUNE 30, 2007

ASSETS	
Cash and investments	$ 100,226,315
Taxes receivable	78,274,278
Total assets	$ 178,500,593
LIABILITIES	
Due to other governmental entities	$ 178,500,593

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of Sarpy County, Nebraska (the "County") are discussed in the subsequent section of this Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the County's financial activities for the fiscal year ended June 30, 2007.

ORGANIZATION

Sarpy County, Nebraska is a governmental entity established under and governed by the laws of the State of Nebraska. As a political subdivision of the State, the County is exempt from state and federal income taxes.

REPORTING ENTITY

The County has given consideration to potential component units for which it is financially accountable. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of the Organization's governing body and the ability of the County to impose its will on that Organization to provide specific financial benefits to, or impose specific financial burdens on the Organization. There are no component units as defined by GASB 14 that are required to be included in the County's financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The financial statements of the County are prepared in accordance with generally accepted accounting principles in the United States of America (GAAP). The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds and aggregate non-major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements include a statement of net assets and a statement of activities. These statements present summaries of governmental and business-type activities for the County accompanied by a total column. Fiduciary activities of the County are not included in these statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

GOVERNMENT- WIDE STATEMENTS, CONTINUED

These statements are presented on an "economic resources" measurement focus and on the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Accordingly, all of the County's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the statement of net assets. The statement of activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

FUND FINANCIAL STATEMENTS

The financial transactions of the County are reported in major funds and aggregate non-major funds in the fund financial statements. A fund is considered major if it is the primary operating fund of the County, meets specific mathematical criteria set forth by GASB or is identified as a major fund by the County's management.

Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund balance, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

Governmental Funds

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all major governmental funds and non-major funds aggregated. Accompanying schedules are presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net assets and changes in net assets presented in the government-wide financial statements. The County has presented all major funds that met those qualifications and has aggregated its non-major funds.

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period and that it is legally available for such purposes. Property taxes, intergovernmental revenues, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within 60 days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, except for debt service expenditures and other long-term liabilities, which are recorded only when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds and payments of long-term debt are reported as other financing sources and uses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Governmental Funds, Continued

The following is a description of the County's major governmental funds:

(1) General fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

(2) The Special Roads fund is used to account for the proceeds of specific revenue sources that are restricted to expenditures for these specified purposes.

Proprietary Fund

The County's proprietary fund accounts for the operations of the landfill. Proprietary fund financial statements include a statement of net assets, a statement of revenues, expenses, and changes in net assets, and a statement of cash flows. Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities are included on the statement of net assets. The statement of revenues, expenses, and changes in net assets presents increases and decreases in total net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund and all other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary Fund

Fiduciary fund financial statements include a statement of net assets. The County's fiduciary funds represent agency funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above. These funds are not incorporated into the government-wide statements since these funds are held for the benefit of a third party and can not be used to address activities or obligations of the County.

Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements in accordance with the statutory requirements of the Nebraska Budget Act.

On or before August 1, the County Board of Commissioners prepares and transmits a budget for each County fund showing the projected requirements, outstanding warrants, operating reserve, cash on hand at the close of the preceding fiscal year, projected revenue collected from sources other than property tax and amount to be raised by property taxation. The budget is prepared on the cash receipts and disbursements basis of accounting. At least one public hearing must be held by the County Board.

On or before September 20 each year the County Board of Commissioners, after the action of the State Board of Equalization and Assessment has been certified to the County Clerk, the budget, as revised, is adopted and the amounts provided therein are appropriated.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Budgets and Budgetary Accounting, Continued

The County Board is authorized to transfer budgeted amounts between departments within any fund through resolution; however, revisions that alter the total expenditures of any fund require that an additional public hearing be held.

Investments

The types of investments the County is authorized to invest funds in are enumerated in Nebraska State Statutes Sections 77-2315, 77-2340 and 77-2341, R.R.S. 1943, and generally include United States Government bonds, bonds and debentures issued either singly or collectively by any of the twelve federal land banks, the twelve intermediate credit banks, or the thirteen banks for cooperatives under the supervision of the Farm Credit Administration, United States Treasury notes, bills or certificates of indebtedness maturing within two years from the date of purchase, or in certificates of deposit. Investments are stated at fair value.

Receivables

The County believes the amount of uncollectible taxes and accounts receivable is minimal, therefore no allowance for doubtful accounts has been established.

Property Taxes

Based on the assessed valuation certified annually by the County Assessor, property taxes are levied by the County Board on or before October 15, of each year for all political subdivisions in the County. Real estate and personal property taxes are each due December 31 of the year in which the property is appraised. One-half of the taxes become delinquent April 1 and August 1 of the following year.

The County collects its own property taxes and those of certain other taxing entities. Collections of the taxes for others, pending distribution, are accounted for in agency funds.

Counties are permitted by the State Constitution to levy a tax up to $0.50 per $100 of assessed valuation for general governmental services other than the payment of principle and interest on bonded debt. They may levy taxes in addition to the $.50 limitation upon a vote of the people. The tax levy remained below the $.50 limitation for 2007.

Also, $.05 of the $.50 limit may only be levied to provide services offered jointly with another government under an inter-local agreement. The County may share $0.15 of its levy authority with rural fire districts and other political subdivisions no longer having any levy authority. Additionally, the legislature, as part of a property tax relief package, prohibited counties from adopting a budget containing "restricted funds" which are greater than 2.5% of the prior year budgeted restricted funds, plus the percentage change in valuation increase attributable to new construction and additions to buildings in excess of 2.5%. Restricted funds include property taxes, payments in lieu of taxes, and state aid less amounts budgeted for capital improvements and bonded indebtedness.

Inventories

Inventories are valued at cost, using the average cost method. The costs of inventories are recorded as expenditures when used (consumption method). Inventory held by the governmental funds consists primarily of road construction and maintenance materials.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital Assets

Within the government-wide financial statements and the proprietary fund financial statements, capital assets, including infrastructure, are recorded at historical cost or at estimated historical cost if actual cost is not available. Contributed assets are reported at estimated fair market value as of the date received. The County defines capital assets as assets with individual cost of more than $5,000. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method with a modified full month conversion. The estimated useful lives are as follows: infrastructure (includes roads, bridges, traffic signals, sewer, etc.) 15 - 50 years; buildings 20 - 50 years; machines and equipment 5 - 20 years.

Compensated Absence

The liability for compensated absences reported in the government-wide and proprietary fund financial statements consists of unpaid, accumulated annual and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The liability for the governmental funds financial statements consists of only compensated absences due and payable.

Use of Restricted Unrestricted Net Assets

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the County's policy is to apply restricted net assets first.

Interfund Transactions

Following is a description of the types of interfund transactions made during the year and the related accounting policies:

Operating transfers - these transactions include all other transactions not classified as quasi-external transactions or reimbursements.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The County has generally pooled the cash resources of the various funds for investment purposes unless the agency to whom the funds belong has specified otherwise. Interest earned on pooled funds is credited to the County's general fund in accordance with Nebraska State Statute Section 77-2315, R.R.S. 1943.

Deposits

For purposes of classifying categories of custodial risk, the bank balances (deposits) of $21,055,776 as of June 30, 2007 are either entirely insured or collateralized with securities held by the County's agent in the County's name.

Investments

County funds are invested in conformity with the Public Funds Security Act, Chapter 77, Article 23, specifically 77-2387, of the Nebraska Revised Statutes.

Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The City has not adopted a specific policy for custodial credit risk, but requires compliance with the provisions of state statutes regarding investment practices. Statutes authorize the City to invest in time deposits at banks selected as depositories of City funds, direct debt securities of the United States Government, and certain government agency bonds.

The County's investments, totaling $115,365,337 consisted of U.S. Government Securities, U.S. Treasury Bills, Fannie Mae, Federal Loan Home Notes, Certificates of Deposit, and the Nebraska Public Agency Investment Trust (NPAIT), which is an external investment pool not subject to custodial credit risk disclosure. NPAIT is similar to a mutual fund. Its portfolio consists of investments in which public entities are permitted to invest under Nebraska State Statutes. The NPAIT investment is carried at fair value, which was $3,583,929 as of June 30, 2007. The Fannie Mae investments were rated AAA by Standard and Poors and NPAIT was not rated.

Concentrations of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. State statute does not restrict the concentration of investment in any issuer. The County places no limit on the amount the County may invest in any one issuer. More than 5 percent of the County's investments are in Federal National Mortgage Association. This investment is 7.65%.

2. DEPOSITS AND INVESTMENTS, CONTINUED

Investments, Continued

The County's investments, including fiduciary fund, at June 30, 2007 are:

Investment	Maturities	Fair Value
Included income internal investment pool:		
NPAIT - certificates of deposit	Various	$ 3,583,929
U.S. treasury bills	Various	37,010,000
Federal National Mortgage Association	Various	8,836,843
Federal home loan notes	Various	
Governmental securities	Various	41,698,965
Certificates of deposit	Various	24,235,600
		$115,365,337

Summary of Cash and Investments

The carrying value (fair value) for cash and investments for the governmental funds, proprietary fund, and fiduciary fund at June 30, 2007 consists of the following:

	Carrying Value
Cash:	
Cash on hand	$ 574,113
Cash in bank (checking, money market)	21,055,776
Total cash	21,629,889
Investments:	
NPAIT – certificates of deposit	3,583,929
U.S. treasury bills	37,010,000
Federal National Mortgage Association	8,836,843
Federal home loan notes	
U.S. governmental securities (held in trust)	41,698,965
Certificates of deposit	24,235,600
Total investments	115,365,337
Total cash and investments	$136,995,226
Governmental funds	$ 27,901,282
Proprietary fund	2,043,346
Proprietary fund – restricted for landfill post closure costs	6,824,283
Fiduciary funds	100,226,315
Total cash and investments	$136,995,226

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2007 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities				
Not being depreciated				
Land and improvements	$ 3,278,234			$ 3,278,234
Construction in progress	0	$ 1,585,203		1,585,203
Subtotal	3,278,234	1,585,203		4,863,437
Other capital assets				
Infrastructure	104,715,274	10,289,833		115,005,107
Buildings	23,318,496			23,318,496
Machines and equipment	20,446,367	812,590	$ (484,817)	20,774,140
Subtotal	148,480,137	11,102,423	(484,817)	159,097,743
Accumulated depreciation				
Infrastructure	(30,953,302)	(2,775,130)		(33,728,432)
Buildings	(6,799,934)	(465,904)		(7,265,838)
Machines and equipment	(16,268,652)	(902,208)	344,347	(16,826,513)
Subtotal	(54,021,888)	(4,143,242)	344,347	(57,820,783)
Net other capital assets	94,458,249	6,959,181	(140,470)	101,276,960
Net capital assets	$ 97,736,483	$ 8,544,384	$ (140,470)	$106,140,397
Business-Type Activities				
Not being depreciated				
Land and improvements	$ 291,000	$ 385,017		$ 676,017
Subtotal	291,000	385,017		676,017
Other capital assets				
Land Improvements	586,898			586,898
Buildings	474,500			474,500
Machines and equipment	2,483,612		$ (73,380)	2,410,232
Subtotal	3,545,010		(73,380)	3,471,630
Accumulated depreciation				
Land improvements	(454,392)	(29,316)		(483,708)
Buildings	(207,125)	(9,481)		(216,606)
Machines and equipment	(2,159,020)	(53,183)	73,380	(2,138,823)
Subtotal	(2,820,537)	(91,980)	73,380	(2,839,137)
Net other capital assets	724,473	(91,980)	0	632,493
Net capital assets	$ 1,015,473	$ 294,037	$ 0	$ 1,308,510

3. CAPITAL ASSETS, CONTINUED

Depreciation for the governmental activities was charged to functions as follows:

General government	$ 356,702
Public health	105,543
Public safety	661,268
Special roads	3,019,729
Total governmental activities depreciation expense	$ 4,143,242

Construction Commitments

The County has active construction projects of approximately $7,754,000 at June 30, 2007 for the construction of road projects.

4. LEASES

Operating Leases

The County has non-cancelable operating lease agreements for equipment and vehicles and rental property with unrelated parties. These leases expire on various dates through February 2012.

Future minimum lease payments for all leases, which will be paid by the general fund, are as follows:

Year ending June 30,	Amount
2008	$ 75,555
2009	54,692
2010	12,966
2011	3,576
	$ 146,789

Lease payments for these operating leases were approximately $82,614 during the year ended June 30, 2007.

5. LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2007:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities				
Compensated absences	$ 4,250,082	$ 297,893		$ 4,547,975
General obligation bonds	4,985,000	7,000,000	$ 1,625,000	10,360,000
Notes payable	1,187,947	873,042	966,309	1,094,680
Governmental activities long-term liabilities	$10,423,029	$ 8,170,935	$ 2,591,309	$16,002,655

5. LONG-TERM LIABILITIES, CONTINUED

	Beginning Balances	Increases	Decreases	Ending Balances
Business – Type Activities				
Compensated absences	$ 97,466	$ 6,725		$ 104,191
Business-type activities long-term liabilities	$ 97,466	$ 6,725		$ 104,191

Long-term debt consisted of the following at June 30, 2007:

Type of indebtedness (purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2007
Bonds Payable					
Highway allocation bonds	Sept. 2008	2.60 - 2.90%	$450,000-615,000	$2,840,000	$ 615,000
Communication bonds	Dec. 2009	4.60 - 5.00%	325,000-375,000	2,690,000	1,145,000
Juvenile justice center	Dec. 2009	3.35 - 4.35%	475,000-850,000	4,200,000	1,600,000
Administration bond	Dec. 2016	3.50 - 4.00%	615,000-815,000	7,000,000	7,000,000
Notes Payable					
Upgrade 911	Oct. 2008	2.70%	$ 159,252	$744,110	$187,810
ENSA House 1	June 2010	5.60%	8,800-11,000	97,610	35,189
ENSA House 2	Nov. 2010	5.10%	9,000-11,000	101,782	40,728
ENSA House 3	June 2019	5.00%	8,700-17,500	190,000	162,441
ENSA House 4	Dec. 2018	4.65%		153,061	126,148
Hydraulic excavator	July 2007	3.00%	54,500	158,812	4,480
Freightliner	Aug. 2007	3.25%	50,280	97,188	4,041
3 chassis and equipment	Oct. 2007	3.35%	120,406	232,507	28,974
8 cruisers	May 2008	2.50%	106,614	204,041	85,122
Truck\sprayer	June 2009	4.275%	81,102	155,086	88,081
8 cruisers	April 2009	4.65%	105,938	201,776	185,412
Truck\plow	July 2008	4.30%	139,792	267,246	146,254

The annual requirements to pay principal and interest on outstanding bonds and notes payable for governmental activities are shown below:

Year ending June 30,	Principal	Interest	Total Requirements
2008	$ 2,980,292	$ 396,964	$ 3,377,257
2009	2,038,886	287,607	2,326,493
2010	1,075,327	224,839	1,300,166
2011	681,906	190,593	872,499
2012	702,606	165,440	868,046
2013 through 2017	3,975,663	409,056	4,384,718
	$11,454,680	$1,674,499	$13,129,179

6. NET ASSETS\FUND BALANCE

The government-wide and proprietary fund financial statements utilize a net asset presentation. Net assets are categorized as invested capital assets (net of related debt), restricted and unrestricted.

- Invested in capital assets, net of related debt, groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted net assets presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions enabling legislation.
- Unrestricted net assets represent net assets of the County not restricted for any project or purpose.

In the fund financial statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various reserves and designations are established by actions of the Board and management and can be increased, reduced or eliminated by similar actions. As of June 30, 2007, reservations of fund balances are described below:

- Prepaid items – to reflect the portion of assets that do not represent available spendable resources.
- Inventories – to reflect the portion of assets that do not represent available spendable resources.
- Compensated absences – to reflect the portion of assets that are held for payment of compensated absences.
- Debt service – to reflect the portion of assets that are held for payment of debt service.

7. EMPLOYEES' RETIREMENT SYSTEM

Pension Plan

The County has adopted the provisions of Sections 23-2301 to 23-2331, R.R.S. 1942, known as the County Employees Retirement Act. The retirement system for Nebraska counties is administered by the Public Employees Retirement Board and is a defined contribution cost-sharing multi-employer plan. Participating noncommissioned employees contribute 4.5% and the County contributes 6.75% on their behalf. Commissioned officers of the Sheriffs department contribute 6.75% and the County contributes 8.75% on their behalf. The employee's account is fully vested, while the employer's account is fully vested after three (3) years in the plan. Employees over age 55 are vested immediately upon eligibility to participate in the retirement plan. Prior service benefits are paid by the County on a pay-as-you-go basis directly to the retired employee. No actuarial calculation has been made of the plan because future service benefits are on a money purchase basis and prior service benefits are on a pay-as-you-go basis.

For the year ended June 30, 2007, the County's payroll for covered employees was $25,397,404, and the total payroll for the County was $26,299,385. The County contributed $1,869,508 to the employees account and paid $1,542 for prior service benefits. The employees contributed $1,298,086 to the plan for the year ended June 30, 2007.

7. EMPLOYEES' RETIREMENT SYSTEM, CONTINUED

Deferred Compensation Plan

The County offers employees a deferred compensation plan created in accordance with provisions in IRS Section 457. The deferred compensation plan allows employees to defer a portion of current salary to future years, but the deferred balance is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, property rights purchased with such amounts, and income attributed to such amounts are placed in a trust which is not in the property of the County. Therefore, assets and liabilities related to the deferred compensation plan are not included in the basic financial statements.

8. COMMITMENTS AND CONTINGENCIES

Federal Financial Awards

The County participates in a number of federally assisted grant programs. Compliance with the grants is subject to audit by various governmental agencies that may impose sanctions in the event of noncompliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, related to such audits would be immaterial to the accompanying basic financial statements.

Litigation

The County is involved in lawsuits arising in the ordinary course of business, including claims for property damage and personal injury. In the opinion of County management, based on the advice of the County Attorney with respect to litigation, these matters are not expected to have a materially adverse effect on the County's financial position at June 30, 2007.

9. LANDFILL CLOSURE AND POST CLOSURE CARE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill site and perform certain maintenance and monitoring functions at the landfill site for a minimum of thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used during the year. Based on a cost estimate done in 2007 closure costs will be $3,993,762 and an additional $2,293,950 will be required for post-closure care. The estimated total of the landfill closure and postclosure care of $6,287,712 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfills were to be completed.

Based on the capacity of the landfill and the current rate of consumption it is estimated that the landfill is 88 percent used (filled). The County expects to close the landfill in 2012. The County has accrued 88 percent of the total landfill closure and postclosure care costs as of June 30, 2007.

9. LANDFILL CLOSURE AND POST CLOSURE CARE COSTS, CONTINUED

However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The County is required by State and Federal laws and regulations to make annual contributions to finance closure and postclosure care. The County is in compliance with these requirements and at June 30, 2007, investments of $6,824,283 are held for these purposes. These are reported as restricted assets on the proprietary fund statement of net assets.

10. PUBLIC ENTITY RISK POOL

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 75 counties throughout Nebraska. NIRMA was created as a result of the Intergovernmental Risk Management Act authorized by State Statute Section 44-4301 R.R.S. 1943 which resulted in two programs being established, NIRMA and NIRMA II. The County has the option of participating in one or both of the programs.

The County pays an annual deposit premium as calculated by the administrator of the pool. Nine months following the close of the fiscal year and at annual intervals thereafter, the pool may calculate each County's retrospective premium or premium credit for the year. The retrospective formula will be adopted by the Board prior to the beginning of the fiscal year. The formula will consider the losses and exposures of each County and the entire pool. The deposit premium paid for the fiscal year may be applied as a credit against the retrospective premium. If it is determined that the deposit premium paid is in excess of the retrospective premiums calculated, such excess may be applied as a credit toward the next annual deposit premium. Retrospective premium adjustments for each fiscal year may continue until all claims are closed or until the Board determines that sufficient facts are known to make a final adjustment for the year. If the pool becomes insolvent or is otherwise unable to discharge its legal liabilities and other obligations, the County may be assessed by the Board for an additional contribution equal to its contribution for the current fiscal year divided by the contributions of all participants for such year, times the amount of such deficiency. Each such assessment, and the manner of calculating the same, will be to each County in writing, and each County will thereafter have sixty (60) days in which to pay the amount of such assessment.

Each County will remain liable for such assessments, regardless of such County's withdrawal from participation or the termination of the agreement and for liabilities of the pool incurred during such County's period of membership, as provided by State Statute Section 44-4312, R.R. S. 1943.

10. PUBLIC ENTITY RISK POOL, CONTINUED

The following schedule is a summary of the NIRMA AND NIRMA II coverage in effect for the period August 1, 2006 through July 30, 2007 similar coverage will be in effect for the period August 1, 2007 through July 30, 2008:

Type of Coverage	Insurance Carrier	Total Coverage Per Occurrence	County Deductible	Pool S.I.R.
General Liability Auto Liability Police Professional Employee Benefits Liability	County Reinsurance, LTD	$5,000,000 (No Annual Aggregate)	-0-	$300,000
Public Officials and Employment Practices Liability	County Reinsurance, LTD	$5,000,000 $7,000,000 Aggregate	Various	$300,000
Personal & Real Property	Travelers Indemnity Co.	100% replacement cost Plus $25M flood & quake $2,575,000 extra exp. $1,075,000 valuable papers $575,000 fine arts $1,075,000 A/R	$500	$75,000
Auto Phys. Dmg.	Travelers Indemnity Co.	Actual Cash Value	$250	$100,000
Inland Marine	Travelers Indemnity Co.	Actual Cash Value	$500	$75,000
Boiler & Machinery	Travelers Indemnity Co.	$50,000,000	$11,000	$25,000
Crime w/ faithful Performance of duty	NIRMA	$300,000	$1,000	$300,000
Crime/Money & Securities/Deposits Forgery	NIRMA	$50,000 Money & Securities $100,000 Dep. Forgery	$1,000	$50,000 $100,000
Worker's Comp.	County Reinsurance,LTD	Statutory	-0-	$300,000
Employer's Liability	County Reinsurance, LTD	$2,000,000	-0-	$300,000

11. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The following table shows each fund that has a net asset deficit. These deficits are expected to be eliminated in future years by receipts.

Name of Fund	Amount of Net Asset Deficit
FG - JAIBG	$ 554

12. PRIOR PERIOD ADJUSTMENT

The County analyzed it capital assets and noted that an asset had been left off of the schedule in previous years. Accordingly, an adjustment of $500,000 was made to the governmental activities beginning net assets. The correction had no effect on the operating results of the current year.

REQUIRED SUPPLEMENTARY INFORMATION

SARPY COUNTY, NEBRASKA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budget Amounts			Favorable (Unfavorable)
	Original	Final	Actual	Variance
REVENUES COLLECTED				
Tax	$ 23,448,092	$ 23,448,092	$ 22,171,426	$ (1,276,666)
Federal	176,700	176,700	470,130	293,430
State	1,108,000	1,108,000	1,650,629	542,629
Local	12,831,143	12,831,143	16,436,569	3,605,426
Total revenues collected	37,563,935	37,563,935	40,728,754	3,164,819
EXPENDITURES PAID				
General Government				
County Board	140,561	140,561	138,395	2,166
County Clerk	977,842	989,046	977,840	11,206
County Treasurer	882,294	889,280	865,518	23,762
Register of Deeds	450,693	453,323	442,090	11,233
County Assessor	1,006,671	1,020,507	1,020,162	345
Election Commissioner	427,530	433,671	433,662	9
Planning and Building	314,444	360,219	352,187	8,032
Administration	160,534	160,534	136,145	24,389
Personnel	187,900	245,255	217,406	27,849
Fiscal Administration	171,112	171,430	170,886	544
Board of Equalization	19,220	19,220	9,058	10,162
Clerk of the District Court	524,404	528,944	512,575	16,369
County Court	176,160	176,160	159,991	16,169
Juvenile Probation	33,214	33,214	33,182	32
Juvenile Court	381,971	388,898	388,525	373
District Judge	435,925	436,984	424,666	12,318
Public Defender	832,720	834,410	820,518	13,892
Jury Commissioner	66,993	72,437	72,176	261
CASA	83,119	91,684	89,832	1,852
Building and Grounds	871,008	873,882	873,874	8
Public Property Utilities	472,000	472,000	410,629	61,371
Jail Maintenance	281,614	282,185	281,812	373
Juvenile Justice Center Maintenance	75,313	75,425	74,950	475
Extension Agent	104,314	104,314	104,217	97
Other Intergovernmental	657,000	657,000	575,318	81,682
Sheriff Merit Commission	17,500	17,500	1,552	15,948
Animal Control	341,890	367,890	366,931	959
Miscellaneous General	4,873,080	4,406,399	3,647,899	758,500
Payroll Accrual	250,000	250,000		250,000
Capital Projects	300,000	300,000	263,138	36,862

SARPY COUNTY, NEBRASKA

BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budget Amounts			Favorable (Unfavorable)
	Original	Final	Actual	Variance
EXPENDITURES PAID - CONTINUED				
Public Safety				
Sheriff	$ 1,567,099	$ 1,595,099	$ 1,594,342	$ 757
County Attorney	1,995,177	2,108,722	2,107,707	1,015
Investigations	1,286,795	1,290,795	1,287,997	2,798
Road Patrol	3,793,505	3,825,505	3,825,284	221
Vehicle Inspection	90,135	97,135	96,952	183
Tow Lot	212,089	230,089	229,169	920
Juvenile Intake	216,202	223,823	221,709	2,114
Victim Witness	118,298	123,540	114,125	9,415
Adult Pre-trial	102,827	103,463	99,965	3,498
Adult Drug Court	52,011	52,011	32,247	19,764
Juvenile Justice Center	1,846,120	1,846,120	1,774,403	71,717
County Jail	4,527,444	4,527,444	4,036,929	490,515
Work Release	458,276	458,276	443,695	14,581
Court Services	1,036,239	1,063,598	1,031,012	32,586
Warrants	431,516	431,516	398,398	33,118
Adult Probation	81,855	81,855	80,884	971
Community Services	117,275	117,822	117,514	308
Emergency Management	154,273	154,954	141,825	13,129
Public Health				
Mental Health	138,512	138,512	80,996	57,516
Public Welfare				
Veterans Services	144,939	145,584	143,488	2,096
Human Services	770,186	789,564	788,872	692
Total expenditures paid	34,657,799	34,657,799	32,512,647	2,145,152
Operating transfer in	850,000	850,000	850,000	
Operating transfer out	(7,526,558)	(7,526,558)	(7,526,558)	
	(6,676,558)	(6,676,558)	(6,676,558)	
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(3,770,422)	(3,770,422)	1,539,549	5,309,971
FUND BALANCE, BEGINNING OF YEAR	8,345,422	8,345,422	8,345,422	
FUND BALANCE, END OF YEAR	$ 4,575,000	$ 4,575,000	$ 9,884,971	$ 5,309,971

SARPY COUNTY, NEBRASKA

BUDGETARY COMPARISON SCHEDULE
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	Budget Amounts			Favorable (Unfavorable)
	Original	Final	Actual	Variance
REVENUES COLLECTED				
Tax	$ 3,701,912	$ 3,701,912	$ 3,191,950	$ (509,962)
Federal	6,246,399	6,266,399	6,646,941	380,542
State	5,124,804	5,124,804	5,890,920	766,116
Local	9,857,717	9,907,717	6,761,950	(3,145,767)
Total revenues collected	24,930,832	25,000,832	22,491,761	(2,509,071)
EXPENDITURES PAID				
Special Road	20,224,678	20,231,088	16,246,187	3,984,901
E911	3,229,512	3,229,512	3,113,523	115,989
District Court - Child Support	152,834	159,441	156,693	2,748
County Attorney - Child Support	792,189	801,886	796,665	5,221
Tourism	193,596	195,553	167,465	28,088
Visitors Improvement	284,807	284,807	12,023	117,342
Employment Security Act	18,000	21,500	21,204	296
County Medical	140,500	140,500	122,234	18,266
Institutions	45,000	45,000	16,667	28,333
Alcohol Diversion	360,805	365,871	363,683	2,188
County Drug Enforcement	5,000	5,000		5,000
Federal Grant - Drug Court	3,500	3,500	1,441	2,059
Federal Grant - JAIBG	25,911	25,911	24,425	1,486
Federal Grant - Title 1D	109,143	109,143	101,709	7,434
Federal Grant - Juv Pre-trial	43,444	43,444	37,664	5,780
State Education Reimbursement	69,720	149,720	145,006	4,714
Federal Forfeiture	195,000	195,000	79,177	115,823
Federal Forfeiture - County Attorney	175,785	176,031	94,020	82,011
STOP Program	81,721	81,721	11,521	70,200
Federal Grant - Victim Witness	81,557	109,557	108,662	895
CDBG - Oakdale Park	526,573	526,573		526,573
State Grant - Juvenile Justice	10,905	11,905	11,900	5
Federal Grant - GREAT	115,318	122,318	100,360	21,958
Federal Grant - Drug Enforcement	90,455	110,455	92,994	17,461
Juvenile Services LB640	113,089	113,089	103,656	9,433
Federal Grant - Universal Hiring	21,120	21,120	21,120	

SARPY COUNTY, NEBRASKA

BUDGETARY COMPARISON SCHEDULE - CONTINUED
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	Budget Amounts			Favorable (Unfavorable)
	Original	Final	Actual	Variance
EXPENDITURES PAID - CONTINUED				
Federal Grant - GIS Transportation	$ 40,295	$ 40,295	$ 40,200	$ 95
Federal Grant - Adult Drug Court	7,027	10,027	9,973	54
Federal Grant - LETPP	110,000	110,000		110,000
Federal Grant - Buffer Zone	12,296	12,296	8,918	3,378
Juvenile Wellness Grant	4,497	4,497	4,221	276
Federal Grant - Drug Eradication	5,000	20,000	5,000	15,000
Federal Grant - Juv Day\Evening	75,000	75,000	49,026	25,974
Federal Grant - MIP Mini Grant		20,000		20,000
Inheritance Tax	1,550,000	1,550,000	929,983	620,017
County Tax Refund	11,000	11,000	8,352	2,648
Keno	232,000	232,000	144,522	87,478
800 MHZ Bond Fund	803,455	803,455	406,160	397,295
Courthouse Bond	1,543,381	1,543,381	755,716	787,665
Courthouse Administration	850,000	850,000	92,992	757,008
Landfill Bond Surplus	2,791,903	2,791,903	1,000	2,790,903
Sinking Fund	555,854	555,854	104,044	451,810
Sewer	1,860,000	1,860,000	570,016	1,289,984
Sewer Operations	165,000	165,000	3,080	161,920
Phase II Stormwater Fees		50,000		50,000
Noxious Weed	75,448	75,683	71,854	3,829
Information Systems	1,526,523	1,530,121	1,528,951	1,170
GIS	314,677	315,860	300,630	15,230
Purchasing Agent	93,833	94,222	92,998	1,224
Fleet Services	1,042,760	1,045,645	1,045,472	173
Total expenditures paid	40,780,111	41,045,884	28,123,107	12,767,335
Operating transfer in	8,014,892	8,210,665	8,171,892	(38,773)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(7,834,387)	(7,834,387)	2,540,546	10,374,933
FUND BALANCE, BEGINNING OF YEAR	7,834,387	7,834,387	7,834,387	
FUND BALANCE, END OF YEAR	$	$	$ 10,374,933	$ 10,374,933

SARPY COUNTY, NEBRASKA

BUDGETARY COMPARISON SCHEDULE
SPECIAL ROADS FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budget Amounts			Favorable (Unfavorable)
	Original	Final	Actual	Variance
REVENUES COLLECTED				
Tax			$ 1	$ 1
Federal	$ 4,775,702	$ 4,775,702	4,795,827	20,125
State	4,920,750	4,920,750	5,622,476	701,726
Local	4,938,007	4,938,007	1,166,018	(3,771,989)
Total revenues collected	14,634,459	14,634,459	11,584,322	(3,050,137)
EXPENDITURES PAID				
Personal services	2,593,752	2,593,752	2,573,686	20,066
Operating expenses	659,511	659,511	710,880	(51,369)
Supplies and materials	1,186,000	1,186,000	1,496,077	(310,077)
Equipment and office rental	18,500	18,500	22,211	(3,711)
Capital outlays	15,095,650	15,095,650	10,807,718	4,287,932
Principal and interest	671,265	671,265	635,615	35,650
Total expenditures paid	20,224,678	20,224,678	16,246,187	3,978,491
Operating transfer in	4,924,893	4,924,893	4,924,893	
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(665,326)	(665,326)	263,028	928,354
FUND BALANCE, BEGINNING OF YEAR	665,326	665,326	665,326	
FUND BALANCE, END OF YEAR	$	$	$ 928,354	$ 928,354

SARPY COUNTY, NEBRASKA

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULES FOR THE YEAR ENDED JUNE 30, 2007

1. BUDGETARY ACCOUNTING

The County prepares its budgets on the cash basis of accounting, based on funds received at the County Treasurer. Accordingly, revenues are recognized when cash is received by the County Treasurer and expenditures are recognized when disbursed. This results in twelve months of revenues and expenditures being reported however, revenues received by departments but not yet submitted to the County Treasurer are not included in the budget amounts since the County Treasurer does not have these funds in hand as of year end. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under this method of accounting, all unexpended appropriations lapse at the end of the budget year.

APPENDIX C

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (the **"Disclosure Agreement"**) is executed and delivered by **THE COUNTY OF SARPY, NEBRASKA** (the **"County"**) and **UNION BANK AND TRUST COMPANY** (the **"Registrar"**).

RECITALS

1. This Disclosure Agreement is executed and delivered in connection with the issuance by the County of $6,075,000 aggregate principal amount of its General Obligation Highway Allocation Fund Pledge Bonds, Series 2009, dated the date of delivery (_____, 2009) thereof (the **"Bonds"**), pursuant to a resolution adopted January 27, 2009 (the **"Resolution"**).

2. The County and the Registrar are entering into this Disclosure Agreement for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule. The County is the only "obligated person" with responsibility for continuing disclosure under the Rule.

In consideration of the mutual covenants and agreements herein, the County and the Registrar covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this **Section 1**, the following capitalized terms have the following meanings:

"Annual Report" means any annual report provided by the County pursuant to, and as described in, **Section 2** and **Section 3** of this Disclosure Agreement.

"Beneficial Owner" means any person that (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Disclosure Representative" means the Fiscal Administrator of the County or his or her designee, or such other officer or employee as the County shall designate in writing to the Registrar from time to time.

"Dissemination Agent" means the Registrar, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the County that has filed with the Registrar a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures.

"Material Events" means any of the events listed in **Section 4(a)** of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"National Repository" means any nationally recognized municipal securities information repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are set forth in **Exhibit A** attached hereto. Annual Reports and notices of Material Events are not required to be filed with the National Repositories on or after July 1, 2009.

"Participating Underwriter" means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" means, until June 30, 2009, each National Repository, and on and after July 1, 2009, the MSRB.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" means the State of Nebraska.

Section 2. Provision of Annual Reports.

(a) The County shall, or shall cause the Dissemination Agent to, not later than eight months following the end of the County's fiscal year (currently June 30), commencing with the report for the 2008-2009 fiscal year, provide to each Repository an Annual Report that is consistent with the requirements of **Section 3** of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a single package, and may include by reference other information as provided in **Section 3** of this Disclosure Agreement; however, the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County's fiscal year changes, it shall give notice of the change in the same manner as for a Material Event under **Section 4(d)**.

(b) Not later than fifteen (15) business days (which exclude weekends, holidays and days the Registrar is not open for business) prior to the date specified in **Section 2(a)**, the County shall provide the Annual Report to the Dissemination Agent and the Registrar (if the Registrar is not the Dissemination Agent). If by such date, the Registrar has not received a copy of the Annual Report, the Registrar shall contact the Disclosure Representative to determine if the County is in compliance with the first sentence of this **Section 2(b)**.

(c) If the Registrar is unable to verify that an Annual Report has been provided to Repositories by the date required in **Section 2(a)**, the Registrar shall send a notice to each Repository and the State Repository, if any, in substantially the form attached hereto as **Exhibit B**.

(d) The Dissemination Agent shall, unless the County has provided the Annual Report to each Repository, promptly following receipt of the Annual Report and instructions required in subsection (b) above, provide the Annual Report to each Repository and file a report with the County and (if the Dissemination Agent is not the Registrar) the Registrar certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided.

Section 3. Content of Annual Reports. The County's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the County for the prior fiscal year, prepared on the budgetary basis of accounting which is a prescribed, comprehensive basis of accounting other than generally accepted accounting principles. If the County's audited financial statements are not available by the time the

Annual Report is required to be filed pursuant to Section 2(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) The operating data of the County updated for the fiscal year then ended in substantially the scope and form contained in the Official Statement under "FINANCIAL STATEMENTS."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the County or related public entities, which have been submitted to each Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB (via EMMA if submitted on or after July 1, 2009). The County shall clearly identify each such other document so included by reference.

Section 4. Reporting of Material Events.

(a) Pursuant to the provisions of this **Section 4**, the County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

(1) principal and interest payment delinquencies;
(2) non-payment related defaults;
(3) modifications to rights of registered owners of the Bonds;
(4) optional, contingent or unscheduled bond calls;
(5) defeasances;
(6) rating changes;
(7) adverse tax opinions or events adversely affecting the tax-exempt status of the Bonds;
(8) unscheduled draws on the debt service reserves reflecting financial difficulties;
(9) unscheduled draws on credit enhancements reflecting financial difficulties;
(10) substitution of credit or liquidity providers, or their failure to perform; and
(11) release, substitution or sale of property securing repayment of the Bonds.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the Disclosure Representative, inform such person of the event, and request that the County promptly notify the Registrar in writing to determine whether to report the event pursuant to **Section 4(d)**. If in response to a request under this **Section 4(b)**, the County determines that the event would not be material under applicable federal securities laws, the Disclosure Representative shall so notify the Registrar in writing and instruct the Dissemination Agent to not report the occurrence pursuant to **Section 4(d)**.

(c) Whenever the County obtains knowledge of the occurrence of a Material Event, because of a notice received from the Registrar pursuant to **Section 4(b)** or otherwise, the County shall promptly notify the Registrar and instruct the Dissemination Agent in writing to report the occurrence pursuant to **Section 4(d)**.

(d) If the Dissemination Agent receives written instructions from the Disclosure Representative to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence with each Repository, with a copy to the Registrar. Notwithstanding the foregoing, notice of those Material Events described in **Section 4(a)(iv)** and **Section 4(a)(v)** do not need to be given under this **Section 3(d)** any earlier than notice is given to the registered owners of affected Bonds pursuant to the Resolution.

Section 5. Termination of Reporting Obligation. The County's obligations under this

Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the County shall give notice of such termination in the same manner as for a Material Event under **Section 4(d)**.

Section 6. Dissemination Agent, Other Designated Agents.

(a) The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon 30-days prior written notice to the County. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Agreement.

(b) The County may, from time to time, appoint or designate one or more agents (each, a "**designated agent**") to submit Annual Reports, Material Event notices, and other notices or reports with the MSRB via EMMA. The County hereby appoints the Dissemination Agent as a designated agent of the County solely for the purpose of submitting County-approved Annual Reports, Material Event notices, and other notices or reports to the MSRB via EMMA. The County may revoke this designation at any time upon written notice to the designated agent, and may designate one or more additional designated agents for purposes of this Section 6(b) from time to time by written designation to the newly appointed designated agent.

