
TRANSCRIPT OF PROCEEDINGS

\$5,090,000

THE COUNTY OF SARPY, NEBRASKA

**LIMITED TAX REFUNDING BUILDING BONDS
SERIES 2014**

Dated Date of Delivery

Closing Date: April 15, 2014

**Legal Opinion:
Gilmore & Bell, P.C.
Omaha, Nebraska**

\$5,090,000
THE COUNTY OF SARPY, NEBRASKA
LIMITED TAX REFUNDING BUILDING BONDS
SERIES 2014

APRIL 15, 2014

CLOSING DOCUMENTS

1. Proceedings of the Governing Body of the Issuer Authorizing Issuance of Bonds
2. Direction for Call
3. Preliminary Official Statement
4. Official Statement
5. Bond Purchase Agreement
6. Paying Agent and Registrar's Agreement and Certificate
7. Information Record and Evidence of Filing with State Auditor
8. Underwriter's Receipt for Bonds and Certificate
9. Escrow Agreement and Certificate
10. Federal Tax Certificate
11. Closing Certificates of the Issuer
12. Continuing Disclosure Undertaking
13. Specimen Bond No. 1
14. Form 8038-G and Evidence of Filing
15. Opinion of Bond Counsel

Item 1

AFFIDAVIT OF PUBLICATION

STATE OF NEBRASKA }
 } SS.
County of Sarpy }

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

Wednesday, March 5, 2014
Bellevue Leader
Gretna Breeze
Papillion Times
Springfield Monitor

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

Shon Barenklau OR Anne Lee
Publisher Business Manager

**BOARD OF EQUALIZATION AND
BOARD OF COUNTY COMMISSIONERS
OF SARPY COUNTY, NEBRASKA**
1210 Golden Gate Drive
Papillion, Nebraska

Today's Date 03-04-2014
Signed in my presence and sworn to before me:

Notary Public



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, March 11, 2014, 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.
Jim Thompson, Chairman
Sarpy County Board of Commissioners
1706984; 3/5

Printer's Fee \$ 10.32
Customer Number: 40941
Order Number: 0001709964

MINUTES OF MEETING
SARPY COUNTY BOARD OF COMMISSIONERS
Tuesday, March 11, 2014
Sarpy County Courthouse, Sarpy County Board Room
www.sarpy.com/countyboard/minutes/

Notice of the Board of Commissioners meeting was given in advance thereto by publication in the Suburban Newspapers, Inc. dba Bellevue Leader, Papillion Times, Gretna Breeze and Springfield Monitor on March 5, 2014. 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 the meeting. The location of the posted "Nebraska Open Meetings Act" was given and the meeting of the Sarpy County Board of Commissioners convened in open and public session by Board of Commissioners Chairman Jim Thompson at 3:03 P.M. immediately following the Board of Equalization meeting.

Commissioners Present: Don Kelly, Jim Thompson, Tom Richards, Brenda Carlisle,
Jim Warren

Commissioners Absent: None

Others Present: County Clerk Deb Houghtaling
County Administrator Mark Wayne
Deputy County Attorney Mike Smith

Employee Recognition: Years of Service Presentation. Linda Welles,
Human Resources Coordinator

Linda Welles presented the awards for years of service.

Chairman Thompson requested item 4 be removed from the Consent Agenda and be 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. Items removed will be placed under the Regular Agenda for action by the County Board.

1. Approve minutes (March 4, 2014). Deb Houghtaling, County Clerk
2. Approve claims report. Deb Houghtaling, County Clerk
3. Approve request from City of Bellevue for free access to the Sarpy County Landfill for their Spring Clean Up event to be held on May 10, 2014 and for reduced fee for their Fall Clean Up event to be held on October 11, 2014. Duwaine Brigman, Landfill Director
- *4. *Resolution 2014-84: Authorize Chairman to sign agreement for Payment in-Lieu of Taxes for Lot 3, Schewe Farms. Mike Smith, Deputy County Attorney* **MOVED TO REGULAR AGENDA**

MOTION: Warren moved, seconded by Kelly, to approve the Consent Agenda items as amended with the removal of item 4. Ayes: Kelly, Thompson, Richards, Carlisle & Warren. Nays: None.

REGULAR AGENDA

- *4. Resolution 2014-84: Authorize Chairman to sign agreement for Payment in-Lieu of Taxes for Lot 3, Schewe Farms. Mike Smith, Deputy County Attorney

MOTION: Warren resolved, seconded by Kelly, to approve the resolution for the agreement with SID 290, Schewe Farms to pay real estate taxes that would be owed to District in lieu of tax payments as a condition of the previous agreement to purchase said real estate (approved by Resolution 2013-445) to be used for Werner Park Stadium vehicle parking among other things. Ayes: Kelly, Thompson, Carlisle & Warren. Nays: Richards.

5. Resolution 2014-85: Authorize the Issuance of Refunding Bonds for the Law Enforcement Center Bonds issued in 2009. Bruce Lefler of Ameritas Investment Corp.

MOTION: Carlisle resolved, seconded by Richards, to approve the resolution to call Outstanding Limited Tax Building Bonds Series 2009 and for the issuance, sale and delivery of Limited Tax Refunding Building Bonds, Series 2014, of the County of Sarpy, Nebraska in the principal amount of \$5,090,000 for the purpose of providing for the payment and redemption of \$4,875,000 principal amount of the County's Limited Tax Building Bonds, Series 2009, dated December 8, 2009; prescribing the form and details of the Bonds; agreeing to levy and annual tax pursuant to Section 23-120(3)(B) for the payment of the principal of and interest on the bonds; making certain covenants and agreements with respect thereto; and related matters. Ayes: Kelly, Thompson, Richards, Carlisle & Warren. Nays: None.

6. Public Hearing and Resolution 2014-86: Reject bid for the removal and replacement of various bridges, Project C-77 (12-07) and permission to re-solicit bids for the Public Works Department. Beth Garber, Purchaser

MOTION: After a public hearing, Richards resolved, seconded by Carlisle, to approve the resolution to reject the bid and grant permission to rebid the project. Ayes: Kelly, Thompson, Richards, Carlisle & Warren. Nays: None.

7. Public Hearing and Resolution 2014-87: Approve subdivision agreement between Sarpy County, Boyer Young Equities XVI, LLC and Sanitary and Improvement District, SID 294 for Remington Ridge Lots 73-156 inclusive and Outlots C and D. Bruce Fountain, Planning Director

MOTION: After a public hearing, Kelly resolved, seconded by Warren, to approve the resolution for the subdivision agreement attached to the resolution as "Exhibit A". Ayes: Kelly, Thompson, Richards, Carlisle & Warren. Nays: None.

8. Public Hearing and Resolution 2014-88: Final Plat, Boyer Young Development, Remington Ridge, Lots 73-156 inclusive, Outlots C & D, northwest of 192nd and Giles Road. Donna Lynam, Zoning Administrator / Building Inspector

MOTION: After a public hearing, Warren resolved, seconded by Kelly, to approve the resolution for the Final Plat legally described as Tax Lot 7, Section 18, Township 14N, Range 11E of the 6th P.M. Sarpy County, NE. Ayes: Kelly, Thompson, Richards, Carlisle & Warren. Nays: None

9. Public Hearing and Resolution 2014-89: Adopt amended Sarpy County Zoning Regulations, text amendments to Sections: 2 - Administration & Enforcement; 20 - General Business District (BG); 21 - Heavy General Business District (BGH); 23 - Light Industrial District (IL); 24 - General Manufacturing District (IGM); 36 - Wireless Tower District; 41 - Special Use Permits; 42 - Board of Adjustment; 43 - Amendments & Rezoning; 44 - Definitions. Bruce Fountain, Planning Director

MOTION: After a public hearing, Carlisle resolved, seconded by Kelly, to approve the resolution with proposed amendments to the Zoning Regulations attached to the resolution as Exhibit "A" and further to adopt the amended Zoning Regulations attached to the resolution as "Exhibit B"; effective date shall be March 11, 2014. Ayes: Kelly, Thompson, Richards, Carlisle & Warren. Nays: None.