Section 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the County and the Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of **Section 2(a), Section 3 or Section 4** hereof, it 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 an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (1) is approved by the Beneficial Owners of the Bonds in the same manner as provided for amendments to the Resolution with the consent of the Beneficial Owners, or (2) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event described in **Section 4** hereof, and (2) the audited financial statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 8. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in a request for information or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any request for information or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future request for information or notice of occurrence of a Material Event.

Section 9. Default. In the event of a failure of the County or the Dissemination Agent to comply with any provision of this Disclosure Agreement, any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the County or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 10. Duties and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities that it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this **Section 11** shall survive resignation or removal of the Dissemination Agent and the payment of the Bonds. The County shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Disclosure Agreement.

Section 11. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by facsimile or by e-mail, receipt confirmed by telephone, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

County:

The County of Sarpy, Nebraska
1210 Golden Gate Drive
Papillion, NE 68046
Attention: Brian Hanson
Telephone/Fax: (402) 593-2349/(402) 593-4304

Registrar:

Union Bank and Trust Company
6811 South 27th Street
Lincoln, NE 68512
Attention: Ralene K. Klostermeyer
Telephone/Fax: (402) 323-1353/(402) 323-1192

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter, and the Beneficial Owners of the Bonds, and will create no rights in any other person or entity.

Section 13. Severability. If any provision in this Disclosure Agreement, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument. Copies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15. Electronic Transactions. The parties agree that the arrangement described herein may be conducted and related documents may be stored by electronic means.

Section 16. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.

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DATED: _____, 2009

THE COUNTY OF SARPY, NEBRASKA

By: _____
Budget and Fiscal Director

UNION BANK AND TRUST COMPANY,
Registrar

By: _____
Authorized Officer

EXHIBIT A

NATIONALLY RECOGNIZED MUNICIPAL SECURITIES INFORMATION REPOSITORIES

Bloomberg Municipal Repository
Bloomberg Business Park
100 Business Park Drive
Skillman, New Jersey 08558-3629
Phone: (609) 279-3225
Fax: (609) 279-5962 or (800) 395-9403
E-Mail: Munis@Bloomberg.com

Standard & Poor's Securities Evaluations, Inc.
Repository Service
55 Water Street, 45th Floor
New York, New York 10041-0003
Phone: (212) 438-4595
Fax: (212) 438-3975
E-mail: nrmsir_repository@sandp.com

FT Interactive Data
Attn: NRMSIR
100 William Street, 15th Floor
New York, New York 10038
Phone: (212) 771-6999 or (800) 689-8466
Fax: (212) 771-7390 (Secondary Market Information)
Fax: (212) 771-7391 (Primary Market Information)
E-Mail: NRMSIR@ftid.com

DPC Data Inc.
One Executive Drive
Fort Lee, New Jersey 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
E-Mail:nrmsir@dpcdata.com

MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB)

For all filings on or after July 1, 2009:

Via EMMA
www.emma.msrb.org

EXHIBIT B

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: **The County of Sarpy, Nebraska**

Name of Issue: **General Obligation Highway Allocation Fund Pledge Bonds, Series 2009**

Date of Issuance: **_____, 2009**

NOTICE IS HEREBY GIVEN that The County of Sarpy, Nebraska has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated _____, 2009. The County anticipates that the Annual Report will be filed by _____, 20____.

DATED this ___ day of _____, 20__.

UNION BANK AND TRUST COMPANY, on behalf of **THE COUNTY OF SARPY, NEBRASKA**

By: _____
Authorized Officer

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APPENDIX D

BOOK-ENTRY SYSTEM

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BOOK ENTRY SYSTEM

1. The Depository Trust Company (**"DTC"**), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued in fully-registered form in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such maturity and will be deposited with DTC.

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Bonds Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (**"Direct Participants"**) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (**"DTCC"**). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Bonds Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Bonds Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**"Indirect Participants"**). DTC has Standard & Poor's highest rating: "AAA." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

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

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the County or the Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the County or the Registrar, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the County or the Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

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

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

The information in this Appendix concerning DTC and DTC's book-entry system has been obtained from sources that the County and the Underwriter believe to be reliable, but the County and the Underwriter take no responsibility for the accuracy thereof, and neither the DTC Participants nor the

Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the County nor the Underwriter will have any responsibility or obligation to any Direct Participants or Indirect Participants or the persons for whom they act with respect to (a) the accuracy of any records maintained by DTC or any such Direct Participant or Indirect Participant; (b) the payment by any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price of or interest on the Bonds; (c) the delivery by any such Direct Participant or Indirect Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Bond Resolution to be given to registered owners of the Bonds; (d) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (e) any consent given or other action taken by DTC as the registered owner of the Bonds.

* * * *

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

NEW ISSUE – BOOK-ENTRY
BOOK-ENTRY

RATINGS: Moody's· "Aa2"
See "RATINGS "

In the opinion of Gilmore & Bell, P C , Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2009 Bonds is excludable from gross income for federal and Nebraska income tax purposes, except as described herein, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations The Series 2009 Bonds have ***not*** *been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended See* ***"TAX MATTERS "***

OFFICIAL STATEMENT

$6,075,000
THE COUNTY OF SARPY, NEBRASKA
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS, SERIES 2009

Dated: date of delivery

Due: December 15, as set forth below

The Series 2009 Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company (**"DTC"**), New York, New York, which will act as securities depository for the Series 2009 Bonds. Purchases of the Series 2009 Bonds will be made in book-entry form, in the denomination of $5,000 or any integral multiple thereof through brokers and dealers who are, or who act through, DTC participants Purchasers will not receive certificates representing their interests in Series 2009 Bonds purchased so long as DTC or a successor securities depository acts as the securities depository for the Series 2009 Bonds. So long as Cede & Co. is the registered owner of the Series 2009 Bonds, references to the Registered Owners shall mean Cede & Co., and shall not mean the Beneficial Owners (herein defined) of the Series 2009 Bonds. So long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2009 Bonds, payments of principal or redemption price of and interest on the Series 2009 Bonds will be made directly to DTC Disbursement of such payments to DTC Participants (herein defined) is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC Participants. See **"THE SERIES 2009 BONDS – Book-Entry System "** Semiannual interest will be payable on June 15 and December 15, beginning on June 15, 2009 by Union Bank and Trust Company, as registrar and paying agent for the Series 2009 Bonds (the **"Registrar"**) as provided herein.

The Series 2009 Bonds maturing on and after December 15, 2011 are subject to redemption prior to maturity at the option of the County at any time on or after June 15, 2011 See **"THE SERIES 2009 BONDS – Redemption."**

The County will use the proceeds of the Series 2009 Bonds to pay the costs of (a) constructing improvements to certain roads of the County (the **"Project"**) and (b) issuing the Series 2009 Bonds. See **"THE PROJECT"** and **"ESTIMATED SOURCES AND USES OF FUNDS."**

The Series 2009 Bonds are issued pursuant to a resolution passed by the Board of Commissioners of the County on January 27, 2009 The Series 2009 Bonds, together with any additional highway allocation fund bonds hereafter issued (collectively, the **"Bonds"**), are payable from and equally and ratably secured by a pledge of the funds received and to be received from the Highway Allocation Fund of the State of Nebraska. In addition, to the extent that other legally available money of the County appropriated for such purposes is insufficient to pay the principal of and interest on the Bonds when and as the same shall become due, the County has agreed that it will cause to be levied and collected annually ad valorem taxes on all the taxable property in the County within any applicable statutory and constitutional limitations sufficient in amount to pay the principal of and interest on the Bonds until the same is fully paid. The full faith and credit of the County is pledged to the prompt payment of the principal of and interest on the Bonds See **"SECURITY"** and **"NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION "**

MATURITY SCHEDULE

Maturity (December 15)	Principal Amount	Interest Rate	Yield	Price	CUSIP Number
2009	$1,195,000	1.00%	1 00%	100 000%	80373F JG 3
2010	1,195,000	1.35	1.35	100.000	80373F JH 1
2011	1.210,000	1.50	1.50	100.000	80373F JJ 7
2012	1,225,000	1.65	1.65	100.000	80373F JK 4
2013	1,250,000	1.90	1.90	100.000	80373F JL 2

The Series 2009 Bonds are offered in book entry form only when, as and if issued by the County and accepted by the Underwriter, subject to the approval of legality by Gilmore & Bell, P.C., Lincoln, Nebraska, Bond Counsel. It is expected that the Series 2009 Bonds in definitive form will be available for delivery through DTC on or about February 18, 2009.

AMERITAS INVESTMENT CORP.

The Date of this Official Statement is January 27, 2009.

THE COUNTY OF SARPY, NEBRASKA

COUNTY OFFICIALS

Board of Commissioners

Joni Jones, Chair
Tom Richards
Rusty Hike
Rich Jansen
Pat Thomas

County Administration

Deb Houghtaling, County Clerk
Rich James, County Treasurer
Dan Pittman, County Assessor
L. Kenneth Polikov, County Attorney

BOND COUNSEL

Gilmore & Bell, P.C.,

REGISTRAR AND PAYING AGENT

Union Bank and Trust Company

UNDERWRITER

Ameritas Investment Corp.

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REGARDING USE OF THIS OFFICIAL STATEMENT

AUTHORIZED INFORMATION AND REPRESENTATIONS

No dealer, broker, sales representative or other person has been authorized by the County or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement; and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2009 Bonds 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 obtained from the County and other sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The Underwriter has provided the following sentence for inclusion in this Official Statement: "The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information." The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstance, create any implication that there has been no change in the affairs of the County since the date hereof.

REGISTRATION EXEMPTION

The Series 2009 Bonds have not been registered with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended (the **"Securities Act"**), in reliance upon an exemption contained in the Securities Act. In making an investment decision, investors must rely upon their own examination of the County and the terms of the offering, including the merits and risks involved. No federal or state securities commission or regulatory authority has recommended the Series 2009 Bonds. Moreover, none of the foregoing authorities has confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "budget," "intend" or other 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. Neither the County nor any other party plans to issue any updates or revisions to those forward-looking statements if or when the expectations, or events, conditions or circumstances upon which such statements are based occur.

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THE UNDERWRITER INTENDS TO OFFER THE SERIES 2009 BONDS INITIALLY AT THE OFFERING PRICES SET FORTH ON THE COVER PAGE OF THIS OFFICIAL STATEMENT, WHICH MAY SUBSEQUENTLY CHANGE WITHOUT ANY REQUIREMENT OF PRIOR NOTICE. IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2009 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THIS OFFICIAL STATEMENT IS NOT, AND MAY NOT BE CONSTRUED AS, A CONTRACT WITH THE PURCHASERS OF THE SERIES 2009 BONDS. STATEMENTS CONTAINED IN THE OFFICIAL STATEMENT WHICH INVOLVE ESTIMATES, FORECASTS, OR MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY SO DESCRIBED HEREIN, ARE INTENDED SOLELY AS SUCH AND ARE NOT TO BE CONSTRUED AS A REPRESENTATION OF FACTS.

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OFFICIAL STATEMENT

$6,075,000

THE COUNTY OF SARPY, NEBRASKA
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS, SERIES 2009

INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information relating to (a) The County of Sarpy, Nebraska (the **"County"**), and (b) the General Obligation Highway Allocation Fund Pledge Bonds, Series 2009 (the **"Series 2009 Bonds"**) of the County, dated the date of delivery thereof, to be issued in the aggregate principal amount of $6,075,000.

The County

The County is a county and political subdivision created and existing under the laws of the State of Nebraska (the **"State"**), including, without limitation, Section 22-177, Reissue Revised Statutes of Nebraska, as amended. See **"THE COUNTY."**

The Series 2009 Bonds

The Series 2009 Bonds will be issued pursuant to a resolution passed January 27, 2009 (the **"Bond Resolution"**) by the Board of Commissioners of the County for the purpose of paying (a) the costs of constructing improvements to certain roads of the County (the **"Project"**), and (b) the costs of issuing the Series 2009 Bonds. See **"PLAN OF FINANCING"** and **"THE SERIES 2009 BONDS."**

Security and Source of Payment

The Series 2009 Bonds, together with any additional highway allocation fund bonds hereafter issued (collectively, the **"Bonds"**), are payable from and equally and ratably secured by a pledge of the funds received and to be received from the Highway Allocation Fund of the State of Nebraska. In addition, to the extent that other legally available money of the County appropriated for such purposes is insufficient to pay the principal of and interest on the Bonds when and as the same shall become due, the County has agreed that it will cause to be levied and collected annually ad valorem taxes on all the taxable property in the County within any applicable statutory and constitutional limitations sufficient in amount to pay the principal of and interest on the Bonds until the same is fully paid. The full faith and credit of the County is pledged to the prompt payment of the principal of and interest on the Series 2009 Bonds. See **"SECURITY"** and **"NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION."**

Financial Statements

Audited financial statements of the County, as of and for the year ended June 30, 2007, are included in **"APPENDIX B – FINANCIAL STATEMENTS."** These financial statements have been audited by Orizon CPAs LLC,

independent certified public accountants, to the extent and for the periods indicated in their report, which is also included in **"APPENDIX B – FINANCIAL STATEMENTS."**

Ratings

The Series 2009 Bonds have been rated "Aa2" by Moody's Investors Service, Inc. See **"MISCELLANEOUS – Ratings."**

THE COUNTY

The County is a county and political subdivision created and existing under the laws of the State, including, without limitation, Section 22-177, Reissue Revised Statutes of Nebraska, as amended. The County encompasses approximately 249 square miles and is located on the eastern border of Nebraska immediately south of Omaha. The County includes the cities of Bellevue, Papillion, LaVista, Gretna and Springfield, and has a current estimated population of 146,756. See **"APPENDIX A – THE COUNTY OF SARPY, NEBRASKA"** and **"APPENDIX B - FINANCIAL STATEMENTS."**

PLAN OF FINANCING

Authorization and Purpose of Bonds

The Series 2009 Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State including, particularly, Section 66-4,101, Reissue Revised Statutes of Nebraska, as amended (the **"Act"**). The Series 2009 Bonds will be issued pursuant to the Bond Resolution for the purpose of paying (a) the costs of the Project and (b) the costs of issuing the Series 2009 Bonds

The Project

The Project consists of constructing improvements to certain roads of the County. The County received approximately $7,000,000 in federal funds for the construction of 96th Street in the County. A preliminary review by the Federal Highway Administration (**"FHWA"**) determined that certain regulations regarding the purchase of right-of-way may not have been followed. The County was compelled to refund the $7,000,000 in federal funds that had been received. The proceeds of the Bonds will be deposited in the Sarpy County Road fund to replace the money refunded to FHWA. The decision of FHWA is being appealed by the County.

Sources and Uses of Funds

The following table summarizes the estimated sources of funds, including the proceeds from the sale of the Series 2009 Bonds, and the expected uses of such funds, in connection with the plan of financing:

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Sources of Funds:

Proceeds of the Series 2009 Bonds	$6,075,000.00
Total	$6,075,000.00

Uses of Funds:

Deposit to Sarpy County Road Fund	$6,003,762.50
Costs of Issuance	71,237.50
Total	$6,075,000.00

THE SERIES 2009 BONDS

The following is a summary of certain terms and provisions of the Series 2009 Bonds. Reference is hereby made to the Series 2009 Bonds and the provisions of the Bond Resolution for the detailed terms and provisions thereof.

Principal Maturities and Interest Rates

The Series 2009 Bonds will be dated the date of delivery thereof, numbered from R-1 upward in order of their issuance, mature on December 15 in the years and in the principal amounts set forth on the cover page of this Official Statement and bear interest calculated on the basis of a 360-day year consisting of twelve 30-day months at the rates per annum set forth on the cover page hereof. Interest is payable on June 15 and December 15 of each year, commencing June 15, 2009. The **"Record Date"** for each installment of interest shall be the 15th day (whether or not a business day) next preceding such interest payment date.

Form and Denomination

The Series 2009 Bonds are issuable as fully registered bonds and when issued will initially be available in book-entry form only in denominations of $5,000 and any integral multiple thereof. See **"THE SERIES 2009 BONDS – Book-Entry System."**

Place of Payment

Unless the Series 2009 Bonds are being held in book-entry form only, the principal or redemption price thereof due at maturity or upon redemption prior to maturity is payable upon presentation and surrender of the Series 2009 Bonds to Union Bank and Trust Company, as bond registrar and paying agent (the **"Registrar"**), at its designated corporate trust administration office in Lincoln, Nebraska. Interest on the Series 2009 Bonds is payable by check or draft mailed on the date such interest is payable by the Registrar to the registered owner of such Bonds at such registered owner's address as shown on the Record Date on the books of registry kept by the Registrar. During such time as the Series 2009 Bonds are being held in book-entry form only, the principal or redemption price of and interest on the Series 2009 Bonds are payable as described under **"THE SERIES 2009 BONDS – Book-Entry System."**

Redemption

Optional Redemption. The Series 2009 Bonds maturing December 15, 2010 are not subject to optional redemption prior to their stated maturities. The Series 2009 Bonds maturing on and after December 15, 2011 are subject to optional redemption at the option of the County prior to the stated maturities thereof at any time on or after June 15, 2011 in such principal amounts and from such maturity or maturities as the County in its absolute discretion may determine, at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the date fixed for redemption.

Partial Redemption. The Series 2009 Bonds shall be redeemed in whole multiples of $5,000 and if any Series 2009 Bond be in a denomination in excess of $5,000, portions of the principal amount thereof in installments of $5,000 or any integral multiple thereof may be redeemed, and if less than all of the principal amount thereof is to be redeemed, in such case upon the surrender of such Series 2009 Bond, there shall be issued to the registered owner thereof without charge therefor, for the then unredeemed balance of the principal amount thereof, registered bonds of like series, maturity and interest rate in any of the authorized denominations provided by the Bond Resolution.

Notice of Redemption. Notice of redemption of any Series 2009 Bond shall be sent by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption to the registered owner thereof at the address maintained by the Registrar. No further interest shall accrue after the redemption date on any Series 2009 Bonds duly called for redemption if payment thereof has been duly provided for with the Registrar.

Book-Entry System

General. The Series 2009 Bonds will be made available initially in book-entry form only in denominations of $5,000 each and integral multiples thereof. The Depository Trust Company (**"DTC"**), New York, New York, will act as securities depository for the Series 2009 Bonds. The ownership of one fully registered Series 2009 Bond for each maturity, as set forth on the cover of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as the nominee for DTC. Ownership interests in the Series 2009 Bonds will be available to purchasers only through the book-entry system maintained by DTC (the **"Book-Entry System"**). A description of DTC, the Book-Entry System and definitions of initially capitalized terms used under this heading are found in **"APPENDIX D – BOOK-ENTRY SYSTEM."**

Risk Factors. Beneficial Owners of the Series 2009 Bonds may experience some delay in their receipt of distributions of the principal or redemption price of and interest on the Series 2009 Bonds because such distributions will be forwarded by the Registrar to DTC, credited by DTC to the accounts of its Direct Participants, which will thereafter credit them to the accounts of the Beneficial Owners either directly or indirectly through Indirect Participants.

Because transactions in the Series 2009 Bonds can be effected only through DTC, DTC Participants and certain banks, the ability of a Beneficial Owner to pledge a Series 2009 Bond to persons or entities that do not participate in the Book-Entry System or otherwise to take actions in respect of such Series 2009 Bonds may be limited due to the lack of physical certificates. Beneficial Owners will not be recognized by the Registrar as registered owners for purposes of the Bond Resolution, and Beneficial Owners will be permitted to exercise the rights of registered owners only indirectly through DTC and DTC Participants.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Series 2009 Bonds, but neither the failure to print such numbers on any Series 2009 Bonds, nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and payment for any Series 2009 Bonds.

SECURITY

The Series 2009 Bonds, together with any additional highway allocation fund bonds hereafter issued (collectively, the **"Bonds"**), are payable from and equally and ratably secured by a pledge of the funds received and to be received from the Highway Allocation Fund of the State of Nebraska. In addition, to the extent that other legally available money of the County appropriated for such purposes is insufficient to pay the principal of and interest on the Bonds when and as the same shall become due, the County has agreed that it will cause to be levied and collected annually ad valorem taxes on all the taxable property in the County within any applicable statutory and constitutional limitations sufficient

in amount to pay the principal of and interest on the Bonds until the same is fully paid. The full faith and credit of the County is pledged to the prompt payment of the principal of and interest on the Series 2009 Bonds. See **"NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION."**

The pledge of money received from the Highway Allocation Fund shall not prevent the County from applying receipts from the Highway Allocation Fund in any year for other lawful purposes so long as sufficient receipts from the Highway Allocation Fund have been set aside for the payment of the principal of and interest falling due in such year on the Bonds. Pursuant to the Bond Resolution, the County has reserved the right to issue additional highway allocation fund bonds (the **"Additional Bonds"**) payable on a parity with the Series 2009 Bonds and equally and ratably secured by a pledge of the receipts from the Highway Allocation Fund if the maximum annual debt service on all highway allocation fund bonds of the County outstanding upon the issuance of such Additional Bonds does not exceed the receipts from the Highway Allocation Fund for the prior fiscal year of the County.

Maximum annual debt service on the Series 2009 Bonds is $1,273,750.00. See **"DEBT SERVICE SCHEDULE."** The County received $6,174,728 from the Highway Allocation Fund during the fiscal year ended June 30, 2008 and expects to receive approximately $5,824,604 from the Highway Allocation Fund during the fiscal year ending June 30, 2009. The County currently uses receipts from the Highway Allocation Fund to pay the costs of road construction and maintenance.

Among the factors affecting an investment in the Series 2009 Bonds, potential investors should be aware that the United States Bankruptcy Code enables debtors (including political subdivisions such as the County) that are insolvent to obtain relief through petition and plan which may result in the modification or delay of payments to creditors, including bondholders. In the event of any insolvency upon the part of the County, the holders of the Series 2009 Bonds would be treated as general creditors of the County along with other unsecured claimants. The extent to which the exception from limitations upon overall tax rates provided for in existing legislation might entitle bondholders to be treated as a separate class or otherwise given priority over other unsecured claimants is a matter that would be subject to future determinations of State and federal courts interpreting and applying both State law and the United States Bankruptcy Code. Procedures under the Bankruptcy Code or other insolvency laws could result in delays in payment and modifications of payment rights. The State has authorized its political subdivisions to seek relief under the United States Bankruptcy Code.

DEBT SERVICE SCHEDULE

Year Ending December 15	Principal	Interest	Total
2009	$1,195,000.00	$74,410.88	$1,269,410.88
2010	1,195,000.00	78,245.00	1,273,245.00
2011	1,210,000.00	62,112.50	1,272,112.50
2012	1,225,000.00	43,962.50	1,268,962.50
2013	1,250,000.00	23,750.00	1,273,750.00
TOTAL	**$6,075,000.00**	**$282,480.88**	**$6,357,480.88**

NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION

The State Legislature (the **"Legislature"**) has enacted legislation intended to reduce the level of expenditures and property taxes by political subdivisions in the State. Sections 13-518 to 13-522, inclusive, Reissue Revised Statutes of Nebraska, as amended, and related sections (collectively, the **"Budget Limitations"**), limit the increase of certain restricted funds that may be budgeted by governmental units such as the County. Such restricted funds include

property taxes, sales taxes and other funding sources used to fund the County's tax supported budget, but exclude restricted funds pledged to retire bonded indebtedness. The Budget Limitations currently provide for a base limitation of 2.5% upon increases plus the percentage increase in the property tax provided by new construction, improvements to existing property, annexations and new personal property added to the property tax base. The base limitation is subject to review by the Legislature from year to year and may be exceeded by an additional 1% upon an affirmative vote of at least 75% of the governing body. The Budget Limitations are enforced through the office of the Auditor of Public Accounts of the State and State aid may be withheld from governmental units that fail to comply. The Budget Limitations do not apply to the revenues of proprietary funds except to the extent such revenues are used for general fund purposes.

The County's tax base growth has exceeded the base limitation of 2.5% each year the Budget Limitations have been in effect. Unused restricted fund authority from prior years can be carried over into future fiscal years to use in addition to the annual increases allowed. As of June 30, 2008, the County had accumulated $3,669,759 of unused restricted funds authority that would be available for future fiscal years.

The Legislature has also enacted Section 77-3442, Reissue Revised Statutes of Nebraska, as amended, and related sections (collectively, the **"Levy Limitations"**), to provide overall limitations on the property tax levies of political subdivisions, including the County. The Levy Limitations expressly exclude any property taxes levied for bonded indebtedness. The maximum levy for the County is presently set at 45¢ per $100 of taxable valuation with an additional 5¢ per $100 of taxable valuation available to provide for the County's share of revenue required under any agreement executed by the County with another governmental unit pursuant to the Interlocal Cooperation Act or the Joint Public Agency Act. The County may allocate up to 15¢ of its authority to other political subdivisions subject to allocation of authority under Section 77-3443(1), Reissue Revised Statutes of Nebraska, as amended, to levy taxes as authorized by law which do not collectively exceed 15¢ per $100 of taxable valuation on any parcel or item of taxable property. The County may exceed the Levy Limitations or a final levy allocation by an amount not to exceed a maximum levy approved by a majority of registered voters.

Ad valorem taxes levied to pay debt service on the Bonds are not subject to either the Budget Limitations or the Levy Limitations. However, the Nebraska Constitution imposes a maximum levy on the County of 50¢ per $100 of taxable valuation of property subject to the levy. The County's total levy (including bond levy) for its 2008-09 fiscal year is 29.90¢ which is expected to produce $32,139,779 in collected taxes.

Future legislation, decisions of the Nebraska Supreme Court, or initiative petitions proposed and passed by qualified voters in the State may alter the Budget Limitations and the Levy Limitations, or may otherwise modify the sources of and limitations on the revenues used by governmental units in the State to finance their activities.

LEGAL MATTERS

Legal Proceedings

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or threatened raising, or which may raise, any question or dispute or affecting in any way the legal organization of the County or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Series 2009 Bonds, or the constitutionality or validity of the Series 2009 Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof, or which might affect the County's ability to meet its obligations to pay the Series 2009 Bonds.

Approval of Legality

All legal matters incident to the authorization and issuance of the Series 2009 Bonds are subject to the approval of Gilmore & Bell, P.C., Lincoln, Nebraska, Bond Counsel. Bond Counsel has participated in the preparation of this Official Statement, but the factual and financial information appearing herein has been supplied or reviewed by certain officials of the County and certified public accountants, as referred to herein, and Bond Counsel expresses no opinion as to the accuracy or sufficiency thereof except for the matters appearing in the sections of this Official Statement captioned **"THE BONDS," "LEGAL MATTERS - Approval of Legality"** and **"TAX MATTERS."**

TAX MATTERS

Tax Opinion of Bond Counsel

Federal and Nebraska Tax Exemption. In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law, the interest on the Series 2009 Bonds is excludable from gross income for federal and Nebraska income tax purposes. Interest on the Series 2009 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals and corporations but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinions set forth in this paragraph are subject to the condition that the County comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2009 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal and Nebraska income tax purposes. The County has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2009 Bonds in gross income for federal and Nebraska income tax purposes retroactive to the date of issuance of the Series 2009 Bonds.

Bank Qualification. The Series 2009 Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b) of the Code.

No Other Opinions. Bond Counsel expresses no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2009 Bonds.

Other Tax Consequences

Prospective purchasers of the Series 2009 Bonds should be aware that ownership of the Series 2009 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2009 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2009 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2009 Bonds, including the possible application of state, local, foreign and other tax laws.

MISCELLANEOUS

Ratings

Moody's Investors Service, Inc. has assigned the Series 2009 Bonds a rating of "Aa2." Such rating reflects only the views of such organization, and an explanation of the significance of such ratings may be obtained from Moody's

Investors Service, 7 World Trade Center, 350 Greenwich Street, 23rd Flood, New York, New York 10007, telephone (212) 553-0300.

Generally, a rating agency bases its rating on such information and materials and investigations, studies and assumptions furnished to and obtained and made by the rating agency. The rating is not a recommendation to purchase, sell or hold a security, inasmuch as it does not comment as to market price or suitability for a particular investor. There is no assurance that the above rating will remain for any given period of time or that it may not be lowered, suspended or withdrawn entirely by such rating agency if it deems circumstances are appropriate. Any downward change in, suspension or withdrawal of such rating may have an adverse effect on the market price of the Series 2009 Bonds.

Underwriting

The Underwriter has agreed, subject to certain conditions, to purchase the Series 2009 Bonds from the County at a price equal to $6,011,212.50 (representing the principal amount of the Series 2009 Bonds less an underwriter's discount in the amount of $63,787.50 with respect to the Series 2009 Bonds). The Underwriter is purchasing the Series 2009 Bonds from the County for resale in the normal course of their business activities. The Underwriter reserves the right to offer any of the Series 2009 Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

The Underwriter has read and participated in the preparation of certain portions of this Official Statement and has supervised the compilation and editing thereof. The Underwriter has not, however, independently verified the factual and financial information contained in this Official Statement and, accordingly, expresses no view as to the sufficiency or accuracy thereof.

Certification and Other Matters Regarding Official Statement

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the County, certified public accountants, and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized.

Simultaneously with the delivery of the Series 2009 Bonds, the County will furnish to the Underwriter a certificate which shall state, among other things, that to the best knowledge and belief of such officer, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

The form of this Official Statement, and its distribution and use by the Underwriter, has been approved by the County. Neither the County nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the County or the County's ability to make payments required of it; and further, neither the County nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Series 2009 Bonds other than those either expressly or by fair implication imposed on the County by the Bond Resolution.

Continuing Disclosure

The County has covenanted for the benefit of the Beneficial Owners of the Series 2009 Bonds to provide certain financial information and operating data relating to the County no later than eight months following the end of the

County's fiscal year (currently June 30) (the **"Annual Report"**), beginning with the report for the 2008-2009 fiscal year, and to provide notices of the occurrence of certain enumerated events, if material. The Annual Report and any notice of a material event will be filed by the Registrar through the Electronic Municipal Market Access e system established by the Municipal Securities Rulemaking Board. The proposed form of the County's Continuing Disclosure Agreement is attached to this Official Statement as **"APPENDIX C – FORM OF CONTINUING DISCLOSURE AGREEMENT."** These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5) (the **"Rule"**).

A failure by the County to comply with the Continuing Disclosure Agreement will not constitute a default under the Bond Resolution, although Beneficial Owners will have any available remedy at law or in equity. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2009 Bonds and their market price. The County is in compliance with each prior undertaking made by it pursuant to the Rule.

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APPENDIX A

THE COUNTY OF SARPY, NEBRASKA

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THE COUNTY OF SARPY, NEBRASKA

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. Current population of the County is estimated at 146,756.

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: Mapa Region 2007 Census place estimates

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 2007 was 75,674. Approximately 10,019 additional people are members of the military assigned to Offutt Air Force Base in Bellevue.

Source: State of Nebraska,
http://info.neded.org/files/research/stathand/csect5.htm (for civilian labor); Sarpy County Department of Labor Planning and Development, John Yochum (for military assigned).

Per Capita Personal Income. In 2006, the per capita personal income of Sarpy County residents was $34,478, which was 99.9 percent of the Nebraska average per capita income of $34,440. The lower per capita income is explained by Sarpy County's 28.7% population under age 18.

Source: http://info.neded.org/files/research/stathand/bsect9.htm (for population under 17 2005 Census Update);
http://info.neded.org/files/research/stathand/dsect7.htm (for per capita personal income by County)

Median Household Income. In 2006 the median income of households in Sarpy County was $61,961. Ninety percent of the households received earnings and 19% received retirement income other than Social Security. Seventeen percent of the households received Social Security. The average income from Social Security was $15,037. These income sources are not mutually exclusive; that is, some households received income from more than one source.

Source: http://factfinder.census.gov

Sales. Net taxable sales (excluding motor vehicles) within the County increased from $885,489,436 in 2006 to $1,002,214,274 in 2007, representing a 13.2% growth rate over the prior year.

Source: Nebraska Department of Revenue Research Department – http://www.revenue.ne.gov/research/sales_07/annual/07.htm

Employers

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

COMPANY	ADDRESS	PHONE	EMPL	IND.
Offutt Air Force Base	205 Looking Glass Ave. #123 Offutt AFB, NE 68113-6000	294-5533	10,019	Military
PayPal, Inc.	12312 Port Grace Blvd. LaVista, NE 68128	935-2000	3,000	Service
Werner Enterprises	Hwy 50 & I-80 Omaha, NE 68138	895-6640	1,686	Trucking
Papillion-LaVista Schools	420 South Washington Street Papillion, NE 68046	537-6200	1,447	Education
Bellevue Public Schools	1600 Hwy 370 Bellevue, NE 68005	293-4000	1,383	Education
AmeriTrade (Southroads)	1001 Fort Crook Road North Bellevue, NE 68005	970-7000	1,050	Financial
Northrop Grumman Info Technology	3200 Sampson Way Bellevue, NE 68005	291-8300	680	Service
Sarpy County Government	1210 Golden Gate Dr. #1126 Papillion, NE 68046	593-2100	575	Government
Bellevue University	1000 Galvin Road S. Bellevue, NE 68005	293-2000	570	Education
Alegent Health Midlands Hospital	1111 South 84th Street Papillion, NE 68046	593-3000	560	Healthcare
InfoUSA	1020 East First Street Papillion, NE 68046	593-4500	480	Service
Wal-Mart Super Center	10504 S. 15th Street Bellevue, NE 68005	292-0156	460	Retail
Professional Veterinary Products	10077 S. 134th Street Omaha, NE 68138	331-4440	330	Distribution
Gretna Public Schools	11717 S. 216th Street Gretna, NE 68028	332-3265	320	Education
Streck Laboratories, Inc.	7002 S. 109th Street LaVista, NE 68128	333-1982	310	Mfg.
Super Target Store	718 North Washington Street Papillion, NE 68046	597-9990	260	Retail
Omni Engineering, Inc.	14012 Giles Road Omaha, NE 68138	895-6666	250	Construction
CSG Systems	14301 Chandler Road Omaha, NE 68138	964-1601	248	Service
Coreslab Structures, Inc. (former Wilson Concrete)	102 Fort Crook Road S. Bellevue, NE 68005	291-0733	246	Mfg.
City of Bellevue	210 West Mission Ave. Bellevue, NE 68005	293-3000	242	Government

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

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

BUSINESS NAME	2008 TAXES	NATURE OF BUSINESS
Werner Leasing, Inc./Werner Enterprises	$914,419.66	Lease/Trucking Company
Wells Exchange-Maass Rd/Samson Way	802,203.38	Foreign LLC
Paypal, Inc.	693,859.30	Commercial Business
Walmart Real Estate/Stores	641,533.52	Retail Business
Harrison Hills Apartments	637,038.12	Apartments
Emperian Bellevue Landings/Overlook	621,433.12	Apartments
Offutt AFB America	621,028.42	Base Housing
Shopko Properties/Real Estate	566,346.66	Distribution
Toys NE QRD 15-74 inc.	509,151.60	Distribution
Rock Creek Apartments	420,961.18	Apartments
Shadow Lake Towne Center LLC	395,602.60	Retail Business
Cole Mt. Papillion NE LLC	394,973.40	Retail Business
Tregaron Oaks Apartments LP	390,619.40	Apartments
Pointe Partnership	381,150.60	Apartments
Rogers Development, Inc.	360,588.58	Land Development
Edward Rose Development Co.	344,973.68	Apartments
Brentwood Crossing Associates	335,042.36	Retail Business
Cox Com/Nebraska/Residential	334,714.00	Telecommunication
Cabela's	333,727.10	Retail Business
SFI LTD Partnership II, V, & 8	326,904.28	Commercial Business

Totals based on names on file.
Source: Sarpy County Treasurer's Office.

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 tax levy for fiscal year 2008-2009 is 29.99 cents per $100 of actual valuation.

Communication System Building Bonds

The County issued bonds on November 15, 1994 in the amount of $4,250,000 for the purchase of an 800 MHz communications system. Refunding bonds were issued September 11, 1995 in the amount of $4,355,000. Refunding bonds were again issued on May 1, 2002 in the amount of $2,690,000, of which $395,000 remain outstanding.

Limited Tax Building Bonds, Series 2001 (Juvenile Justice Center)

The County issued $4,200,000 Limited Tax Building Bonds dated August 8, 2001 to finance the construction of a Juvenile Justice Center. These bonds were paid in full during the 2008 fiscal year.

Limited Tax Building Bonds, Series 2007 (Sarpy County 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, $5,760,000 of which remain outstanding.

Limited Tax Building Bonds, Series 2008 (Sarpy County Courthouse Remodel)

The County issued $5,700,000 Limited Tax Building Bonds dated June 5, 2008 to finance the remodeling and renovation of the existing Courthouse, all of which remain outstanding.

Actual Value Of Taxable Property

Tax Year	Actual Valuation	Percentage of Growth
1983	$ 1,378,048,877.00	
1984	1,452,664,322.00	5.41%
1985	1,659,597,825.00	14.25
1986	1,821,239,246.00	9.74
1987	1,980,359,313.00	8.74
1988	2,062,854,196.00	4.17
1989	2,261,355,091.00	9.62
1990	2,349,891,617.00	3.92
1991	2,431,061,220.00	3.45
1992	2,561,062,677.00	5.35
1993	2,650,331,593.00	3.49
1994	2,891,557,806.00	9.10
1995	3,141,831,468.00	8.66
1996	3,526,624,681.00	12.25
1997*	3,489,589,938.00	-1.05
1998	3,929,398,249.00	12.60
1999	4,315,965,022.00	9.84
2000	5,073,481,790.00	17.55
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

*Reduction is due to legislation excluding motor vehicles from tax base. The value of real and personal property actually increased by approximately $341,000,000.

Source: The County Assessor

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Tax Levies And Collections

	2005	2006	2007
TAX CERTIFIED BY THE ASSESSOR			
Real Estate	$167,086,690	$187,152,005	$197,250,093
Personal	4,497,122	4,505,172	4,989,056
Centrally Assessed	1,177,018	1,118,341	11,712,333
	172,760,830	192,775,518	203,410,482
CORRECTION			
TIF	628,868	694,450	610,817
Additions	496,671	187,795	144,954
Deductions	(293,060)	(306,979)	(248,655)
	832,479	575,266	507,116
CORRECT CERTIFIED TAX	$173,593,309	$193,350,784	$203,917,598
NET TAX COLLECTED BY THE COUNTY TREASURER DURING YEARS ENDED:			
June 30, 2005	$ 93,640,514.74		
June 30, 2006	79,798,141.00	$102,678,212.00	
June 30, 2007	173,245.77	90,282,655.03	$109,919,970.82
	$173,611,904.51	$192,960,877.03	$109,919,970.82
TOTAL UNCOLLECTED TAX	$ (18,505.51)	$ 389,906.97	$93,997,627.18
PERCENTAGE UNCOLLECTED TAX	-0.01%	0.20%	46.10%

Source: Unaudited Financial Statements

History of County Tax Levies(Cents Per $100 Of Assessed Valuation)

Year	Amount
1985	38.893¢
1986	45.345
1987	45.259
1988	45.293
1989	44.925
1990	44.946
1991	44.923
1992	43.891
1993	43.643
1994	40.517
1995	40.719
1996	36.730
1997	34.612
1998	34.052
1999	30.932
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

Source: The County

Sarpy County Population (1970-2007)

Year	Population
April 1, 1979 (census)	66,200
April 1, 1980 (census)	86,015
July 1, 1982 (estimate)	91,359
July 1, 1984 (estimate)	93,589
July 1, 1986 (estimate)	95,600
July 1, 1988 (estimate)	98,500
July 1, 1990 (estimate)	102,582
July 1, 1991 (estimate)	105,012
July 1, 1993 (estimate)	108,000
July 1, 1994 (estimate)	109,000
July 1, 1995 (estimate)	112,000
July 1, 1996 (estimate)	116,271
January 1, 1998 (estimate)	120,329
February, 1999 (estimate)	122,495
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

Source: *www.mapacog.org

Sarpy County Building Permits*

	Single Family		Multi Family	
Year	Permits	Value	Permits	Value
1990	509	$25,290,087	16	$3,742,470
1991	677	37,758,340	7	1,640,950
1992	536	39,713,646	15	2,656,241
1993	236	16,568,130	0	0
1994	264	20,137,242	1	1,288,160
1995	232	18,020,733	1	726,600
1996	285	24,679,195	1	799,575
1997	292	24,751,428	0	0
1998	342	27,271,098	5	6,720,000
1999	341	30,254,924	4	4,815,220
2000	258	26,190,175	10	14,040,000
2001	281	28,562,177	0	0
2002	340	35,253,309	0	0
2003	467	49,115,417	2	460,880
2004	696	71,447,719	0	0
2005	685	72,518,595	0	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

Year	Commercial/Industrial Permits	Value
1990	95	$10,813,986
1991	88	8,593,578
1992	45	16,152,792
1993	14	10,354,400
1994	15	3,009,641
1995	22	7,369,264
1996	17	8,033,800
1997	18	4,588,647
1998	44	16,488,396
1999	24	18,374,200
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

Source: Sarpy County Building and Planning Department

*Includes only areas outside city zoning jurisdictions.

CASH FUNDS ON HAND

Operating Funds:	6/30/2003	6/30/2004	6/30/2005	6/30/2006	6/30/2007	6/30/2008
General	$7,016,393	$7,123,248	$7,171,107	$8,345,422	$9,884,971	$10,954,227
Road	2,622,364	494,827	787,879	665,326	928,354	1,088,654
Child Support-District Court	20,460	607	43,109	74,730	99,891	87,856
Child Support-County Attorney	70,707	97,579	128,055	78,027	217,434	399,989
Landfill	2,498,549	2,617,367	1,765,033	2,208,523	1,867,773	1,144,968
Noxious Weed	2,158	24	832	5,230	118	5,376
Information Systems	46,494	7,246	47,219	53,206	3,006	22,981
Purchasing	8,865	1,493	6,157	5,250	1,837	1,033
Fleet	102,278	15,420	53,975	34,657	67,803	82,240
E911 Communication	(5,307)	32,480	215,243	127,782	129,268	57,071
Total operating funds:	12,382,961	10,390,291	10,218,609	11,598,153	13,200,455	13,844,395

Non-Operating Funds:	6/30/2003	6/30/2004	6/30/2005	6/30/2006	6/30/2007	6/30/2008
Wireless Communications	$ 0	$ 0	$ 0	$ 0	$ 0	$ 17,000
Tourism	110,683	$ 31,586	$ 2,677	$ 43,596	$ 71,449	123,617
Visitors Improvement	0	11,927	84,673	134,807	318,098	558,371
Employment Security	12,322	10,051	13,664	8,325	386	1,011
District Health Dept.	806,709	1,016,582	0	0	0	0
Medical	67,465	14,521	39,762	91,161	44,204	9,114
Institutions	16,850	16,197	2,506	14,393	33,977	37,661
Alcohol Diversion	20,224	126,010	193,481	122,491	24,971	4,884
County Drug Enforcement	10	10	1,875	1,875	3,925	2,694
FG-Drug Court	323	329	334	790	1,429	1,156

FG-JAIBG	30,692	19,703	26,314	9,777	(554)	3,140
FG-Title 1D	1,706	6,443	9,419	343	647	182
FG-Juvenile Pretrial Assessment	0	0	0	0	909	549
State Education Reimbursement	0	0	0	35	321	1,101
Federal Forfeitures	29,574	50,933	32,953	32,411	246,782	226,878
Fed Forf – County Atty.	0	0	(25,532)	173,585	84,629	42,673
STOP Program	0	76,047	95,307	56,721	62,476	63,697
FG-Victim Witness	8,457	1,674	20,277	5,932	2,407	(144)
CDBG - Oakdale Park	290,054	358,934	417,200	474,929	505,348	569,043
SG – Juvenile Justice	1,211	6,731	265	399	18	0
FG – Project Engage	0	0	0	0	0	654
FG – School Resource Training	358	0	0	0	0	0
CCP Grant-Diversion	742	0	3	0	0	0
FG-GREAT	9,194	11,243	36,703	46,916	63,705	38,018
FG-Youth Project	2,397	0	0	0	0	0
FG-Tobacco Free NE	127	2,775	0	0	0	0
FG-Drug Enforcement	18,288	22,236	1,094	138	11	639
FG-Gun Violence	15	56	10	0	0	0
FG-MCH-C	2,088	0	0	0	0	0
Juvenile Serv LB640	81,333	117,827	16,768	(88)	9,650	997
FG-Bioterrorism	31,286	45,234	0	0	0	0
FG-MCH-A	0	4,645	0	0	0	0
FG-Homeland Security FY03	0	11,850	3,662	0	0	0
FG-Homeland Security FY03 Supp	0	13,000	0	0	0	0
FG-Homeland Security FY02 Plan	0	2,015	973	0	0	0
FG-Women's Health	0	4,062	0	0	0	0
FG-Universal Hiring	0	1,588	5,273	0	1	0
FG-Tobacco Free Media	0	4,208	0	0	0	0
FG-GIS Addressing	0	1,721	0	0	0	0
FG-GIS Transportation	0	0	136	94	19,464	991
FG-Adult Drug Court	0	0	0	310	6,189	22,532
FG-Homeland Security Exercise	0	0	96	0	0	0
SG-Tobacco Compliance Checks	0	0	1	0	0	0
FG-Victims of Crime	0	0	11	0	0	0
FG-Buffer Zone	0	0	0	21	34	34
Juvenile Wellness	0	0	0	1,943	222	0
FG-Drug Eradication	0	0	0	5,000	0	4,856
FG-Juvenile Day/Evening Reporting	0	0	0	0	11,554	3,119
FG-MIP Mini Grant	0	0	0	0	19,333	12,529
FG-Accident Reconstruction	0	0	0	0	0	6,175
SG-Stormwater Management		0	0	0	0	116,770
Inheritance Tax	1,003,739	871,856	1,087,294	958,079	1,249,082	2,144,298
County Tax Refund	79,139	129,395	178,144	8,245	0	0
Keno	142,299	188,203	137,851	121,161	143,073	178,840
800 MHz Bond	400,389	392,402	374,206	380,340	395,984	415,280
Courthouse Bond	604,492	699,536	648,098	657,470	732,397	877,635
Courthouse Administrative Bond	0	0	0	0	372,781	349,532
Courthouse Remodel Bond	0	0	0	0	0	363,142
Landfill Bond Surplus	1,470,444	2,011,545	2,152,423	2,541,903	2,815,903	3,255,355
Oil Collection Grant	23,687	0	0	0	0	0
Sinking Fund	41,279	183,576	375,132	434,449	452,745	386,985
Landfill Closure	5,099,101	5,994,907	6,321,528	6,510,405	6,824,283	7,182,127
Hazardous Waste	173,439	214,721	215,788	212,856	59,596	58,546
Sewer Fund	1,133,838	288,707	504,394	302,009	1,084,389	1,202,705
Sewer Operations	0	106,488	134,388	134,227	131,147	129,104
Phase II Stormwater	0	0	0	0	2,000	7,500
GIS	0	0	11,561	26,392	16,139	18,536

Total non-operating funds:	11,713,954	13,071,474	13,120,712	13,513,440	15,811,104	18,439,526
Grand Total:	$24,096,915	$23,461,765	$23,339,321	$25,111,593	$29,011,559	$32,283,921

Source: The County

ESTIMATED OVERLAPPING AND UNDERLYING INDEBTEDNESS*

	Actual Valuation	Total Net Debt	Percent Applicable To County	Amount Applicable To County
Sarpy County	$ 10,716,831,121	$ 13,700,000	100.00%	$ 13,700,000
City of Bellevue	2,364,147,364	27,485,000	100.00	27,485,000
City of Papillion	1,310,376,494	45,985,000	100.00	45,985,000
City of LaVista	950,626,037	64,735,000	100.00	64,735,000
City of Gretna	268,198,065	8,445,000	100.00	8,445,000
City of Springfield	75,643,923	1,230,000	100.00	1,230,000
School District 1 (Bellevue)	2,385,077,659	-	100.00	-
School District 27 (Papio-LaVista)	3,885,209,412	79,055,000	100.00	79,055,000
School District 37 (Gretna)	1,325,631,470	44,105,000	92.80	40,929,440
School District 46 (So. Sarpy)	1,013,185,331	5,030,000	100.00	5,030,000
School District 1 (Omaha)	18,530,017,173	241,561,949	4.40	10,628,726
School District 17 (Millard)	8,937,690,566	154,385,000	15.40	23,775,290
School District 32 (Louisville)	351,325,883	1,565,000	0.76	11,894
School District 78 (Ashland-Greenwood)	311,540	1,300,000	0.00001	0
ESU #2	311,540	-	0.00500	-
ESU #3	9,895,953,473	2,730,000	0.028	764
ESU #19	18,830,017,171	-	4.30	-
Metro Com. College	10,116,831,121	-	23.00	-
Ag Society	10,716,831,121	-	100.00	-
Papio-Mo NRD	49,164,063,475	-	21.80	-
Eastern Sarpy Fire	788,475,161	765,000	100.00	765,000
Good Luck Fire	21,702,026	-	100.00	-
Gretna Fire	1,160,064,762	710,000	100.00	710,000
Millard Fire	4,204,377,029	-	34.50	-
Papillion Fire	2,112,551,051	180,000	100.00	180,000
Springfield Fire	289,674,135	-	100.00	-
SID #23	46,222,899	1,277,979	100.00	1,277,979
SID #24	6,557,096	-	100.00	-
SID #29	7,510,549	130,000	100.00	130,000
SID #34	15,290,223	-	100.00	-
SID #38	23,845,715	-	100.00	-
SID #48	82,833,786	-	100/00	-
SID #52	78,826,874	1,310,000	100.00	1,310,000
SID #59	147,308,512	7,295,000	100.00	7,295,000
SID #65	67,290,637	1,270,000	100.00	1,270,000
SID #67	34,837,186	995,000	100.00	995,000
SID #68	25,827,716	630,000	100.00	630,000
SID #79	24,075,835	170,000	100.00	170,000
SID #81	18,742,967	-	100.00	-
SID #82	4,658,528	125,000	100.00	125,000
SID #85	64,297,345	970,000	100.00	970,000
SID #87	17,069,939	255,000	100.00	255,000
SID #92	29,925,439	960,000	100.00	960,000
SID #96	38,543,587	530,000	100.00	530,000
SID #97	56,445,568	830,000	100.00	830,000
SID #101	62,521,485	2,565,000	100.00	2,565,000
SID #104	124,397,642	2,355,000	100.00	2,355,000
SID #110	33,508,513	605,000	100.00	605,000
SID #111	63,770,917	1,630,000	100.00	1,630,000
SID #112	29,489,521	585,000	100.00	585,000

	Actual Valuation in Sarpy Co.	Total Net Debt	Percent Applicable To County	Amount Applicable To County
SID #113	10,057,932	58,000	100.00	58,000
SID #117	36,143,151	1,830,000	100.00	1,830,000
SID #122	30,794,904	430,000	100.00	430,000
SID #127	22,020,989	1,110,000	100.00	1,110,000
SID #130	3,450,665	-	100.00	-
SID #133	39,024,009	1,325,000	100.00	1,325,000
SID #136	14,536,405	455,000	100.00	455,000
SID #137	49,791,873	1,860,000	100.00	1,860,000
SID #138	21,753,888	1,000,000	100.00	1,000,000
SID #142	34,311,637	1,130,000	100.00	1,130,000
SID #143	77,662,935	3,050,000	100.00	3,050,000
SID #144	40,426,358	97,050	100.00	97,050
SID #147	34,616,306	670,000	100.00	670,000
SID #151	5,852,488	430,000	100.00	430,000
SID #154	19,338,281	900,000	100.00	900,000
SID #156	67,559,614	3,185,000	100.00	3,185,000
SID #158	135,019,496	7,815,000	100.00	7,815,000
SID #162	14,956,127	8,935,000	100.00	8,935,000
SID #163	43,450,662	2,405,000	100.00	2,405,000
SID #164	1,323,814	-	100.00	-
SID #165	17,880,432	1,090,000	100.00	1,090,000
SID #168	22,601,190	495,000	100.00	495,000
SID #171	98,825,907	8,180,000	100.00	8,180,000
SID #172	38,276,783	2,310,000	100.00	2,310,000
SID #176	45,787,925	4,160,000	100.00	4,160,000
SID #177	17,790,580	2,100,000	100.00	2,100,000
SID #179	45,642,348	3,065,000	100.00	3,065,000
SID #180	201,075,134	10,995,000	100.00	10,995,000
SID #182	7,279,536	870,000	100.00	870,000
SID #183	46,175,385	2,005,000	100.00	2,005,000
SID #184	135,398,697	7,705,000	100.00	7,705,000
SID #186	49,275,981	2,600,000	100.00	2,600,000
SID #189	73,916,485	4,900,000	100.00	4,900,000
SID #190	72,383,880	5,095,00	100.00	5,095,000
SID #191	4,695,579	360,000	100.00	360,000
SID #192	46,278,525	3,245,000	100.00	3,245,000
SID #195	43,100,466	2,890,000	100.00	2,890,000
SID #197	26,440,279	2,015,000	100.00	2,015,000
SID #199	11,278,212	2,430,000	100.00	2,430,000
SID #201	38,764,068	2,100,000	100.00	2,100,000
SID #202	68,914,151	8,490,000	100.00	8,490,000
SID #204	19,127,627	1,780,000	100.00	1,780,000
SID #205	25,724,322	1,515,000	100.00	1,515,000
SID #206	22,773,624	2,700,000	100.00	2,700,000
SID #207	7,448,285	340,000	100.00	340,000
SID #208	52,449,160	2,565,000	100.00	2,565,000
SID #209	10,805,259	860,000	100.00	860,000
SID #210	32,811,171	2,605,000	100.00	2,605,000
SID #211			100.00	-
SID #212	24,919,431	2,070,000	100.00	2,070,000
SID #213	3,784,327	325,000	100.00	325,000
SID #214	28,027,331	350,000	100.00	350,000
SID #215	70,184,651	5,530,000	100.00	5,530,000
SID #216	80,059,460	5,645,000	100.00	5,645,000
SID #217	8,559,839	975,000	100.00	975,000
SID #220	67,703,684	6,050,000	100.00	6,050,000
SID #221	25,008,303	2,870,000	100.00	2,870,000

	Actual Valuation in Sarpy Co.	Total Net Debt	Percent Applicable To County	Amount Applicable To County
SID #223	69,118,113	6,500,000	100.00	6,500,000
SID #224	18,466,038	-	100.00	-
SID #225	21,748,954	3,210,000	100.00	3,210,000
SID #228	64,520,162	5,035,000	100.00	5,035,000
SID #230	36,648,647	1,625,000	100.00	1,625,000
SID #231	7,822,941	775,000	100.00	775,000
SID #232	1,954,519	325,000	100.00	325,000
SID #233	75,862,554	6,510,000	100.00	-
SID #234	13,396,516	1,510,000	100.00	1,510,000
SID #235	41,525,693	4,685,000	100.00	4,685,000
SID #236	13,637,184	1,345,000	100.00	1,345,000
SID #237	84,073,701	4,755,000	100.00	4,755,000
SID #238	11,488,686	-	100.00	-
SID #239	12,884,175	1,685,000	100.00	1,685,000
SID #240	14,475,657	-	100.00	-
SID #241	50,010,758	3,810,000	100.00	3,810,000
SID #242	6,659,456	170,000	100.00	170,000
SID #243	27,494,258	2,610,000	100.00	2,610,000
SID #244	17,189,674	1,450,000	100.00	1,450,000
SID #245	78,202,715	8,452,858	100.00	8,452,858
SID #246	11,496,618	-	100.00	-
SID #248	8,221,907	1,000,000	100.00	1,000,000
SID #249	22,221,399	1,140,000	100.00	1,140,000
SID #250	17,452,711	2,200,000	100.00	2,200,000
SID #251	18,344,364	-	100.00	-
SID #254	367,903	-	100.00	-
SID #255	18,045,781	1,470,000	100.00	1,470,000
SID #257	37,850,324	3,500,000	100.00	3,500,000
SID #258	9,178,972	-	100.00	-
SID #260	41,366,034	3,370,000	100.00	3,370,000
SID #261	58,682,012	3,675,000	100.00	3,675,000
SID #263	28,299,989	3,000,000	100.00	3,000,000
SID #264	49,874,628	-	100.00	-
SID #265	12,744,857	-	100.00	-
SID #266	5,475,757	-	100.00	-
SID #268	3,751,935	-	100.00	-
SID #269	5,960,826	-	100.00	-
SID #270	12,557,961	-	100.00	-
SID #272	16,744,518	-	100.00	-
SID #274	3,204,312	-	100.00	-
SID #275	9,630,818	-	100.00	-
SID #276	14,376,643	-	100.00	-
SID #279	3,694,536	-	100.00	-
SID #280	2,761,259	-	100.00	-
SID #282	6,391,739	-	100.00	-
SID #284	2,726,905	-	100.00	-
SID #286	5,297,255	-	100.00	-
SID #288	3,770,113	-	100.00	-
SID #289	753,300	-	100.00	-
Total	$182,142,296,663	$941,227,836		$564,417,001

*Based on 2007 Fiscal Year End

Source: Budget on file in County Clerk's Office

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APPENDIX B

ACCOUNTANT'S REPORT AND AUDITED FINANCIAL STATEMENTS

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SARPY COUNTY, NEBRASKA

JUNE 30, 2007

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ORIZON CPAs LLC
CERTIFIED PUBLIC ACCOUNTANTS
16924 FRANCES STREET SUITE 210
OMAHA NEBRASKA 68130

ORIZON CPAs

402 330/7008/PHONE
330/6851/FAX
www.orizongroup.com

January 11, 2008

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Sarpy County, Nebraska

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sarpy County, Nebraska (the County) as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2008, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 11 and the budgetary comparison schedules on pages 35 through 40 are not a required part of the basic financial statements but are supplementary information required by generally accepted accounting principles in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-1 33, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Our audit was performed for the purpose of forming an opinion on the financial statements of Sarpy County, Nebraska taken as a whole. The supplemental financial information presented on pages 41 through 51, is presented for purposes of additional analysis and is not a required part of the basic financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Orizon CPAs LLC

ORIZON CPAs LLC

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Sarpy County, Nebraska, we offer readers of Sarpy County, Nebraska's financial statements this narrative overview and analysis of the financial activities of Sarpy County, Nebraska for the fiscal year ended June 30, 2007. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and notes to the financial statements.

This discussion focuses on the County as the primary government and does not include any separate component units because there are no such entities meeting the requirements for inclusion in the financial statements as set forth by the Governmental Accounting Standards Board.

Financial Highlights

As of June 30, 2007, the County's total assets exceeded its total liabilities by $133,036,887.

Total net assets are comprised of the following:

- Capital assets, net of related debt, of $95,994,227. This represents the property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of the County's capital assets.
- Restricted net assets of $4,271,389.
- Unrestricted net assets of $32,771,271.

The County's total revenues exceeded its total expenses by $14,913,825.

The County's governmental activities reported a net increase in net assets of $15,158,268 and a total ending net asset balance of $128,350,350.

The County's proprietary funds reported a net decrease in net assets of $244,443 and a total ending net asset balance of $4,686,537.

For the year ending June 30, 2007, the General Fund reported revenues in excess of expenditures of $1,877,627 and had an ending fund balance of $20,033,172.

The County's total debt increased by $5,281,736 during the current fiscal year to a total debt balance of $11,454,680 as of June 30, 2007.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Sarpy County, Nebraska's basic financial statements. The basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of Sarpy County, Nebraska's finances, in a manner similar to a private sector business. The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall status. Financial reporting at this level uses a full accrual basis of accounting and the elimination or reclassification of internal activities.

The first of these government-wide statements is the Statement of Net Assets. This is the County-wide statement of position presenting information that includes the County's assets and liabilities, with the difference reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating.

Evaluation of the overall economic health of the County would extend to other financial factors such as diversification of the taxpayer base or the condition of County infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the County's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by taxes and intergovernmental revenues from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities include general government, public safety, public health, social services, special roads and debt service interest. Business-type activities include landfill functions.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Sarpy County, Nebraska, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Sarpy County, Nebraska can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on near-term spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near term.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Sarpy County, Nebraska maintains over fifty individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, special roads fund, courthouse bond fund, and the landfill bond surplus fund, each of which are considered to be major funds. All other special revenue funds are combined and are shown as non-major funds.

Budgetary comparison schedules are included in the basic financial statements for the general fund and special revenue funds. These statements and schedules demonstrate compliance with the County's adopted and final revised budget.

Proprietary funds are reported in the fund financial statements and generally report services for which the County charges customers a fee. There are two kinds of proprietary funds. There are enterprise funds and internal services funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization such as the landfill function. Internal service funds provide services and charge fees to customers within the County organization.

The County's landfill functions are accounted for and reported as an enterprise fund. The County currently has no internal service funds.

Notes to the financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also includes certain other supplementary information. This section includes the tax reconciliation and statements of accountability for individual offices. Supplementary information follows the notes to the financial statements.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Sarpy County, Nebraska, assets exceeded liabilities by $133,036,887, as of June 30, 2007.

A significant portion of Sarpy County, Nebraska's net assets (72 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Sarpy County, Nebraska's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table provides a summary of the County's net assets:

Summary of Net Assets

	Government Activities	Business-Type Activities	Total
Current and other assets	$ 41,881,428	$ 9,252,291	$ 51,133,719
Capital assets	106,140,397	1,308,510	107,448,907
Total Assets	148,021,825	10,560,801	158,582,626
Current liabilities	6,799,652	243,783	7,043,435
Long-term liabilities	12,871,823	5,630,481	18,502,304
Total Liabilities	19,671,475	5,874,264	25,545,739
Net Assets:			
Invested in capital assets, Net of related debt	94,685,717	1,308,510	95,994,227
Restricted	2,980,293	1,291,096	4,271,389
Unrestricted	30,684,340	2,086,931	32,771,271
Total Net Assets	$128,350,350	$ 4,686,537	$133,036,887

This reflects an increase in net assets of $14,913,825 or 13% for the County from the previous year restated balance of $118,123,062; an indication that the County's overall financial position improved during the fiscal year 2007. The largest factor contributing to this increase was the net addition (after depreciation) of $7,384,425 for County Roads.

The governmental activities had an increase in net assets of $15,158,268 and the business-type activities had a decrease of $244,443 for a total increase in net assets for the County of $14,913,825. A summary of the government-wide operations is presented below:

	2007	2006	Increase (Decrease)
General revenues and transfers	$38,387,571	$ 34,559,342	$3,828,229
Charges for services	16,105,354	17,121,744	(1,016,390)
Operating grants and contributions	8,964,518	8,922,276	42,242
Capital grants and contributions	4,807,720	1,297,047	3,510,673
Total revenues	68,265,163	61,900,409	6,364,754
Expenses	(53,351,338)	(51,270,516)	(2,080,822)
Changes in net assets	$ 14,913,825	$ 10,629,893	$4,283,932

The total revenues increased by $6,364,754 with a large increase relating to general revenues increase of $3,828,229 and capital grants and contributions increase of $3,510,673. The general revenue increase was largely due to governmental activity revenues and is described below. The increase in capital grants and contributions was mainly due to a $3,542,389 increase in federal funding for a County Road project.

GOVERNMENTAL ACTIVITY REVENUES

General revenues from governmental activities totaled $38,562,946 in 2007, an increase of $2,941,257 or 8% from 2006. The amount of general revenues by source and increase or decrease from the prior year are summarized below:

	2007	2006	Increase (Decrease)
Property taxes	$34,685,556	$31,475,999	$3,209,557
Investment income	2,964,890	2,200,086	764,804
Miscellaneous	307,500	678,027	(370,527)
Operating transfers	605,000	1,267,577	(662,577)
Total general revenues	$38,562,946	$35,621,689	$2,941,257

The County relies heavily on property taxes to support its governmental operations. Tax revenue provided approximately 53% of the County's total governmental revenues.

GOVERNMENTAL EXPENDITURES

Expenditures of governmental activities totaled $50,200,195 for 2007, an increase of $1,756,412 from 2006 expenditures of $48,443,783. As shown below, the largest factor affecting the increase in governmental activity expenditures is the increase in Public Safety expenditures. This is due to across the board increases in law enforcement costs, including the boarding of prisoners. These expenditures, by function, are summarized below:

	2007	2006	Increase (Decrease)
General government	$19,764,602	$17,764,653	$ 1,999,949
Public Health	906,730	2,170,348	(1,263,618)
Public Safety	22,064,423	18,937,885	3,126,538
Public Health and Social Services	1,080,468	950,511	129,957
Special Roads	5,985,106	8,342,206	(2,357,100)
Debt Service Interest	398,866	278,180	120,686
	$50,200,195	$48,443,783	$ 1,756,412

BUSINESS-TYPE ACTIVITIES

Business-type activities are shown comparing costs to revenues generated by related services. The landfill functions are designated to be self-supporting with user charges and other revenues designed to recover costs. For the year ending June 30, 2007, these functions very nearly broke even; however, transfers from the Landfill functions were made to the General fund that caused a decrease in net assets. A summary of this activity is presented below.

	2007	2006
Operating revenues	$ 3,082,075	$ 3,937,742
Operating expenses	(3,151,143)	(2,826,733)
Operating income (loss)	(69,068)	1,111,009
Non-operating revenues	429,625	205,230
Non-operating expenses	(605,000)	(1,267,577)
Increase (decrease) in net assets	$ (244,443)	$ 48,662

Financial Analysis of the County's Funds

Governmental funds

As previously discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending cash balances of $27,901,282 as of June 30, 2007, which represents 46% of the current total expenses. The Governmental Fund information is summarized below:

	Total Governmental Funds	
	2007	2006
ASSETS		
Cash and cash equivalents	$ 27,901,282	$ 18,206,342
Accounts receivable	162,404	204,803
Taxes receivable	12,509,091	11,078,566
Prepaid expenses	360,758	362,977
Inventory	583,383	502,911
Total assets	$ 41,516,918	$ 30,355,599
LIABILITIES		
Accounts payable	$ 2,646,620	$ 4,181,207
Wages and benefits payable	1,022,200	564,886
Deferred revenue	802,368	672,176
Compensated absences	150,539	164,478
Total liabilities	4,621,727	5,582,747
FUND BALANCES		
Reserved		
Inventory	583,383	502,911
Debt Services	2,980,293	2,337,580
Compensated absences	150,539	164,478
Prepaid expenses	360,761	362,977
Unreserved	32,820215	21,404,906
Total fund balances	36,895,191	24,772,852
Total liabilities and fund balances	$41,516,918	$30,355,599

The General Fund is the County's primary operating fund and largest source of day-to-day service delivery. The General Fund had a Net Fund Balance increase of $1,877,627 based on the modified accrual basis of accounting.

Proprietary funds

The proprietary fund statements share the same focus as the government-wide statement, reporting both short-term and long-term information about financial status. We have summarized the operating results of these funds above.

General Fund Budgetary Highlights

The General Fund budgeted revenues for the 2007 fiscal year were $37,563,935 while actual revenues were $40,728,754 for a favorable variance of $3,164,819. The General Fund budgeted expenses were $34,657,799 while actual expenses were $32,512,647 for a favorable variance of $2,145,152. These amounts are exclusive of transfers.

Prior Period Adjustment

The County analyzed their capital assets and noted that an asset had been left off of the schedule in previous years. Accordingly, an adjustment of $500,000 was made to the governmental activities beginning net assets. The correction had no effect on the operating results of the current year.

Assessed Valuation and Property Taxes

Assessed valuation of $9,053,019,006 represented an 11.7% increase over the preceding year's valuation of $8,105,260,699. Property taxes are assessed on actual valuation. The tax rates are applied to each $100 of actual valuation. The breakdown of tax rates for 2007 fiscal year and the preceding two years are as follows:

	2007	2006	2005
General fund	.2590	.2665	.2624
All other funds	.0409	.0334	.0375
Total	.2999	.2999	.2999
Total Valuation	$9,053,019,006	$8,105,260,699	$7,262,349,503
% Valuation Increase over preceding year	11.7%	11.6%	8.5%

Capital Assets

As of June 30, 2007, the County had $107,448,907 invested in capital assets, including roads, bridges, buildings, machinery, equipment, etc. This is an increase of $9,196,951 from the previous year amount. The net book value of these assets are summarized below.

Land	$ 3,954,251
Construction in progress	1,585,203
Infrastructure	81,157,086
Buildings	16,310,552
Land improvements	222,779
Machinery and equipment	4,219,036
Net capital assets	$107,448,907

The increase in capital assets during the year is due primarily to significant additions to the County's road system in excess of the current year depreciation and asset disposals. The annual depreciation for the County for 2007 was $4,235,222.

Debt Administration

At the end of the fiscal year, the County had total bonded debt and notes payable outstanding of $11,454,680. During the current year, the County issued one new bond in the amount of $7,000,000 and made principal payments on outstanding bonds totaling $1,625,000. The County's total future debt service requirements are presented below.

Year ending June 30.	Principal	Interest	Total Requirements
2008	$ 2,980,292	$ 396,964	$ 3,377,257
2009	2,038,886	287,607	2,326,493
2010	1,075,327	224,839	1,300,166
2011	681,906	190,593	872,499
2012	702,606	165,440	868,046
2013 through 2017	3,975,663	409,056	4,384,718
	$11,454,680	$1,674,499	$13,129,179

Economic Environment

Sarpy County encompasses approximately 249 square miles, or 159,360 acres in area, and is located on the eastern border of Nebraska. Papillion, the county seat of Sarpy County, is located ten miles from Omaha, Nebraska, and 45 miles from Lincoln, Nebraska. The current population of Sarpy County is estimated at 142,637.

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")

According to the Nebraska Department of Labor, the average monthly civilian labor force in Sarpy County in 2006 was 72,978. Approximately 9,750 additional people are members of the military assigned to Offutt Air Force Base in Bellevue.

In 2005, the per capita personal income of Sarpy County residents was $32,657, which was 99.2 percent of the Nebraska average per capita income of $32,923. The lower per capita income is explained by Sarpy County's 28.7% population under age 18.

In 2006, the median income of households in Sarpy County was $61,961. Ninety percent of the households received earnings and 19 percent received retirement income other than Social Security. Seventeen percent of the households received Social Security. The average income from Social Security was $15,037. These income sources are not mutually exclusive; that is, some households received income from more than one source.

Net taxable sales (excluding motor vehicles) within Sarpy County increased from $840,660,751 in 2005 to $885,489,436 in 2006, representing a 5.3 percent growth rate over the prior year.

The five largest employers located Sarpy County, the number of employees, and the nature of their business are as follows:

Company	Employees	Industry
Offutt Air Force Base	9750	Military
PayPal, Inc.	3000	Service
Werner Enterprises	1720	Trucking
Bellevue Public Schools	1300	Education
Papillion-La Vista Schools	1287	Education

Sarpy County's population figures from 2000 through 2006 are as follows:

Year	Population
July 1, 2000 (census)	122,595
October, 2002 (estimate)	125,836
July, 2003 (estimate)	132,476
July, 2004 (estimate)	135,973
July, 2005 (estimate)	139,371
July, 2006 (estimate)	142,637

Information for the number of building permits for single-family dwellings issued for Sarpy County from 2002 through 2007 are as follows.

Year	Permits	Value
2002	340	$35,253,309
2003	467	$49,115,417
2004	696	$71,447,719
2005	685	$72,518,595
2006	689	$75,054,119
2007	400	$48,871,958

Information for the number of building permits for commercial/industrial dwellings issued for Sarpy County from 2002 through 2007 are as follows.

Year	Permits	Value
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

2006-2007 Budget

The County adopted a total budget for the year ending June 30, 2007 of $98,781,682. This is an increase of $10,334,437 over the previous year budget of $88,447,245. The property tax request for the 2006-07 fiscal year is $27,150,004 on assessed valuation of $9,053,019,006 which results in a tax levy of $0.2999 per $100 of valuation. This is the same rate as the previous year levy of $0.2999.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Sarpy County Fiscal Administrator, 1210 Golden Gate Drive, Suite 1129, Papillion, NE 68046.

SARPY COUNTY, NEBRASKA

STATEMENT OF NET ASSETS
JUNE 30, 2007

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 27,901,282	$ 2,043,346	$ 29,944,628
Accounts receivable	526,914	368,225	895,139
Taxes receivable	12,509,091		12,509,091
Prepaid expense	360,758	16,437	377,195
Inventory	583,383		583,383
Restricted cash		6,824,283	6,824,283
Capital assets			
Land	3,278,234	676,017	3,954,251
Construction in progress	1,585,203		1,585,203
Depreciable assets	159,097,743	3,471,630	162,569,373
Less accumulated depreciation	(57,820,783)	(2,839,137)	(60,659,920)
Total assets	148,021,825	10,560,801	158,582,626
LIABILITIES			
Accounts payable	2,646,620	220,536	2,867,156
Wages and benefits payable	1,022,200	16,350	1,038,550
Compensated absences			
Current	150,539	6,897	157,436
Non-current	4,397,436	97,294	4,494,730
Accrued landfill closure and post closure costs		5,533,187	5,533,187
Bonds payable			
Current	2,360,000		2,360,000
Non-current	8,000,000		8,000,000
Notes payable			
Current	620,293		620,293
Non-current	474,387		474,387
Total liabilities	19,671,475	5,874,264	25,545,739
NET ASSETS			
Invested in capital assets, net of related debt	94,685,717	1,308,510	95,994,227
Restricted for:			
Debt service	2,980,293		2,980,293
Post closure costs		1,291,096	1,291,096
Unrestricted	30,684,340	2,086,931	32,771,271
Total net assets	$ 128,350,350	$ 4,686,537	$ 133,036,887

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007

		Program Revenues			Change in Net Assets		
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities							
General government	$ 19,764,602	$ 7,223,826	$ 2,002,165	$ 11,893	$ (10,526,718)		$ (10,526,718)
Public health	906,730	1,357,209	1,695		452,174		452,174
Public safety	22,064,423	2,452,353	2,026,215		(17,585,855)		(17,585,855)
Public health and social services	1,080,468	190,428	419		(889,621)		(889,621)
Special roads	5,985,106	1,799,463	4,934,024	4,795,827	5,544,208		5,544,208
Debt service interest	398,866				(398,866)		(398,866)
Total governmental activities	50,200,195	13,023,279	8,964,518	4,807,720	(23,404,678)		(23,404,678)
Business-type activities							
Landfill	3,151,143	3,082,075				$ (69,068)	(69,068)
Total business-type activities	3,151,143	3,082,075				(69,068)	(69,068)
	$ 53,351,338	$ 16,105,354	$ 8,964,518	$ 4,807,720	(23,404,678)	(69,068)	$ (23,473,746)
		General revenues					
		Property taxes and assessments			34,685,556		34,685,556
		Investment income			2,964,890	429,625	3,394,515
		Miscellaneous			307,500		307,500
		Operating transfers			605,000	(605,000)	
		Total general revenues and transfers			38,562,946	(175,375)	38,387,571
		Change in net assets			15,158,268	(244,443)	14,913,825
		Net assets, beginning of year			112,692,082	4,930,980	117,623,062
		Prior period adjustment			500,000		500,000
		Net assets, restated			113,192,082	4,930,980	118,123,062
		Net assets, end of year			$ 128,350,350	$ 4,686,537	$ 133,036,887

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2007

	General Fund	Special Roads	Non-major Funds	Total Governmental Funds
ASSETS				
Cash and investments	$ 12,117,042	$ 928,404	$ 14,855,836	$ 27,901,282
Accounts receivable	17,311		145,093	162,404
Taxes receivable	10,805,723		1,703,368	12,509,091
Prepaid expenses	254,748	49,165	56,845	360,758
Inventory		570,621	12,762	583,383
Total assets	$ 23,194,824	$ 1,548,190	$ 16,773,904	$ 41,516,918
LIABILITIES				
Accounts payable	$ 1,536,703	$ 726,314	$ 383,603	$ 2,646,620
Wages and benefits payable	809,316	41,475	171,409	1,022,200
Deferred revenue	694,942		107,426	802,368
Compensated absences	120,691	11,266	18,582	150,539
Total liabilities	3,161,652	779,055	681,020	4,621,727
FUND BALANCES				
Reserved				
Prepaid expenses	254,751	49,164	56,846	360,761
Inventory		570,621	12,762	583,383
Compensated absences	120,691	11,266	18,582	150,539
Debt services	225,189	863,292	1,891,812	2,980,293
Unreserved	19,432,541	(725,208)	14,112,882	32,820,215
Total fund balances	20,033,172	769,135	16,092,884	36,895,191
Total liabilities and fund balances	$ 23,194,824	$ 1,548,190	$ 16,773,904	$ 41,516,918

RECONCILIATION

Total fund balances - Governmental Funds	$ 36,895,191
Amounts reported for governmental activities in the statement of net assets are different because:	
Deferred revenues represents funds not available in the current period and therefore are not recognized as revenue in the governmental funds.	802,368
Other accounts receivable are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.	364,510
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	106,140,397
Some liabilities, including bonds payable and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds	(15,852,116)
Net assets of Governmental Activities	$ 128,350,350

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	General Fund	Special Roads	Non-major Funds	Total Governmental Funds
REVENUES				
Taxes	$ 23,035,080		$ 3,628,628	$ 26,663,708
Intergovernmental				
Federal	470,130	$ 4,795,828	1,851,114	7,117,072
State	1,650,629	5,622,476	268,444	7,541,549
Local	16,450,478	1,166,018	5,661,637	23,278,133
Total revenues	41,606,317	11,584,322	11,409,823	64,600,462
EXPENDITURES				
Current				
Personal services	24,555,548	2,574,898	6,439,556	33,570,002
Operating expenses	6,206,946	717,291	2,282,751	9,206,988
Supplies and materials	1,077,521	1,394,159	210,182	2,681,862
Equipment and office rentals	78,212	27,055	36,013	141,280
Capital outlay	817,071	8,473,556	2,241,088	11,531,715
Debt service				
Debt service principal	307,361	1,006,675	1,238,374	2,552,410
Debt service interest	9,473	48,320	236,106	293,899
Total expenditures	33,052,132	14,241,954	12,684,070	59,978,156
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	8,554,185	(2,657,632)	(1,274,247)	4,622,306
OTHER FINANCING SOURCES (USES)				
Proceeds from new bond offering			6,895,033	6,895,033
Operating transfers in	850,000	4,924,893	3,246,999	9,021,892
Operating transfers out	(7,526,558)		(890,334)	(8,416,892)
Net other financing sources (uses)	(6,676,558)	4,924,893	9,251,698	7,500,033
NET CHANGE IN FUND BALANCES	1,877,627	2,267,261	7,977,451	12,122,339
FUND BALANCES, BEGINNING OF YEAR	18,155,545	(1,498,126)	8,115,433	24,772,852
FUND BALANCES, END OF YEAR	$ 20,033,172	$ 769,135	$ 16,092,884	$ 36,895,191

RECONCILIATION

Total net change in fund balances for the governmental funds	$ 12,122,339
Amounts reported in the governmental activities in the government-wide statement of activities are different because	
Deferred revenues represent funds not available in the current period and therefore are not recognized as revenues in the governmental funds	130,192
Governmental funds report capital outlays as expenditures However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense This is the amount by which capital outlays exceed depreciation expense	8,403,914
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	(216,444)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net assets	(5,281,733)
Changes in net assets of governmental activities	$ 15,158,268

The accompanying notes are an integral part of the financial statements

SARPY COUNTY, NEBRASKA

STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2007

CURRENT ASSETS	
Cash and investments	$ 2,043,346
Accounts receivable	368,225
Prepaid expenses	16,437
Total current assets	2,428,008
NON-CURRENT ASSETS	
Restricted cash	6,824,283
Capital assets	
Land	676,017
Land improvements	586,898
Buildings	474,500
Machinery and equipment	2,410,232
Less accumulated depreciation	(2,839,137)
Total non-current assets	8,132,793
TOTAL ASSETS	$ 10,560,801
CURRENT LIABILITIES	
Accounts payable	$ 220,536
Wages and benefits payable	16,350
Compensated absences	6,897
Total current liabilities	243,783
NON-CURRENT LIABILITIES	
Compensated absences	97,294
Accrued landfill closure and post closure costs	5,533,187
Total non-current liabilities	5,630,481
Total liabilities	5,874,264
NET ASSETS	
Invested in capital assets, net of related debt	1,308,510
Unrestricted	2,086,931
Restricted for post closure costs	1,291,096
Total net assets	4,686,537
TOTAL LIABILITIES AND NET ASSETS	$ 10,560,801

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2007

OPERATING REVENUES	
Charges for services	$ 3,082,075
OPERATING EXPENSES	
Personal services	768,822
Operating expenses	1,588,519
Supplies/materials	239,328
Equipment rental	18,776
Capital outlay	535,698
Total operating expenses	3,151,143
OPERATING LOSS	(69,068)
NON-OPERATING REVENUES	
Investment income	429,625
NET INCOME BEFORE TRANSFERS OUT	360,557
OPERATING TRANSFERS OUT	(605,000)
CHANGE IN NET ASSETS	(244,443)
NET ASSETS, BEGINNING OF YEAR	4,930,980
NET ASSETS, END OF YEAR	$ 4,686,537

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2007

CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$	(69,068)
Adjustment to reconcile operating income to net cash provided by operating activities		
Depreciation		91,980
Change in accounts receivable		(37,760)
Change in prepaid expenses		111
Change in accounts payable		106,357
Change in compensated absences		6,725
Change in accrued salaries, wages, and pension		3,867
Change in accrued landfill closure and post closure costs		323,347
Net cash provided by operating activities		425,559
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Purchase of capital assets		(385,017)
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash payments to other funds		(605,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income received for landfill closure and post closure costs		429,625
NET DECREASE IN CASH AND INVESTMENTS		(134,833)
CASH AND INVESTMENTS, BEGINNING OF YEAR		9,002,462
CASH AND INVESTMENTS, END OF YEAR	$	8,867,629
CASH AND INVESTMENTS ON THE STATEMENT OF NET ASSETS		
Cash and investments	$	2,043,346
Restricted cash		6,824,283
Total cash and investments	$	8,867,629

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

STATEMENT OF NET ASSETS - FIDUCIARY FUND
JUNE 30, 2007

ASSETS	
Cash and investments	$ 100,226,315
Taxes receivable	78,274,278
Total assets	$ 178,500,593
LIABILITIES	
Due to other governmental entities	$ 178,500,593

The accompanying notes are an integral part of the financial statements.