10. (Tabled from March 4, 2014) Resolution 2014-82: Authorize Public Defender to hire secretary. Thomas P. Strigenz, Public Defender 593-5933

MOTION: Carlisle resolved, seconded by Warren, to approve the resolution authorizing the Public Defender to hire an additional Secretary who shall be paid pursuant to the Sarpy County Employee Association Salary Schedule at Grade 7, Step 1 which is currently \$14.476 per hour or \$30,110.08 per year. Ayes: None. Nays: Kelly, Thompson, Richards, Carlisle & Warren.

11. Resolution 2014-90: Authorize Chairman to sign master agreement with JEO Consulting Group, Inc. for on call professional engineering services. Dennis Wilson, Engineer

MOTION: Warren resolved, seconded by Richards, to approve the resolution for the Master Services Agreement for professional services as outlined in the agreement attached to the resolution, effective March 31, 2014. Ayes: Kelly, Thompson, Richards, Carlisle & Warren. Nays: None.

12. Discussion: City of La Vista Request for Proposals for Information Technology Support Services. Mark Walters, Information Systems Director

Mr. Walters addressed the Board and a discussion was held.

13. Discussion: Arterial Street Improvement Program (ASIP). Scott Bovick, Deputy Administrator

Mr. Bovick addressed the Board and a discussion was held.

14. Executive Sessions: Contract Negotiations and Personnel. Mark Wayne, County Administrator

MOTION: At 3:51 P.M. Carlisle moved, seconded by Warren, to go into executive session to discuss Contract Negotiations and Personnel. Ayes: Kelly, Thompson, Richards, Carlisle & Warren. Nays: None.

Chairman Thompson restated for the record that the County Board would go into Executive Session to discuss Contract Negotiations and Personnel after calling for a 5 minute recess.

At 5:03 P.M. Chairman Thompson stated for the record that the County Board had gone into Executive Session at 3:56 P.M. during which their discussion was restricted to Contract Negotiations and Personnel and no formal Board action was taken.

MOTION: At 5:03 P.M. Richards moved, seconded by Warren, to return to regular session. Ayes: Kelly, Thompson, Richards, Carlisle & Warren. Nays: None.

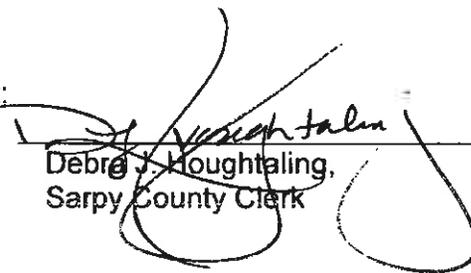
15. Adjournment.

MOTION: At 5:04 P.M. Richards moved, seconded by Thompson, to adjourn until March 18, 2014 immediately following the Sarpy County Board of Equalization Meeting to be held at 3:00 P.M. Ayes: Kelly, Thompson, Richards, Carlisle & Warren. Nays: None.



Jim Thompson, Chairman
Sarpy County Board of Commissioners

Attest:



Debra J. Houghtaling,
Sarpy County Clerk

Vendor Name	Org-Object-Object Description	Invoice Amount
0100 - COUNTY GENERAL		
60400 - REGISTER OF DEEDS		
DEEP ROCK WATER CO	SUPPLIES-OFFICE	33.80
	DEPT TOTAL	33.80
60500 - ASSESSOR		
BAKERS AUTO BODY, INC	MACHINERY EQUIPMENT-CARS	979.20
BAKERS AUTO BODY, INC	MACHINERY EQUIPMENT-CARS	275.00
SARPY COUNTY FLEET SERVICE DEPT	ROAD EQUIPMENT REPAIR PARTS	17.06
	DEPT TOTAL	1,271.26
60700 - ELECTION COMMISSIONER		
OFFICE DEPOT	SUPPLIES-OFFICE	29.22
WAYNE BENA	TRAVEL EXPENSES	58.26
	DEPT TOTAL	87.48
60800 - PLANNING & ZONING		
BRUCE FOUNTAIN	TELEPHONE SERVICE	55.00
DAILY RECORD, THE	PRINTING & PUBLICATIONS	31.10
VERIZON WIRELESS	TELEPHONE SERVICE	100.85
	DEPT TOTAL	186.95
61200 - HUMAN RESOURCES		
HRAM	DUES & SUBSCRIPTIONS	190.00
OFFICE DEPOT	SUPPLIES-OFFICE	99.09
OFFICE DEPOT	AWARDS & PRESENTATIONS	75.04
	DEPT TOTAL	364.13
61300 - RECORDS MANAGEMENT		
NEBRASKA CHAPTER,ARMA INC	REGISTRATION AND TRAINING FEES	135.00
	DEPT TOTAL	135.00
61800 - BOARD OF EQUA		
CORNHUSKER STATE INDUSTRIES	SUPPLIES-OFFICE	150.55
	DEPT TOTAL	150.55
62100 - CLERK OF THE DISTRICT COURT		
CAROL KREMER	DUES & SUBSCRIPTIONS	51.84
KARLA PLACEK	DUES & SUBSCRIPTIONS	42.42
LISA MULVANEY	DUES & SUBSCRIPTIONS	81.74
NEBRASKA STATE BAR ASSOCIATION	DUES & SUBSCRIPTIONS	35.00
OFFICE DEPOT	SUPPLIES-OFFICE	75.18
	DEPT TOTAL	286.18
62200 - COUNTY COURT		
CANDICE J NOVAK	ATTORNEY FEES	4,220.18
DEBRA OCONNOR	WITNESS FEES	20.00
MEGHAN ELKINS	WITNESS FEES	20.00
NATIONAL ASSOC FOR COURT MGMNT	DUES & SUBSCRIPTIONS	125.00
SAMUEL L DOWNEY	WITNESS FEES	20.00
SAMUEL L DOWNEY	WITNESS FEES	20.00
SARPY COUNTY COURT	TRANSCRIPTION EXPENSES	184.08
	DEPT TOTAL	4,609.26
62350 - JUVENILE COURT JUDGE		
ABH ADDICTION & BEHAVIORIAL SERV	DRUG COURT CHARGES	304.00
ABH ADDICTION & BEHAVIORIAL SERV	DRUG COURT CHARGES	73.50
ABH ADDICTION & BEHAVIORIAL SERV	DRUG COURT CHARGES	166.75
ABH ADDICTION & BEHAVIORIAL SERV	DRUG COURT CHARGES	60.90
ABH ADDICTION & BEHAVIORIAL SERV	DRUG COURT CHARGES	162.61
ABH ADDICTION & BEHAVIORIAL SERV	DRUG COURT CHARGES	113.12
ABH ADDICTION & BEHAVIORIAL SERV	DRUG COURT CHARGES	98.00
ABH ADDICTION & BEHAVIORIAL SERV	DRUG COURT CHARGES	98.00
ABH ADDICTION & BEHAVIORIAL SERV	DRUG COURT CHARGES	93.25