SARPY COUNTY, NEBRASKA

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of Sarpy County, Nebraska (the "County") are discussed in the subsequent section of this Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the County's financial activities for the fiscal year ended June 30, 2007.

ORGANIZATION

Sarpy County, Nebraska is a governmental entity established under and governed by the laws of the State of Nebraska. As a political subdivision of the State, the County is exempt from state and federal income taxes.

REPORTING ENTITY

The County has given consideration to potential component units for which it is financially accountable. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of the Organization's governing body and the ability of the County to impose its will on that Organization to provide specific financial benefits to, or impose specific financial burdens on the Organization. There are no component units as defined by GASB 14 that are required to be included in the County's financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The financial statements of the County are prepared in accordance with generally accepted accounting principles in the United States of America (GAAP). The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds and aggregate non-major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements include a statement of net assets and a statement of activities. These statements present summaries of governmental and business-type activities for the County accompanied by a total column. Fiduciary activities of the County are not included in these statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

GOVERNMENT- WIDE STATEMENTS, CONTINUED

These statements are presented on an "economic resources" measurement focus and on the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Accordingly, all of the County's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the statement of net assets. The statement of activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

FUND FINANCIAL STATEMENTS

The financial transactions of the County are reported in major funds and aggregate non-major funds in the fund financial statements. A fund is considered major if it is the primary operating fund of the County, meets specific mathematical criteria set forth by GASB or is identified as a major fund by the County's management.

Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, fund balance, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

Governmental Funds

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all major governmental funds and non-major funds aggregated. Accompanying schedules are presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net assets and changes in net assets presented in the government-wide financial statements. The County has presented all major funds that met those qualifications and has aggregated its non-major funds.

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period and that it is legally available for such purposes. Property taxes, intergovernmental revenues, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within 60 days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, except for debt service expenditures and other long-term liabilities, which are recorded only when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds and payments of long-term debt are reported as other financing sources and uses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Governmental Funds, Continued

The following is a description of the County's major governmental funds:

(1) General fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

(2) The Special Roads fund is used to account for the proceeds of specific revenue sources that are restricted to expenditures for these specified purposes.

Proprietary Fund

The County's proprietary fund accounts for the operations of the landfill. Proprietary fund financial statements include a statement of net assets, a statement of revenues, expenses, and changes in net assets, and a statement of cash flows. Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities are included on the statement of net assets. The statement of revenues, expenses, and changes in net assets presents increases and decreases in total net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund and all other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary Fund

Fiduciary fund financial statements include a statement of net assets. The County's fiduciary funds represent agency funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above. These funds are not incorporated into the government-wide statements since these funds are held for the benefit of a third party and can not be used to address activities or obligations of the County.

Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements in accordance with the statutory requirements of the Nebraska Budget Act.

On or before August 1, the County Board of Commissioners prepares and transmits a budget for each County fund showing the projected requirements, outstanding warrants, operating reserve, cash on hand at the close of the preceding fiscal year, projected revenue collected from sources other than property tax and amount to be raised by property taxation. The budget is prepared on the cash receipts and disbursements basis of accounting. At least one public hearing must be held by the County Board.

On or before September 20 each year the County Board of Commissioners, after the action of the State Board of Equalization and Assessment has been certified to the County Clerk, the budget, as revised, is adopted and the amounts provided therein are appropriated.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Budgets and Budgetary Accounting, Continued

The County Board is authorized to transfer budgeted amounts between departments within any fund through resolution; however, revisions that alter the total expenditures of any fund require that an additional public hearing be held.

Investments

The types of investments the County is authorized to invest funds in are enumerated in Nebraska State Statutes Sections 77-2315, 77-2340 and 77-2341, R.R.S. 1943, and generally include United States Government bonds, bonds and debentures issued either singly or collectively by any of the twelve federal land banks, the twelve intermediate credit banks, or the thirteen banks for cooperatives under the supervision of the Farm Credit Administration, United States Treasury notes, bills or certificates of indebtedness maturing within two years from the date of purchase, or in certificates of deposit. Investments are stated at fair value.

Receivables

The County believes the amount of uncollectible taxes and accounts receivable is minimal, therefore no allowance for doubtful accounts has been established.

Property Taxes

Based on the assessed valuation certified annually by the County Assessor, property taxes are levied by the County Board on or before October 15, of each year for all political subdivisions in the County. Real estate and personal property taxes are each due December 31 of the year in which the property is appraised. One-half of the taxes become delinquent April 1 and August 1 of the following year.

The County collects its own property taxes and those of certain other taxing entities. Collections of the taxes for others, pending distribution, are accounted for in agency funds.

Counties are permitted by the State Constitution to levy a tax up to $0.50 per $100 of assessed valuation for general governmental services other than the payment of principle and interest on bonded debt. They may levy taxes in addition to the $.50 limitation upon a vote of the people. The tax levy remained below the $.50 limitation for 2007.

Also, $.05 of the $.50 limit may only be levied to provide services offered jointly with another government under an inter-local agreement. The County may share $0.15 of its levy authority with rural fire districts and other political subdivisions no longer having any levy authority. Additionally, the legislature, as part of a property tax relief package, prohibited counties from adopting a budget containing "restricted funds" which are greater than 2.5% of the prior year budgeted restricted funds, plus the percentage change in valuation increase attributable to new construction and additions to buildings in excess of 2.5%. Restricted funds include property taxes, payments in lieu of taxes, and state aid less amounts budgeted for capital improvements and bonded indebtedness.

Inventories

Inventories are valued at cost, using the average cost method. The costs of inventories are recorded as expenditures when used (consumption method). Inventory held by the governmental funds consists primarily of road construction and maintenance materials.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital Assets

Within the government-wide financial statements and the proprietary fund financial statements, capital assets, including infrastructure, are recorded at historical cost or at estimated historical cost if actual cost is not available. Contributed assets are reported at estimated fair market value as of the date received. The County defines capital assets as assets with individual cost of more than $5,000. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method with a modified full month conversion. The estimated useful lives are as follows: infrastructure (includes roads, bridges, traffic signals, sewer, etc.) 15 - 50 years; buildings 20 - 50 years; machines and equipment 5 - 20 years.

Compensated Absence

The liability for compensated absences reported in the government-wide and proprietary fund financial statements consists of unpaid, accumulated annual and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The liability for the governmental funds financial statements consists of only compensated absences due and payable.

Use of Restricted Unrestricted Net Assets

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the County's policy is to apply restricted net assets first.

Interfund Transactions

Following is a description of the types of interfund transactions made during the year and the related accounting policies:

Operating transfers - these transactions include all other transactions not classified as quasi-external transactions or reimbursements.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The County has generally pooled the cash resources of the various funds for investment purposes unless the agency to whom the funds belong has specified otherwise. Interest earned on pooled funds is credited to the County's general fund in accordance with Nebraska State Statute Section 77-2315, R.R.S. 1943.

Deposits

For purposes of classifying categories of custodial risk, the bank balances (deposits) of $21,055,776 as of June 30, 2007 are either entirely insured or collateralized with securities held by the County's agent in the County's name.

Investments

County funds are invested in conformity with the Public Funds Security Act, Chapter 77, Article 23, specifically 77-2387, of the Nebraska Revised Statutes.

Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The City has not adopted a specific policy for custodial credit risk, but requires compliance with the provisions of state statutes regarding investment practices. Statutes authorize the City to invest in time deposits at banks selected as depositories of City funds, direct debt securities of the United States Government, and certain government agency bonds.

The County's investments, totaling $115,365,337 consisted of U.S. Government Securities, U.S. Treasury Bills, Fannie Mae, Federal Loan Home Notes, Certificates of Deposit, and the Nebraska Public Agency Investment Trust (NPAIT), which is an external investment pool not subject to custodial credit risk disclosure. NPAIT is similar to a mutual fund. Its portfolio consists of investments in which public entities are permitted to invest under Nebraska State Statutes. The NPAIT investment is carried at fair value, which was $3,583,929 as of June 30, 2007. The Fannie Mae investments were rated AAA by Standard and Poors and NPAIT was not rated.

Concentrations of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. State statute does not restrict the concentration of investment in any issuer. The County places no limit on the amount the County may invest in any one issuer. More than 5 percent of the County's investments are in Federal National Mortgage Association. This investment is 7.65%.

2. DEPOSITS AND INVESTMENTS, CONTINUED

Investments, Continued

The County's investments, including fiduciary fund, at June 30, 2007 are:

Investment	Maturities	Fair Value
Included income internal investment pool:		
NPAIT - certificates of deposit	Various	$ 3,583,929
U.S. treasury bills	Various	37,010,000
Federal National Mortgage Association	Various	8,836,843
Federal home loan notes	Various	
Governmental securities	Various	41,698,965
Certificates of deposit	Various	24,235,600
		$115,365,337

Summary of Cash and Investments

The carrying value (fair value) for cash and investments for the governmental funds, proprietary fund, and fiduciary fund at June 30, 2007 consists of the following:

	Carrying Value
Cash:	
Cash on hand	$ 574,113
Cash in bank (checking, money market)	21,055,776
Total cash	21,629,889
Investments:	
NPAIT – certificates of deposit	3,583,929
U.S. treasury bills	37,010,000
Federal National Mortgage Association	8,836,843
Federal home loan notes	
U.S. governmental securities (held in trust)	41,698,965
Certificates of deposit	24,235,600
Total investments	115,365,337
Total cash and investments	$136,995,226
Governmental funds	$ 27,901,282
Proprietary fund	2,043,346
Proprietary fund – restricted for landfill post closure costs	6,824,283
Fiduciary funds	100,226,315
Total cash and investments	$136,995,226

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2007 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities				
Not being depreciated				
Land and improvements	$ 3,278,234			$ 3,278,234
Construction in progress	0	$ 1,585,203		1,585,203
Subtotal	3,278,234	1,585,203		4,863,437
Other capital assets				
Infrastructure	104,715,274	10,289,833		115,005,107
Buildings	23,318,496			23,318,496
Machines and equipment	20,446,367	812,590	$ (484,817)	20,774,140
Subtotal	148,480,137	11,102,423	(484,817)	159,097,743
Accumulated depreciation				
Infrastructure	(30,953,302)	(2,775,130)		(33,728,432)
Buildings	(6,799,934)	(465,904)		(7,265,838)
Machines and equipment	(16,268,652)	(902,208)	344,347	(16,826,513)
Subtotal	(54,021,888)	(4,143,242)	344,347	(57,820,783)
Net other capital assets	94,458,249	6,959,181	(140,470)	101,276,960
Net capital assets	$ 97,736,483	$ 8,544,384	$ (140,470)	$106,140,397
Business-Type Activities				
Not being depreciated				
Land and improvements	$ 291,000	$ 385,017		$ 676,017
Subtotal	291,000	385,017		676,017
Other capital assets				
Land Improvements	586,898			586,898
Buildings	474,500			474,500
Machines and equipment	2,483,612		$ (73,380)	2,410,232
Subtotal	3,545,010		(73,380)	3,471,630
Accumulated depreciation				
Land improvements	(454,392)	(29,316)		(483,708)
Buildings	(207,125)	(9,481)		(216,606)
Machines and equipment	(2,159,020)	(53,183)	73,380	(2,138,823)
Subtotal	(2,820,537)	(91,980)	73,380	(2,839,137)
Net other capital assets	724,473	(91,980)	0	632,493
Net capital assets	$ 1,015,473	$ 294,037	$ 0	$ 1,308,510

3. CAPITAL ASSETS, CONTINUED

Depreciation for the governmental activities was charged to functions as follows:

General government	$ 356,702
Public health	105,543
Public safety	661,268
Special roads	3,019,729
Total governmental activities depreciation expense	$ 4,143,242

Construction Commitments

The County has active construction projects of approximately $7,754,000 at June 30, 2007 for the construction of road projects.

4. LEASES

Operating Leases

The County has non-cancelable operating lease agreements for equipment and vehicles and rental property with unrelated parties. These leases expire on various dates through February 2012.

Future minimum lease payments for all leases, which will be paid by the general fund, are as follows:

Year ending June 30,	Amount
2008	$ 75,555
2009	54,692
2010	12,966
2011	3,576
	$ 146,789

Lease payments for these operating leases were approximately $82,614 during the year ended June 30, 2007.

5. LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2007:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities				
Compensated absences	$ 4,250,082	$ 297,893		$ 4,547,975
General obligation bonds	4,985,000	7,000,000	$ 1,625,000	10,360,000
Notes payable	1,187,947	873,042	966,309	1,094,680
Governmental activities long-term liabilities	$10,423,029	$ 8,170,935	$ 2,591,309	$16,002,655

5. LONG-TERM LIABILITIES, CONTINUED

	Beginning Balances	Increases	Decreases	Ending Balances
Business – Type Activities				
Compensated absences	$ 97,466	$ 6,725		$ 104,191
Business-type activities long-term liabilities	$ 97,466	$ 6,725		$ 104,191

Long-term debt consisted of the following at June 30, 2007:

Type of indebtedness (purpose)	Maturity	Interest Rates	Annual Principal Installments	Original Issue Amount	Outstanding at June 30, 2007
Bonds Payable					
Highway allocation bonds	Sept. 2008	2.60 - 2.90%	$450,000-615,000	$2,840,000	$ 615,000
Communication bonds	Dec. 2009	4.60 - 5.00%	325,000-375,000	2,690,000	1,145,000
Juvenile justice center	Dec. 2009	3.35 - 4.35%	475,000-850,000	4,200,000	1,600,000
Administration bond	Dec. 2016	3.50 - 4.00%	615,000-815,000	7,000,000	7,000,000
Notes Payable					
Upgrade 911	Oct. 2008	2.70%	$ 159,252	$744,110	$187,810
ENSA House 1	June 2010	5.60%	8,800-11,000	97,610	35,189
ENSA House 2	Nov. 2010	5.10%	9,000-11,000	101,782	40,728
ENSA House 3	June 2019	5.00%	8,700-17,500	190,000	162,441
ENSA House 4	Dec. 2018	4.65%		153,061	126,148
Hydraulic excavator	July 2007	3.00%	54,500	158,812	4,480
Freightliner	Aug. 2007	3.25%	50,280	97,188	4,041
3 chassis and equipment	Oct. 2007	3.35%	120,406	232,507	28,974
8 cruisers	May 2008	2.50%	106,614	204,041	85,122
Truck\sprayer	June 2009	4.275%	81,102	155,086	88,081
8 cruisers	April 2009	4.65%	105,938	201,776	185,412
Truck\plow	July 2008	4.30%	139,792	267,246	146,254

The annual requirements to pay principal and interest on outstanding bonds and notes payable for governmental activities are shown below:

Year ending June 30,	Principal	Interest	Total Requirements
2008	$ 2,980,292	$ 396,964	$ 3,377,257
2009	2,038,886	287,607	2,326,493
2010	1,075,327	224,839	1,300,166
2011	681,906	190,593	872,499
2012	702,606	165,440	868,046
2013 through 2017	3,975,663	409,056	4,384,718
	$11,454,680	$1,674,499	$13,129,179

6. NET ASSETS\FUND BALANCE

The government-wide and proprietary fund financial statements utilize a net asset presentation. Net assets are categorized as invested capital assets (net of related debt), restricted and unrestricted.

- Invested in capital assets, net of related debt, groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted net assets presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions enabling legislation.
- Unrestricted net assets represent net assets of the County not restricted for any project or purpose.

In the fund financial statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various reserves and designations are established by actions of the Board and management and can be increased, reduced or eliminated by similar actions. As of June 30, 2007, reservations of fund balances are described below:

- Prepaid items – to reflect the portion of assets that do not represent available spendable resources.
- Inventories – to reflect the portion of assets that do not represent available spendable resources.
- Compensated absences – to reflect the portion of assets that are held for payment of compensated absences.
- Debt service – to reflect the portion of assets that are held for payment of debt service.

7. EMPLOYEES' RETIREMENT SYSTEM

Pension Plan

The County has adopted the provisions of Sections 23-2301 to 23-2331, R.R.S. 1942, known as the County Employees Retirement Act. The retirement system for Nebraska counties is administered by the Public Employees Retirement Board and is a defined contribution cost-sharing multi-employer plan. Participating noncommissioned employees contribute 4.5% and the County contributes 6.75% on their behalf. Commissioned officers of the Sheriffs department contribute 6.75% and the County contributes 8.75% on their behalf. The employee's account is fully vested, while the employer's account is fully vested after three (3) years in the plan. Employees over age 55 are vested immediately upon eligibility to participate in the retirement plan. Prior service benefits are paid by the County on a pay-as-you-go basis directly to the retired employee. No actuarial calculation has been made of the plan because future service benefits are on a money purchase basis and prior service benefits are on a pay-as-you-go basis.

For the year ended June 30, 2007, the County's payroll for covered employees was $25,397,404, and the total payroll for the County was $26,299,385. The County contributed $1,869,508 to the employees account and paid $1,542 for prior service benefits. The employees contributed $1,298,086 to the plan for the year ended June 30, 2007.

7. EMPLOYEES' RETIREMENT SYSTEM, CONTINUED

Deferred Compensation Plan

The County offers employees a deferred compensation plan created in accordance with provisions in IRS Section 457. The deferred compensation plan allows employees to defer a portion of current salary to future years, but the deferred balance is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, property rights purchased with such amounts, and income attributed to such amounts are placed in a trust which is not in the property of the County. Therefore, assets and liabilities related to the deferred compensation plan are not included in the basic financial statements.

8. COMMITMENTS AND CONTINGENCIES

Federal Financial Awards

The County participates in a number of federally assisted grant programs. Compliance with the grants is subject to audit by various governmental agencies that may impose sanctions in the event of noncompliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, related to such audits would be immaterial to the accompanying basic financial statements.

Litigation

The County is involved in lawsuits arising in the ordinary course of business, including claims for property damage and personal injury. In the opinion of County management, based on the advice of the County Attorney with respect to litigation, these matters are not expected to have a materially adverse effect on the County's financial position at June 30, 2007.

9. LANDFILL CLOSURE AND POST CLOSURE CARE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill site and perform certain maintenance and monitoring functions at the landfill site for a minimum of thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used during the year. Based on a cost estimate done in 2007 closure costs will be $3,993,762 and an additional $2,293,950 will be required for post-closure care. The estimated total of the landfill closure and postclosure care of $6,287,712 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfills were to be completed.

Based on the capacity of the landfill and the current rate of consumption it is estimated that the landfill is 88 percent used (filled). The County expects to close the landfill in 2012. The County has accrued 88 percent of the total landfill closure and postclosure care costs as of June 30, 2007.

9. LANDFILL CLOSURE AND POST CLOSURE CARE COSTS, CONTINUED

However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The County is required by State and Federal laws and regulations to make annual contributions to finance closure and postclosure care. The County is in compliance with these requirements and at June 30, 2007, investments of $6,824,283 are held for these purposes. These are reported as restricted assets on the proprietary fund statement of net assets.

10. PUBLIC ENTITY RISK POOL

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County is a member of the Nebraska Intergovernmental Risk Management Association (NIRMA), a public entity risk pool currently operating as a common risk management and insurance program for 75 counties throughout Nebraska. NIRMA was created as a result of the Intergovernmental Risk Management Act authorized by State Statute Section 44-4301 R.R.S. 1943 which resulted in two programs being established, NIRMA and NIRMA II. The County has the option of participating in one or both of the programs.

The County pays an annual deposit premium as calculated by the administrator of the pool. Nine months following the close of the fiscal year and at annual intervals thereafter, the pool may calculate each County's retrospective premium or premium credit for the year. The retrospective formula will be adopted by the Board prior to the beginning of the fiscal year. The formula will consider the losses and exposures of each County and the entire pool. The deposit premium paid for the fiscal year may be applied as a credit against the retrospective premium. If it is determined that the deposit premium paid is in excess of the retrospective premiums calculated, such excess may be applied as a credit toward the next annual deposit premium. Retrospective premium adjustments for each fiscal year may continue until all claims are closed or until the Board determines that sufficient facts are known to make a final adjustment for the year. If the pool becomes insolvent or is otherwise unable to discharge its legal liabilities and other obligations, the County may be assessed by the Board for an additional contribution equal to its contribution for the current fiscal year divided by the contributions of all participants for such year, times the amount of such deficiency. Each such assessment, and the manner of calculating the same, will be to each County in writing, and each County will thereafter have sixty (60) days in which to pay the amount of such assessment.

Each County will remain liable for such assessments, regardless of such County's withdrawal from participation or the termination of the agreement and for liabilities of the pool incurred during such County's period of membership, as provided by State Statute Section 44-4312, R.R. S. 1943.

10. PUBLIC ENTITY RISK POOL, CONTINUED

The following schedule is a summary of the NIRMA AND NIRMA II coverage in effect for the period August 1, 2006 through July 30, 2007 similar coverage will be in effect for the period August 1, 2007 through July 30, 2008:

Type of Coverage	Insurance Carrier	Total Coverage Per Occurrence	County Deductible	Pool S.I.R.
General Liability Auto Liability Police Professional Employee Benefits Liability	County Reinsurance, LTD	$5,000,000 (No Annual Aggregate)	-0-	$300,000
Public Officials and Employment Practices Liability	County Reinsurance, LTD	$5,000,000 $7,000,000 Aggregate	Various	$300,000
Personal & Real Property	Travelers Indemnity Co.	100% replacement cost Plus $25M flood & quake $2,575,000 extra exp. $1,075,000 valuable papers $575,000 fine arts $1,075,000 A/R	$500	$75,000
Auto Phys. Dmg.	Travelers Indemnity Co.	Actual Cash Value	$250	$100,000
Inland Marine	Travelers Indemnity Co.	Actual Cash Value	$500	$75,000
Boiler & Machinery	Travelers Indemnity Co.	$50,000,000	$11,000	$25,000
Crime w/ faithful Performance of duty	NIRMA	$300,000	$1,000	$300,000
Crime/Money & Securities/Deposits Forgery	NIRMA	$50,000 Money & Securities $100,000 Dep. Forgery	$1,000	$50,000 $100,000
Worker's Comp.	County Reinsurance,LTD	Statutory	-0-	$300,000
Employer's Liability	County Reinsurance, LTD	$2,000,000	-0-	$300,000

11. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The following table shows each fund that has a net asset deficit. These deficits are expected to be eliminated in future years by receipts.

Name of Fund	Amount of Net Asset Deficit
FG - JAIBG	$ 554

12. PRIOR PERIOD ADJUSTMENT

The County analyzed it capital assets and noted that an asset had been left off of the schedule in previous years. Accordingly, an adjustment of $500,000 was made to the governmental activities beginning net assets. The correction had no effect on the operating results of the current year.

REQUIRED SUPPLEMENTARY INFORMATION

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SARPY COUNTY, NEBRASKA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budget Amounts			Favorable (Unfavorable)
	Original	Final	Actual	Variance
REVENUES COLLECTED				
Tax	$ 23,448,092	$ 23,448,092	$ 22,171,426	$ (1,276,666)
Federal	176,700	176,700	470,130	293,430
State	1,108,000	1,108,000	1,650,629	542,629
Local	12,831,143	12,831,143	16,436,569	3,605,426
Total revenues collected	37,563,935	37,563,935	40,728,754	3,164,819
EXPENDITURES PAID				
General Government				
County Board	140,561	140,561	138,395	2,166
County Clerk	977,842	989,046	977,840	11,206
County Treasurer	882,294	889,280	865,518	23,762
Register of Deeds	450,693	453,323	442,090	11,233
County Assessor	1,006,671	1,020,507	1,020,162	345
Election Commissioner	427,530	433,671	433,662	9
Planning and Building	314,444	360,219	352,187	8,032
Administration	160,534	160,534	136,145	24,389
Personnel	187,900	245,255	217,406	27,849
Fiscal Administration	171,112	171,430	170,886	544
Board of Equalization	19,220	19,220	9,058	10,162
Clerk of the District Court	524,404	528,944	512,575	16,369
County Court	176,160	176,160	159,991	16,169
Juvenile Probation	33,214	33,214	33,182	32
Juvenile Court	381,971	388,898	388,525	373
District Judge	435,925	436,984	424,666	12,318
Public Defender	832,720	834,410	820,518	13,892
Jury Commissioner	66,993	72,437	72,176	261
CASA	83,119	91,684	89,832	1,852
Building and Grounds	871,008	873,882	873,874	8
Public Property Utilities	472,000	472,000	410,629	61,371
Jail Maintenance	281,614	282,185	281,812	373
Juvenile Justice Center Maintenance	75,313	75,425	74,950	475
Extension Agent	104,314	104,314	104,217	97
Other Intergovernmental	657,000	657,000	575,318	81,682
Sheriff Merit Commission	17,500	17,500	1,552	15,948
Animal Control	341,890	367,890	366,931	959
Miscellaneous General	4,873,080	4,406,399	3,647,899	758,500
Payroll Accrual	250,000	250,000		250,000
Capital Projects	300,000	300,000	263,138	36,862

SARPY COUNTY, NEBRASKA

BUDGETARY COMPARISON SCHEDULE - CONTINUED
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budget Amounts			Favorable (Unfavorable)
	Original	Final	Actual	Variance
EXPENDITURES PAID - CONTINUED				
Public Safety				
Sheriff	$ 1,567,099	$ 1,595,099	$ 1,594,342	$ 757
County Attorney	1,995,177	2,108,722	2,107,707	1,015
Investigations	1,286,795	1,290,795	1,287,997	2,798
Road Patrol	3,793,505	3,825,505	3,825,284	221
Vehicle Inspection	90,135	97,135	96,952	183
Tow Lot	212,089	230,089	229,169	920
Juvenile Intake	216,202	223,823	221,709	2,114
Victim Witness	118,298	123,540	114,125	9,415
Adult Pre-trial	102,827	103,463	99,965	3,498
Adult Drug Court	52,011	52,011	32,247	19,764
Juvenile Justice Center	1,846,120	1,846,120	1,774,403	71,717
County Jail	4,527,444	4,527,444	4,036,929	490,515
Work Release	458,276	458,276	443,695	14,581
Court Services	1,036,239	1,063,598	1,031,012	32,586
Warrants	431,516	431,516	398,398	33,118
Adult Probation	81,855	81,855	80,884	971
Community Services	117,275	117,822	117,514	308
Emergency Management	154,273	154,954	141,825	13,129
Public Health				
Mental Health	138,512	138,512	80,996	57,516
Public Welfare				
Veterans Services	144,939	145,584	143,488	2,096
Human Services	770,186	789,564	788,872	692
Total expenditures paid	34,657,799	34,657,799	32,512,647	2,145,152
Operating transfer in	850,000	850,000	850,000	
Operating transfer out	(7,526,558)	(7,526,558)	(7,526,558)	
	(6,676,558)	(6,676,558)	(6,676,558)	
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(3,770,422)	(3,770,422)	1,539,549	5,309,971
FUND BALANCE, BEGINNING OF YEAR	8,345,422	8,345,422	8,345,422	
FUND BALANCE, END OF YEAR	$ 4,575,000	$ 4,575,000	$ 9,884,971	$ 5,309,971

SARPY COUNTY, NEBRASKA

BUDGETARY COMPARISON SCHEDULE
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	Budget Amounts			Favorable (Unfavorable)
	Original	Final	Actual	Variance
REVENUES COLLECTED				
Tax	$ 3,701,912	$ 3,701,912	$ 3,191,950	$ (509,962)
Federal	6,246,399	6,266,399	6,646,941	380,542
State	5,124,804	5,124,804	5,890,920	766,116
Local	9,857,717	9,907,717	6,761,950	(3,145,767)
Total revenues collected	24,930,832	25,000,832	22,491,761	(2,509,071)
EXPENDITURES PAID				
Special Road	20,224,678	20,231,088	16,246,187	3,984,901
E911	3,229,512	3,229,512	3,113,523	115,989
District Court - Child Support	152,834	159,441	156,693	2,748
County Attorney - Child Support	792,189	801,886	796,665	5,221
Tourism	193,596	195,553	167,465	28,088
Visitors Improvement	284,807	284,807	12,023	117,342
Employment Security Act	18,000	21,500	21,204	296
County Medical	140,500	140,500	122,234	18,266
Institutions	45,000	45,000	16,667	28,333
Alcohol Diversion	360,805	365,871	363,683	2,188
County Drug Enforcement	5,000	5,000		5,000
Federal Grant - Drug Court	3,500	3,500	1,441	2,059
Federal Grant - JAIBG	25,911	25,911	24,425	1,486
Federal Grant - Title 1D	109,143	109,143	101,709	7,434
Federal Grant - Juv Pre-trial	43,444	43,444	37,664	5,780
State Education Reimbursement	69,720	149,720	145,006	4,714
Federal Forfeiture	195,000	195,000	79,177	115,823
Federal Forfeiture - County Attorney	175,785	176,031	94,020	82,011
STOP Program	81,721	81,721	11,521	70,200
Federal Grant - Victim Witness	81,557	109,557	108,662	895
CDBG - Oakdale Park	526,573	526,573		526,573
State Grant - Juvenile Justice	10,905	11,905	11,900	5
Federal Grant - GREAT	115,318	122,318	100,360	21,958
Federal Grant - Drug Enforcement	90,455	110,455	92,994	17,461
Juvenile Services LB640	113,089	113,089	103,656	9,433
Federal Grant - Universal Hiring	21,120	21,120	21,120	

SARPY COUNTY, NEBRASKA

BUDGETARY COMPARISON SCHEDULE - CONTINUED
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

	Budget Amounts			Favorable (Unfavorable)
	Original	Final	Actual	Variance
EXPENDITURES PAID - CONTINUED				
Federal Grant - GIS Transportation	$ 40,295	$ 40,295	$ 40,200	$ 95
Federal Grant - Adult Drug Court	7,027	10,027	9,973	54
Federal Grant - LETPP	110,000	110,000		110,000
Federal Grant - Buffer Zone	12,296	12,296	8,918	3,378
Juvenile Wellness Grant	4,497	4,497	4,221	276
Federal Grant - Drug Eradication	5,000	20,000	5,000	15,000
Federal Grant - Juv Day\Evening	75,000	75,000	49,026	25,974
Federal Grant - MIP Mini Grant		20,000		20,000
Inheritance Tax	1,550,000	1,550,000	929,983	620,017
County Tax Refund	11,000	11,000	8,352	2,648
Keno	232,000	232,000	144,522	87,478
800 MHZ Bond Fund	803,455	803,455	406,160	397,295
Courthouse Bond	1,543,381	1,543,381	755,716	787,665
Courthouse Administration	850,000	850,000	92,992	757,008
Landfill Bond Surplus	2,791,903	2,791,903	1,000	2,790,903
Sinking Fund	555,854	555,854	104,044	451,810
Sewer	1,860,000	1,860,000	570,016	1,289,984
Sewer Operations	165,000	165,000	3,080	161,920
Phase II Stormwater Fees		50,000		50,000
Noxious Weed	75,448	75,683	71,854	3,829
Information Systems	1,526,523	1,530,121	1,528,951	1,170
GIS	314,677	315,860	300,630	15,230
Purchasing Agent	93,833	94,222	92,998	1,224
Fleet Services	1,042,760	1,045,645	1,045,472	173
Total expenditures paid	40,780,111	41,045,884	28,123,107	12,767,335
Operating transfer in	8,014,892	8,210,665	8,171,892	(38,773)
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(7,834,387)	(7,834,387)	2,540,546	10,374,933
FUND BALANCE, BEGINNING OF YEAR	7,834,387	7,834,387	7,834,387	
FUND BALANCE, END OF YEAR	$	$	$ 10,374,933	$ 10,374,933

SARPY COUNTY, NEBRASKA

BUDGETARY COMPARISON SCHEDULE
SPECIAL ROADS FUND
FOR THE YEAR ENDED JUNE 30, 2007

	Budget Amounts			Favorable (Unfavorable)
	Original	Final	Actual	Variance
REVENUES COLLECTED				
Tax			$ 1	$ 1
Federal	$ 4,775,702	$ 4,775,702	4,795,827	20,125
State	4,920,750	4,920,750	5,622,476	701,726
Local	4,938,007	4,938,007	1,166,018	(3,771,989)
Total revenues collected	14,634,459	14,634,459	11,584,322	(3,050,137)
EXPENDITURES PAID				
Personal services	2,593,752	2,593,752	2,573,686	20,066
Operating expenses	659,511	659,511	710,880	(51,369)
Supplies and materials	1,186,000	1,186,000	1,496,077	(310,077)
Equipment and office rental	18,500	18,500	22,211	(3,711)
Capital outlays	15,095,650	15,095,650	10,807,718	4,287,932
Principal and interest	671,265	671,265	635,615	35,650
Total expenditures paid	20,224,678	20,224,678	16,246,187	3,978,491
Operating transfer in	4,924,893	4,924,893	4,924,893	
EXCESS (DEFICIENCY) OF REVENUES COLLECTED OVER EXPENDITURES PAID	(665,326)	(665,326)	263,028	928,354
FUND BALANCE, BEGINNING OF YEAR	665,326	665,326	665,326	
FUND BALANCE, END OF YEAR	$	$	$ 928,354	$ 928,354

SARPY COUNTY, NEBRASKA

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULES FOR THE YEAR ENDED JUNE 30, 2007

1. BUDGETARY ACCOUNTING

The County prepares its budgets on the cash basis of accounting, based on funds received at the County Treasurer. Accordingly, revenues are recognized when cash is received by the County Treasurer and expenditures are recognized when disbursed. This results in twelve months of revenues and expenditures being reported however, revenues received by departments but not yet submitted to the County Treasurer are not included in the budget amounts since the County Treasurer does not have these funds in hand as of year end. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under this method of accounting, all unexpended appropriations lapse at the end of the budget year.

APPENDIX C

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (the **"Disclosure Agreement"**) is executed and delivered by **THE COUNTY OF SARPY, NEBRASKA** (the **"County"**) and **UNION BANK AND TRUST COMPANY** (the **"Registrar"**).

RECITALS

1. This Disclosure Agreement is executed and delivered in connection with the issuance by the County of $6,075,000 aggregate principal amount of its General Obligation Highway Allocation Fund Pledge Bonds, Series 2009, dated the date of delivery (February 18, 2009) thereof (the **"Bonds"**), pursuant to a resolution adopted January 27, 2009 (the **"Resolution"**).

2. The County and the Registrar are entering into this Disclosure Agreement for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule. The County is the only "obligated person" with responsibility for continuing disclosure under the Rule.

In consideration of the mutual covenants and agreements herein, the County and the Registrar covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this **Section 1**, the following capitalized terms have the following meanings:

"Annual Report" means any annual report provided by the County pursuant to, and as described in, **Section 2** and **Section 3** of this Disclosure Agreement.

"Beneficial Owner" means any person that (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Disclosure Representative" means the Fiscal Administrator of the County or his or her designee, or such other officer or employee as the County shall designate in writing to the Registrar from time to time.

"Dissemination Agent" means the Registrar, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the County that has filed with the Registrar a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures.

"Material Events" means any of the events listed in **Section 4(a)** of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"National Repository" means any nationally recognized municipal securities information repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are set forth in **Exhibit A** attached hereto. Annual Reports and notices of Material Events are not required to be filed with the National Repositories on or after July 1, 2009.

"Participating Underwriter" means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" means, until June 30, 2009, each National Repository, and on and after July 1, 2009, the MSRB.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" means the State of Nebraska.

Section 2. Provision of Annual Reports.

(a) The County shall, or shall cause the Dissemination Agent to, not later than eight months following the end of the County's fiscal year (currently June 30), commencing with the report for the 2008-2009 fiscal year, provide to each Repository an Annual Report that is consistent with the requirements of **Section 3** of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a single package, and may include by reference other information as provided in **Section 3** of this Disclosure Agreement; however, the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County's fiscal year changes, it shall give notice of the change in the same manner as for a Material Event under **Section 4(d)**.

(b) Not later than fifteen (15) business days (which exclude weekends, holidays and days the Registrar is not open for business) prior to the date specified in **Section 2(a)**, the County shall provide the Annual Report to the Dissemination Agent and the Registrar (if the Registrar is not the Dissemination Agent). If by such date, the Registrar has not received a copy of the Annual Report, the Registrar shall contact the Disclosure Representative to determine if the County is in compliance with the first sentence of this **Section 2(b)**.

(c) If the Registrar is unable to verify that an Annual Report has been provided to Repositories by the date required in **Section 2(a)**, the Registrar shall send a notice to each Repository and the State Repository, if any, in substantially the form attached hereto as **Exhibit B**.

(d) The Dissemination Agent shall, unless the County has provided the Annual Report to each Repository, promptly following receipt of the Annual Report and instructions required in subsection (b) above, provide the Annual Report to each Repository and file a report with the County and (if the Dissemination Agent is not the Registrar) the Registrar certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided.

Section 3. Content of Annual Reports. The County's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the County for the prior fiscal year, prepared on the budgetary basis of accounting which is a prescribed, comprehensive basis of accounting other than generally accepted accounting principles. If the County's audited financial statements are not available by the time the

Annual Report is required to be filed pursuant to Section 2(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) The operating data of the County updated for the fiscal year then ended in substantially the scope and form contained in the Official Statement under "FINANCIAL STATEMENTS."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the County or related public entities, which have been submitted to each Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB (via EMMA if submitted on or after July 1, 2009). The County shall clearly identify each such other document so included by reference.

Section 4. Reporting of Material Events.

(a) Pursuant to the provisions of this **Section 4**, the County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

(1) principal and interest payment delinquencies;
(2) non-payment related defaults;
(3) modifications to rights of registered owners of the Bonds;
(4) optional, contingent or unscheduled bond calls;
(5) defeasances;
(6) rating changes;
(7) adverse tax opinions or events adversely affecting the tax-exempt status of the Bonds;
(8) unscheduled draws on the debt service reserves reflecting financial difficulties;
(9) unscheduled draws on credit enhancements reflecting financial difficulties;
(10) substitution of credit or liquidity providers, or their failure to perform; and
(11) release, substitution or sale of property securing repayment of the Bonds.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the Disclosure Representative, inform such person of the event, and request that the County promptly notify the Registrar in writing to determine whether to report the event pursuant to **Section 4(d)**. If in response to a request under this **Section 4(b)**, the County determines that the event would not be material under applicable federal securities laws, the Disclosure Representative shall so notify the Registrar in writing and instruct the Dissemination Agent to not report the occurrence pursuant to **Section 4(d)**.

(c) Whenever the County obtains knowledge of the occurrence of a Material Event, because of a notice received from the Registrar pursuant to **Section 4(b)** or otherwise, the County shall promptly notify the Registrar and instruct the Dissemination Agent in writing to report the occurrence pursuant to **Section 4(d)**.

(d) If the Dissemination Agent receives written instructions from the Disclosure Representative to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence with each Repository, with a copy to the Registrar. Notwithstanding the foregoing, notice of those Material Events described in **Section 4(a)(iv)** and **Section 4(a)(v)** do not need to be given under this **Section 3(d)** any earlier than notice is given to the registered owners of affected Bonds pursuant to the Resolution.

Section 5. Termination of Reporting Obligation. The County's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the County shall give notice of such termination in the same manner as for a Material Event under **Section 4(d)**.

Section 6. Dissemination Agent, Other Designated Agents.

(a) The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon 30-days prior written notice to the County. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Agreement.

(b) The County may, from time to time, appoint or designate one or more agents (each, a "**designated agent**") to submit Annual Reports, Material Event notices, and other notices or reports with the MSRB via EMMA. The County hereby appoints the Dissemination Agent as a designated agent of the County solely for the purpose of submitting County-approved Annual Reports, Material Event notices, and other notices or reports to the MSRB via EMMA. The County may revoke this designation at any time upon written notice to the designated agent, and may designate one or more additional designated agents for purposes of this Section 6(b) from time to time by written designation to the newly appointed designated agent.

Section 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the County and the Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of **Section 2(a), Section 3 or Section 4** hereof, it 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 an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (1) is approved by the Beneficial Owners of the Bonds in the same manner as provided for amendments to the Resolution with the consent of the Beneficial Owners, or (2) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event described in **Section 4** hereof, and (2) the audited financial statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the

financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 8. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in a request for information or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any request for information or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future request for information or notice of occurrence of a Material Event.

Section 9. Default. In the event of a failure of the County or the Dissemination Agent to comply with any provision of this Disclosure Agreement, any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the County or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 10. Duties and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities that it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this **Section 11** shall survive resignation or removal of the Dissemination Agent and the payment of the Bonds. The County shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Disclosure Agreement.

Section 11. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by facsimile or by e-mail, receipt confirmed by telephone, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

County:

The County of Sarpy, Nebraska
1210 Golden Gate Drive
Papillion, NE 68046
Attention: Brian Hanson
Telephone/Fax: (402) 593-2349/(402) 593-4304

Registrar:

Union Bank and Trust Company
6811 South 27th Street
Lincoln, NE 68512
Attention: Ralene K. Klostermeyer
Telephone/Fax: (402) 323-1353/(402) 323-1192

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter, and the Beneficial Owners of the Bonds, and will create no rights in any other person or entity.

Section 13. Severability. If any provision in this Disclosure Agreement, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument. Copies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15. Electronic Transactions. The parties agree that the arrangement described herein may be conducted and related documents may be stored by electronic means.

Section 16. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.

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DATED: February 18, 2009

THE COUNTY OF SARPY, NEBRASKA

By: _____
Budget and Fiscal Director

UNION BANK AND TRUST COMPANY,
Registrar

By: _____
Authorized Officer

EXHIBIT A

NATIONALLY RECOGNIZED MUNICIPAL SECURITIES INFORMATION REPOSITORIES

Bloomberg Municipal Repository
Bloomberg Business Park
100 Business Park Drive
Skillman, New Jersey 08558-3629
Phone: (609) 279-3225
Fax: (609) 279-5962 or (800) 395-9403
E-Mail: Munis@Bloomberg.com

Standard & Poor's Securities Evaluations, Inc.
Repository Service
55 Water Street, 45th Floor
New York, New York 10041-0003
Phone: (212) 438-4595
Fax: (212) 438-3975
E-mail: nrmsir_repository@sandp.com

FT Interactive Data
Attn: NRMSIR
100 William Street, 15th Floor
New York, New York 10038
Phone: (212) 771-6999 or (800) 689-8466
Fax: (212) 771-7390 (Secondary Market Information)
Fax: (212) 771-7391 (Primary Market Information)
E-Mail: NRMSIR@ftid.com

DPC Data Inc.
One Executive Drive
Fort Lee, New Jersey 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
E-Mail:nrmsir@dpcdata.com

MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB)

For all filings on or after July 1, 2009:

Via EMMA
www.emma.msrb.org

EXHIBIT B

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: **The County of Sarpy, Nebraska**

Name of Issue: **General Obligation Highway Allocation Fund Pledge Bonds, Series 2009**

Date of Issuance: **February 18, 2009**

NOTICE IS HEREBY GIVEN that The County of Sarpy, Nebraska has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated February 18, 2009. The County anticipates that the Annual Report will be filed by _____, 20____.

DATED this ___ day of _____, 20__.

UNION BANK AND TRUST COMPANY, on behalf of **THE COUNTY OF SARPY, NEBRASKA**

By: _____
Authorized Officer

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APPENDIX D

BOOK-ENTRY SYSTEM

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BOOK ENTRY SYSTEM

1. The Depository Trust Company (**"DTC"**), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued in fully-registered form in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such maturity and will be deposited with DTC.

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Bonds Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (**"Direct Participants"**) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (**"DTCC"**). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Bonds Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Bonds Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**"Indirect Participants"**). DTC has Standard & Poor's highest rating: "AAA." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

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

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the County or the Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the County or the Registrar, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the County or the Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

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

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

The information in this Appendix concerning DTC and DTC's book-entry system has been obtained from sources that the County and the Underwriter believe to be reliable, but the County and the Underwriter take no responsibility for the accuracy thereof, and neither the DTC Participants nor the

Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the County nor the Underwriter will have any responsibility or obligation to any Direct Participants or Indirect Participants or the persons for whom they act with respect to (a) the accuracy of any records maintained by DTC or any such Direct Participant or Indirect Participant; (b) the payment by any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price of or interest on the Bonds; (c) the delivery by any such Direct Participant or Indirect Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Bond Resolution to be given to registered owners of the Bonds; (d) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (e) any consent given or other action taken by DTC as the registered owner of the Bonds.

* * * *

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$6,075,000
THE COUNTY OF SARPY, NEBRASKA
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS, SERIES 2009

January 27, 2009

BOND PURCHASE AGREEMENT

Board of Commissioners
The County of Sarpy, Nebraska
1210 Golden Gate Drive
Papillion, NE 68046

Ladies and Gentlemen:

On the basis of the representations, warranties and covenants and upon the terms and conditions contained in this Bond Purchase Agreement (the **"Purchase Agreement"**), the undersigned, Ameritas Investment Corp. (the **"Underwriter"**), hereby offers to purchase $6,075,000 aggregate principal amount of General Obligation Highway Allocation Fund Pledge Bonds, Series 2009, dated the date of delivery (February 18, 2009) thereof (the **"Bonds"**), to be issued by The County of Sarpy, Nebraska (the **"County"**) pursuant to a resolution passed by the Board of Commissioners (the **"Board"**) of the County on January 27, 2009 (the **"Resolution"**). Capitalized terms used herein have the meanings set forth in the Resolution unless some other meaning is plainly indicated.

This offer is made subject to acceptance of this Purchase Agreement by the Board on or before 11:59 p.m., Central Time, on January 27, 2009.

SECTION 1. COUNTY'S REPRESENTATIONS AND WARRANTIES

By acceptance hereof, the County hereby represents and warrants to the Underwriter as follows:

(a) The County is a county and political subdivision duly organized and validly existing under the laws of the State of Nebraska (the **"State"**).

(b) The County has complied with all provisions of the Constitution and statutes of the State precedent to the issuance and sale of the Bonds, including, without limitation, Section 66,4,101, Reissue Revised Statutes of Nebraska, as amended, and has full power and authority to consummate all transactions contemplated by the Resolution and this Purchase Agreement and all other agreements relating thereto.

(c) The County has duly authorized by all necessary action to be taken by the County (1) the passage and performance of the Resolution; (2) the execution, delivery and performance of this Purchase Agreement; (3) the approval of the Official Statement; (4) the execution and performance of any and all such other agreements and documents as may be required to be executed, delivered and performed by the County in order to carry out, give effect to and consummate the transactions contemplated by the Resolution and this Purchase Agreement; and (5) the carrying out, giving effect to and consummation of

the transactions contemplated by the Resolution and this Purchase Agreement. Executed counterparts of the Resolution and all such other agreements and documents specified herein will be delivered to the Underwriter by the County at the Closing Time (defined below).

(d) The Resolution and this Purchase Agreement, when executed and delivered by the County, will be legal, valid and binding obligations of the County enforceable in accordance with their terms, except to the extent that enforcement thereof may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the County and further subject to the availability of equitable remedies.

(e) The Bonds have been duly authorized by the County and when issued, delivered and paid for as provided for herein and in the Resolution will have been duly executed, authenticated, issued and delivered and will constitute valid and binding obligations of the County enforceable in accordance with their terms and entitled to the benefits and security of the Resolution (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally or against entities such as the County and further subject to the availability of equitable remedies). Pursuant to Section 66-4,101, Reissue Revised Statutes of Nebraska, as amended, the Bonds are secured by a pledge of the funds received and to be received from the Highway Allocation Fund of the State of Nebraska. In addition, to the extent that other legally available money of the County appropriated for such purposes is insufficient to pay the principal of and interest on the Bonds when and as the same shall become due, the County has agreed that it will cause to be levied and collected annually ad valorem taxes on all the taxable property in the County within any applicable statutory and constitutional limitations sufficient in amount to pay the principal of and interest on the Bonds until the same is fully paid. The full faith and credit of the County is pledged to the prompt payment of the principal of and interest on the Series 2009 Bonds.

(f) The adoption of the Resolution and the execution and delivery of this Purchase Agreement, the Bonds and the Official Statement and compliance with the provisions thereof, will not conflict with or constitute on the part of the County a violation or breach of, or a default under, any existing law, regulation, court or administrative decree or order, or any agreement, ordinance, mortgage, lease or other instrument to which it is subject or by which it is or may be bound.

(g) The County is not, or with the giving of notice or lapse of time or both would not be, in violation of or in default under the Constitution or statutes of the State or any resolution, indenture, mortgage, deed of trust, loan agreement, bonds, notes, or other agreement or instrument to which the County is a party or by which it is or may be bound, except for violations and defaults which individually and in the aggregate are not material to the County and will not be material to the owners of the Bonds. As of the Closing Time, no event will have occurred and be continuing which with the lapse of time or the giving of notice, or both, would constitute an event of default under the Resolution or the Bonds.

(h) The information contained in the Preliminary Official Statement, dated January 16, 2009, as amended and supplemented by the Official Statement, dated January 27, 2009, and in any amendment or supplement thereto that may be authorized for use by the County with respect to the Bonds (collectively, the **"Official Statement"**), relating to (1) the organization, operations, and financial and other affairs of the County, (2) the financial statements referred to in **Section 1(j)**, (3) application by the County of the proceeds to be received by it from the sale of the Bonds, and (4) the County's participation in the transactions contemplated by the Resolution and this Purchase Agreement is, and as of the Closing Time will be, true, correct and complete in all material respects and does not omit and will not omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(i) For the purpose of enabling the Underwriter to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission, promulgated under the Securities Exchange Act of 1934, as amended (the **"1934 Act"**), the County (1) hereby deems the information regarding the County contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), such as offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates and other terms of the Bonds depending on such matters, and (2) will undertake, pursuant to the Resolution and a Continuing Disclosure Agreement between the County and Union Bank and Trust Company, to provide certain annual financial statements and operating data and notices of certain events, if material. A description of the Continuing Disclosure Agreement is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

(j) The financial statements of the County for the fiscal year ended June 30, 2007, audited by Orizon CPAs LLC, Omaha, Nebraska, independent certified public accountants, contained in "APPENDIX B – FINANCIAL STATEMENTS" to the Official Statement, except as noted therein, present fairly and accurately the financial condition of the County as of the dates indicated and the results of its operations for the periods specified, and such financial statements are prepared in conformity with generally accepted accounting principles consistently applied in all material respects for the periods involved.

(k) Except as set forth in the Official Statement, the County has not, since June 30, 2007, incurred any material liabilities and there has been no material adverse change in the condition of the County, financial or otherwise, other than as set forth in the Official Statement.

(l) There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body pending or, to the knowledge of the County, threatened against or affecting the County (or, to its knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Resolution or the validity of the Bonds, the Resolution, this Purchase Agreement or any agreement or instrument to which the County is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Resolution.

(m) The County has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the County is a bond issuer whose arbitrage certifications may not be relied upon.

Any certificate signed by any of the authorized officials of the County and delivered to the Underwriter in connection with the Closing shall be deemed a representation and warranty by the County to the Underwriter as to the statements made therein.

SECTION 2. COVENANTS AND AGREEMENTS OF THE COUNTY

The County covenants and agrees with the Underwriter for the time period specified and, if no period is specified, for so long as any of the Bonds remain outstanding, as follows:

(a) To cooperate with the Underwriter and its counsel in any reasonable endeavor to qualify the Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States of America (the **"United States"**) as the Underwriter may reasonably request; provided that nothing contained herein shall require the County to file written consents to suit or written consents to service of process in any jurisdiction in which such consent may be required by law or regulation so that the Bonds may be offered or sold. The County consents to the use of drafts of the Preliminary Official Statement and

drafts of the Official Statement prior to the availability of the Official Statement by the Underwriter in obtaining such qualification. The Underwriter shall pay all expenses and costs (including legal, registration and filing fees) incurred in connection therewith.

(b) If, prior to the earlier of (1) 90 days after the "end of the underwriting period" (as defined in Rule 15c2-12 under the 1934 Act) or (2) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case earlier than 25 days after the end of the underwriting period, any event shall occur as a result of which it is necessary to amend or supplement the Official Statement in order to make the statements made therein, in the light of the circumstances existing when the Official Statement is delivered to a purchaser, not materially misleading, or the Official Statement is required to be amended or supplemented to comply with law, the County shall promptly prepare and furnish, at the expense of the County, to the Underwriter and to the dealers (whose names and addresses the Underwriter will furnish to the County) to which Bonds may have been sold by the Underwriter and to any other dealers upon request, such amendments or supplements to the Official Statement as may be necessary so that the statements in the Official Statement as so amended or supplemented will not, in the light of the circumstances existing when the Official Statement is delivered to a purchaser of the Bonds, be misleading or so that the Official Statement will comply with law.

(c) Within seven business days after the date of this Purchase Agreement or within sufficient time to accompany any confirmation that requests payment from any customer of the Underwriter, whichever is earlier, the County shall provide to the Underwriter sufficient copies of the Official Statement to enable the Underwriter to comply with the requirements of Rule 15c2-12(b)(4) under the 1934 Act, and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

(d) From the date hereof until the Closing Time, the County shall furnish the Underwriter with a copy of any proposed amendment or supplement to the Official Statement for review and shall not use any such proposed amendment or supplement to which the Underwriter reasonably objects.

(e) The proceeds of the Bonds will be used as provided in the Resolution to pay (1) the costs of the Project, and (2) the costs of issuing the Bonds.

SECTION 3. PURCHASE, SALE AND DELIVERY OF THE BONDS

On the basis of the representations, warranties, covenants and agreements contained herein and in the other agreements and documents referred to herein, and subject to the terms and conditions herein set forth, at the Closing Time the Underwriter agrees to purchase from the County and the County agrees to sell to the Underwriter the Bonds at a purchase price of $6,011,212.50 (representing the principal amount of the Bonds less an underwriter's discount of $63,787.50. The Bonds shall be issued under and secured as provided in the Resolution, and shall mature, bear interest at the rate and be subject to redemption as set forth in the Resolution and the Official Statement.

The Underwriter initially agrees to offer the Bonds to the public at the offering prices set forth on the cover of the Official Statement, but may subsequently change such offering prices; the Underwriter agrees to notify the County of such changes, if such changes occur prior to the Closing Time, but failure so to notify shall not invalidate such changes. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) at prices lower than the public offering prices.

Payment for the Bonds shall be made by federal wire transfer or certified or official bank check or draft in immediately available federal funds payable to the order of the County for the account of the

County, at the offices of Gilmore & Bell, P.C., Wells Fargo Center, Suite 710, 1248 "O" Street, Lincoln, Nebraska, at 9:00 a.m. Central Time, on February 18, 2009, or such other place, time or date as shall be mutually agreed upon by the County and the Underwriter. Upon such payment, the Bonds shall be delivered and released upon the instructions of the Underwriter to The Depository Trust Company, New York, New York. The date of such delivery and payment is herein called the **"Closing Date,"** and the hour and date of such delivery and payment is herein called the **"Closing Time."**

The delivery of the Bonds shall be made in definitive form, as fully registered bonds (in such denominations as the Underwriter shall specify in writing at least 48 hours prior to the Closing Time) duly executed and authenticated and bearing CUSIP numbers (provided neither the printing of a wrong number on any Bond nor the failure to print a number thereon shall constitute cause to refuse delivery of any Bond); provided, however, that the Bonds may be delivered in temporary form. If delivered in definitive form, the Bonds shall be available for examination and packaging by the Underwriter at least 24 hours prior to the Closing Time.

SECTION 4. USE OF OFFICIAL STATEMENT

The County hereby ratifies and confirms the Underwriter's use of the Preliminary Official Statement and the County authorizes, and will make available, the Official Statement for use by the Underwriter in connection with the sale of the Bonds.

SECTION 5. CONDITIONS TO THE UNDERWRITER'S OBLIGATIONS

The Underwriter's obligations hereunder shall be subject to the due performance by the County of its obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy and completeness of the County's representations and warranties contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions:

(a) The Bonds and the Resolution shall have been duly authorized, executed and delivered in the form heretofore approved by the Underwriter with only such changes therein as shall be mutually agreed upon by the Underwriter and the County.

(b) At the Closing Time, the Underwriter shall receive:

(1) The opinion, in form and substance satisfactory to the Underwriter, dated as of the Closing Date, of Gilmore & Bell, P.C., Bond Counsel, relating to the valid authorization and issuance of the Bonds, the due authorization and passage of the Resolution by the Board, the exclusion of interest on the Bonds from gross income for federal income tax purposes and certain other matters;

(2) Certified copies of the Resolution and such other resolutions of the County authorizing or approving, as appropriate, the execution and delivery of the Official Statement, this Purchase Agreement, the Continuing Disclosure Agreement and the Bonds, together with certificates dated the Closing Date to the effect that such resolutions have not been modified, amended or repealed;

(3) A certificate of the County, satisfactory in form and substance to the Underwriter, dated as of the Closing Date, to the effect that (A) since the date of the Preliminary Official Statement there has not been any material adverse change in the business, properties, financial condition or results of operations of the County, whether or not arising from transactions in the ordinary course of business, from that set forth in the

Preliminary Official Statement, and except in the ordinary course of business or as set forth in the Preliminary Official Statement, the County has not incurred any material liability; (B) there is no action, suit, proceeding or, to the knowledge of the County, any inquiry or investigation at law or in equity or before or by any public board or body pending or, to the knowledge of the County, threatened against or affecting the County, its officers or its property or, to the best of the knowledge of the County, any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect the County, the transactions contemplated hereby or by the Resolution or the Official Statement or the validity or enforceability of the Bonds, the Continuing Disclosure Agreement or the Purchase Agreement, which are not disclosed in the Official Statement; (C) to the knowledge of the County, the information contained in the Official Statement is true in all material respects and does not contain any untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; (D) the County has duly authorized, by all necessary action, the execution, delivery and due performance by the County of this Purchase Agreement and the Continuing Disclosure Agreement; and (E) the representations and warranties of the County set forth herein were accurate and complete as of the date hereof and are accurate and complete as of the Closing Time;

(4) A completed Form 8038-G (Information Return for Tax-Exempt Governmental Bond Issuers); and

(5) Such additional certificates, legal and other documents, listed on a closing agenda to be approved by Bond Counsel and counsel to the Underwriter, as the Underwriter may reasonably request to evidence performance or compliance with the provisions hereof and the transactions contemplated hereby and by the Resolution, or as Bond Counsel shall require in order to render its opinion, all such certificates and other documents to be satisfactory in form and substance to the Underwriter.

SECTION 6. CONDITIONS TO THE COUNTY'S OBLIGATIONS

The obligations of the County hereunder are subject to the Underwriter's performance of its obligations hereunder.

SECTION 7. THE UNDERWRITER'S RIGHT TO CANCEL

The Underwriter shall have the right to cancel its obligations hereunder to purchase the Bonds (which cancellation shall not constitute a default for purposes of **Section 3**) by notifying the County in writing or by facsimile of its election to make such cancellation prior to the Closing Time, if at any time prior to the Closing Time:

(a) The Preliminary Official Statement deemed by the County to be "final" pursuant to **Section 1(i)** is thereafter amended or supplemented in a manner that may, in the reasonable judgment of the Underwriter, have a material adverse effect on the marketability of the Bonds;

(b) A committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation which, if enacted in its form as introduced or as amended, would have the purpose or effect of imposing federal income taxation upon interest received on obligations of the general character of the Bonds, or the Bonds, which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds;

(c) A tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or be recommended to the Congress of the United States for passage by the President of the United States, or be enacted by the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States or the Tax Court of the United States shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in the imposition of federal income taxation, upon interest received on obligations of the general character of the Bonds, or the Bonds, which, in the Underwriter's opinion, materially and adversely affects the market price of the Bonds;

(d) Any legislation, ordinance, rule or regulation shall be introduced in or be enacted by the Legislature of the State or by any other governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State shall be rendered which, in the Underwriter's opinion, materially and adversely affects the market price of the Bonds, or litigation challenging the law under which the Bonds are to be issued shall be filed in any court in the State;

(e) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the Securities Act of 1933, as amended (the **"1933 Act"**), the 1934 Act or the Trust Indenture Act of 1939, as amended;

(f) Legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds, including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act;

(g) Any event shall have occurred, or information become known, which, in the Underwriter's opinion, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement as originally circulated, or has the effect that the Preliminary Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(h) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(i) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(j) Federal, New York or State authorities shall have established a general banking moratorium;

(k) A material default has occurred with respect to the obligations of, or proceedings have been instituted under the Federal bankruptcy laws or any similar state laws by or against, any state of the United States or any city located in the United States having a population in excess of one million persons or any entity issuing obligations on behalf of such a city or state which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds;

(l) Any proceeding shall be pending or threatened by the Securities and Exchange Commission against the County; or

(m) A war involving the United States shall have been declared, or any conflict involving the armed forces of the United States shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred, which, in the Underwriter's opinion, materially adversely affects the market price of the Bonds.

SECTION 8. INDEMNIFICATION

The County agrees, to the extent legally permitted, to indemnify and hold harmless the Underwriter, any director, officer, employee or controlling person of the Underwriter within the meaning of Section 15 of the 1933 Act (collectively, the **"Indemnified Parties"**), against any and all losses, claims, damages, liabilities or expenses whatsoever caused by any untrue statements or misleading statement or allegedly misleading statement of a material fact contained in the Official Statement or caused by any omission or alleged omission from the Official Statement of any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided that the County shall have no indemnification obligation with respect to any statement or omission in the information contained in the Official Statement under "MISCELLANEOUS - Underwriting."

In case any action shall be brought against one or more of the Indemnified Parties based upon the Official Statement and in respect of which indemnity may be sought against the County, the Indemnified Parties shall promptly notify the County in writing and the County shall promptly assume the defense thereof, including the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Any one or more of the Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless the County has specifically authorized employment of such counsel. The County shall not be liable for any settlement of any such action effected without its consent by any of the Indemnified Parties, but if settled with the consent of the County or if there be a final judgment for the plaintiff in any such action against the County or any of the Indemnified Parties, with or without the consent of the County, the County agrees to indemnify and hold harmless the Indemnified Parties to the extent provided herein.

SECTION 9. PAYMENT OF EXPENSES

Whether or not the Bonds are sold by the County to the Underwriter (unless such sale be prevented at the Closing Time by the County's default), the County shall be under no obligation to pay any expenses incident to the performance of the obligations of the Underwriter hereunder. If the Bonds are sold by the County to the Underwriter, all expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Bonds (including, without limitation, the fees and disbursements of Bond Counsel,

the fees and disbursements of the Underwriter in connection with the offering and sale of the Bonds and the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Bonds, the Official Statement, this Purchase Agreement and all other agreements and documents contemplated hereby) shall be paid by the Underwriter from its underwriting discount. The County will pay the fees of the Registrar, publication costs, the fees and costs of the County Attorney, if any and any other costs incurred by the County. If the County is unable to satisfy the conditions to the obligations of the Underwriter contained in this Agreement, or if the obligations of the Underwriter are terminated for any reason permitted by this agreement, this Agreement shall terminate and neither the Underwriter nor the County shall be under further obligation hereunder except their respective obligations with respect to payment of expenses as set forth above

SECTION 10. NOTICE

Any notice or other communication to be given under this Purchase Agreement may be given by mailing or delivering the same in writing to the applicable person, as follows:

(a) If to the County, 1210 Golden Gate Drive, Papillion, NE 68046; Attention: Budget and Fiscal Director.

(b) If to the Underwriter, 5900 "O" Street, First Floor, Lincoln, Nebraska 68510; Attention: Al Eveland.

SECTION 11. APPLICABLE LAW: NONASSIGNABILITY

This Purchase Agreement shall be governed by the laws of the State. This Purchase Agreement shall not be assigned.

SECTION 12. EXECUTION OF COUNTERPARTS

This Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

SECTION 13. RIGHTS HEREUNDER

This Purchase Agreement is made for the benefit of the County and the Underwriter and no other person including any subsequent purchaser of the Bonds shall acquire or have any rights hereunder or by virtue hereof.

SECTION 14. EFFECTIVE DATE

This Purchase Agreement shall become effective upon acceptance hereof by the County.

Upon your acceptance of the offer, the foregoing agreement will be binding upon you and the Underwriter. Please acknowledge your agreement with the foregoing by executing the enclosed copy of this Purchase Agreement prior to the date and time specified on page 1 hereof and returning it to the undersigned.

Very truly yours,

AMERITAS INVESTMENT CORP., Underwriter

By: _____
Vice President

Accepted and agreed to
January 27, 2009

THE COUNTY OF SARPY, NEBRASKA

By: _____
Chair

ATTEST:

By: _____
Clerk

FEDERAL TAX CERTIFICATE

Dated February 18, 2009

THE COUNTY OF SARPY, NEBRASKA

$6,075,000
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS
SERIES 2009

FEDERAL TAX CERTIFICATE

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* * *

FEDERAL TAX CERTIFICATE

This **FEDERAL TAX CERTIFICATE** (the "Tax Certificate"), dated February 18, 2009, is executed by **THE COUNTY OF SARPY, NEBRASKA**, a county and political subdivision duly organized and validly existing under the laws of the State of Nebraska (the **"County"**).

RECITALS

1. This Tax Certificate is executed and delivered in connection with the issuance by the County of $6,075,000 principal amount of General Obligation Highway Allocation Fund Pledge Bonds (the **"Bonds"**), under Resolution No. 2009-020 (the **"Resolution"**), passed January 27, 2009 by the Board of Commissioners (the **"Board"**), for the purposes described in this Tax Certificate and in the Resolution.

2. The Internal Revenue Code of 1986, as amended (the **"Code"**), and the applicable Regulations and rulings issued by the U.S. Treasury Department (the **"Regulations"**), impose certain limitations on the uses and investment of the Bond proceeds and of certain other money relating to the Bonds and set forth the conditions under which the interest on the Bonds will be excluded from gross income for federal income tax purposes.

3. The County is executing this Tax Certificate in order to set forth certain facts, covenants, representations, and expectations relating to the use of Bond proceeds and the property financed or refinanced with those proceeds and the investment of the Bond proceeds and of certain other related money, in order to establish and maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes and to provide guidance for complying with the arbitrage rebate provisions of the Code.

NOW, THEREFORE, in consideration of the foregoing and the representations, covenants and agreements set forth in this Tax Certificate, the County represents, covenants and agrees as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. Except as otherwise provided in this Tax Certificate or unless the context otherwise requires, capitalized words and terms used in this Tax Certificate have the same meanings as set forth in the Resolution, and certain other words and phrases have the meanings assigned in Sections 103 and 141 to 150, inclusive, of the Code, and the Regulations. The following words and terms used in this Tax Certificate have the following meanings:

"Adjusted Gross Proceeds" means the Gross Proceeds of the Bonds reduced by amounts (a) in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, (b) that as of the Issue Date are not expected to be Gross Proceeds, but which arise after the end of the applicable spending period, and (c) representing grant repayments or sale or Investment proceeds of any purpose Investment.

"Available Construction Proceeds" means the sale proceeds of the Bonds, increased by (a) Investment earnings on the sale proceeds, (b) earnings on amounts in a reasonably required reserve or replacement fund allocable to the Bonds but not funded from the Bonds, and (c) earnings on such

earnings, reduced by sale proceeds (1) in any reasonably required reserve fund or (2) used to pay issuance costs of the Bonds.

"Bona Fide Debt Service Fund" means a fund, which may include Bond proceeds, that (a) is used primarily to achieve a proper matching of revenues with principal and interest payments within each Bond Year; and (b) is depleted at least once each Bond Year, except for a reasonable carryover amount not to exceed the greater of (1) the earnings on the fund for the immediately preceding Bond Year, or (2) one-twelfth of the principal and interest payments on the Bonds for the immediately preceding Bond Year.

"Bond" or **"Bonds"** means any Bond or Bonds described in the recitals, authenticated and delivered under the Resolution.

"Bond Counsel" means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the County.

"Bond Year" means each one-year period (or shorter period for the first Bond Year) ending December 15, or another one-year period selected by the County.

"Code" means the Internal Revenue Code of 1986, as amended.

"Computation Date" means each date on which arbitrage rebate for the Bonds is computed. The County may treat any date as a Computation Date, subject to the following limits:

(a) the first rebate installment payment must be made for a Computation Date not later than five years after the Issue Date;

(b) each subsequent rebate installment payment must be made for a Computation Date not later than five years after the previous Computation Date for which an installment payment was made; and

(c) the date the last Bond is discharged is the final Computation Date.

The County selects December 15, 2013 as the first Computation Date but reserves the right to select a different date consistent with the Regulations.

"County" means The County of Sarpy, Nebraska and its successors and assigns, or any body, agency or instrumentality of the State succeeding to or charged with the powers, duties and functions of the County.

"Financed Facility" means any of the property financed or refinanced with the proceeds of the Bonds as described on **Exhibit D**.

"Gross Proceeds" means (a) sale proceeds (any amounts actually or constructively received by the County from the sale of the Bonds, including amounts used to pay underwriting discount or fees, but excluding pre-issuance accrued interest), (b) Investment proceeds (any amounts received from investing sale proceeds or other Investment proceeds), (c) any amounts held in a sinking fund for the Bonds, (d) any amounts held in a pledged fund or reserve fund for the Bonds, and (e) any other replacement proceeds.

Specifically, Gross Proceeds includes (but is not limited) to amounts held in the following funds and accounts:

(1) Construction Fund.
(2) Debt Service Fund.
(3) Rebate Fund (to the extent funded with sale proceeds or Investment proceeds of the Bonds).

"Guaranteed Investment Contract" is any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

"Investment" means any security, obligation, annuity contract or other Investment-type property that is purchased directly with, or otherwise allocated to, Gross Proceeds, including the Investment element of an interest rate cap agreement. Such term does not include a tax-exempt bond, except for "specified private activity bonds" as such term is defined in Section 57(a)(5)(C) of the Code, but does include the Investment element of most interest rate caps.

"IRS" means the United States Internal Revenue Service.

"Issue Date" means February 18, 2009.

"Management Agreement" means a legal agreement defined in Section 1.141-3(b) of the Regulations as a management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Financed Facility, such as a contract to manage the entire Financed Facility or a portion of the Financed Facility. However, contracts for services that are solely incidental to the primary governmental function of the Financed Facility (for example, contracts for janitorial, office equipment repair, billing, or similar services) are not treated as Management Agreements.

"Measurement Period" means, with respect to each item of property financed as part of the Financed Facility, the period beginning on the later of (a) the Issue Date or (b) the date the property is placed in service and ending on or the earlier of (1) the final maturity date of the Bonds or (2) the expected economic useful life of the property.

"Minor Portion" means the lesser of $100,000 or 5% of the sale proceeds of the Bonds.

"Net Proceeds" means the sale proceeds of the Bonds (excluding pre-issuance accrued interest), less any proceeds deposited in a reasonably required reserve or replacement fund, plus all Investment earnings on such sale proceeds.

"Non-Qualified Use" means use of Bond proceeds or the Financed Facility in a trade or business carried on by any Non-Qualified User. The rules set out in Section 1.141-3 of the Regulations determine whether Bond proceeds or the Financed Facility are "used" in a trade or business. Generally, ownership, a lease, or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Financed Facility, will constitute use under Section 1.141-3 of the Regulations.

"Non-Qualified User" means any person or entity other than a Qualified User.

"Opinion of Bond Counsel" means the written opinion of Gilmore & Bell, P.C. or other nationally recognized firm of bond counsel. Unless otherwise specifically noted herein an Opinion of Bond Counsel must conclude that the action or proposed action or the failure to act or proposed failure to act for which the opinion is required will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

"Owner" means (a) the registered owner of any Bond and (b) any Person which (1) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bond (including persons holding a Bond through nominees, depositories or other intermediaries), or (2) is treated as the owner of any Bond for federal income tax purposes.

"Person" means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

"Qualified Use Agreement" means any of the following:

(a) A lease or other short-term use by members of the general public who use the Financed Facility on a short-term basis in the ordinary course of the County's governmental purposes.

(b) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 200 days in length pursuant to an arrangement under which (1) the use of the Financed Facility under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business and (2) the compensation for the use is determined based on generally applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(c) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 100 days in length pursuant to arrangements whereby (1) the use of the property by the person would be general public use but for the fact that generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business, (2) the compensation for the use under the arrangement is determined based on applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed, and (3) the Financed Facility was not constructed for a principal purpose of providing the property for use by that Qualified User or Non-Qualified User. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(d) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 50 days in length pursuant to a negotiated arm's-length arrangement at fair market value so long as the Financed Facility was not constructed for a principal purpose of providing the property for use by that person.

"Qualified User" means a State, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

"Reasonable Retainage" means Gross Proceeds retained by the County for reasonable business purposes, such as to ensure or promote compliance with a construction contract; provided that such amount may not exceed (a) for purposes of the 18-month spending test, 5% of net sale proceeds of the Bonds on the date 18 months after the Issue Date, or (b) for purposes of the 2-year spending test, 5% of the Available Construction Proceeds as of the end of the 2-year spending period.

"Rebate Analyst" means Chris D. Berens, CPA, P.C., or any successor Rebate Analyst selected pursuant to this Tax Certificate.

"Regulations" means all Regulations issued by the U.S. Treasury Department to implement the provisions of Sections 103 and 141 to 150, inclusive, applicable to the Bonds.

"Resolution" means Resolution No. 2009-020, as originally passed by the Board, as amended and supplemented in accordance with the provisions of the Resolution.

"State" means the State of Nebraska.

"Tax Certificate" means this Federal Tax Certificate as it may from time to time be amended and supplemented in accordance with its terms.

"Transcript" means the Transcript of Proceedings relating to the authorization and issuance of the Bonds.

"Underwriter" means Ameritas Investment Corp., underwriter of the Bonds.

"Yield" means Yield on the Bonds, computed under Section 1.148-4 of the Regulations, and Yield on an Investment, computed under Section 1.148-5 of the Regulations.

ARTICLE II

GENERAL REPRESENTATIONS AND COVENANTS

Section 2.1. Representations and Covenants of the County. The County represents and covenants as follows:

(a) ***Organization and Authority***. The County (1) is a county and political subdivision duly organized and validly existing under the laws of the State, (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Resolution, to adopt the Resolution and to enter into, execute and deliver the Bonds and this Tax Certificate and to carry out its obligations under this Tax Certificate and under such documents, and (3) by all necessary action has duly (A) passed the Resolution and (B) authorized its officers to execute and deliver the Bonds and this Tax Certificate.