Vendor Name	Org-Object-Object Description	Invoice Amount
ABH ADDICTION & BEHAVORIAL SERV	DRUG COURT CHARGES	25.00
ABH ADDICTION & BEHAVORIAL SERV	DRUG COURT CHARGES	134.33
ABH ADDICTION & BEHAVORIAL SERV	DRUG COURT CHARGES	73.50
ABH ADDICTION & BEHAVORIAL SERV	DRUG COURT CHARGES	24.50
ABH ADDICTION & BEHAVORIAL SERV	DRUG COURT CHARGES	91.91
ABH ADDICTION & BEHAVORIAL SERV	DRUG COURT CHARGES	151.50
ABH ADDICTION & BEHAVORIAL SERV	DRUG COURT CHARGES	24.50
DANETTE L THIBAUT, RMR	ATTORNEY FEES	385.00
DEPT TOTAL		2,080.37
62400 - DISTRICT JUDGE		
MICHELLE BREZINSKI	COURT APPOINT COUNSEL-CONTRACT	206.25
OFFICE DEPOT	SUPPLIES-OFFICE	48.08
DEPT TOTAL		254.33
62500 - PUBLIC DEFENDER		
JUSTICE WORKS LLC	CONTRACTUAL SERVICES	397.25
NCDAA	REGISTRATION AND TRAINING FEES	175.00
OFFICE DEPOT	SUPPLIES-OFFICE	34.66
STEFANIE ALLISON	DISTRICT COURT COSTS	202.50
DEPT TOTAL		809.41
63000 - CASA		
OFFICE DEPOT	SUPPLIES-OFFICE	24.06
THE OFFICE PAL	SUPPLIES-OFFICE	120.00
DEPT TOTAL		144.06
64100 - FACILITIES MANAGEMENT		
COMMERCIAL CLEANING SUPPLY	SUPPLIES-ELECTRICAL	252.60
CUMMINS CENTRAL POWER LLC	CONTRACTUAL SERVICES	859.80
GRAINGER	BUILDING REPAIR	31.44
HOBBY LOBBY STORES, INC	SUPPLIES-OFFICE	149.00
JAMES KATUSIN	TELEPHONE SERVICE	17.06
JEFFREY M VANCE	BUILDING REPAIR	875.00
KEY MASTERS	BUILDING REPAIR	30.00
KEY MASTERS	BUILDING REPAIR	96.00
KOROSEAL INTERIOR PRODUCTS GROUF	BUILDING REPAIR	50.46
LIEN TERMITE& PEST CONTROL,INC	CONTRACTUAL SERVICES	36.00
LIEN TERMITE& PEST CONTROL,INC	CONTRACTUAL SERVICES	40.00
MAX I. WALKER UNIFORM RENTAL	UNIFORM ALLOWANCE	156.12
MENARDS, INC	HISTORICAL MUSEUM	241.55
NATIONAL PAPER CO.,INC.	SUPPLIES-JANITORIAL	91.65
O'KEEFE ELEVATOR COMPANY INC	CONTRACTUAL SERVICES	385.45
OFFICE DEPOT	SUPPLIES-JANITORIAL	13.38
OFFICE DEPOT	SUPPLIES-OFFICE	9.33
SARPY COUNTY FLEET SERVICE DEPT	ROAD EQUIPMENT REPAIR PARTS	101.75
SHERWIN WILLIAMS PAINT	BUILDING REPAIR	37.19
TERMINIX INTERNATIONAL	CONTRACTUAL SERVICES	28.00
ULINE	SUPPLIES-OFFICE	190.44
VERIZON WIRELESS	TELEPHONE SERVICE	307.75
DEPT TOTAL		3,999.97
64200 - PUBLIC PROP UTIL		
BLACK HILLS UTILITY HOLDINGS INC	UTILITIES-HEATING FUELS	12,930.85
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	30.76
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	49.20
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	24.21
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	21.38
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	24.60
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	129.49

Vendor Name	Org-Object-Object Description	Invoice Amount
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	1,320.48
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	1,448.13
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	155.95
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	15.38
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	317.71
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	79.66
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	171.61
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	46.13
CITY OF PAPILLION - CITY CLERK	UTILITIES-WATER	78.98
OMAHA PUBLIC POWER DISTRICT	UTILITIES-LIGHT	31,003.33
OMAHA PUBLIC POWER DISTRICT	UTILITIES-LIGHT	265.93
DEPT TOTAL		48,113.78
64400 - JAIL MAINTENANCE		
NATIONAL PAPER CO.,INC.	SUPPLIES-JANITORIAL	129.47
O'KEEFE ELEVATOR COMPANY INC	CONTRACTUAL SERVICES	256.96
SYSCO LINCOLN	SUPPLIES-JANITORIAL	252.73
DEPT TOTAL		639.16
64450 - JJC MAINTENANCE		
ALL FLAGS ETC	BUILDING REPAIR	30.25
DEPT TOTAL		30.25
64460 - SHERIFF ADMIN MAINTENANCE		
CUMMINS CENTRAL POWER LLC	CONTRACTUAL SERVICES	909.80
DEPT TOTAL		909.80
64800 - OTHER INTRAGOV'T'L		
AVAYA, INC	TELEPHONE SERVICE	2,143.52
BETTER BUSINESS EQUIPMENT CO	EQUIPMENT RENTAL-PHOTO COPY	39.79
BLACK HILLS UTILITY HOLDINGS INC	TELEPHONE SERVICE	1,865.55
CLERK OF DISTRICT COURT	DISTRICT COURT COSTS	267.00
CLERK OF DISTRICT COURT	DISTRICT COURT COSTS	315.00
CLERK OF DISTRICT COURT	DISTRICT COURT COSTS	160.00
COX COMMUNICATIONS	TELEPHONE SERVICE	37.50
DOUGLAS COUNTY SHERIFF	DISTRICT COURT COSTS	19.19
J.Q. OFFICE EQUIPMENT INC	EQUIPMENT RENTAL-PHOTO COPY	867.71
J.Q. OFFICE EQUIPMENT INC	EQUIPMENT RENTAL-PHOTO COPY	218.89
MARLIN BUSINESS BANK	EQUIPMENT RENTAL-PHOTO COPY	152.56
MNJ TECHNOLOGIES DIRECT	OFFICE EQUIPMENT REPAIR	157.00
MODERN METHODS, INC	EQUIPMENT RENTAL-PHOTO COPY	93.16
OFFICE DEPOT	SUPPLIES-OFFICE	2,274.40
QWEST	TELEPHONE SERVICE	36.23
SIMPLIFIED OFFICE SOLUTIONS	EQUIPMENT RENTAL-PHOTO COPY	167.09
DEPT TOTAL		8,814.59
65100 - SHERIFF		
CONSOLIDATED MANAGEMENT COMPAN'	TRAVEL EXPENSES-MEALS	19.00
J.P. COOKE COMPANY	SUPPLIES-OFFICE	33.81
JOSEPH O. EATON	UNIFORM ALLOWANCE	452.24
OFFICE DEPOT	SUPPLIES-OFFICE	141.44
OFFICE DEPOT	SUPPLIES-OFFICE	-9.06
OFFICE DEPOT	SUPPLIES-OFFICE	58.43
OFFICE DEPOT	SUPPLIES-OFFICE	151.39
OFFICE DEPOT	SUPPLIES-OFFICE	1.26
THE OFFICE PAL	SUPPLIES-OFFICE	258.00
WOODHAVEN COUNSELING ASSOCIATES	HIRING COSTS	680.00
WOODHAVEN COUNSELING ASSOCIATES	HIRING COSTS	1,360.00
DEPT TOTAL		3,146.51
65200 - COUNTY ATTORNEY		