(b) ***Tax-Exempt Status of Bonds–General Covenant***. The County (to the extent within its power or direction) will not use any money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other source, in a manner that would cause the Bonds to be "arbitrage bonds," within the meaning of Section 148 of the Code, and will not (to the extent within its power or direction) otherwise use or permit the use of any Bond proceeds or any other funds of the County directly or indirectly, in any manner, or take or permit to be taken any other action or actions, that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

(c) ***Governmental Obligations–Use of Proceeds***. Throughout the Measurement Period (1) all of the Financed Facility is expected to be owned by the County or another Qualified User, (2) no portion of the Financed Facility is expected to be used in a Non-Qualified Use, and (3) the County will not permit any Non-Qualified Use of the Financed Facility without first obtaining an Opinion of Bond Counsel.

(d) ***Governmental Obligations–Private Security or Payment.*** As of the Issue Date the County expects that none of the principal and interest on the Bonds will be (under the terms of the Bonds or any underlying arrangement) directly or indirectly:

(1) secured by any interest in property used or to be used for a private business use, or (B) any interest in payments in respect of such property; or

(2) derived from payments (whether or not such payments are made to the County) in respect of property, or borrowed money, used or to be used for a private business use.

For purposes of the foregoing, taxes of general application, including payments in lieu of taxes, are not treated as private payments or as private security. The County will not permit any private security or payment with respect to the Bonds without first obtaining an Opinion of Bond Counsel.

(e) ***No Private Loan.*** Not more than 5% of the Net Proceeds of the Bonds will be loaned directly or indirectly to any Non-Qualified User.

(f) ***Management Agreements.*** As of the Issue Date the County has no Management Agreements with Non-Qualified Users. During the Measurement Period the County will not enter into or renew any Management Agreement with any Non-Qualified User without first obtaining an Opinion of Bond Counsel.

(g) ***Leases.*** As of the Issue Date the County has not entered into any leases of any portion of the Financed Facility other than Qualified Use Agreements. During the Measurement Period the County will not enter into or renew any lease or similar agreement or arrangement other than a Qualified Use Agreement without first obtaining an Opinion of Bond Counsel.

(h) ***Limit on Maturity of Bonds.*** A list of the assets included in the Financed Facility and a computation of the "average reasonably expected economic life" is attached to this Tax Certificate as **Exhibit D**. Based on this computation, the "average maturity" of the Bonds of 2.848 years, as computed by Bond Counsel, does not exceed 120% of the average reasonably expected economic life of the Financed Facility.

(i) ***Reimbursement of Expenditures.*** On September 23, 2008, the governing body of the County adopted a resolution declaring the intent of the County to finance the Financed Facility with tax-exempt bonds and to reimburse the County for expenditures made for the Financed Facility prior to the issuance of such bonds. A copy of the resolution is attached to this Tax Certificate as **Exhibit C,** which remains in full force and effect on the date hereof. No portion of the Net Proceeds of the Bonds will be used to reimburse an expenditure paid by the County more than 60 days prior to the date the resolution was adopted. The County will evidence each allocation of the proceeds of the Bonds to an expenditure in writing. No reimbursement allocation will be made for an expenditure made more than three years prior to the date of the reimbursement allocation. In addition no reimbursement allocation will be made more than 18 months following the later of (1) the date of the expenditure or (2) the date the Financed Facility was placed in service

(j) ***Registered Bonds.*** The Resolution requires that all of the Bonds will be issued and held in registered form within the meaning of Section 149(a) of the Regulations.

(k) ***Bonds Not Federally Guaranteed.*** The County will not take any action or permit any action to be taken which would cause any Bond to be federally guaranteed within the meaning of Section 149(b) of the Code.

(l) ***IRS Form 8038-G.*** Attached as **Exhibit B** is a copy of IRS Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) executed by a representative of the County which is being filed with the Internal Revenue Service in connection with the issuance of the Bonds as required by Section 149(e) of the Code. Bond Counsel prepared Form 8038-G in connection with the issuance of the Bonds. The County knows of no inaccuracies in the Form 8038-G prepared by Bond Counsel. The County is the sole Qualified User of the proceeds of the Bonds listed on Lines 11-18 of Form 8038-G.

(m) ***Hedge Bonds.*** At least 85% of the net sale proceeds (the sale proceeds of the Bonds less any sale proceeds invested in a reserve fund) of the Bonds will be used to carry out the governmental purpose of the Bonds within three years after the Issue Date, and not more than 50% of the proceeds of the Bonds will be invested in Investments having a substantially guaranteed Yield for four years or more

(n) ***Compliance with Future Tax Requirements.*** The County understands that the Code and the Regulations may impose new or different restrictions and requirements on the County in the future. The County will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

(o) ***Single Issue; No Other Issues.*** The Bonds constitute a single "issue" under Section 1.150-1(c) of the Regulations. No other debt obligations of the County (1) are being sold within 15 days of the sale of the Bonds, (2) are being sold under the same plan of financing as the Bonds, and (3) are expected to be paid from substantially the same source of funds as the Bonds (disregarding guarantees from unrelated parties, such as bond insurance).

(p) ***Interest Rate Swap.*** As of the Issue Date the County has not entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Bonds. The County will not enter into any such arrangement in the future without obtaining an Opinion of Bond Counsel.

(q) ***Guaranteed Investment Contract.*** As of the Issue Date, the County does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. The County will be responsible for complying with **Section 4.2(d)** hereof if it decides to enter into a Guaranteed Investment Contract at a later date.

(r) Bank Qualified Tax-Exempt Obligation. The Bonds are not "qualified tax exempt obligations" under Section 265(b)(3) of the Code.

Section 2.2. Survival of Representations and Covenants. All representations, covenants and certifications contained in this Tax Certificate or in any certificate or other instrument delivered by the County under this Tax Certificate, will survive the execution and delivery of such documents and the issuance of the Bonds, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Bonds.

ARTICLE III

ARBITRAGE CERTIFICATIONS AND COVENANTS

Section 3.1. General. The purpose of this Article is to certify, under Section 1.148-2(b) of the Regulations, the County's expectations as to the sources, uses and investment of Bond proceeds and other money, in order to support the County's conclusion that the Bonds are not arbitrage bonds. The person executing this Tax Certificate on behalf of the County is an officer of the County responsible for issuing the Bonds.

Section 3.2. Reasonable Expectations. The facts, estimates and expectations set forth in this Article are based upon and in reliance upon the County's understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the County's knowledge, the facts and estimates set forth in this Tax Certificate are accurate, and the expectations of the County set forth in this Tax Certificate are reasonable. The County has no knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Certificate are unreasonable or inaccurate or may not be relied upon.

Section 3.3. Purpose of Financing. The Bonds are being issued for the purpose of providing funds to finance the cost of the Financed Facility.

Section 3.4. Funds and Accounts. The following funds and accounts have been established by the County:

Construction Fund.
Debt Service Fund.
Rebate Fund.

Section 3.5. Amount and Use of Bond Proceeds and Other Money.

(a) ***Amount of Bond Proceeds***. The total proceeds to be received by the County from the sale of the Bonds will be as follows:

Principal Amount	$6,075,000.00
Underwriting Discount	(63,787.50)
Accrued interest	0.00
Total Proceeds Received by County	$6,011,212.50

(b) ***Use of Bond Proceeds***. The Bond proceeds are expected to be allocated to expenditures as follows:

(1) The accrued interest will be deposited in the Debt Service Fund and used to pay interest on the Bonds.

(2) $6,011,212.50 will be deposited in the Construction Fund, of which $7,450.00 will be used to pay the costs of issuance of the Bonds, and the balance will be used to reimburse the County for costs of the Financed Facility paid before the Issue date.

Section 3.6. Multipurpose Issue. Pursuant to Section 1.148-9(h)(3)(i) of the Regulations, the County is applying the arbitrage rules to separate financing purposes of the issue that have the same initial temporary period as if they constitute a single issue for purposes of applying the arbitrage rules.

Section 3.7. No Current or Advance Refunding. No proceeds of the Bonds will be used to pay principal or interest on any other debt obligation.

Section 3.8. Project Completion. The County has incurred, or will incur within 6 months after the Issue Date, a substantial binding obligation to a third party to spend at least 5% of the net sale proceeds of the Bonds on the Financed Facility. The completion of the Financed Facility and the allocation of the net sale proceeds of the Bonds to expenditures will proceed with due diligence. At least 85% of the net sale proceeds of the Bonds will be allocated to expenditures on the Financed Facility within three years after the Issue Date.

Section 3.9. Sinking Funds. The County is required to make periodic payments in amounts sufficient to pay the principal of and interest on the Bonds. Such payments will be deposited into the Debt Service Fund. Except for the Debt Service Fund, no sinking fund or other similar fund has been established or is expected to be established which is expected to be used to pay principal of or interest on the Bonds. The Debt Service Fund is used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year, and the County expects that the Debt Service Fund will qualify as a Bona Fide Debt Service Fund.

Section 3.10. Reserve, Replacement and Pledged Funds.

(a) ***Debt Service Reserve Fund.*** No reserve or replacement fund has been established for the Bonds.

(b) ***No Other Replacement or Pledged Funds.*** None of the Bond proceeds will be used as a substitute for other funds intended or earmarked to pay costs of the Financed Facility, but have been or will be used to acquire higher Yielding Investments. Except for the Debt Service Fund, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the County encounters financial difficulty.

Section 3.11. Purpose Investment Yield. The proceeds of the Bonds will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

Section 3.12. Offering Prices and Yield on Bonds.

(a) ***Offering Prices.*** In the Underwriter's Closing Certificate, the Underwriter has certified that (1) all of the Bonds have been the subject of an initial offering to the public at prices no higher than those shown on the cover page of the official statement, plus accrued interest (the **"Offering Prices"**), and (2) the Underwriter expects that at least 10% of the Bonds of each maturity will be sold to the public at initial offering prices no higher than the Offering Prices. The aggregate initial offering price of the Bonds is $6,075,000.00, plus accrued interest.

(b) ***Bond Yield.*** Based on the Offering Prices, the Yield on the Bonds is 1.6304949% as computed by Bond Counsel as shown on **Exhibit A**. The County has not entered into an interest rate swap agreement with respect to any portion of the proceeds of the Bonds.

Section 3.13. Miscellaneous Arbitrage Matters.

(a) *No Abusive Arbitrage Device.* The Bonds are not and will not be part of a transaction or series of transactions that has the effect of (1) enabling the County to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (2) overburdening the tax-exempt bond market.

(b) *No Over-Issuance.* The sale proceeds of the Bonds, together with expected Investment earnings thereon and other money contributed by the County, do not exceed the cost of the governmental purpose of the Bonds as described above.

Section 3.14. Conclusion. On the basis of the facts, estimates and circumstances set forth in this Tax Certificate, the County does not expect that the Bond proceeds will be used in a manner that would cause any Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and the Regulations.

ARTICLE IV

ARBITRAGE INVESTMENT AND REBATE INSTRUCTIONS

Section 4.1. Temporary Periods/Yield Restriction. Except as described below, Gross Proceeds must not be invested at a Yield greater than the Yield on the Bonds:

(a) *Construction Fund.* Bond proceeds deposited in the Construction Fund and Investment earnings on such proceeds may be invested without Yield restriction for three years after the Issue Date. If any unspent proceeds remain in the Construction Fund after three years, such amounts may continue to be invested without Yield restriction so long as the County pays to the IRS all Yield reduction payments in accordance with Section 1.148-5(c) of the Regulations. These payments are required whether or not the Bonds are exempt from the arbitrage rebate requirements of Section 148 of the Code.

(b) *Debt Service Fund.* To the extent that the Debt Service Fund qualifies as a Bona Fide Debt Service Fund, money in such account may be invested without Yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without Yield restriction for one year after the date of receipt of such earnings.

(c) *Minor Portion.* In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

Section 4.2. Fair Market Value.

(a) *General.* No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment. The fair market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with Section 1.148-5 of the Regulations.

(b) *Established Securities Market.* Except for Investments purchased for a Yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Section 1273 of the Code), the purchase or sale price constitutes

the fair market value. Where there is no established securities market for an Investment, market value must be established using one of the paragraphs below. The fair market value of Investments purchased for a Yield-restricted defeasance escrow must be determined in a bona fide solicitation for bids that complies with Section 1.148-5 of the Regulations.

(c) ***Certificates of Deposit.*** The purchase price of a certificate of deposit (a **"CD"**) is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States, and (3) the Yield is not less than the highest Yield published or posted by the CD issuer to be currently available on reasonably comparable CDs offered to the public.

(d) ***Guaranteed Investment Contracts.*** The County will not enter into a Guaranteed Investment Contract without first obtaining an opinion of Bond Counsel.

(e) ***Other Investments.*** If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:

(1) at least three bids on the Investment must be received from persons with no financial interest in the Bonds (*e.g.*, as underwriters or brokers); and

(2) the Yield on the Investment must be equal to or greater than the Yield offered under the highest bid.

Section 4.3. Certain Gross Proceeds Exempt from the Rebate Requirement.

(a) ***General.*** A portion of the Gross Proceeds of the Bonds may be exempt from rebate pursuant to one or more of the following exceptions. The exceptions typically will not apply with respect to all Gross Proceeds of the Bonds and will not otherwise affect the application of the Investment limitations described in **Section 4.1** hereof. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in **Section 4.4** hereof applies even if a portion of the gross proceeds of the Bonds is exempt from the rebate requirement. To the extent all or a portion of the Bonds is exempt from Rebate the Rebate Analyst may account for such fact in connection with its preparation of a rebate report described in **Section 4.4** hereof.

(b) ***Applicable Spending Exceptions.***

(1) The County expect that at least 75% of the Available Construction Proceeds will be used for construction or rehabilitation expenditures for property owned by the County. The County expects to earn approximately $0.00 in Investment earnings on Bond proceeds in the Construction Fund.

(2) The following optional rebate spending exceptions can apply to the Bonds:

(A) 6-month Exception (Section 148(f)(2)(B) of the Code and Section 1.148-7(c) of the Regulations)

(B) 18-month Exception (Section 148-7(d) of the Code).

(C) 2-year Exception (Section 148(f)(4)(C) of the Code and Section 1.148-7(e) of the Regulations).

(c) ***Special Elections Made with Respect to Spending Exception Elections.*** No special elections are being made in connection with the application of the spending exceptions.

(d) ***Bona Fide Debt Service Fund.*** To the extent that the Debt Service Fund qualifies as a Bona Fide Debt Service Fund, Investment earnings in the fund cannot be taken into account in computing arbitrage rebate (1) with respect to such portion that meets the 6-month, 18-month or 2-year spending exception, or (2) for a given Bond Year, if the gross earnings on the Debt Service Fund for such Bond Year are less than $100,000. If the average annual debt service on the Bonds does not exceed $2,500,000, the $100,000 earnings test may be treated as satisfied in every Bond Year.

(e) ***Documenting Application of Spending Exception.*** At any time prior to the first Computation Date, the County may engage the Rebate Analyst to determine whether one or more spending exceptions has been satisfied, and the extent to which the County must continue to comply with **Section 4.4** hereof.

(f) ***General Requirements for Spending Exception.*** The following general requirements apply in determining whether a spending exception is met.

(1) Using Adjusted Gross Proceeds or Available Construction Proceeds to pay principal of any Bonds is not taken into account as expenditure for purposes of meeting any of the spending tests.

(2) The six-month spending exception generally is met if all Adjusted Gross Proceeds of the Bonds are spent within six months following the Issue Date. The test may still be satisfied even if up to 5% of the sale proceeds remain at the end of the initial six-month period, so long as this amount is spent within one year of the Issue Date.

(3) The 18-month spending exception generally is met if all Adjusted Gross Proceeds of the Bonds are spent in accordance with the following schedule:

Time Period After the Issue Date	**Minimum Percentage of Adjusted Gross Proceeds Spent**
6 months	15%
12 months	60%
18 months (Final)	100%

(4) The 2-year spending exception generally is met if all Available Construction Proceeds are spent in accordance with the following schedule:

Time Period After the Issue Date	Minimum Percentage of Available Construction Proceeds Spent
6 months	10%
12 months	45%
18 months	75%
24 months (Final)	100%

(5) For purposes of applying the 18-month and 2 year spending exceptions only, the failure to satisfy the **final** spending requirement is disregarded if the County uses due diligence to complete the Financed Facility and the failure does not exceed the lesser of 3% of the aggregate issue price the Bonds or $250,000. **No such exception applies for any other spending period.**

(6) For purposes of applying the 18-month and 2 year spending exceptions only, the Bonds meet the applicable spending test even if, at the end of the **final** spending period, proceeds not exceeding a Reasonable Retainage remain unspent, so long as such Reasonable Retainage is spent within 30 months (in the case of the 18-month exception) or 3 years (in the case of the 2 year spending test) after the Issue Date.

Section 4.4. Computation and Payment of Arbitrage Rebate.

(a) ***Rebate Fund.*** The County will keep the Rebate Fund separate from all other funds and will administer the Rebate Fund under this Tax Certificate. Any Investment earnings derived from the Rebate Fund will be credited to the Rebate Fund, and any Investment loss will be charged to the Rebate Fund.

(b) ***Computation of Rebate Amount.*** The County will provide the Rebate Analyst Investment reports relating to each fund held by it that contains Gross Proceeds of the Bonds together with copies of Investment reports for any funds containing Gross Proceeds that are held by a party other than the County annually as of the end of each Bond Year and not later than ten days following each Computation Date. Each Investment report provided to the Rebate Analyst will contain a record of each Investment, including (1) purchase date, (2) purchase price, (3) information establishing the fair market value on the date such Investment was allocated to the Bonds, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) frequency of interest payments, (8) disposition price, (9) any accrued interest received, and (10) disposition date. Such records may be supplied in electronic form. The Rebate Analyst will compute rebate following each Computation Date and deliver a written report to the County together with an opinion or certificate of the Rebate Analyst stating that arbitrage rebate was determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is less than the arbitrage rebate due, the County will, within 55 days after such Computation Date, pay the amount of the deficiency for deposit into the Rebate Fund. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is greater than the Rebate Amount such surplus in the Rebate Fund shall be transferred to the Debt Service Fund. After the final Computation Date or at any other time if the Rebate Analyst has advised the County, any money left in the Rebate Fund will be paid to the County and may be used for any purpose not prohibited by law.

(c) *Rebate Payments*. Within 60 days after each Computation Date, the County will pay to the United States the rebate amount then due, determined in accordance with the Regulations. Each payment must be (1) accompanied by IRS Form 8038-T and such other forms, documents or certificates as may be required by the Regulations, and (2) mailed or delivered to the IRS at the address shown below, or to such other location as the IRS may direct:

Internal Revenue Service Center
Ogden, UT 84201

Section 4.5. Successor Rebate Analyst. If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if the County desires that a different firm act as the Rebate Analyst, then the County by an instrument or concurrent instruments in writing delivered to the firm then serving as the Rebate Analyst and any other party to this Tax Certificate, will engage a successor Rebate Analyst. In each case the successor Rebate Analyst must be a firm of nationally recognized bond counsel or a firm of independent certified public accountants and such firm must expressly agree to undertake the responsibilities assigned to the Rebate Analyst hereunder.

Section 4.6. Rebate Report Records. The County will retain copies of each arbitrage rebate report and opinion until three years after the final Computation Date.

Section 4.7. Filing Requirements. The County will file or cause to be filed with the Internal Revenue Service such reports or other documents as are required by the Code in accordance with an Opinion of Bond Counsel.

Section 4.8. Survival after Defeasance. Notwithstanding anything in the Resolution to the contrary, the obligation to pay arbitrage rebate to the United States will survive the payment or defeasance of the Bonds.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.1. Term of Tax Certificate. This Tax Certificate will be effective concurrently with the issuance and delivery of the Bonds and will continue in force and effect until the principal or redemption price of and interest on all Bonds have been fully paid and all such Bonds are cancelled; provided that, the provisions of **Article IV** hereof regarding payment of arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States and the provisions of **Section 5.8** relating to record keeping shall continue in force for the period described therein for records to be retained.

Section 5.2. Amendments. This Tax Certificate may be amended from time to time by the County without notice to or the consent of any of the Owners, but only if such amendment is in writing and is accompanied by an Opinion of Bond Counsel to the effect that, under then existing law, assuming compliance with this Tax Certificate as so amended such amendment will not cause interest on any Bond to be included in gross income for federal income tax purposes. No such amendment will become effective until the County receives such Opinion of Bond Counsel.

Section 5.3. Opinion of Bond Counsel. The County may deviate from the provisions of this Tax Certificate if furnished with an Opinion of Bond Counsel addressed to each of them to the effect that the proposed deviation will not adversely affect the exclusion of interest on the Bonds from gross income

for federal income tax purposes. The County will comply with any further or different instructions provided in an Opinion of Bond Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Bonds or the exclusion from gross income of interest on the Bonds.

Section 5.4. Reliance. In delivering this Tax Certificate the County is making only those certifications, representations and agreements as are specifically attributed to them in this Tax Certificate. The County is not aware of any facts or circumstances which would cause it to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Certificate and, to the best of its knowledge, those facts, circumstances, estimates and expectations are reasonable. The parties to this Tax Certificate understand that its certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Bonds and the exclusion from federal gross income of the interest on the Bonds.

Section 5.5. Severability. If any provision in this Tax Certificate or in the Bonds is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

Section 5.6. Benefit of Certificate. This Tax Certificate is binding upon the County its respective successors and assigns, and inures to the benefit of the County and the Owners. Nothing in this Tax Certificate or in the Resolution or the Bonds, express or implied, gives to any person, other than the parties to this Tax Certificate, their successors and assigns, and the Owners, any benefit or any legal or equitable right, remedy or claim under this Tax Certificate.

Section 5.7. Default; Breach and Enforcement. Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Certificate may be pursued by the Owners pursuant to the terms of the Resolution or any other document which references this Tax Certificate and gives remedies for a misrepresentation or breach thereof.

Section 5.8. Recordkeeping Responsibilities. The County recognizes (a) that investors purchase the Bonds with the expectation that interest on the Bonds is excluded from gross income for federal income tax purposes, (b) that the tax-exempt status of interest on the Bonds depends on the accuracy of the representations and the satisfaction of the covenants contained herein by the County, many of which relate to matters that will occur after the date the Bonds are issued, and (c) that as part of its ongoing tax-exempt bond audit program, the Internal Revenue Service requires that records be created and maintained with respect to the following matters:

(1) Documentation evidencing expenditure of Bond proceeds in sufficient detail to determine the date of the expenditure, the asset acquired or the purpose of the expenditure.

(2) Documentation evidencing use of the Financed Facility by public and private persons (e.g., copies of Management Agreements).

(3) Documentation evidencing all sources of payment or security for the Bonds.

(4) Documentation pertaining to any Investment of Bond proceeds (including the purchase and sale of securities, SLGs subscriptions, actual Investment income received from the Investment of proceeds, guaranteed Investment contracts, and (if required) rebate calculations).

The County has procedures in place or will establish procedures to create and retain these records or to cause these records to be created and retained. Unless otherwise specifically instructed in a written

opinion of Bond Counsel or to the extent otherwise provided in this Tax Certificate, the County shall retain and maintain these records until three years following the final maturity of (A) the Bonds or (B) any obligation issued to refund the Bonds. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22.

Section 5.9. Execution in Counterparts. This Tax Certificate may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute the same instrument.

Section 5.10. Governing Law. This Tax Certificate will be governed by and construed in accordance with the laws of the State.

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THE UNDERSIGNED Chair and Fiscal Administrator of the County, by their execution of this Tax Certificate, hereby make the foregoing certifications, representations, and agreements contained in this Tax Certificate on behalf of the County, as of the Issue Date.

THE COUNTY OF SARPY, NEBRASKA

By: _____
Chair

By: Brian Hanson
Fiscal Administrator

EXHIBIT A

DEBT SERVICE SCHEDULE AND PROOF OF BOND YIELD

$6,075,000

Sarpy County, Nebraska
Highway Allocation Bonds
Federal Reimbursement

Sources & Uses

Dated 02/18/2009 | Delivered 02/18/2009

Sources Of Funds	
Par Amount of Bonds	$6,075,000.00
Total Sources	**$6,075,000.00**

Uses Of Funds	
Deposit to Project Construction Fund	6,000,000.00
Total Underwriter's Discount (1.050%)	63,787.50
Costs of Issuance	7,450.00
Rounding Amount	3,762.50
Total Uses	**$6,075,000.00**

$6,075,000

Sarpy County, Nebraska
Highway Allocation Bonds
Federal Reimbursement

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/18/2009	-	-	-	-	-
06/15/2009	-	-	29,313.38	29,313.38	-
12/15/2009	1,195,000.00	1.000%	45,097.50	1,240,097.50	1,269,410.88
06/15/2010	-	-	39,122.50	39,122.50	-
12/15/2010	1,195,000.00	1.350%	39,122.50	1,234,122.50	1,273,245.00
06/15/2011	-	-	31,056.25	31,056.25	-
12/15/2011	1,210,000.00	1.500%	31,056.25	1,241,056.25	1,272,112.50
06/15/2012	-	-	21,981.25	21,981.25	-
12/15/2012	1,225,000.00	1.650%	21,981.25	1,246,981.25	1,268,962.50
06/15/2013	-	-	11,875.00	11,875.00	-
12/15/2013	1,250,000.00	1.900%	11,875.00	1,261,875.00	1,273,750.00
Total	**$6,075,000.00**	-	**$282,480.88**	**$6,357,480.88**	-

Yield Statistics

Bond Year Dollars	$17,301.88
Average Life	2.848 Years
Average Coupon	1.6326605%
Net Interest Cost (NIC)	2.0013344%
True Interest Cost (TIC)	2.0138293%
Bond Yield for Arbitrage Purposes	1 6304949%
All Inclusive Cost (AIC)	2.0589827%

IRS Form 8038

Net Interest Cost	1.6326605%
Weighted Average Maturity	2.848 Years

Gilmore & Bell, P.C.
Tax and Financial Analysis

$6,075,000

Sarpy County, Nebraska
Highway Allocation Bonds
Federal Reimbursement

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
12/15/2009	Serial Coupon	1.000%	1.000%	1,195,000.00	100.000%	1,195,000.00
12/15/2010	Serial Coupon	1.350%	1.350%	1,195,000.00	100.000%	1,195,000.00
12/15/2011	Serial Coupon	1.500%	1 500%	1,210,000.00	100.000%	1,210,000.00
12/15/2012	Serial Coupon	1.650%	1 650%	1,225,000.00	100.000%	1,225,000.00
12/15/2013	Serial Coupon	1.900%	1.900%	1,250,000.00	100.000%	1,250,000.00
Total	-	-	-	**$6,075,000.00**	-	**$6,075,000.00**

Bid Information

Par Amount of Bonds	$6,075,000.00
Gross Production	$6,075,000.00
Total Underwriter's Discount (1.050%)	$(63,787.50)
Bid (98.950%)	6,011,212.50
Total Purchase Price	$6,011,212.50
Bond Year Dollars	$17,301.88
Average Life	2.848 Years
Average Coupon	1.6326605%
Net Interest Cost (NIC)	2.0013344%
True Interest Cost (TIC)	2.0138293%

$6,075,000

Sarpy County, Nebraska
Highway Allocation Bonds
Federal Reimbursement

Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Price	Issuance PRICE	Exponent	Bond Years
02/18/2009	-	-	-	-	-
12/15/2009	1,195,000.00	100.000%	1,195,000.00	0.8250000x	985,875.00
12/15/2010	1,195,000.00	100.000%	1,195,000.00	1.8250000x	2,180,875.00
12/15/2011	1,210,000.00	100.000%	1,210,000.00	2.8250000x	3,418,250.00
12/15/2012	1,225,000.00	100.000%	1,225,000.00	3.8250000x	4,685,625.00
12/15/2013	1,250,000.00	100.000%	1,250,000.00	4.8250000x	6,031,250.00
Total	**$6,075,000.00**	-	**$6,075,000.00**	-	**$17,301,875.00**

IRS Form 8038

Weighted Average Maturity = Bond Years/Issue Price	2.848 Years
Total Interest from Debt Service	282,480.88
Total Interest	282,480.88
NIC = Interest / (Issue Price * Average Maturity)	1.6326605%
Bond Yield for Arbitrage Purposes	1.6304949%

$6,075,000

Sarpy County, Nebraska
Highway Allocation Bonds
Federal Reimbursement

Proof Of Bond Yield @ 1.6304949%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
02/18/2009	-	1.0000000x	-	-
06/15/2009	29,313.38	0.9947363x	29,159.08	29,159.08
12/15/2009	1,240,097.50	0.9866923x	1,223,594.65	1,252,753.73
06/15/2010	39,122.50	0.9787134x	38,289.71	1,291,043.44
12/15/2010	1,234,122.50	0.9707989x	1,198,084.82	2,489,128.26
06/15/2011	31,056.25	0.9629485x	29,905.57	2,519,033.83
12/15/2011	1,241,056.25	0.9551616x	1,185,409.27	3,704,443.11
06/15/2012	21,981.25	0.9474376x	20,825.86	3,725,268.97
12/15/2012	1,246,981.25	0.9397761x	1,171,883.22	4,897,152.19
06/15/2013	11,875.00	0.9321766x	11,069.60	4,908,221.79
12/15/2013	1,261,875.00	0.9246385x	1,166,778.21	6,075,000.00
Total	**$6,357,480.88**	-	**$6,075,000.00**	-

Derivation Of Target Amount

Par Amount of Bonds	$6,075,000.00
Original Issue Proceeds	$6,075,000.00

$6,075,000

Sarpy County, Nebraska
Highway Allocation Bonds
Federal Reimbursement

Proof Of True Interest Cost (TIC) @ 2.0138293%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
02/18/2009	-	1 0000000x	-	-
06/15/2009	29,313.38	0.9935089x	29,123.11	29,123 11
12/15/2009	1,240,097.50	0.9836049x	1,219,765.96	1,248,889.06
06/15/2010	39,122.50	0 9737996x	38,097.47	1,286,986 54
12/15/2010	1,234,122.50	0.9640920x	1,189,807.59	2,476,794.13
06/15/2011	31,056.25	0.9544812x	29,642.61	2,506,436.73
12/15/2011	1,241,056.25	0.9449662x	1,172,756.16	3,679,192.89
06/15/2012	21,981.25	0.9355460x	20,564.47	3,699,757.36
12/15/2012	1,246,981.25	0 9262198x	1,154,978.68	4,854,736.04
06/15/2013	11,875.00	0.9169865x	10,889.21	4,865,625.25
12/15/2013	1,261,875.00	0.9078453x	1,145,587.25	6,011,212.50
Total	**$6,357,480.88**	-	**$6,011,212.50**	-

Derivation Of Target Amount

Par Amount of Bonds	$6,075,000.00
Total Underwriter's Discount (1.050%)	$(63,787.50)
Total Purchase Price	$6,011,212.50

EXHIBIT B

IRS FORM 8038-G

Form **8038-G** (Rev November 2000) Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate Instructions.

Caution: *If the issue price is under $100,000, use Form 8038-GC*

OMB No. 1545-0720

Part I Reporting Authority

If **Amended Return**, check here ▶ ☐

1	Issuer's name **The County of Sarpy, Nebraska**	2	Issuer's employer identification number **47 : 6006504**
3	Number and street (or P.O. box if mail is not delivered to street address) **1210 Golden Gate Drive**	Room/suite	4 Report number **3 2009-1**
5	City, town, or post office, state, and ZIP code **Papillion, Nebraska 68046**	6	Date of issue **February 18, 2009**
7	Name of issue **General Obligation Highway Allocation Fund Pledge Bonds**	8	CUSIP number **80373F JL 2**
9	Name and title of officer or legal representative whom the IRS may call for more information **Brian Hanson, Fiscal Administrator**	10	Telephone number of officer or legal representative **(402) 593-2349**

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

11	☐ Education	11	
12	☐ Health and hospital	12	
13	☐ Transportation	13	
14	☐ Public safety	14	
15	☐ Environment (including sewage bonds)	15	
16	☐ Housing	16	
17	☐ Utilities	17	
18	☑ Other. Describe ▶ **streets**	18	**6,075,000.00**
19	If obligations are TANs or RANs, check box ▶ ☐ If obligations are BANs, check box ▶ ☐		
20	If obligations are in the form of a lease or installment sale, check box ▶ ☐		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	**12-15-2013**	$ **6,075,000.00**	$ **6,075,000.00**	**2.88** years	**1.6304949** %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest			22	**0.00**
23	Issue price of entire issue (enter amount from line 21, column (b))			23	**6,075,000.00**
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	**71,237.50**		
25	Proceeds used for credit enhancement	25	**0.00**		
26	Proceeds allocated to reasonably required reserve or replacement fund	26	**0.00**		
27	Proceeds used to currently refund prior issues	27	**0.00**		
28	Proceeds used to advance refund prior issues	28	**0.00**		
29	Total (add lines 24 through 28)			29	**71,237.50**
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	**6,003,762.50**

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	**N/A**	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	**N/A**	years
33	Enter the last date on which the refunded bonds will be called ▶	**N/A**	
34	Enter the date(s) the refunded bonds were issued ▶ **N/A**		

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	**0.00**
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	**0.00**
b	Enter the final maturity date of the guaranteed investment contract ▶ **N/A**		
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	**0.00**

b If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the name of the issuer ▶ **N/A** and the date of the issue ▶ **N/A**

38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☐

39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

40 If the issuer has identified a hedge, check box ▶ ☐

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Joni Jones — Signature of issuer's authorized representative

2/17/2009 — Date

Joni Jones, Chair County Board of Commissioners — Type or print name and title

EXHIBIT C

RESOLUTION OF OFFICIAL INTENT

THE COUNTY OF SARPY, NEBRASKA

DECLARATION OF OFFICIAL INTENT UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED

DECLARATION OF OFFICIAL INTENT BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF SARPY, NEBRASKA UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, TO BORROW MONEY BY THE ISSUANCE OF GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BONDS BY THE COUNTY TO REIMBURSE THE COSTS OF CONSTRUCTING AND IMPROVING CERTAIN ROADS, STREETS AND RELATED APPROACHES

WHEREAS, the County Board of Commissioners (the **"Board"**) of The County of Sarpy, Nebraska (the **"County"**) has heretofore determined that it is necessary, desirable, advisable and in the best interest of the County that certain roads, streets and related approaches be constructed and improved by the County (the **"Project"**); and

WHEREAS, the County anticipates expending funds in an amount not to exceed $7,250,000 in connection with constructing and improving the Project; and

WHEREAS, it is necessary, desirable and advisable that the County proceed with the Project, which will require the expenditure of moneys of the County prior to the issuance of general obligation highway allocation fund pledge bonds (the **"Bonds"**) by the County to finance the costs of the Project; and

WHEREAS, the Department of the Treasury has promulgated final regulations (Treasury Regulations, Section 1.150-2, hereinafter referred to as the **"Regulations"**) governing the use of proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the County for Project expenditures made by the County prior to the date of issuance of the Bonds which require that the Board make a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditures. The Regulations generally require that the Bonds be issued and the reimbursement allocation be made from the proceeds of the Bonds within 18 months after the later of the date the expenditure is made or the Project is placed in service or abandoned, but in no event more than three (3) years after the date the expenditure is paid.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of The County of Sarpy, Nebraska, as follows:

Section 1. In accordance with the provisions of the Resolution and Section 1.150-2 of the Treasury Regulations, the Board Chairman and Board do hereby declare the official intent of the County to borrow funds to pay the acquisition, installation and other related costs of the Project by the issuance of the Bonds by the County, the interest on which will be excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. Prior to the issuance of the Bonds, the County is authorized to advance moneys of the County in an amount not to exceed $7,250,000 for the purpose of paying a portion of the costs of acquiring, constructing, equipping and furnishing the Project.

Section 2. Other than (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures constituting "preliminary expenditures" within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iii) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures for the Project have been paid by the County more than 60 days prior to the date of passage and approval of this Resolution.

Section 3. The reasonably expected source of funds to be used to pay debt service on the Bonds will be receipts from the Highway Allocation Fund of the State of Nebraska and ad valorem taxes received by the County, which shall be pledged to the payment of the principal of and interest on the Bonds.

Section 4. As of the date of this Resolution, there are no other funds of the County reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Project, other than pursuant to the issuance of the Bonds. This Resolution, therefore, is determined to be consistent with the budgetary and financial circumstances of the County as they exist or are reasonably forseeable on the date hereof.

Section 5. The Bonds shall be issued in such amount and upon such terms and conditions as may be agreed upon by the County and the purchaser or purchasers of the Bonds for the purpose of paying all or a portion of the costs and expenses incident to the acquisition and construction of the Project, such Bonds to be authorized by the County at a meeting to be held by the Board for such purpose.

Section 6. This Resolution will evidence the official intent of the County in accordance with Section 1.150-2 of the Treasury Regulations. This Resolution does not constitute final approval of the issuance of the Bonds by the County and does not impose any legal obligation on the County to issue the Bonds to finance the Project.

PASSED AND APPROVED: September 23, 2008.

BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF SARPY NEBRASKA

[SEAL]

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

APPROVED AS TO FORM
this 23rd day of September, 2008.

County Attorney

DEBRA L. HOUGHTALING, COUNTY CLERK
SEAL
SARPY COUNTY, NEBRASKA

ATTEST:

Clerk

EXHIBIT D

DESCRIPTION OF PROPERTY COMPRISING THE FINANCED FACILITY

The Financed Facility consists of constructing improvements to 96th Street in the County. The reasonably expected useful economic life of the Financed Facility is 30 years. The total cost of the Financed Facility is $7,250,000 and $6,075,000 of this cost will be financed with the Bonds.

BOND REGISTRAR AND PAYING AGENT AGREEMENT
(the "**Agreement**")

dated February 18, 2009

THE COUNTY OF SARPY, NEBRASKA
(the "**County**")

and

UNION BANK AND TRUST COMPANY
(the "**Registrar**")

RECITALS

A. The County, a county and political subdivision duly organized and validly existing under the laws of the State of Nebraska, has duly authorized the issuance of $6,075,000 aggregate principal amount of its General Obligation Highway Allocation Fund Pledge Bonds, Series 2009, dated February 18, 2009 (the "**Bonds**") pursuant to a Resolution (the "**Resolution**") passed by its Board of Commissioners (the "**Board**") and requires the services of a bond registrar and paying agent for the Bonds.

B. The Registrar is a state banking corporation having trust powers duly organized and validly existing under the laws of the State of Nebraska and is willing to provide services as bond registrar and paying agent pursuant to the terms of this Agreement and the Resolution in consideration for the compensation described herein.

NOW, THEREFORE, the County and the Registrar do hereby covenant and agree as follows:

Section 1. The Registrar agrees that it shall maintain on behalf of the County books of record in which the registered owners of the Bonds and their registered addresses shall be duly recorded.

Section 2. The Registrar agrees that it shall serve as paying agent for the County for the payment of principal and interest falling due on the Bonds. The County shall, not later than the business day prior to each interest and principal payment date on the Bonds, deposit with the Registrar an amount sufficient to make such payment and the Registrar shall apply such deposit by mailing a check or draft to each of the registered owners of the Bonds as shown on the books of record maintained pursuant to **Section 1** hereof for the appropriate amount of interest due on each respective Bond and pay principal and interest upon presentation of each respective Bond in accordance with the terms of the Resolution. The provisions of this **Section 2** are subject to the provisions of **Section 15** hereof with respect to the Bonds while they are held in book-entry form.