Vendor Name	Org-Object-Object Description	Invoice Amount
BEVERLY A HUERTER	LAW ENFORCEMENT	32.50
CLERK OF THE DISTRICT COURT	LAW ENFORCEMENT	5.50
CLERK OF THE DISTRICT COURT	LAW ENFORCEMENT	5.25
DENI INC	LAW ENFORCEMENT	127.50
DOUGLAS COUNTY SHERIFF	DRUG TESTING	180.00
DOUGLAS COUNTY SHERIFF	DRUG TESTING	120.00
DOUGLAS COUNTY SHERIFF	DRUG TESTING	150.00
DOUGLAS COUNTY SHERIFF	DRUG TESTING	90.00
DOUGLAS COUNTY SHERIFF	DRUG TESTING	90.00
DOUGLAS COUNTY SHERIFF	DRUG TESTING	60.00
DOUGLAS COUNTY SHERIFF	DRUG TESTING	60.00
DOUGLAS COUNTY TREASURER	AUTOPSY COSTS	2,179.22
J.P. COOKE COMPANY	SUPPLIES-OFFICE	20.80
MICHELLE ALFARO	TRAVEL EXPENSES	52.19
MID AMERICA FIRST CALL, INC	AUTOPSY COSTS	2,230.00
POTTAWATTAMIE COUNTY COURT	LAW ENFORCEMENT	25.53
SECRETARY OF STATE - RULES & REGS	LAW ENFORCEMENT	120.00
THE OFFICE PAL	SUPPLIES-OFFICE	55.80
VERIZON WIRELESS	TELEPHONE SERVICE	83.21
DEPT TOTAL		5,687.50
65400 - INVESTIGATIONS		
NAPE	DUES & SUBSCRIPTIONS	25.00
NAPE	DUES & SUBSCRIPTIONS	25.00
SPEX CRIMINALISTICS LLC	SUPPLIES	223.68
DEPT TOTAL		273.68
65600 - ROAD PATROL		
BANK OF NEBRASKA	MACHINERY EQUIPMENT-CARS	7,893.39
CONSOLIDATED MANAGEMENT COMPAN	TRAVEL EXPENSES-MEALS	54.50
ED ROEHR SAFETY PRODUCTS	SUPPLIES-LAW ENFORCEMENT	61.10
ELIZABETH OLIVER	UNIFORM ALLOWANCE	566.12
GREGORY A LONDON	TELEPHONE SERVICE	180.00
J.P. COOKE COMPANY	SUPPLIES	26.53
KENNETH R MILLER	UNIFORM ALLOWANCE	465.22
LAW ENFORCEMENT TRAINING CENTER	TRAVEL EXPENSES-LODGING	360.00
SPRINGFIELD STATE BANK	MACHINERY EQUIPMENT-CARS	9,610.93
DEPT TOTAL		19,217.79
65850 - TOW LOT		
OFFICE DEPOT	SUPPLIES-OFFICE	66.78
OFFICE DEPOT	SUPPLIES-OFFICE	10.80
OFFICE DEPOT	SUPPLIES-OFFICE	65.93
DEPT TOTAL		143.51
65900 - JUVENILE DIVERSION		
HOST COFFEE	SUPPLIES-OFFICE	32.95
SYRIA S ALPON	CONTRACTUAL SERVICES	187.50
DEPT TOTAL		220.45
66400 - PRETRIAL-COMMUNITY SERVICE		
CORRISOFT LLC	CONTRACTUAL SERVICES	1,144.00
MILLER PRESS	SUPPLIES-OFFICE	90.00
PROGRESSIVE BUSINESS TECHNOL INC	SUPPLIES-OFFICE	49.06
VIGILNET AMERICA LLC	CONTRACTUAL SERVICES	5,303.35
DEPT TOTAL		6,586.41
66900 - JUV JUSTICE CENTER		
DVAL ENTERPRISES, INC.	SUPPLIES-FOOD & BEVERAGE	1,900.68
NE DEPT OF HEALTH AND HUMAN SERVIC	SUPPLIES-FOOD & BEVERAGE	166.71
NO FRILLS SUPERMARKET INC.	SUPPLIES-OFFICE	853.01

SARPY COUNTY
OUTSTANDING CLAIMS
03/11/2014

Vendor Name	Org-Object-Object Description	Invoice Amount
OFFICE DEPOT	SUPPLIES-OFFICE	81.26
SAM'S CLUB	SUPPLIES	74.22
SAM'S CLUB	SUPPLIES-FOOD & BEVERAGE	13.36
THE OFFICE PAL	SUPPLIES-OFFICE	60.99
THE OFFICE PAL	SUPPLIES-OFFICE	61.50
DEPT TOTAL		3,211.73
67100 - JAIL		
BOB BARKER COMPANY INC.	SUPPLIES	358.79
DVAL ENTERPRISES, INC.	SUPPLIES-FOOD & BEVERAGE	12,146.94
DVAL ENTERPRISES, INC.	SUPPLIES	144.05
ED ROEHR SAFETY PRODUCTS	SUPPLIES-LAW ENFORCEMENT	65.10
GRAINGER	BUILDING REPAIR	78.04
MICHAEL D BRAMHALL	UNIFORM ALLOWANCE	62.06
MOORE MEDICAL	SUPPLIES-MEDICAL HOSPITAL	44.00
MOORE MEDICAL	SUPPLIES-MEDICAL HOSPITAL	77.46
MOORE MEDICAL	SUPPLIES	930.75
MOORE MEDICAL	SUPPLIES	657.00
MOORE MEDICAL	SUPPLIES	237.25
MOORE MEDICAL	SUPPLIES	90.00
OFFICE DEPOT	SUPPLIES-OFFICE	247.56
OFFICE DEPOT	SUPPLIES-OFFICE	50.97
DEPT TOTAL		15,189.97
67150 - COURT SERVICES		
OFFICE DEPOT	SUPPLIES-OFFICE	5.92
THE OFFICE PAL	SUPPLIES-OFFICE	258.00
DEPT TOTAL		263.92
67160 - WARRANTS EXTRADITION		
MIDWEST SPECIALITY SERVICES	EXTRADITION COMMERCIAL TRANS	639.15
DEPT TOTAL		639.15
69300 - EMERGENCY MGT		
MELANIE R SMITH	TELEPHONE SERVICE	55.00
SARPY COUNTY FLEET SERVICE DEPT	ROAD EQUIPMENT REPAIR PARTS	45.47
DEPT TOTAL		100.47
80600 - HUMAN SERVICES		
ALEGENT HEALTH CLINICS	MEDICAL COSTS--JAIL	202.12
ALEGENT HEALTH CLINICS	MEDICAL COSTS--JAIL	225.22
ALEGENT-MIDLANDS HOSPITAL	MEDICAL COSTS--JAIL	2,062.00
ALEGENT-MIDLANDS HOSPITAL	MEDICAL COSTS--JAIL	555.00
ALEGENT-MIDLANDS HOSPITAL	MEDICAL COSTS--JAIL	3,245.00
DIAMOND PHARMACY SERVICE	MEDICAL COSTS-JUVENILES	16.56
DUNDEE FAMILY DENTAL PC	MEDICAL COSTS--JAIL	290.00
NEW CENTURY PHYSICIANS OF NEBRASI	MEDICAL COSTS--JAIL	100.00
NEW CENTURY PHYSICIANS OF NEBRASI	MEDICAL COSTS--JAIL	61.60
NEW CENTURY PHYSICIANS OF NEBRASI	MEDICAL COSTS--JAIL	122.00
PHYSICIANS LABORATORY SERV INC	MEDICAL COSTS--JAIL	268.00
DEPT TOTAL		7,147.50
97000 - MISC GENERAL		
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	312,461.55
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	4,762.62
TYLER TECHNOLOGIES, INC	DATA PROCESSING SOFTWARE	1,800.00
TYLER TECHNOLOGIES, INC	DATA PROCESSING SOFTWARE	51,835.28
DEPT TOTAL		370,859.45
FUND TOTAL		505,608.37
0200 - PUBLIC WORKS		
70500 - PUBLIC WORKS		