Section 3. The Registrar hereby accepts and agrees to perform all duties directed by the Resolution to be performed by the "Registrar" as defined in the Resolution and the terms of the Resolution are hereby incorporated by reference. The Registrar acknowledges receipt of a copy of the Resolution. The Registrar acknowledges that the County may make deposits of money or securities as provided in **Section 17** of the Resolution. In the event of any such deposit, the compensation provided for under this Agreement shall not be altered or abated.

Section 4. The County shall furnish to the Registrar a sufficient supply of forms in blank of the Bonds to be issued upon transfer or partial redemption, signed by the facsimile signatures of the Chair and the Clerk and shall renew such supply pursuant to **Section 7** of the Resolution upon request of the Registrar.

Section 5. The Registrar shall make the initial registration of the Bonds upon written directions from the original purchaser thereof designated in the Resolution.

Section 6. Transfer of the Bonds shall be registered and new Bonds issued in replacement thereof pursuant to the limitations prescribed in the Resolution, upon surrender to the Registrar of any outstanding Bond in form deemed by the Registrar properly endorsed for transfer with all necessary signatures guaranteed in such manner and form as the Registrar may require by a signature guarantor reasonably believed by Registrar to be responsible, accompanied by such assurances as the Registrar shall deem necessary or appropriate to evidence the genuineness and effectiveness of each necessary signature and, if deemed appropriate by the Registrar, satisfactory evidence of compliance with all applicable laws relating to the collection of taxes. In registering transfer of the Bonds, the Registrar may rely upon the Uniform Commercial Code or any other statutes which in the opinion of counsel protect the Registrar and the County in not requiring complete documentation, in registering bonds without inquiry into adverse claims, in delaying registration for purposes of such inquiry or in refusing registration where in Registrar's judgment an adverse claim requires such refusal.

Section 7. Replacement Bonds for any of the Bonds damaged, lost or stolen shall be issued by the Registrar upon receipt of documentation complying with the requirements of Sections 10-127 to 10-130, inclusive, Reissue Revised Statutes of Nebraska, as amended, acceptable to the Registrar.

Section 8. As provided by law, the books of registration maintained by the Registrar shall not be deemed public records and shall be available for inspection solely pursuant to a court order or a subpoena of any governmental agency having jurisdiction to issue such subpoena.

Section 9. At least annually the Registrar shall give a report to the County accounting for all funds received and disbursements made. The Registrar shall maintain customary records in connection with its exercise of its duties under this Agreement and the Resolution.

Section 10. At any time the Registrar may apply to the County for instructions and may consult with the County's attorney or the Registrar's own counsel in respect to any matter arising in connection with its duties under this Agreement and the Resolution and the Registrar shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with such instructions or with the opinion of such counsel. The Registrar may rely on any paper or document reasonably believed by it to be genuine and to have been signed by the proper person or persons.

Section 11. The County hereby agrees to pay any expenses reasonably incurred by the Registrar in connection with the performance of its duties under this Agreement and the Resolution, including counsel fees, and in addition shall pay to the Registrar the compensation for its services as set forth on **Exhibit A** attached hereto.

Section 12. Any corporation or association into which the Registrar may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall, ipso facto, be and become successor Registrar hereunder and vested with all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instruments or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 13. The County shall have the right to remove the Registrar only in the event of a material breach of the Registrar's duties under this Agreement and the Resolution. In such event the

Board shall have the right to designate a successor and the Registrar hereby agrees that it shall turn over all of its records with respect to the Bonds to any such successor upon request by the County.

Section 14. This Agreement shall terminate when the Bonds have been paid in full. The Registrar shall invest any money paid to it under this Agreement and the Resolution as directed by the County. Any money for which the County as not provided investment direction shall be held by the Registrar and either fully insured by insurance of the Federal Deposit Insurance Corporation or fully secured in the manner required by law for deposit of funds of the County. Any deposit of money by the County may be in an account maintained with the Registrar or an affiliate of the Registrar.

Section 15. Under the terms of the Resolution, the Bonds are to be issued initially in book-entry form using the services of The Depository Trust Company (the **"Depository"**). All of the Bonds shall be registered in the name of Cede & Co., as nominee for the Depository, with one typewritten bond for each separately stated maturity. The Registrar shall pay semiannual interest for any Bond registered as of each Record Date in the name of Cede & Co. by wire transfer to the Depository in accordance with its procedures as in effect from time to time. The Registrar agrees that it will execute and observe the terms and conditions of the Letter of Representations (the **"Letter of Representations"**) as authorized by the Resolution. The Letter of Representations may be in the form of separate undertakings executed by the Registrar and the County in connection with services provided by the Depository.

The Registrar and the County may treat the Depository (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to registered owners under the Resolution, registering the transfer of Bonds, obtaining any consent or other action to be taken by registered owners and for all other purposes whatsoever, and neither the Registrar nor the County shall be affected by any notice to the contrary. Neither the Registrar nor the County shall have any responsibility or obligation to any participant of the Depository (**"Participant"**), any person claiming a beneficial ownership interest in the Bonds under or through the Depository or any Participant, or any other person which is not shown on the registration books of the Registrar as being a registered owner, with respect to the accuracy of any records maintained by the Depository or any Participant; the payment by the Depository or any Participant of any amount in respect of the principal or redemption price of or interest on the Bonds; any notice which is permitted or required to be given to registered owners under the Resolution; the selection by the Depository or any Participant of any person to receive payment in the event of a partial redemption of the Bonds; or any consent given or other action taken by the Depository as registered owner. The Registrar shall make all payments of the principal or redemption price of and interest on the Bonds only to the Depository, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to the principal or redemption price of and interest on the Bonds to the extent of the sum or sums so paid. Except under the conditions directed below, no person other than the Depository shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the County to make payments of principal or redemption price of and interest pursuant to the Resolution. Upon delivery by the Depository to the Registrar of written notice to the effect that the Depository has determined to substitute a new nominee in the place of Cede & Co., and subject to the provisions in the Resolution with respect to Record Dates, the term "Cede & Co." in this Agreement shall refer to such new nominee of the Depository. If the Depository gives notice to the County or the Registrar pursuant to the Letter of Representations that it will discontinue providing its services as securities depository with respect to the Bonds, the County shall either appoint a successor securities depository or terminate the book-entry system for the Bonds under the following conditions:

(a) Any successor securities depository must be a clearing agency registered with the Securities and Exchange Commission pursuant to Section 17A of the Securities Exchange Act of 1934 and must enter into an agreement with the County and the Registrar agreeing to act as the depository and clearing agency for all the Bonds. After such agreement has become effective, the

Depository shall present the Bonds for registration of transfer in accordance with **Section 9** of the Resolution and the Registrar shall register them in the name of the successor securities depository or its nominee. If a successor securities depository has not accepted such position prior to the effective date of the Depository's termination of its services, the book-entry system shall automatically terminate, except as provided below in this **Section 15**.

(b) If the County elects to terminate the book-entry system for the Bonds, it shall so notify the Registrar in writing. Thereafter, upon presentation of the Bonds, or any of them, by the Depository or its nominee to the Registrar for registration of transfer in accordance with **Section 9** of the Resolution, the Registrar shall register the transfer in accordance with such **Section 9** of the Resolution and all provisions of this **Section 15** shall immediately cease to be in effect, except as provided below.

The County may elect to terminate the book-entry system for the Bonds at any time by giving written notice to the Depository and the Registrar. On the effective date of such termination, the provisions of this **Section 15** shall cease to be in effect, except that the Registrar shall continue to comply with applicable provisions of the Letter of Representations with respect to Bonds as to which the Depository remains the registered owner. After such termination, the Registrar shall, upon presentation of Bonds by the Depository or its nominee for registration of transfer or exchange in accordance with **Section 9** of the Resolution make such transfer or exchange in accordance with such **Section 9**. Upon the appointment of a successor securities depository or termination of the book-entry system, the Registrar shall give notice of such event to the registered owners of Bonds (through the Depository) which notice shall state either (1) the name and address of the successor securities depository or (2) that Bonds may now be obtained by the beneficial owners of the Bonds, or their nominees, upon proper instructions being given to the Depository by the relevant Participant and compliance by the Depository with the provisions of the Resolution regarding registration of transfers. Notwithstanding any other provision of this Agreement to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of the Depository (or any successor nominee), all payments with respect to the principal or redemption price of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to the Depository as provided in the Letter of Representations. In connection with any notice or other communication to be provided to registered owners to the Resolution by the County or the Registrar with respect to any consent or other action to be taken by registered owners, the County or the Registrar, as the case may be, shall establish a record date for such consent or other action and give the Depository notice of such record date not less than 15 calendar days in advance of such record date to the extent possible.

Section 16. If any one or more of the covenants or agreements to be performed by either the County or the Registrar shall be determined by a court of competent jurisdiction to be unenforceable, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements contained herein and shall in no way affect the validity of the remaining provisions of this Agreement.

Section 17. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

Section 18. This Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.

IN WITNESS WHEREOF, the County and the Registrar have each caused this Agreement to be executed by their duly authorized officers February 18, 2009.

THE COUNTY OF SARPY, NEBRASKA

By: Jon Jones 1/27/09
Chair

ATTEST:

By: Debra J. Houghtaling
Clerk

UNION BANK AND TRUST COMPANY,
Registrar

By: Ralene K. Klostermeyer
Authorized Officer

Union Bank & Trust Co.
Paying Agent and Registrar Fee Schedule

SARPY COUNTY LIMITED TAX
HWY BONDS
SERIES 2009
Book Entry Issue

Acceptance and Account Set Up Fee	$ 500.00
Annual Administration Fee	$ 400.00
Dissemination Fee**	$ 200.00

**If responsibility of Union Bank & Trust Co.

All out of pocket costs and expenses, including postage, supplies, long distance telephone charges, security purchase, sale or maturity, wires and attorney's fees will be in addition hereto. Fees for extraordinary services, not contemplated in the above schedule will be based on activity involved and will be charged at our regular hourly rates.

We reserve the right to revise fees, including establishing new minimums, as necessitated by changing economic conditions.

All fees are charged in arrears and are quoted on an annualized basis; however we reserve the right to bill in advance, or on a more frequent basis.

Acceptance of all Corporate Trust accounts is subject to:

1. Receipt and review of governing documents
2. Formal acceptance by the appropriate Trust Committee

Ralene K. Klostermeyer

Ralene K. Klostermeyer
Assistant Vice President & Trust Officer

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (the **"Disclosure Agreement"**) is executed and delivered by **THE COUNTY OF SARPY, NEBRASKA** (the **"County"**) and **UNION BANK AND TRUST COMPANY** (the **"Registrar"**).

RECITALS

1. This Disclosure Agreement is executed and delivered in connection with the issuance by the County of $6,075,000 aggregate principal amount of its General Obligation Highway Allocation Fund Pledge Bonds, Series 2009, dated the date of delivery (February 18, 2009) thereof (the **"Bonds"**), pursuant to a resolution adopted January 27, 2009 (the **"Resolution"**).

2. The County and the Registrar are entering into this Disclosure Agreement for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the Rule. The County is the only "obligated person" with responsibility for continuing disclosure under the Rule.

In consideration of the mutual covenants and agreements herein, the County and the Registrar covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this **Section 1**, the following capitalized terms have the following meanings:

"Annual Report" means any annual report provided by the County pursuant to, and as described in, **Section 2** and **Section 3** of this Disclosure Agreement.

"Beneficial Owner" means any person that (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Disclosure Representative" means the Fiscal Administrator of the County or his or her designee, or such other officer or employee as the County shall designate in writing to the Registrar from time to time.

"Dissemination Agent" means the Registrar, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the County that has filed with the Registrar a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures.

"Material Events" means any of the events listed in **Section 4(a)** of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"National Repository" means any nationally recognized municipal securities information repository for purposes of the Rule. The National Repositories currently approved by the Securities and Exchange Commission are set forth in **Exhibit A** attached hereto. Annual Reports and notices of Material Events are not required to be filed with the National Repositories on or after July 1, 2009.

"Participating Underwriter" means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" means, until June 30, 2009, each National Repository, and on and after July 1, 2009, the MSRB.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" means the State of Nebraska.

Section 2. Provision of Annual Reports.

(a) The County shall, or shall cause the Dissemination Agent to, not later than eight months following the end of the County's fiscal year (currently June 30), commencing with the report for the 2008-2009 fiscal year, provide to each Repository an Annual Report that is consistent with the requirements of **Section 3** of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a single package, and may include by reference other information as provided in **Section 3** of this Disclosure Agreement; however, the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County's fiscal year changes, it shall give notice of the change in the same manner as for a Material Event under **Section 4(d)**.

(b) Not later than fifteen (15) business days (which exclude weekends, holidays and days the Registrar is not open for business) prior to the date specified in **Section 2(a)**, the County shall provide the Annual Report to the Dissemination Agent and the Registrar (if the Registrar is not the Dissemination Agent). If by such date, the Registrar has not received a copy of the Annual Report, the Registrar shall contact the Disclosure Representative to determine if the County is in compliance with the first sentence of this **Section 2(b)**.

(c) If the Registrar is unable to verify that an Annual Report has been provided to Repositories by the date required in **Section 2(a)**, the Registrar shall send a notice to each Repository and the State Repository, if any, in substantially the form attached hereto as **Exhibit B**.

(d) The Dissemination Agent shall, unless the County has provided the Annual Report to each Repository, promptly following receipt of the Annual Report and instructions required in subsection (b) above, provide the Annual Report to each Repository and file a report with the County and (if the Dissemination Agent is not the Registrar) the Registrar certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided.

Section 3. Content of Annual Reports. The County's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the County for the prior fiscal year, prepared on the budgetary basis of accounting which is a prescribed, comprehensive basis of accounting other than

generally accepted accounting principles. If the County's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 2(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) The operating data of the County updated for the fiscal year then ended in substantially the scope and form contained in the Official Statement under "FINANCIAL STATEMENTS."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the County or related public entities, which have been submitted to each Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB (via EMMA if submitted on or after July 1, 2009). The County shall clearly identify each such other document so included by reference.

Section 4. Reporting of Material Events.

(a) Pursuant to the provisions of this **Section 4**, the County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

(1) principal and interest payment delinquencies;
(2) non-payment related defaults;
(3) modifications to rights of registered owners of the Bonds;
(4) optional, contingent or unscheduled bond calls;
(5) defeasances;
(6) rating changes;
(7) adverse tax opinions or events adversely affecting the tax-exempt status of the Bonds;
(8) unscheduled draws on the debt service reserves reflecting financial difficulties;
(9) unscheduled draws on credit enhancements reflecting financial difficulties;
(10) substitution of credit or liquidity providers, or their failure to perform; and
(11) release, substitution or sale of property securing repayment of the Bonds.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the Disclosure Representative, inform such person of the event, and request that the County promptly notify the Registrar in writing to determine whether to report the event pursuant to **Section 4(d)**. If in response to a request under this **Section 4(b)**, the County determines that the event would not be material under applicable federal securities laws, the Disclosure Representative shall so notify the Registrar in writing and instruct the Dissemination Agent to not report the occurrence pursuant to **Section 4(d)**.

(c) Whenever the County obtains knowledge of the occurrence of a Material Event, because of a notice received from the Registrar pursuant to **Section 4(b)** or otherwise, the County shall promptly notify the Registrar and instruct the Dissemination Agent in writing to report the occurrence pursuant to **Section 4(d)**.

(d) If the Dissemination Agent receives written instructions from the Disclosure Representative to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence with each Repository, with a copy to the Registrar. Notwithstanding the foregoing, notice of those Material Events described in **Section 4(a)(iv)** and **Section 4(a)(v)** do not need

to be given under this **Section 3(d)** any earlier than notice is given to the registered owners of affected Bonds pursuant to the Resolution.

Section 5. Termination of Reporting Obligation. The County's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the County shall give notice of such termination in the same manner as for a Material Event under **Section 4(d)**.

Section 6. Dissemination Agent, Other Designated Agents.

(a) The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon 30-days prior written notice to the County. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Agreement.

(b) The County may, from time to time, appoint or designate one or more agents (each, a "**designated agent**") to submit Annual Reports, Material Event notices, and other notices or reports with the MSRB via EMMA. The County hereby appoints the Dissemination Agent as a designated agent of the County solely for the purpose of submitting County-approved Annual Reports, Material Event notices, and other notices or reports to the MSRB via EMMA. The County may revoke this designation at any time upon written notice to the designated agent, and may designate one or more additional designated agents for purposes of this Section 6(b) from time to time by written designation to the newly appointed designated agent.

Section 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the County and the Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of **Section 2(a), Section 3 or Section 4** hereof, it 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 an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (1) is approved by the Beneficial Owners of the Bonds in the same manner as provided for amendments to the Resolution with the consent of the Beneficial Owners, or (2) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the County shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be

followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event described in **Section 4** hereof, and (2) the audited financial statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 8. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in a request for information or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any request for information or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future request for information or notice of occurrence of a Material Event.

Section 9. Default. In the event of a failure of the County or the Dissemination Agent to comply with any provision of this Disclosure Agreement, any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Agreement in the event of any failure of the County or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 10. Duties and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the County agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities that it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this **Section 11** shall survive resignation or removal of the Dissemination Agent and the payment of the Bonds. The County shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Disclosure Agreement.

Section 11. Notices. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by facsimile or by e-mail, receipt confirmed by telephone, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

County:

The County of Sarpy, Nebraska
1210 Golden Gate Drive
Papillion, NE 68046
Attention: Brian Hanson
Telephone/Fax: (402) 593-2349/(402) 593-4304

Registrar:

Union Bank and Trust Company
6811 South 27th Street
Lincoln, NE 68512
Attention: Ralene K. Klostermeyer
Telephone/Fax: (402) 323-1353/(402) 323-1192

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter, and the Beneficial Owners of the Bonds, and will create no rights in any other person or entity.

Section 13. Severability. If any provision in this Disclosure Agreement, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which will be an original and all of which will constitute but one and the same instrument. Copies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15. Electronic Transactions. The parties agree that the arrangement described herein may be conducted and related documents may be stored by electronic means.

Section 16. Governing Law. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.

[The remainder of this page intentionally left blank.]

DATED: February 18, 2009

THE COUNTY OF SARPY, NEBRASKA

By: Brian Hanson
Budget and Fiscal Director

UNION BANK AND TRUST COMPANY,
Registrar

By: Raeane K. Klostermeyer
Authorized Officer

EXHIBIT A

NATIONALLY RECOGNIZED MUNICIPAL SECURITIES INFORMATION REPOSITORIES (in effect until June 30, 2009)

Bloomberg Municipal Repository
Bloomberg Business Park
100 Business Park Drive
Skillman, New Jersey 08558-3629
Phone: (609) 279-3225
Fax: (609) 279-5962 or (800) 395-9403
E-Mail: Munis@Bloomberg.com

Standard & Poor's Securities Evaluations, Inc.
Repository Service
55 Water Street, 45th Floor
New York, New York 10041-0003
Phone: (212) 438-4595
Fax: (212) 438-3975
E-mail: nrmsir_repository@sandp.com

FT Interactive Data
Attn: NRMSIR
100 William Street, 15th Floor
New York, New York 10038
Phone: (212) 771-6999 or (800) 689-8466
Fax: (212) 771-7390 (Secondary Market Information)
Fax: (212) 771-7391 (Primary Market Information)
E-Mail: NRMSIR@ftid.com

DPC Data Inc.
One Executive Drive
Fort Lee, New Jersey 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
E-Mail:nrmsir@dpcdata.com

MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB)

For all filings on or after July 1, 2009:

Via EMMA
www.emma.msrb.org

EXHIBIT B

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	**The County of Sarpy, Nebraska**
Name of Issue:	**General Obligation Highway Allocation Fund Pledge Bonds, Series 2009**
Date of Issuance:	**February ___, 2009**

NOTICE IS HEREBY GIVEN that The County of Sarpy, Nebraska has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement dated February __, 2009. The County anticipates that the Annual Report will be filed by _____, 20____.

DATED this ___ day of _____, 20__.

UNION BANK AND TRUST COMPANY, on behalf of **THE COUNTY OF SARPY, NEBRASKA**

By: _____
Authorized Officer

REGISTERED
No. R-1

REGISTERED
$1,195,000.00

UNITED STATES OF AMERICA
STATE OF NEBRASKA
THE COUNTY OF SARPY
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BOND
SERIES 2009

Dated Date	Maturity Date	Interest Rate	CUSIP Number
February 18, 2009	December 15, 2009	1.00%	80373F JG 3

REGISTERED OWNER: CEDE & CO.

SPECIMEN

PRINCIPAL AMOUNT: ONE MILLION ONE HUNDRED NINETY-FIVE THOUSAND DOLLARS

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE BOND SET FORTH ON THE FOLLOWING PAGES, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

IN WITNESS WHEREOF, THE COUNTY OF SARPY, NEBRASKA, has executed this bond by causing it to be signed by the manual or facsimile signature of the Chair and attested by the manual or facsimile signature of the Clerk.

THE COUNTY OF SARPY, NEBRASKA

By: Joni Jones
Chair

ATTEST:

DEBRA J. HOUGHTALING, COUNTY CLERK
SEAL
SARPY COUNTY, NEBRASKA

By: Debra J. Houghtaling
Clerk

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds described in the within-mentioned Resolution.

SPECIMEN

UNION BANK AND TRUST COMPANY,
Registrar and Paying Agent

By: Ralene K. Klostermeyer
Authorized Officer

REGISTERED
No. R-2

REGISTERED
$1,195,000.00

UNITED STATES OF AMERICA
STATE OF NEBRASKA
THE COUNTY OF SARPY
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BOND
SERIES 2009

Dated Date	Maturity Date	Interest Rate	CUSIP Number
February 18, 2009	December 15, 2010	1.35%	80373F JH 1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION ONE HUNDRED NINETY-FIVE THOUSAND DOLLARS

SPECIMEN

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE BOND SET FORTH ON THE FOLLOWING PAGES, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

IN WITNESS WHEREOF, THE COUNTY OF SARPY, NEBRASKA, has executed this bond by causing it to be signed by the manual or facsimile signature of the Chair and attested by the manual or facsimile signature of the Clerk.

THE COUNTY OF SARPY, NEBRASKA

By: Joni Jones
Chair

ATTEST:

By: Delroy Houghtaling
Clerk

DEBRA J. HOUGHTALING, COUNTY CLERK
SEAL
SARPY COUNTY, NEBRASKA

CERTIFICATE OF AUTHENTICATION

SPECIMEN

This bond is one of the Bonds described in the within-mentioned Resolution.

UNION BANK AND TRUST COMPANY,
Registrar and Paying Agent

By: Ralene K. Klostermeyer
Authorized Officer

REGISTERED
No. R-3

REGISTERED
$1,210,000.00

UNITED STATES OF AMERICA
STATE OF NEBRASKA
THE COUNTY OF SARPY
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BOND
SERIES 2009

Dated Date	Maturity Date	Interest Rate	CUSIP Number
February 18, 2009	December 15, 2011	1.50%	80373F JJ 7

REGISTERED OWNER: CEDE & CO.

SPECIMEN

PRINCIPAL AMOUNT: ONE MILLION TWO HUNDRED TEN THOUSAND DOLLARS

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE BOND SET FORTH ON THE FOLLOWING PAGES, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

IN WITNESS WHEREOF, THE COUNTY OF SARPY, NEBRASKA, has executed this bond by causing it to be signed by the manual or facsimile signature of the Chair and attested by the manual or facsimile signature of the Clerk.

THE COUNTY OF SARPY, NEBRASKA

ATTEST:

DEBRA J. HOUGHTALING, COUNTY CLERK
SEAL
SARPY COUNTY, NEBRASKA

By: Jane Jones
Chair

By: Debra Houghtaling
Clerk

CERTIFICATE OF AUTHENTICATION

SPECIMEN

This bond is one of the Bonds described in the within-mentioned Resolution.

UNION BANK AND TRUST COMPANY,
Registrar and Paying Agent

By: Karen K. Klostermeyer
Authorized Officer

REGISTERED
No. R-4

REGISTERED
$1,225,000.00

UNITED STATES OF AMERICA
STATE OF NEBRASKA
THE COUNTY OF SARPY
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BOND
SERIES 2009

Dated Date	Maturity Date	Interest Rate	CUSIP Number
February 18, 2009	December 15, 2012	1.65%	80373F JK 4

SPECIMEN

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE BOND SET FORTH ON THE FOLLOWING PAGES, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

IN WITNESS WHEREOF, THE COUNTY OF SARPY, NEBRASKA, has executed this bond by causing it to be signed by the manual or facsimile signature of the Chair and attested by the manual or facsimile signature of the Clerk.

THE COUNTY OF SARPY, NEBRASKA

ATTEST:

DEBRA J. HOUGHTALING, COUNTY CLERK
SEAL
SARPY COUNTY, NEBRASKA

By: Jim Jones
Chair

By: Debra Houghtaling
Clerk

SPECIMEN

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds described in the within-mentioned Resolution.

UNION BANK AND TRUST COMPANY,
Registrar and Paying Agent

By: Ralene K. Klostermeyer
Authorized Officer

REGISTERED
No. R-5

REGISTERED
$1,250,000.00

UNITED STATES OF AMERICA
STATE OF NEBRASKA
THE COUNTY OF SARPY
GENERAL OBLIGATION HIGHWAY ALLOCATION FUND PLEDGE BOND
SERIES 2009

Dated Date	Maturity Date	Interest Rate	CUSIP Number
February 18, 2009	December 15, 2011	1.90%	80373F JL 2

SPECIMEN

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THE BOND SET FORTH ON THE FOLLOWING PAGES, WHICH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH AT THIS PLACE.

IN WITNESS WHEREOF, THE COUNTY OF SARPY, NEBRASKA, has executed this bond by causing it to be signed by the manual or facsimile signature of the Chair and attested by the manual or facsimile signature of the Clerk.

THE COUNTY OF SARPY, NEBRASKA

ATTEST:

DEBRA J. HOUGHTALING, COUNTY CLERK
SEAL
SARPY COUNTY, NEBRASKA

By: Jane Jones
Chair

By: Debra Houghtaling
Clerk

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds described in the within-mentioned Resolution.

SPECIMEN

UNION BANK AND TRUST COMPANY,
Registrar and Paying Agent

By: Ralene K. Klostermeyer
Authorized Officer

THE COUNTY OF SARPY, NEBRASKA (the "**County**") hereby acknowledges itself to owe, and for value received, promises to pay to the Registered Owner stated above or its registered assigns, the Principal Amount stated above in lawful money of the United States of America, on the Maturity Date stated above, with interest thereon calculated on the basis of a 360-day year consisting of twelve 30-day months from the Dated Date stated above at the Interest Rate per annum stated above payable on June 15 and December 15 of each year, beginning June 15, 2009 (each such date, an "**Interest Payment Date**"). The Principal Amount is payable upon presentation and surrender of this bond to Union Bank and Trust Company, the registrar and paying agent (the "**Registrar**") therefor, at its designated corporate trust offices in Lincoln, Nebraska. Interest on this bond shall be paid by the Registrar by mailing a check or draft on each Interest Payment Date to the registered owner hereof, as shown on the registration books required to be maintained by the Registrar, at the close of business on the last day of the month next preceding the month in which such Interest Payment Date occurs (the "**Record Date**") to such owner's address as shown on such books and records. Any interest not so timely paid shall cease to be payable to the person entitled thereto as of the Record Date such interest was payable, and shall be payable to the person who is the registered owner of this bond as of a special record date for payment of defaulted interest to be fixed by the Registrar whenever money for such purpose becomes available.

This bond is one of an issue of fully registered bonds (the "**Bonds**") in the aggregate principal amount of Six Million Seventy-Five Thousand Dollars ($6,075,000), of even date and like tenor except as to number, denomination, maturity date, interest rate and redemption provisions, authorized by a Resolution passed on January 27, 2009 by the Board of Commissioners of the County (the "**Resolution**") pursuant to Section 66-4,101, Reissue Revised Statutes of Nebraska, as amended, for the purpose of paying (a) the costs of improvements to certain roads of the County (the "**Project**") and (b) the costs of issuing the Bonds in strict compliance with the provisions of Section 66-4,101, Reissue Revised Statutes of Nebraska, as amended.

This bond is issued on a parity with and is payable from the same sources as additional highway allocation fund bond issuance in accordance with the provisions of the Resolution (the "**Additional Bonds**"). In the Resolution, the County has pledged funds received and to be received from the Highway Allocation Fund of the State of Nebraska and allocates such receipts to payment of the principal hereof and the interest hereon when and as the same becomes due on a parity with any Additional Bonds. In addition, the County has covenanted and agreed that to the extent other legally available money of the County appropriated for such purposes is insufficient to pay the principal of and interest on the Bonds when and as the same shall become due, it shall levy ad valorem taxes upon all the taxable property in the County at such rate or rates, within applicable statutory and constitutional limitations, which, together with receipts from the Highway Allocation Fund and any other money made available and used for such purpose, will be sufficient to make payment of the principal of and interest on the Bonds as the same shall become due.

Reference is hereby made to the Resolution, a copy of which is on file in the office of the Clerk, and to all the provisions of which any owner of this bond by its acceptance hereof hereby assents, for a description of and the nature and extent of the security for the Bonds; the Highway Allocation Fund and tax revenues pledged to the payment of the principal of and interest on the Bonds; the terms and provisions upon which the covenants made therein may be discharged at or prior to the maturity or redemption of the Bonds and the Bonds thereafter no longer be secured by the Resolution or be deemed to be outstanding thereunder, if money or certain specified securities shall have been deposited with the Registrar or the Treasurer sufficient and held in trust solely for the payment thereof; and for the other terms and provisions thereof.

The Bonds maturing on December 15, 2010 are not subject to redemption prior to their stated maturity. The Bonds maturing on and after December 15, 2011 are subject to redemption at the option of the County prior to the stated maturities thereof at any time on or after June 15, 2011 in whole or in part in such principal amounts and from such maturity or maturities as the County in its absolute discretion may determine, at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the date fixed for redemption. If less than all of the Bonds of a particular maturity are called for redemption, the particular Bonds of such maturity to be redeemed shall be selected by lot.

The Registrar shall give notice of the redemption of this bond by mailing such notice by first-class mail, postage prepaid, not less than 30 days prior to the date fixed for redemption to the registered owner hereof in the manner specified in the Resolution. If less than all of the principal amount of this bond is redeemed, upon surrender of this bond the County shall issue to the registered owner hereof without charge therefor, a new bond or bonds of like series, maturity and interest rate for the then unredeemed balance of the principal amount hereof in any denomination authorized by the Resolution.

This bond is transferable by the registered owner hereof in person or by such registered owner's attorney duly authorized in writing, at the designated corporate trust offices of the Registrar in Lincoln, Nebraska, but only in the manner and subject to the limitations and conditions provided in the Resolution and upon presentation and surrender of this bond to the Registrar for cancellation. Upon any such registration of transfer, the County shall execute and the Registrar shall authenticate and deliver in exchange for this bond, a new registered bond or bonds, registered in the name of the transferee, of authorized denominations, in a principal amount equal to the principal amount of this bond, of the same series and maturity and bearing interest at the same rate. The County and the Registrar may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payments of the principal of and interest on this bond and for all other purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

If the date for payment of the principal of or interest on this bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the offices of the Registrar are located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such date shall have the same force and effect as if made on the nominal date of payment.

AS PROVIDED IN THE RESOLUTION REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE RESOLUTION, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THE RESOLUTION TO THE CONTRARY, A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE REGISTRAR. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE RESOLUTION.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE REGISTRAR FOR PAYMENT OF PRINCIPAL, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREOF IS REGISTERED IN THE NAME

OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSONS IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of the Bonds did exist, did happen and were done and performed in regular and due form and time as required by law, that the Bonds do not exceed any constitutional, statutory or charter limitation on indebtedness; and that provision has been made for the payment of the principal of and interest on the Bonds as provided in the Resolution.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been executed by the Registrar.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

_____

Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee

the within Bonds and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Bonds on the books kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bonds in every particular.

Signature Guaranteed By:

_____

(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-19 (17 CFR 240.17 Ad-19))

By: _____

Title: _____

CLOSING CERTIFICATE
THE COUNTY OF SARPY, NEBRASKA

$6,075,000
The County of Sarpy, Nebraska
General Obligation Highway Allocation Fund Pledge Bonds, Series 2009
Dated: date of delivery

(Closing: February 18, 2009)

We, **JONI JONES, DEBRA J. HOUGHTALING**, and **RICH JAMES**, the duly elected or appointed, qualified, acting and authorized Chair of the Board of Commissioners (the **"Board"**), Clerk, and Treasurer, respectively, of The County of Sarpy, Nebraska (the **"County"**), do hereby certify in connection with the issuance of the above-described bonds (the **"Bonds"**) as follows:

1. **Meaning of Words and Terms.** Capitalized words and terms used herein, unless otherwise defined herein, have the same meanings ascribed to such words and terms in Resolution No. 2009-020, passed by the Board on January 27, 2009 authorizing the issuance of the Bonds (the **"Resolution"**).

2. **Organization and Authority.** The County is a county and political subdivision duly organized and existing under the laws of the State, including, without limitation, Section 22-177, Reissue Revised Statutes of Nebraska, as amended. The County has complied with all provisions of the Constitution and laws of the State and has full power and authority to consummate all transactions contemplated by the Resolution and any and all other agreements relating thereto.

3. **Transcript of Proceedings.** The transcript of proceedings (the **"Transcript"**) relating to the authorization and issuance of the Bonds furnished to the Underwriter is to the best of our knowledge, information and belief full, true, correct and complete. None of such proceedings have been modified, amended or repealed and such facts as are stated in the Transcript still exist.

4. **Meetings; Notice and Agenda; Minutes.**

(a) Each meeting of the Board at which action was taken relating to the Bonds and the execution and delivery of any related documents, was at all times open to the public and preceded by advance publicized notice duly given in strict compliance with the provisions of the Open Meetings Act, Chapter 84, Article 14, Reissue Revised Statutes of Nebraska, as amended. All of the subjects considered at each such meeting were contained in the agenda for such meeting, which agenda was kept continuously current and available for public inspection in the offices of the Clerk, each such subject was contained in the agenda for at least 24 hours prior to such meeting; at the beginning of each meeting, the public was informed of the location of at least one current copy of the Open Meetings Act available and accessible to the public in the room in which each meeting was held; at least one copy of all resolutions and other reproducible written materials, for which actions were taken at each such meeting was made available for examination and copying by the members of the public at such meeting; the minutes of each such meeting of the Board were, in accordance with standard practice, in written form and available for public inspection within 10 working days and prior to the next convened meeting of the Board; and all news media requesting notification of each such meeting of the Board were provided with advance notice of the time and place of such meeting and the subjects to be discussed thereat.

(b) An affidavit of publication of notice of the meeting of the Board duly held on January 27, 2009 is attached hereto as **Exhibit A**.

(c) A true, correct and complete copy of the minutes of the legally convened meeting of the Board held on January 27, 2009, which minutes reflect all actions taken by the Board in connection with the passage and adoption of the Resolution, is attached hereto as **Exhibit B**.

5. **Incumbency of Officers.** The following named persons were at all times relevant to the authorization and issuance of the Bonds, and are the duly elected or appointed, qualified, acting and authorized officials of the Board and the County, as indicated:

Name	**Title**
Joni Jones	Chair
Tom Richards	Board Member
Rusty Hike	Board Member
Rich Jansen	Board Member
Patrick J. Thomas	Board Member
Debra J. Houghtaling	Clerk
Rich James	Treasurer
Dan Pittman	Assessor
Lee Polikov	Attorney
Brian Hanson	Fiscal Administrator

6. **Execution of Bonds.** The Bonds, in the aggregate principal amount of $6,075,000, dated the date of delivery (February 18, 2009) thereof, consisting of fully registered bonds issued in the principal amount of $5,000 or any integral multiple thereof, numbered from R-1 consecutively upward in the order of their issuance, have been duly executed by our facsimile signatures as the officials duly authorized by the Resolution to execute the Bonds. On the date of the Bonds and on the date the Bonds were executed, we were, and on the date hereof, we are, the officials indicated by our signatures on the Bonds and on this Closing Certificate, respectively. Our signatures on the Bonds are true and genuine and we hereby ratify, confirm and adopt our respective facsimile signatures on the Bonds as a proper execution thereof.

7. **Execution of Documents.** The following documents (collectively, the **"Financing Documents"**) have been executed and delivered in the name and on behalf of the County by one or both of the undersigned, or by the Budget and Fiscal Director, pursuant to and in full compliance with the Resolution; the copies of the Financing Documents contained in the Transcript are true, complete and correct copies or counterparts of the Financing Documents as executed and delivered by the County and are in substantially the same form and text as the copies of the Financing Documents which were before the Board and approved by the Resolution; and none of the Financing Documents have been amended, modified or rescinded and each of the Financing Documents is in full force and effect as of the date hereof:

(a) Disclosure Agreement;
(b) Purchase Agreement;
(c) Registrar's Agreement; and
(d) Tax Certificate.

All of the respective terms, provisions, conditions, form and content of the Bonds, the Resolution, the Financing Documents, the Preliminary Official Statement, the Official Statement, and of all other

documents executed by the County, including, without limitation, those executed by one or both of us on behalf of the County, in connection with the authorization, issuance, sale and delivery of the Bonds, are hereby approved, ratified, and finalized.

8. **Preliminary Official Statement and Official Statement.** The Preliminary Official Statement, dated January 16, 2009, and the Official Statement, dated January 27, 2009, contained in the Transcript constitute full, true and correct copies of the Preliminary Official Statement and Official Statement relating to the Bonds. To the best of our knowledge, the information contained in the Preliminary Official Statement and in the Official Statement is true in all material respects and does not contain any untrue statement of a material fact or omit any material fact (except for the omission of such information in the Preliminary Official Statement as is permitted by Rule 15c2-12(b)(1) of the Securities and Exchange Commission) necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. As of this date there has been no material adverse change in the financial condition or the financial affairs of the County since the date of the issuance of the Preliminary Official Statement or the Official Statement, and no other event has occurred that needs to be disclosed in the Preliminary Official Statement or the Official Statement in order to make the statements made therein not misleading in any material respect as of the date hereof. The County has previously caused to be delivered to the Underwriter copies of the Preliminary Official Statement. For the purpose of enabling the Underwriter to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, the County hereby deems the information regarding the County contained in the Preliminary Official Statement to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the Underwriters and other terms of the Bonds depending on such matters.

9. **Representations and Warranties.** The County has duly performed all of its obligations required to be performed at or prior to the date of this Closing Certificate by the Resolution and the Financing Documents and each of the County's representations and warranties contained in the Resolution and the Financing Documents is true as of the date hereof. The County has authorized, by all necessary action, the execution, delivery or receipt and due performance of the Bonds, the Financing Documents, the Preliminary Official Statement, the Official Statement and any and all such other agreements and documents as may be required to be executed, delivered and received by the County in order to carry out, give effect to and consummate the transactions contemplated by the Resolution, the Financing Documents and the Official Statement. All acts, conditions and things required by the terms and provisions of the Constitution and laws of the State to be performed, exist or be completed by the County or others on or prior to the date hereof in order to cause the Bonds, the Resolution and the Financing Documents to be the valid, binding and enforceable obligations of the County, have been duly performed, undertaken and completed, and the County has undertaken in the Resolution, and does hereby further undertake, to hereafter perform, cause to exist and complete all further and additional acts, conditions and things as may be necessary in order to assure that the Bonds are secured in the manner specified, provided for in and contemplated by the Bonds, the Resolution, the Financing Documents and the Official Statement. The adoption, execution, delivery, receipt and due performance of the Bonds, the Resolution, the Financing Documents and any other agreements contemplated thereby under the circumstances contemplated thereby and compliance by the County with the provisions thereof will not conflict with or constitute on the part of the County, a breach of or a default under any existing law, court or administrative regulation, decree or order or any resolution, agreement, indenture, mortgage, lease or other instrument to which the County is subject or by which it is bound.

10. **Non-Litigation.** There is no litigation, suit or other proceeding of any kind pending, or to our knowledge threatened, (a) seeking to restrain or enjoin the issuance or delivery of the Bonds, or (b) contesting, disputing or affecting in any way (1) the legal organization of the County or its boundaries,

(2) the right or title of any of its officers to their respective offices, (3) the legality of any of its official acts shown to have been done in the Transcript, (4) the constitutionality or validity of the Bonds or the indebtedness represented by the Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof, (5) the legality, validity or enforceability of the Resolution or the Financing Documents, (6) the pledge of funds received and to be received from the Highway Allocation Fund of the State of Nebraska or the levy of taxes sufficient in rate and amount within constitutional and statutory limitations, which, together with receipts from the Highway Allocation Fund, shall be sufficient to pay the principal of and interest on the Bonds; or (7) the federal or state tax-exempt status of the interest on the Bonds, or (c) that could have a material adverse effect on the financial condition or operations of the County or its ability to make payments on the Bonds or to perform its agreements and obligations under the Resolution.

11. IRS Form 8038-G. The information contained in the IRS Form 8038-G to be filed with the Internal Revenue Service was supplied by the County, and is true, complete and correct as of the date hereof.

12. Receipt of Purchase Price. The County hereby acknowledges receipt from the Underwriters of the sum of $6,011,212.50 (the **"Net Proceeds"**), representing the par amount of the Bonds less an underwriting discount of $63,787.50.

13. Deposit of Bond Proceeds. The County on this date, in accordance with the requirements of the Resolution and the Tax Certificate has deposited the proceeds of the Bonds as follows:

Reimbursement Fund	$6,003,762.50
Costs of Issuance	7,450.00
Total Uses of Funds:	$6,011,212.50

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, we, being duly authorized, have executed and delivered this Closing Certificate.

DATED: February 18, 2009

THE COUNTY OF SARPY, NEBRASKA

By: _____
Chair

COUNTY CLERK SEAL SARPY COUNTY NEBRASKA

_____
Clerk

RICH JAMES Seal SARPY COUNTY TREASURER

By: _____
Treasurer

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 Paul Swanson deposes and says that he is the Marketing Director of the **Bellevue Leader, Papillion Times, Gretna Breeze and Springfield Monitor**, a legal newspaper with a bonafided circulation of 300 copies published in Bellevue, Papillion, Gretna and Springfield, Nebraska; and said newspaper has been published for at least 52 consecutive weeks prior to publication of attached notice: that said publications are of general circulations: that the attached notice was published 1 times on:

Wednesday, January 21, 2009

d 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 Paul Swanson
Publisher Marketing Director

Today's Date 01-20-2009
Signed in my presence and sworn to before me:

Notary Public

GENERAL NOTARY - State of Nebraska
MARCIA L. BRYANT
My Comm Exp. Feb. 12, 2010

BOARD OF EQUALIZATION and
BOARD OF COUNTY COMMISSIONERS
OF SARPY COUNTY, NEBRASKA
1210 Golden Gate Drive
Papillion, Nebraska

Notice is hereby given that meetings of the Board of Equalization and Board of County Commissioners of Sarpy County, Nebraska, will be held consecutively beginning at 3:00 P.M. on Tuesday, January 27, 2009, at the Sarpy County Courthouse, County Boardroom. Both meetings will be open to the public.

An agenda for each meeting, kept continually current, is available for inspection at the Sarpy County Clerk's Board Administration office.

The Board shall have the right to modify the agenda to include items of an emergency nature only at such public meeting.

Joni M. Jones, Chairman
Sarpy County Board of Commissioners
11984865—1/21

Printer's Fee $ 11.98
Customer Number: 000948
Order Number: 11984865

MINUTES OF MEETING
SARPY COUNTY BOARD OF COMMISSIONERS
Tuesday, January 27, 2009
Sarpy County Courthouse, Sarpy County Board Room
Immediately following the Board of Equalization Meeting

The location of the posted Nebraska Open Meetings Act was given and the meeting of the Board of Commissioners was convened in open and public session by Sarpy County Board of Commissioners Chairman Joni Jones at 3:09 P.M. at the Courthouse in Papillion, Nebraska.

Notice of the meeting was given in advance thereto by publication in the Midlands Newspapers, Inc. dba Bellevue Leader, Papillion Times, Gretna Breeze and Springfield Monitor on January 21, 2009. A copy of the Proof of Publication is on file in the County Clerk's office. Notice of the meeting was simultaneously given to all members of the Sarpy County Board of Commissioners. Availability of the agenda was communicated in the published notice and in the notice to members of the Board of Commissioners of this meeting.

Commissioners Present:	Rusty Hike, Joni Jones, Tom Richards, Pat Thomas, Rich Jansen
Commissioners Absent:	None
Others Present:	County Clerk Deb Houghtaling
	Board Administrator Mark Wayne
	Deputy County Attorney Mike Smith

Commissioner Jones requested that Agenda items #3, #15, and #16 be removed from the Consent Agenda and addressed on the Regular Agenda.

CONSENT AGENDA

NOTE: These are items of business that are routine which are expected to be adopted without dissent. Items are automatically approved when the consent agenda is approved unless an item is REMOVED by a Commissioner or any member of the public. Removed items will be placed under New Business for action by the County Board.

1. **Approve minutes (January 13, 2009).**
2. **Approve claims report.**
3. ~~**Resolution: Adopt Meeting Policy rules and regulations. (2009-009)**~~ Removed from Consent Agenda
4. **Resolution: Authorize the purchase of a 2009 one ton regular cab 4 x 4 dual wheel chassis with eight foot utility body off the state contract and declare a 1997 GMC cab chassis 4 x 4 with utility body in the Highway Department surplus property. (2009-010)**
5. **Permission to purchase eight (8) 2009 Ford Crown Victorias off the State Contract for the Sheriff's Office.**
6. **Resolution: Authorize the purchase of a 2009 Ford Crown Victoria off State Contract and declare a 2006 Ford Crown Victoria in the Sheriff's Office surplus property. (2009-011)**
7. **Resolution: Approve and Authorize the Chairman to sign First Amendment to extend the current lease with Option #1 from March 1, 2009 to February 28, 2010 with Vortec Ventures LLC on behalf of Nebraska State Probation for office space located at Star Park Plaza, 7511 South 36th Street, Bellevue. (2009-012)**
8. **Resolution: Declare a 1954 Yale & Towne forklift surplus property. (2009-013)**

9. **Resolution: Appoint Commissioner Pat Thomas to the Nebraska Innovation Zone Commission. (2009-014)**
10. **Approve the following disbursement requisition, Limited Tax Building Bonds, Series 2007, Construction Fund, Courthouse Addition.**
    # 158 MSS $ 653.00
11. **Approve the following disbursement requisition, Limited Tax Building Bonds, Series 2008, Construction Fund, Courthouse Remodeling Project.**
    # 28 House of Drapes $ 2,683.63
12. **Resolution: Place stop signs at various intersections in SID 286, Stockmans Hollow. (2009-015)**
13. **Resolution: Place a stop sign at an intersection in SID 137, Cotton Wood (West of 66th St. South of Cornhusker). (2009-016)**
14. **Resolution: Adopt and Approve 2009 Noxious Weed Control Plan. (2009-017)**
15. ~~**Resolution: Approve agreement with Shannon Muhs for Nutrition Session classes for Juvenile Probation. (2009-018)**~~ Removed from Consent Agenda
16. ~~**Resolution: Approve agreement with Bellevue Lied Activity Center for Leisure/Recreation Program for Juvenile Probation. (2009-019)**~~ Removed from Consent Agenda

MOTION: Jansen moved, seconded by Hike, to approve the Consent Agenda items as amended with the removal of Agenda items #3, #15, and #16. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

REGULAR AGENDA

3. Resolution: Adopt Meeting Policy rules and regulations. (2009-009)

MOTION: Resolved by Richards, seconded by Jansen, to adopt the Meeting Policy rules and regulations with the three outlined amendments as described by the County Attorney. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

15. Resolution: Approve agreement with Shannon Muhs for Nutrition Session classes for Juvenile Probation. (2009-018)

MOTION: Jansen moved, seconded by Thomas, to table Agenda item #15 until 2/3/2009. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

16. Resolution: Approve agreement with Bellevue Lied Activity Center for Leisure/Recreation Program for Juvenile Probation. (2009-019)

MOTION: Richards moved, seconded by Jansen, to table Agenda item #16 until 2/3/2009. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

17. **Public Hearing & Action: Public Amusement License Type "B" Application for Trees, Shrubs and More, Inc., 3803 Cornhusker Road, Bellevue, Sarpy County, NE 68123.**

MOTION: After a public hearing, Jansen moved, seconded by Thomas, to approve the Type "B" Public Amusement License application of Trees, Shrubs and More, Inc. as recommended by the Sarpy County Health Board Chairman as it complies with the public amusement license rules and regulations. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

18. **Resolution: Authorize the issuance of General Obligation Highway Allocation Fund Pledge Bonds, Series 2009, of the County of Sarpy, Nebraska in the aggregate principal amount of $6,075,000 for the purpose of paying the costs of constructing improvements to County roads; prescribing the form and details of the Bonds; pledging the receipts from the Nebraska Highway Allocation Fund and agreeing to levy a tax for the payment of the principal of and interest on the bonds; making certain covenants and agreements with respect thereto; and related matters. (2009-020)**

MOTION: Resolved by Jansen, seconded by Richards, to approve the resolution. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

19. **Public Hearing & Resolution: Tabled from 12/9/2008, Text Amendment Application: Zoning Regulations Section 32 Highway Corridor Overlay District, Dowd Grain and adopt the amended Zoning Regulations. (2009-021)**

MOTION: After a public hearing, Jansen resolved, seconded by Hike, to deny the resolution as recommended by the Planning Commission and because of grandfather rights. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

At 5:00 P.M. the Board recessed and reconvened at 5:06 P.M.

20. **Public Hearing & Resolution: Amend Appendix L of the 2006 International Residential Code and the Building Permit Fee Schedule. (2008-372)**

MOTION: After a public hearing, Jansen resolved, seconded by Thomas, to deny the resolution. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

21. **Resolution: Flood Plain Development Permit Application of Sean Taylor, 8005 Molokai Drive for a sun room addition on Lot 115, Hawaiian Village located in the floodway fringe of the Platte River. (2009-022)**

MOTION: Resolved by Richards, seconded by Jansen, to approve the Flood Plain Development Permit application. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

22. **Resolution: Authorize Chairman to sign the National Pollutant Discharge Elimination System (NPDES) Permit Reapplication. (2009-023)**

MOTION: Resolved by Jansen, seconded by Hike, to approve the permit reapplication for National Pollutant Discharge Elimination System

(NPDES) MS4 Permit for a Small Municipal Separate Storm Sewer System (MS4) as required by the NPDES Phase II storm water regulations and that Chairman Joni Jones, is designated the Cognizant Official and Planning Director Rebecca Horner is the designated Authorized Representative for the purposes of said reapplication and the Chairman, County Clerk and Planning Director are authorized to execute said Reapplication on behalf of Sarpy County, Nebraska and to take such other actions as may be necessary under the terms of said Reapplication. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

23. Resolution: Authorize Chairman to sign the agreement with the Nebraska Department of Roads for Improvements to the Intersection of 132nd St. & West Giles Road. (2009-024)

MOTION: Resolved by Richards, seconded by Jansen, to approve the agreement for the reasons stated in the resolution. On 12/16/2008, this Board approved a cost share agreement with the City of La Vista by Resolution 2008-362. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

24. Public Hearing & Resolution: Final Plat for Beacon View Lot 27 legally described as Tax Lot 2 aka Government Lot 2, part of the W1/2 of Section 29, Township 13N, Range 10E of the 6th P.M. Sarpy County, Nebraska (Highway 6 and the Platte River). (2009-025)

MOTION: After a public hearing, Jansen resolved, seconded by Richards, to approve the Final Plat for the reasons stated in the resolution. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

25. Executive Session: Litigation.

MOTION: At 5:42 P.M. Jansen moved, seconded by Hike, to go into executive session to discuss Litigation. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

Chairman Jones restated for the record that the County Board would go into Executive Session to discuss Litigation.

At 6:09 P.M. Chairman Jones stated for the record that the County Board had gone into Executive Session at 5:42 P.M. during which their discussion was restricted to Litigation and no formal Board action was taken.

MOTION: At 6:09 P.M. Jansen moved, seconded by Hike, to return to regular session. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

26. Adjournment

MOTION: At 6:09 P.M. Richards moved, seconded by Jansen, to adjourn until 2/3/2009 immediately following the Sarpy County Board of Equalization

Meeting to be held at 3:00 P.M. Ayes: Hike, Jones, Richards, Thomas & Jansen. Nays: None.

REPORTS The following reports were received and placed on file:

Fee Reports 12/2008	
Building Department	$ 28,296.94
Sheriff's Department	$ 14,117.67
County Clerk	$ 42,986.54

Joni M. Jones, Chairman
Sarpy County Board of Commissioners

Attest:

Debra J. Houghtaling
Sarpy County Clerk

REQUEST AND AUTHORIZATION TO
AUTHENTICATE, REGISTER AND DELIVER BONDS

$6,075,000
The County of Sarpy, Nebraska
General Obligation Highway Allocation Fund Pledge Bonds, Series 2009
Dated: Date of Delivery

(Closing: February 18, 2009)

February 18, 2009

Union Bank and Trust Company
6811 South 27th Street
Lincoln, Nebraska 68501-2535

Ladies and Gentlemen:

As Registrar under Resolution No. 2009-020 (the **"Resolution"**) duly passed on January 27, 2009 by the Board of Commissioners of The County of Sarpy, Nebraska (the **"County"**) authorizing the above-described bonds (the **"Bonds"**), you are hereby requested and authorized, pursuant to and in accordance with the Resolution, to (a) authenticate the Bonds in the aggregate principal amount of $6,075,000 in authorized denominations under the Resolution, (b) register the Bonds in such principal amounts and in such names as shall be specified by Ameritas Investment Corp., the underwriter of the Bonds (the **"Underwriter"**), and (c) deliver the Bonds as directed by the Underwriter upon payment for the account of the County of the purchase price therefor.

THE COUNTY OF SARPY, NEBRASKA

By: Joni Jones
Chair

CLOSING CERTIFICATE
AMERITAS INVESTMENT CORP.

$6,075,000
The County of Sarpy, Nebraska
General Obligation Highway Allocation Fund Pledge Bonds, Series 2009
Dated: Date of Delivery

(Closing: February 18, 2009)

AMERITAS INVESTMENT CORP., as underwriter (the **"Underwriter"**) of the above-described bonds (the **"Bonds"**), issued on the date of this Closing Certificate pursuant to Resolution No. 2009-020 (the **"Resolution"**) passed by the Board of Commissioners of by The County of Sarpy, Nebraska (the **"County"**) on January 27, 2009, hereby certifies, represents, and warrants as follows:

1. **Receipt for Bonds.** The Underwriter has received the Bonds from the County on the date hereof, which conform in all respects to the form, terms and provisions established by the Resolution.

2. **Public Offering.** The Bonds have been the subject of an initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers), at prices no higher than those shown on the cover of the Official Statement relating to the Bonds (the **"Offering Prices"**). On the basis of information available to the Representative reasonably believed to be correct, the Representative reasonably expects at least 10% of the aggregate principal amount of the Bonds of each maturity to be sold to the public at initial offering prices no higher than the Offering Prices.

3. **Yield.** The yield on the Bonds has been computed as described in **Section 3.12(b)** of the Federal Tax Certificate executed by the County with respect to the Bonds and the yield on the Bonds as stated therein is accurate.

4. **Weighted Average Maturities.** The weighed average maturity of the Bonds is accurately stated in Form 8038-G of the Internal Revenue Service executed by the County with respect to the Bonds.

5. **Compliance with Bond Purchase Agreement.** The Underwriter has timely received in satisfactory form and manner all proceedings, certificates, opinions, letters and other documents required to be submitted to it pursuant to the Bond Purchase Agreement on the date of the delivery of and payment for the Bonds (except to the extent its has waived or consented to modification of certain provisions thereof), and further acknowledges that the County has complied with and satisfied all obligations owed to the Underwriter pursuant to the Bond Purchase Agreement with which compliance or satisfaction is required on or before the date hereof.

6. **Book-Entry Form.** The Underwriter has taken all actions necessary to qualify the Bonds as book-entry obligations with The Depository Trust Company (**"DTC"**), including the preparation of the Blanket Letter of Representations, and has received verbal confirmation from DTC that the Bonds have been issued in book-entry form.

7. **Reliance on Representations.** This certificate may be relied upon by the County in executing and delivering the Federal Tax Certificate and by Gilmore & Bell, P.C., Bond Counsel, in rendering its opinion relating to the exclusion of the interest on the Bonds from federal gross income.

DATED: February 18, 2009

AMERITAS INVESTMENT CORP.

By: _____
Vice President

CLOSING CERTIFICATE
UNION BANK AND TRUST COMPANY

$6,075,000
The County of Sarpy, Nebraska
General Obligation Highway Allocation Fund Pledge Bonds, Series 2009
Dated: Date of Delivery

(Closing: February 18, 2009)

UNION BANK AND TRUST COMPANY, appointed as registrar and paying agent (the **"Registrar"**) under Resolution No. 2009-020 (the **"Resolution"**) duly passed January 27, 2009 by the Board of Commissioners of The County of Sarpy, Nebraska (the **"County"**) authorizing the issuance of the above-referenced bonds (the **"Bonds"**), hereby accepts its appointment as Registrar and agrees to fulfill all duties and obligations imposed upon it by the Resolution. The Registrar hereby certifies as follows:

1. It is a state banking corporation duly organized, existing and in good standing under and by virtue of the laws of the State of Nebraska, having its principal corporate trust office in Lincoln, Nebraska, and has the trust powers and the corporate power and authority to enter into and perform its obligations under the Resolution. **Exhibit A** to this Closing Certificate is a copy of the authority of the Registrar to operate in a fiduciary capacity and **Exhibit B** to this Closing Certificate is the certificate of an authorized officer of the Registrar setting out a resolution of the board of directors of the Registrar, which resolution has not been amended or modified and which remains in full force and effect, relating to authorization of officers to execute documents on behalf of the Registrar.

2. The Bonds, which are numbered, in the denominations, mature and are registered as to ownership as directed by Ameritas Investment Corp., the Purchaser thereof, have been authenticated by the manual signature of the following officer of the Registrar, which signature was duly authorized and the genuine authorized signature of such person is set forth below opposite his or her name and title:

NAME	TITLE	SIGNATURE
Ralene K. Klostermeyer	AVP	Ralene K. Klostermeyer

3. The Bonds, which have been authenticated and delivered, are in the form established by the Resolution.

IN WITNESS WHEREOF, the undersigned being thereunto duly authorized, has executed and delivered this Certificate.

DATED: February 18, 2009

UNION BANK AND TRUST COMPANY

By: Ralene K. Klostermeyer
Authorized Officer

EXHIBIT A

DEPARTMENT OF BANKING

CHARTER

Number 3

Number 66 UNION BANK

at LINCOLN COUNTY OF LANCASTER

HAS COMPLIED WITH ALL THE REQUIREMENTS OF LAW MADE AND PROVIDED FOR THE ESTABLISHMENT AND OPERATION OF A TRUST COMPANY BUSINESS IN A TRUST DEPARTMENT OF A COMMERCIAL BANK PURSUANT TO THE PROVISIONS OF LEGISLATIVE BILL 477, SIXTY-NINTH SESSION, NEBRASKA LEGISLATURE, 1959, THEREFORE,

I, Oliver Pearson, THE DEPARTMENT OF BANKING OF THE STATE OF NEBRASKA, HEREBY CERTIFIES THAT SAID

UNION BANK

IS AUTHORIZED TO TRANSACT A TRUST COMPANY BUSINESS IN A TRUST DEPARTMENT OF ITS BANK, IN ACCORDANCE WITH THE PROVISIONS OF LAW PERTAINING THERETO BEGINNING ON OR AFTER December 29, 1959.

In Witness Whereof, the Director of Banking has caused these presents to be signed and the official seal of said Department of Banking to be affixed this 29th day of December 1959.

DEPARTMENT OF BANKING, STATE OF NEBRASKA

Approved

Governor

Director of Banking

EXHIBIT B

UNION BANK & TRUST COMPANY®
MEMBER FDIC

Official Signing Authority Policy Statement and Resolution:

Executive Summary:

The purpose of Union Bank's Official Signing Authority Policy and Resolution is to provide to our employees with guidelines in making timely, accurate decisions; minimize the Bank's exposure to loss due to improper or unauthorized transactions as well as be in compliance with internal guidelines.

It is the responsibility of the Board of Directors to ensure that an Official Signing Authority Policy and Resolution is put in place and is monitored. The board must also ensure that the policy is followed at each of the bank's banking offices (branches). Therefore, Union Bank's Official Signing Authority Policy and Resolution should provide for the training of all employees of the bank involved in approval of the following categories.

I. Bank Borrowings
II. Bank Securities
III. Bank Official Checks
IV. Signature Guarantee Program
V. Bank Fee Waivers
VI. Receipt of Bank Deliveries
VII. Bank Contracts

Respectfully Submitted: _____
Alan Fosler S.V.P. Bank Operations and Cashier

Board Approval Date: 1·25·08

UNION BANK & TRUST COMPANY®
MEMBER FDIC

OFFICIAL SIGNING AUTHORITY POLICY AND RESOLUTION:

Union Bank and Trust Company ("Union Bank") located in Nebraska has developed an Official Signing Authority Policy and Resolution as a written description of the controls that shall be in place to regulate signing authority for borrowing funds and for transferring, converting, endorsing, selling and delivering any and all shares of stocks, bonds, debentures, notes, subscription warrants, stock purchase warrants, evidences of indebtedness or other securities now or hereafter standing in the name of or owned by Union Bank and its subsidiaries. This resolution also covers execution of official checks, paper or electronic items, expense approvals, contracts, trust agreements, agency agreements, or other agreements issued in the name of or payable by Union Bank. The authority granted as a result of this resolution shall be exercised only in official transactions by employees who are acting within the course and scope of their employment.

This policy and resolution does not change the specific authority or limits identified in other bank polices which have been previously been approved by the Board of Directors.

Bank Borrowings:
Resolve that the following officers of Union Bank and Trust Company, when acting within the course and scope of their employment, are hereby fully authorized and empowered to borrow unlimited funds on behalf of Union Bank; Jay L. Dunlap, Chairman Emeritus, Angie Muhleisen, CEO & President, Ross W. Wilcox, Vice-Chairman, Kenneth L. Backemeyer, Senior Vice President, and Alan Fosler, Senior Vice President and Cashier.

Bank Securities, Trusts, and Agencies:
Resolve that the following officers of Union Bank and Trust Company, when acting within the course and scope of their employment, are hereby fully authorized and empowered to execute and deliver trust and agency agreements, to transfer, convert, endorse, sell, assign, set over and deliver any and all shares of stocks, bonds, debentures, notes, subscription warrants, stock purchase warrants, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by Union Bank and its subsidiaries, and to make, execute and deliver any and all, up to an unlimited amount, written instruments of assignment and transfer necessary or proper to effectuate authority hereby concurred: Jay L. Dunlap, Chairman Emeritus; Angie Muhleisen, CEO & President; Ross W. Wilcox, Vice-Chairman; Kenneth L. Backemeyer, Senior Vice President; Alan Fosler, Senior Vice President and Cashier; R. David Wilcox, Senior Vice President; Bill Eastwood, Senior Vice President; Jay J. Steinacher, First Vice President; Jon Gross, Senior Vice President and Investment Officer; Bradley Philson, First Vice President and Senior Trust Officer, Mark Portz, Vice President and Portfolio Manager.

Additionally, the following officers of Union Bank and Trust Company, when acting within the course and scope of their employment, are hereby fully authorized and empowered to transfer, convert, endorse,

sell, assign, set over and deliver any and all shares of stocks, bonds, debentures, notes, subscription warrants, stock purchase warrants, evidences of indebtedness, or other securities now or hereafter standing in the name of or owned by Union Bank and its subsidiaries, and to make, execute and deliver any and all, up to an an amount not to exceed $5,000,000.00, written instruments of assignment and transfer necessary or proper to effectuate authority hereby concurred: Vicki Huff, First Vice President & Trust Marketing Officer; Kimberly Munnis, Vice President & Senior Trust Officer; Alice Skultety, Vice President & Senior Trust Officer; John B. Atkins, Vice President & Senior Trust Officer; Julie Hogg, Vice President & Trust Officer; Lisa Moore, Vice President & Trust Officer; Kevin Kelch, Assistant Vice President; Steve Kryger, Assistant Vice President & Trust Officer; Chad Melcher, First Vice President; Leslie Gibbens, Vice President & Trust Officer; Tim Ashton, Vice President; John Nownes, Vice President; Doug Weishahn, Assistant Vice President; Tanya Dick, Assistant Vice President; Tom Sullivan, Vice President & Portfolio Manager; Ryan Sailor, Vice President & Portfolio Manager; Franklin Savage, Assistant Vice President; Ralene Klostermeyer, Assistant Vice President; Stacy Gutschenritter, Administrator & Trust Officer; Tammy Engle, Assistant Vice President; Jeff Jewell, Assistant Vice President; Andy Kafka, Trust Officer, Roman Windrum, Portfolio Manger, Brian Mosher, Vice President, Doug Koenig, Trust Officer, Julie Pokorny, Vice President & Senior Trust Officer.

Bank Official Checks:

Union Bank and Trust Company employees, who within the scope of their regular duties perform financial transactions, shall be authorized to issue official bank checks, provided that the source of funds for such checks has been properly verified, and that said checks contain the required two signatures described within this policy. The following monetary limits for issuing new official checks are established and approved:

Cashier's Checks issued for an unlimited amount may be issued by two signatures, provided that one signature is of the bank's CEO & President, Vice-Chairman or Chairman Emeritus. Additionally all checks issued in an amount over $5,000,000.00 require that both signers be bank officers.

Cashier's Checks issued for an amount up to $5,000,000.00 may be issued by two signatures, provided that one signature is that of a bank officer with Senior Vice President status or above.

Cashier's Checks issued for an amount up to $500,000.00 may be issued by two signatures, provided that one signature is of an officer of the bank.

Cashier's Checks issued for an amount up to $250,000.00 may be issued by two signatures, provided that both signatures are valid bank employees.

Additionally, any pre-printed official check stock including; Bill Payment Checks, Trust checks, and Expense Checks, etc., issued by the bank's automatic systems shall be authorized only up to an amount not to exceed $500,000.00.

Expense Checks issued by Union Bank and Trust Company require the signature of two bank officers, and are limited to an amount not to exceed $500,000.00.

Expense Checks issued for $500,000.00 up to $5,000,000.00 require one of the bank officer signatures to be that of a bank officer with Senior Vice President status or above.

Any Expense Check issued for an amount over $5,000,000.00 requires one signature to be that of the bank's CEO & President, Vice-Chairman, or Chairman Emeritus.

Signature Guarantee Program

Union Bank participates in the Medallion Stamp Signature Guarantee Program. Authorized signers may sign documents pertaining to the sale, transfer, or redemption of securities up to an amount not to exceed $2,000,000.00. Specific procedures and the list of authorized signers for the program are located on the Intranet under Departments – Compliance. Administrators of the Bank's Signature Guarantee Program are Tanya Lebsock, Trust Compliance Officer and Cynthia Tinkham, Operations Compliance Officer. The Administrators maintain the list of authorized signers for the Signature Guarantee Program.

Bank Fee Waivers:

All financial transactions or agreements involving loan, deposit, or trust accounts are subject to various committee approvals as required in Union Bank and Trust Company's departmental policies. Any significant waiver from standard fees, terms, and general conditions in said documents and departmental policies require written approval from an officer of the bank with Senior Vice President status or above and are restricted to those whom within the scope of their regular duties perform such transactions.

Receipt of Bank Deliveries:

Any valid bank employee is authorized to sign for receipt of mail or packages delivered to Union Bank & Trust Company. Employees are then responsible for further delivery of received items to the proper bank department or addressee.

Bank Contracts:

All bank officers with Senior Vice President status and above shall be authorized to enter into contractual agreements, property leases, or other agreements that bind Union Bank to terms and conditions up to $1,000,000.00 in combined financial value. Any transaction over said amount would additionally require approval from the bank's CEO & President, Vice-Chairman or Chairman Emeritus.

Board Approval

We the undersigned hereby certify that the foregoing is a true and correct copy of a policy and resolution passed at a meeting of the Board of Directors, the governing body of Union Bank and Trust Company, Lincoln, Nebraska, a Nebraska banking corporation duly organized and existing under and by virtue of the laws of the State of Nebraska, and the undersigned further certify that due notice of said meeting was given to each member of said Board, that a quorum was present and that said resolution has not been amended or repealed.

In witness whereof, I have hereunto set my hand and the seal of this corporation this 28 day of December, 2007.

Alan Fosler, Senior Vice President and Cashier

Angie Muhleisen, CEO & President of Union Bank and Trust Company

Moody's Investors Service

100 N. Riverside Plaza
Suite 2220
Chicago, IL 60606

Henrietta Chang
Vice President/Sr. Analyst
Tel: 312.706.9960
Fax: 312.706 9999
E-mail: henrietta.chang@moodys.com

January 22, 2009

Mr. Brian Hanson
Fiscal Administrator
County of Sarpy
1210 Golden Gate Drive
Papillion, NE 68046

Dear Mr. Hanson:

We wish to inform you that on January 20, 2009, Moody's Investors Service reviewed and assigned a rating of **Aa2** to Sarpy (County of) NE's General Obligation Highway Allocation Fund Pledge Bonds, Series 2009.

In order for us to maintain the currency of our ratings, we request that you provide ongoing disclosure, of current financial and statistical information.

Moody's will monitor this rating and reserves the right, at its sole discretion, to revise or withdraw this rating at any time in the future.

The rating, as well as any revisions or withdrawals thereof, will be publicly disseminated by Moody's through normal print and electronic media and in response to verbal requests to Moody's Rating Desk.

Should you have any questions regarding the above, please do not hesitate to contact me or the analyst assigned to this transaction, Jean Iseman at 312-706-9958.

Sincerely,

Henrietta Chang

cc:
Mr. Alan Eveland
Ameritas Investment Corporation

Blanket Issuer Letter of Representations

[To be Completed by Issuer]

SARPY COUNTY, NEBRASKA
[Name of Issuer]

July 20, 1995
[Date]

Attention: Underwriting Department — Eligibility
The Depository Trust Company
55 Water Street; 50th Floor
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

SARPY COUNTY, NEBRASKA
(Issuer)

By: Ron Wood, Chairman
Name (Authorized Officer's Signature) Title
Board of County Commissioners
1210 Golden Gate Dr., Papillion, NE. 68046
Address

(402) 593-4155
Telephone No.

Received and Accepted:

THE DEPOSITORY TRUST COMPANY

By: _____

SCHEDULE A
(To Blanket Issuer Letter of Representations)

SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

(Prepared by DTC--bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com** and www.dtc.org.

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

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

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

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

NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

Mike Foley
State Auditor

Mike.Foley@apa.ne.gov
P.O. Box 98917
State Capitol, Suite 2303
Lincoln, Nebraska 68509
402-471-2111, FAX 402-471-3301
www.auditors.state.ne.us

STATE OF NEBRASKA
OFFICE OF THE AUDITOR OF PUBLIC ACCOUNTS

February 19, 2009

The office of the Auditor of Public Accounts of the State of Nebraska is in receipt of the bond issuance documents for The County of Sarpy, Nebraska, General Obligation Highway Allocation Fund Pledge Bonds, Series 2009. These documents have been filed pursuant to the requirements of Neb. Rev. Stat. § 10-140 (Cum. Supp. 2006).

(SEAL)

Ashley DeBuhr, Bond Registrar

Book C-8, Page Number 263

printed on recycled paper

Received
FEB 18 2009
NEBRASKA
STATE AUDITOR'S
OFFICE

To:
Auditor of Public Accounts
Capitol Building, Suite 2303
P.O. Box 98917
Lincoln, NE 68509

From:
Gilmore & Bell, P.C.
Wells Fargo Center, Suite 710
1248 "O" Street
Lincoln, NE 68508

FILING INFORMATION

Name of Underwriters:
Ameritas Investment Corp.

Name of Issuer:
The County of Sarpy, Nebraska

Title or Designation of Bonds:

$6,075,000
The County of Sarpy, Nebraska
General Obligation Highway Allocation Fund Pledge Bonds, Series 2009
(the "Bonds")

Date of Bonds:
February 18, 2009

Principal Amount of Bonds Initially Issued:

Maturity	Principal Amount	Interest Rate
December 15, 2009	$1,195,000	1.00%
December 15, 2010	1,195,000	1.35
December 15, 2011	1,210,000	1.50
December 15, 2012	1,225,000	1.65
December 15, 2013	1,250,000	1.90

Paying Agent and Registrar where principal and interest are payable:
Union Bank and Trust Company, Lincoln, Nebraska

Principal purpose for which bond was issued:

The County will use the proceeds of the Bonds to pay (a) the costs of constructing improvements to 96th Street in the County and (b) the costs of issuing the Bonds.

Attachment 1 - Costs of Issuance
Attachment 2 - Form 8038-G

COSTS OF ISSUANCE

Cost Item:		Paid From Bond Proceeds	Paid From Other Issuer Funds
1.	Underwriters' Fee (including expenses, management fee and underwriter's discount) Name: Ameritas Investment Corp.	$ 63,787.50	$0.00
2.	Bond Counsel Name: Gilmore & Bell. P.C.	included in underwriter's fee (+ expenses)	$ 0.00
3.	Other Counsel (e.g., underwriter's counsel, special counsel, etc.; please specify type, if any) Name: Not Applicable.	$ 0.00	$ 0.00
4.	Financial Advisor Fee Name: Not Applicable.	$ 0.00	$ 0.00
5.	Rating Agency Fees Name: Moody's Investors Service.	$ 5,950.00	$ 0.00
6.	Certificate Insurance/Credit Enhancement Fee Name: Not Applicable.	$ 0.00	$ 0.00
7.	Registration Fees (e.g., MSRB, CUSIP, Blue Sky, etc.)	$ 0.00	$ 0.00
8.	Paying Agent Fees (e.g., opening trustee fee, escrow agent fee, paying agent fee) Name: Name: Union Bank and Trust Company	$ 1,000.00	$ 0.00
9.	Other costs (e.g., printing, publication, cash flow fees, travel expenses, other professional fees, if any, etc.)	$ 500.00	$ 0.00
	Total (1 through 9)	$ 71,237.50	$ 0.00

Form **8038-G** (Rev November 2000) Department of the Treasury Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate Instructions.

Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

Part I Reporting Authority

If Amended Return, check here ▶ ☐

1	Issuer's name The County of Sarpy, Nebraska	2	Issuer's employer identification number 47 : 6006504
3	Number and street (or P.O. box if mail is not delivered to street address) 1210 Golden Gate Drive	Room/suite	4 Report number 3 2009-1
5	City, town, or post office, state, and ZIP code Papillion, Nebraska 68046	6	Date of issue February 18, 2009
7	Name of issue General Obligation Highway Allocation Fund Pledge Bonds	8	CUSIP number 80373F JL 2
9	Name and title of officer or legal representative whom the IRS may call for more information Brian Hanson, Fiscal Administrator	10	Telephone number of officer or legal representative (402) 593-2349

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

11	☐ Education	11	
12	☐ Health and hospital	12	
13	☐ Transportation	13	
14	☐ Public safety	14	
15	☐ Environment (including sewage bonds)	15	
16	☐ Housing	16	
17	☐ Utilities	17	
18	☑ Other. Describe ▶ streets	18	6,075,000.00
19	If obligations are TANs or RANs, check box ▶ ☐ If obligations are BANs, check box ▶ ☐		
20	If obligations are in the form of a lease or installment sale, check box ▶ ☐		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	12-15-2013	$ 6,075,000.00	$ 6,075,000.00	2.88 years	1.6304949 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest			22	0.00
23	Issue price of entire issue (enter amount from line 21, column (b))			23	6,075,000.00
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	71,237.50		
25	Proceeds used for credit enhancement	25	0.00		
26	Proceeds allocated to reasonably required reserve or replacement fund	26	0.00		
27	Proceeds used to currently refund prior issues	27	0.00		
28	Proceeds used to advance refund prior issues	28	0.00		
29	Total (add lines 24 through 28)			29	71,237.50
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	6,003,762.50

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	N/A years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	N/A years
33	Enter the last date on which the refunded bonds will be called ▶	N/A
34	Enter the date(s) the refunded bonds were issued ▶ N/A	

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	0.00
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	0.00
b	Enter the final maturity date of the guaranteed investment contract ▶ N/A		
37	Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units	37a	0.00
b	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the name of the issuer ▶ N/A and the date of the issue ▶ N/A		
38	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☐		
39	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐		
40	If the issuer has identified a hedge, check box ▶ ☐		

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete

Joni Jones 2/17/2009

Signature of issuer's authorized representative — Date

Joni Jones, Chair
County Board of Commissioners
Type or print name and title

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KANSAS CITY, MISSOURI
ST. LOUIS, MISSOURI
WICHITA, KANSAS

February 18, 2009

Board of Commissioners
The County of Sarpy, Nebraska
Papillion, Nebraska

Ameritas Investment Corp.
Lincoln, Nebraska

Re: $6,075,000 The County of Sarpy, Nebraska, General Obligation Highway Allocation Fund Pledge Bonds, Series 2009

Gentlemen:

We have acted as bond counsel to The County of Sarpy, Nebraska (the "Issuer"), in connection with the issuance of the above-captioned bonds (the "Bonds"). In this capacity, we have examined the law and the certified proceedings, certifications and other documents that we deem necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based on and subject to the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding general obligations of the Issuer.

2. The Bonds are payable as to both principal and interest from (a) a pledge of funds received and to be received by the Issuer from the Highway Allocation Fund of the State of Nebraska (the "Highway Allocation Fund") and (b) a levy of ad valorem taxes upon all the taxable property within the territorial limits of the Issuer at such rate or rates within applicable statutory and constitutional limitations which, together with receipts from the Highway Allocation Fund and any other money made available and used for such purpose, will be sufficient to make payment of the principal of and interest on the Bonds, when and as the same shall become due.

3. The interest on the Bonds is excludable from gross income for federal and Nebraska income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; such interest, however, is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in this paragraph is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Bonds in order to preserve the exclusion of the interest on the Bonds from gross income for federal and Nebraska income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal and Nebraska income tax purposes retroactive to the date of issuance of the Bonds. The Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

We express no opinion regarding the accuracy, completeness or sufficiency of the Offering Circular or other offering material relating to the Bonds (except to the extent, if any, stated in the Offering Circular). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Very truly yours,

Gilmore & Bell, P.C.