Vendor Name	Org-Object-Object Description	Invoice Amount
ASPHALT & CONCRETE MATERIALS	MATERIALS - ASPHALTIC	152.50
ASPHALT & CONCRETE MATERIALS	MATERIALS - ASPHALTIC	114.00
ATLAS COMPANY AND DATA SERVICES	DUES & SUBSCRIPTIONS	95.00
CONWAY OIL COMPANY,INC.	MACH & EQUIP FUEL	2,161.37
CONWAY OIL COMPANY,INC.	MACH & EQUIP FUEL	3,025.05
DISCRETE WIRELESS	DATA PROCESSING SOFTWARE	547.00
DWAYNE LUTZ	EASEMENT AND OTHERS	100.00
E&A CONSULTING GROUP INC	CONSULTANT MANAGEMENT	2,658.08
EHLERS FARMS	EASEMENT AND OTHERS	100.00
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	42,749.42
FAIRFIELD INN & SUITES MARRIOTT	TRAVEL EXPENSES-LODGING	379.80
JAMES ANDREASEN	RIGHT OF WAY	9,050.00
JAMES ANDREASEN	EASEMENT AND OTHERS	3,100.00
JAMES ANDREASEN	EASEMENT AND OTHERS	9,950.00
MARTIN MARIETTA AGGREGATES	GRAVEL AND BORROW	345.45
MARTIN MARIETTA AGGREGATES	GRAVEL AND BORROW	2,124.44
MARTIN MARIETTA AGGREGATES	GRAVEL AND BORROW	3,815.93
MENARDS, INC	SHOP SUPPLIES	19.78
MENARDS, INC	SHOP SUPPLIES	51.64
METROPOLITAN UTILITIES DISTRICT	UTILITIES-HEATING FUELS	362.52
NE MACHINERY COMPANY	EQUIPMENT RENTAL - ROAD	6,090.00
OMAHA PUBLIC POWER DISTRICT	UTILITIES-LIGHT	2,680.05
OMAHA PUBLIC POWER DISTRICT	SIGNALS	796.16
OMAHA PUBLIC POWER DISTRICT	HIGHWAY LIGHTING	13,545.24
OMAHA PUBLIC POWER DISTRICT	SIGNALS	3,729.77
OMAHA TRACTOR INC.	ROAD EQUIPMENT REPAIR PARTS	137.12
ONE CALL CONCEPTS INC	CONTRACTUAL SERVICES	2.20
ONE CALL CONCEPTS INC	CONTRACTUAL SERVICES	1.50
ONE CALL CONCEPTS INC	CONTRACTUAL SERVICES	43.45
RICHARD W WEBER	TELEPHONE SERVICE	55.00
SAPP BROS PETROLEUM INC	MACH & EQUIP FUEL	3,249.90
SAPP BROS PETROLEUM INC	MACH & EQUIP FUEL	2,378.35
SAPP BROS PETROLEUM INC	MACH & EQUIP FUEL	2,979.23
SILEX GROUP LLC	MATERIALS - ASPHALTIC	354.45
VALA FAMILY PROPERTIES	EASEMENT AND OTHERS	1,525.00
VERIZON WIRELESS	TELEPHONE SERVICE	245.99
VIERREGGER ELECTRIC CO	SIGNALS	162.00
WESTERN SAND AND GRAVEL	GRAVEL AND BORROW	1,913.06
WESTERN SAND AND GRAVEL	GRAVEL AND BORROW	501.12
WILLACENE SIERT & NORRIS SIERT	EASEMENT AND OTHERS	2,325.00
WILLACENE SIERT & NORRIS SIERT	EASEMENT AND OTHERS	1,125.00
	DEPT TOTAL	124,741.57
	FUND TOTAL	124,741.57

0941 - E911 COMMUNICATIONS

65300 - E911 COMMUNICATIONS

AT&T	TELEPHONE SERVICE	90.00
DARWIN GLOBAL LLC	DATA PROCESSING SOFTWARE	87.00
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	39,665.29
J.P. COOKE COMPANY	UNIFORM ALLOWANCE	23.48
JIM TRACY	TELEPHONE SERVICE	55.00
MAX I. WALKER UNIFORM RENTAL	SUPPLIES	22.00
MOTOROLA SOLUTIONS INC	RADIO REPAIR	3,714.17
MOTOROLA SOLUTIONS INC	RADIO REPAIR	3,714.17
MOTOROLA SOLUTIONS INC	RADIO REPAIR	3,714.17
OMAHA PUBLIC POWER DISTRICT	UTILITIES-LIGHT	585.52

SARPY COUNTY
OUTSTANDING CLAIMS
03/11/2014

Vendor Name	Org-Object-Object Description	Invoice Amount
PRIORITY DISPATCH	REGISTRATION AND TRAINING FEES	234.00
QWEST	TELEPHONE SERVICE	465.60
	DEPT TOTAL	52,370.40
	FUND TOTAL	52,370.40
0980 - CHILD SUPPORT DISTRICT COURT		
63100 - CHILD SUPPORT DIST CRT		
J.Q. OFFICE EQUIPMENT INC	EQUIPMENT RENTAL-PHOTO COPY	250.67
MODERN METHODS, INC	EQUIPMENT RENTAL-PHOTO COPY	250.88
	DEPT TOTAL	501.55
	FUND TOTAL	501.55
0985 - CHILD SUPPORT COUNTY ATTORNEY		
66200 - CHILD SUPPORT-CTY ATTY		
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	9,791.48
	DEPT TOTAL	9,791.48
	FUND TOTAL	9,791.48
0986 - CHILD SUPPORT INCENTIVE		
66250 - CHILD SUPPORT INCENTIVE		
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	1,163.26
	DEPT TOTAL	1,163.26
	FUND TOTAL	1,163.26
0990 - TOURISM		
87900 - TOURISM		
BLACK HILLS UTILITY HOLDINGS INC	UTILITIES-HEATING FUELS	160.43
CORPS OF DISCOVERY WELCOME CENTI	ADDITIONAL VARIOUS PROMOTIONS	225.00
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	1,227.88
MIDWEST MEETINGS	VARIOUS ADVERTISING INSERTIONS	250.00
OMAHA PUBLIC POWER DISTRICT	UTILITIES-LIGHT	102.42
SARPY COUNTY FLEET SERVICE DEPT	MACH & EQUIP FUEL	1,175.26
SIGN IT	ADDITIONAL VARIOUS PROMOTIONS	344.32
SNITILY CARR	ADDITIONAL VARIOUS PROMOTIONS	185.00
TRAVEL GUIDES FREE	ADDITIONAL VARIOUS PROMOTIONS	302.94
	DEPT TOTAL	3,973.25
	FUND TOTAL	3,973.25
1500 - COUNTY MEDICAL RELIEF		
80100 - COUNTY MEDICAL		
KRISHNA LLC	RENT AND FUEL	285.00
	DEPT TOTAL	285.00
	FUND TOTAL	285.00
2350 - ADULT DIVERSION		
78200 - ADULT DIVERSION		
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	5,826.03
THE OFFICE PAL	SUPPLIES-OFFICE	104.76
THE OFFICE PAL	SUPPLIES-OFFICE	-52.38
	DEPT TOTAL	5,878.41
	FUND TOTAL	5,878.41
2380 - JUVENILE SERVICES LB561		
65250 - JUVENILE SERVICES LB561 GRANT		
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	581.63
OFFICE DEPOT	FURNITURE	169.99
OFFICE DEPOT	FURNITURE	131.99
OMAHA PUBLIC POWER DISTRICT	UTILITIES-LIGHT	141.61
PAY-LESS OFFICE SUPPLY INC	FURNITURE	446.50
SIMPLIFIED OFFICE SOLUTIONS	CONTRACTUAL SERVICES	32.79
	DEPT TOTAL	1,504.51
	FUND TOTAL	1,504.51

Vendor Name	Org-Object-Object Description	Invoice Amount
2410 - FEDERAL FORFEITURE		
66600 - FEDERAL FORFEITURES ALAMAR UNIFORMS	SUPPLIES-LAW ENFORCEMENT	239.85
	DEPT TOTAL	239.85
	FUND TOTAL	239.85
2500 - FG-VICTIM WITNESS		
66310 - FG-VICTIM WITNESS EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	1,150.12
	DEPT TOTAL	1,150.12
	FUND TOTAL	1,150.12
2563 - JUVENILE SERVICES LB 640		
66801 - JUVENILE SERV LB 640 EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	581.63
	DEPT TOTAL	581.63
	FUND TOTAL	581.63
2578 - FG-TRAFFIC ENFORCEMENT		
65243 - FG-TRAFFIC ENFORCEMENT EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	581.64
	DEPT TOTAL	581.64
	FUND TOTAL	581.64
2581 - FG-GIS TRANSPORTATION		
64311 - FG-GIS TRANSPORTATION EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	322.59
	DEPT TOTAL	322.59
	FUND TOTAL	322.59
2599 - SG-STORMWATER MANAGEMENT		
65240 - SG-STORMWATER MGT FELSBURG, HOLT & ULLEVIG	CONTRACTUAL SERVICES	320.00
FELSBURG, HOLT & ULLEVIG	CONTRACTUAL SERVICES	140.00
	DEPT TOTAL	460.00
	FUND TOTAL	460.00
2800 - KENO SALES		
92000 - KENO DEPT OF REVENUE	MISCELLANEOUS	100.00
	DEPT TOTAL	100.00
	FUND TOTAL	100.00
5200 - LANDFILL		
73100 - LANDFILL		
AMERIPRIDE	SUPPLIES-OFFICE	71.01
BRIDGESTONE FIRESTONE NA TIRE LLC	MACH & EQ-TIRES & TIRE REPAIR	12.00
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	10,332.33
NE MACHINERY COMPANY	ROAD EQUIPMENT REPAIR PARTS	362.58
NE MACHINERY COMPANY	ROAD EQUIPMENT REPAIR PARTS	10.24
NE MACHINERY COMPANY	ROAD EQUIPMENT REPAIR PARTS	34.16
NE MACHINERY COMPANY	ROAD EQUIPMENT REPAIR PARTS	414.55
NE MACHINERY COMPANY	ROAD EQUIP REPAIR-LABOR	984.00
NE MACHINERY COMPANY	ROAD EQUIPMENT REPAIR PARTS	1,055.14
NE MACHINERY COMPANY	ROAD EQUIP REPAIR-LABOR	70.00
OMAHA PUBLIC POWER DISTRICT	UTILITIES	2,429.73
OMAHA PUBLIC POWER DISTRICT	UTILITIES	390.18
QWEST	TELEPHONE SERVICE	136.04
QWEST	TELEPHONE SERVICE	244.95
SAPP BROS PETROLEUM INC	MACH & EQUIP FUEL	3,149.10
SAPP BROS PETROLEUM INC	MACH & EQUIP FUEL	2,661.68
SARPY COUNTY FLEET SERVICE DEPT	ROAD EQUIPMENT REPAIR PARTS	1,021.75

Vendor Name	Org-Object-Object Description	Invoice Amount
SARPY COUNTY FLEET SERVICE DEPT	ROAD EQUIP REPAIR-LABOR	174.19
	DEPT TOTAL	23,553.63
	FUND TOTAL	23,553.63
5251 - SEWER OPERATIONS		
73600 - SEWER OPERATIONS		
QWEST	CONSULTING FEES	50.16
THOMPSON,DREESSEN & DORNER, INC	CONSULTING FEES	781.47
	DEPT TOTAL	831.63
	FUND TOTAL	831.63
5400 - NOXIOUS WEED		
73300 - NOXIOUS WEED		
CENTRAL COMM COLLEGE CAMPUS ACC	DUES & SUBSCRIPTIONS	120.00
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	646.25
QWEST	TELEPHONE SERVICE	98.02
SARPY COUNTY FLEET SERVICE DEPT	ROAD EQUIPMENT REPAIR PARTS	113.71
	DEPT TOTAL	977.98
	FUND TOTAL	977.98
5600 - INFORMATION SYSTEMS		
61000 - INFORMATION SYSTEMS		
BERNIE MEYER	MISCELLANEOUS	10.00
CHERYL STRAW	TELEPHONE SERVICE	54.50
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	10,107.09
FUTUREWARE DISTRIBUTING, INC	DATA PROCESSING EQUIPMENT	16.00
INSIGHT PUBLIC SECTOR	OFFICE EQUIPMENT REPAIR	1,185.69
PAUL BIODROWSKI	TELEPHONE SERVICE	49.96
QWEST	DATA PROCESSING	69.06
QWEST	DATA PROCESSING	70.08
QWEST	DATA PROCESSING	71.94
	DEPT TOTAL	11,634.32
	FUND TOTAL	11,634.32
5650 - GEOGRAPHIC INFORMATION SYS		
64300 - GEOGRAPHIC INFORMATION SERV		
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	2,427.31
	DEPT TOTAL	2,427.31
	FUND TOTAL	2,427.31
5700 - PURCHASING		
60900 - PURCHASING		
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	1,718.56
OFFICE DEPOT	SUPPLIES-OFFICE	61.00
OFFICE DEPOT	SUPPLIES-OFFICE	-3.68
	DEPT TOTAL	1,775.88
	FUND TOTAL	1,775.88
5901 - FLEET SERVICES		
64700 - FLEET SERVICES		
A&L HYDRAULICS INC	ROAD EQUIPMENT REPAIR PARTS	189.86
AA WHEEL AND TRUCK SUPPLY INC	ROAD EQUIPMENT REPAIR PARTS	144.54
AA WHEEL AND TRUCK SUPPLY INC	SHOP SUPPLIES	5.88
ASPEN EQUIPMENT	ROAD EQUIPMENT REPAIR PARTS	262.00
ASPEN EQUIPMENT	EXPRESS AND FREIGHT	15.00
ASPEN EQUIPMENT	ROAD EQUIPMENT REPAIR PARTS	262.00
BAXTER CHRYSLER JEEP DODGE	ROAD EQUIPMENT REPAIR PARTS	112.50
BAXTER FORD	ROAD EQUIPMENT REPAIR PARTS	151.50
BAXTER FORD	ROAD EQUIPMENT REPAIR PARTS	-151.50
BAXTER FORD	ROAD EQUIPMENT REPAIR PARTS	96.30
BAXTER FORD	ROAD EQUIPMENT REPAIR PARTS	419.91

Vendor Name	Org-Object-Object Description	Invoice Amount
BAXTER FORD	ROAD EQUIPMENT REPAIR PARTS	195.99
BAXTER FORD	ROAD EQUIPMENT REPAIR PARTS	47.73
BAXTER FORD	ROAD EQUIPMENT REPAIR PARTS	113.45
BAXTER FORD	ROAD EQUIPMENT REPAIR PARTS	117.96
BRIDGESTONE FIRESTONE NA TIRE LLC	MACH & EQ-TIRES & TIRE REPAIR	62.00
BRIDGESTONE FIRESTONE NA TIRE LLC	MACH & EQ-TIRES & TIRE REPAIR	50.00
BRIDGESTONE FIRESTONE NA TIRE LLC	MACH & EQ-TIRES & TIRE REPAIR	-62.00
BRIDGESTONE FIRESTONE NA TIRE LLC	MACH & EQ-TIRES & TIRE REPAIR	87.00
BRIDGESTONE FIRESTONE NA TIRE LLC	MACH & EQ-TIRES & TIRE REPAIR	12.00
BRIDGESTONE FIRESTONE NA TIRE LLC	MACH & EQ-TIRES & TIRE REPAIR	441.40
BRIDGESTONE FIRESTONE NA TIRE LLC	MACH & EQ-TIRES & TIRE REPAIR	24.00
EMPLOYEE BENEFIT SYSTEMS	INSURANCE PREMIUM	5,462.58
H&H CHEVROLET	ROAD EQUIPMENT REPAIR PARTS	56.67
H&H CHEVROLET	ROAD EQUIPMENT REPAIR PARTS	75.87
HI-LINE ELECTRIC COMPANY INC.	SHOP SUPPLIES	984.68
HI-LINE ELECTRIC COMPANY INC.	EXPRESS AND FREIGHT	13.91
HI-LINE ELECTRIC COMPANY INC.	SHOP SUPPLIES	51.61
LAWSON PRODUCTS INC	SHOP SUPPLIES	511.63
LAWSON PRODUCTS INC	SHOP SUPPLIES	32.96
LAWSON PRODUCTS INC	EXPRESS AND FREIGHT	41.03
LAWSON PRODUCTS INC	ROAD EQUIPMENT REPAIR PARTS	46.56
LAWSON PRODUCTS INC	SHOP SUPPLIES	-32.96
MATHESON-LINWELD	OTHER EQUIPMENT	390.00
MATHESON-LINWELD	SHOP SUPPLIES	183.15
MATHESON-LINWELD	SHOP SUPPLIES	371.44
MATHESON-LINWELD	SHOP SUPPLIES	415.78
MAX I. WALKER UNIFORM RENTAL	UNIFORM ALLOWANCE	56.29
MAX I. WALKER UNIFORM RENTAL	UNIFORM ALLOWANCE	11.30
NAPA AUTO PARTS	ROAD EQUIPMENT REPAIR PARTS	47.67
NE MACHINERY COMPANY	SHOP SUPPLIES	24.97
NE MACHINERY COMPANY	ROAD EQUIPMENT REPAIR PARTS	4.12
NE MACHINERY COMPANY	ROAD EQUIPMENT REPAIR PARTS	79.65
O'REILLY AUTO PARTS	ROAD EQUIPMENT REPAIR PARTS	119.69
O'REILLY AUTO PARTS	ROAD EQUIPMENT REPAIR PARTS	7.19
OVERHEAD DOOR COMPANY OF OMAHA	BUILDING REPAIR	4,600.00
PALFLEET	ROAD EQUIPMENT REPAIR PARTS	235.00
POWERPLAN	ROAD EQUIPMENT REPAIR PARTS	75.84
POWERPLAN	ROAD EQUIPMENT REPAIR PARTS	114.03
POWERPLAN	ROAD EQUIPMENT REPAIR PARTS	46.13
RAINBOW GLASS & SUPPLY INC.	ROAD EQUIPMENT REPAIR PARTS	119.00
RAINBOW GLASS & SUPPLY INC.	ROAD EQUIP REPAIR-LABOR	50.00
THERMO KING CHRISTENSEN	ROAD EQUIPMENT REPAIR PARTS	-297.80
THERMO KING CHRISTENSEN	ROAD EQUIPMENT REPAIR PARTS	297.80
THERMO KING CHRISTENSEN	ROAD EQUIPMENT REPAIR PARTS	8.17
THERMO KING CHRISTENSEN	ROAD EQUIPMENT REPAIR PARTS	99.33
THERMO KING CHRISTENSEN	ROAD EQUIPMENT REPAIR PARTS	30.70
THERMO KING CHRISTENSEN	ROAD EQUIPMENT REPAIR PARTS	28.36
THERMO KING CHRISTENSEN	ROAD EQUIPMENT REPAIR PARTS	6.25
TRACTOR SUPPLY CO	ROAD EQUIPMENT REPAIR PARTS	9.98
TRACTOR SUPPLY CO	SHOP SUPPLIES	49.99
WELDON PARTS OMAHA	SHOP SUPPLIES	176.70
WELDON PARTS OMAHA	ROAD EQUIPMENT REPAIR PARTS	19.50
WICK'S STERLING TRUCKS, INC	ROAD EQUIPMENT REPAIR PARTS	2.70
WICK'S STERLING TRUCKS, INC	ROAD EQUIPMENT REPAIR PARTS	310.56
WISE-MACK INC	ROAD EQUIPMENT REPAIR PARTS	438.97

03/07/2014
10:24 am

SARPY COUNTY
OUTSTANDING CLAIMS
03/11/2014

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Vendor Name	Org-Object-Object Description	Invoice Amount
WISE-MACK INC	ROAD EQUIPMENT REPAIR PARTS	99.70
WISE-MACK INC	ROAD EQUIPMENT REPAIR PARTS	7.66
	DEPT TOTAL	18,081.88
	FUND TOTAL	18,081.88
	GRAND TOTAL	768,536.26

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

**A RESOLUTION CALLING THE COUNTY'S)
OUTSTANDING LIMITED TAX BUILDING)
BONDS, SERIES 2009, DATED DECEMBER 8,)
2009, FOR PAYMENT AND REDEMPTION)
PRIOR TO MATURITY; AND RELATED)
MATTERS)
)**

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: There have heretofore been issued and are now outstanding and unpaid interest-bearing bonds of the County as follows:

Limited Tax Building Bonds, Series 2009, in the principal amount of \$4,875,000 dated December 8, 2009, and bearing interest and maturing as follows:

<u>Maturity Date</u> <u>(June 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
2014	\$760,000	2.25%
2015	780,000	2.55
2016	800,000	2.75
2017	820,000	3.00
2018	845,000	3.20
2019	870,000	3.35

such bonds being part of an issue of \$7,790,000 principal amount of Limited Tax Building Bonds, Series 2009 issued pursuant to the resolution duly passed by the Board on November 17, 2009 (the "**2009 Resolution**"), bonds maturing on or after December 15, 2014 (the "**Refunded Bonds**"), being redeemable at the option of the County at any time on or after the fifth anniversary of the date of issuance of the Refunded Bonds, at a redemption price equal to the principal amount thereof plus accrued interest to the date fixed for redemption.

All of the Refunded Bonds remain unpaid and are a legal liability against the County, provision for the payment of which may be made by the lawful issuance and sale of limited tax refunding bonds of the County pursuant to Section 10-142, Reissue Revised Statutes of Nebraska, as amended.

Section 2. All of the Refunded Bonds shall be irrevocably called for redemption and payment on December 8, 2014 (the "**Redemption Date**") at a redemption price equal to the principal amount thereof plus accrued interest thereon to the Redemption Date.

Notice of the call for redemption, identifying the Refunded Bonds to be redeemed, shall be given by the Paying Agent for the Refunded Bonds, Union Bank and Trust Company, upon mailing a copy of the redemption notice by first-class mail, postage prepaid, at least thirty days prior to the date fixed for redemption to the registered owner of each Refunded Bond to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Bond with respect to which no such failure has occurred. Any notice mailed as provided in the 2009 Resolution authorizing the issuance of the

Refunded Bonds shall be conclusively presumed to have been duly given, whether or not the registered owner of such Refunded Bond receives the notice.

Holders of the Refunded Bonds shall present the same for payment and redemption on the Redemption Date at the office of the Paying Agent for the Refunded Bonds, Union Bank and Trust Company, the place of payment thereof, and interest on the Refunded Bonds shall cease on and after the Redemption Date.

Section 3. A true copy of this resolution shall be filed with the Paying Agent at least thirty (30) days prior to Redemption Date.

DATED: March 11, 2014.

**BY THE BOARD OF COMMISSIONERS OF
THE COUNTY OF SARPY, NEBRASKA**

[SEAL]

Tom Richard

Commissioner

Doreen Harless

Commissioner

James Wane

Commissioner

Dan Kelly

Commissioner

Jim Meyer

Commissioner

APPROVED AS TO FORM
this 11th day of March, 2014.

Muel A. ...

County Attorney



[Signature]

Clerk

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

**A RESOLUTION AUTHORIZING THE
ISSUANCE, SALE AND DELIVERY OF)
LIMITED TAX REFUNDING BUILDING)
BONDS, SERIES 2014, OF THE COUNTY OF)
SARPY, NEBRASKA IN THE PRINCIPAL)
AMOUNT OF \$5,090,000 FOR THE PURPOSE)
OF PROVIDING FOR THE PAYMENT AND)
REDEMPTION OF \$4,875,000 PRINCIPAL)
AMOUNT OF THE COUNTY'S LIMITED TAX)
BUILDING BONDS, SERIES 2009, DATED)
DECEMBER 8, 2009; PRESCRIBING THE)
FORM AND DETAILS OF THE BONDS;)
AGREEING TO LEVY AN ANNUAL TAX)
PURSUANT TO SECTION 23-120(3)(B) 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. 2014-85

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) There have heretofore been issued and are now outstanding and unpaid valid interest-bearing bonds of the County as follows:

Limited Tax Building Bonds, Series 2009, in the principal amount of \$4,875,000 dated December 8, 2009, and bearing interest and maturing as follows:

<u>Maturity Date</u> <u>(June 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>
2014	\$760,000	2.25%
2015	780,000	2.55
2016	800,000	2.75
2017	820,000	3.00
2018	845,000	3.20
2019	870,000	3.35

such bonds being part of an issue of \$7,790,000 principal amount of Limited Tax Building Bonds, Series 2009 issued pursuant to the resolution duly passed by the Board on November 17, 2009 (the "**2009 Resolution**"), bonds maturing on or after December 15, 2014 (the "**Refunded Bonds**"), being redeemable at the option of the County at any time on or after the fifth anniversary of the date

of issuance of the Refunded Bonds, at a redemption price equal to the principal amount thereof plus accrued interest to the date fixed for redemption.

All of the Refunded Bonds remain unpaid and are a legal liability against the County, provision for the payment of which may be made by the lawful issuance and sale of limited tax refunding bonds of the County pursuant to Section 10-142, Reissue Revised Statutes of Nebraska, as amended.

(c) Since the issuance of the Refunded Bonds, the rates of interest available in the markets have declined so that the County can effect a savings in interest costs by providing for payment and redemption of the Refunded Bonds through the issuance of refunding bonds of the County.

(d) By making provision for the redemption and payment of the Refunded Bonds through the issuance of refunding bonds, a savings in the amount of annual debt service on the Refunded Bonds would be made by the County.

(e) By resolution heretofore adopted, the County has, in the manner prescribed by law, duly called the Refunded Bonds for payment and redemption on December 8, 2014 (the “**Redemption Date**”).

(f) Except for the deposits specified in **Section 11(a)**, all bond sinking fund money of the County in existence with respect to the Refunded Bonds has been or will be used to pay principal and interest maturing, accruing and falling due on the Refunded Bonds on or before the Redemption Date, all of such sinking fund money being hereby appropriated and set aside for such purpose, it being found hereby that no sinking fund money is presently in existence to pay the principal of or interest on the Refunded Bonds being called for redemption on the Bond Redemption Date, and that the County has no other funds accumulated for the payment thereof.

(g) All conditions, acts and things required by law to exist or to be done precedent to the issuance of the Bonds does exist and has been done in due form and time as required by law.

Section 2. For the purpose of (a) providing for the payment and redemption of the Refunded Bonds and (b) paying the costs of issuing the Bonds, there shall be and are hereby ordered issued limited tax refunding building bonds of the County in the principal amount of Five Million Ninety Thousand Dollars (\$5,090,000), designated “The County of Sarpy, Nebraska Limited Tax Refunding Building Bonds, Series 2014.” 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:

<u>Maturity Date</u> <u>(December 15)</u>	<u>Principal</u> <u>Amount</u>	<u>Annual Rate</u> <u>of Interest</u>	<u>Price</u>
2014	\$850,000	0.250%	100.000%
2015	850,000	0.350	100.000
2016	845,000	0.350	99.735
2017	845,000	0.650	99.638
2018	850,000	1.000	99.546
2019	850,000	1.300	99.456

The principal of each Bond shall be paid at 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, 2014 (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 fifteenth day preceding such Interest Payment Date (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, 2018 are not subject to redemption prior to their stated maturity. The Bonds maturing on and after December 15, 2019 are subject to redemption at the option of the County prior to the stated maturities thereof at any time on or after the fifth anniversary of the date of issuance of the Bonds 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. 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 6**.

(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 8** 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 7. The Bonds shall be in substantially the following form:

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REGISTERED
No. R-

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF NEBRASKA
THE COUNTY OF SARPY
LIMITED TAX REFUNDING BUILDING BOND, SERIES 2014

<u>Dated Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>
_____, 2014	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, 2014 (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 business day of the month next preceding the month in which the 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. For the prompt payment of this bond, both principal and interest, as the same become due, the full faith, credit, resources and taxing power of the County are hereby irrevocably pledged.

This bond is one of an issue of fully registered bonds (the "Bonds") in the aggregate principal amount of Five Million Ninety Thousand Dollars (\$5,090,000) of even date and like tenor except as to number, denomination, maturity date, interest rate and redemption provisions, authorized by a resolution passed by the Board of Commissioners of the County (the "Resolution") pursuant to Section 10-142, Reissue Revised Statutes of Nebraska, as amended, for the purpose of (a) providing for the payment and redemption of \$4,875,000 principal amount of the County's Limited Tax Building Bonds, Series 2009, dated December 8, 2009 issued to pay the costs of constructing, equipping and furnishing a new law enforcement center and related facilities and (b) paying the costs of issuing the Bonds. The Bonds are payable from an annual levy of taxes not to exceed 5.2¢ per \$100 of taxable valuation on all the taxable property located in the County pursuant to Section 23-120(3)(b), Reissue Revised Statutes of Nebraska, as amended, in addition to all other taxes, subject to certain constitutional levy limitations.

The Bonds maturing on December 15, 2018 are not subject to redemption prior to their stated maturity. The Bonds maturing on and after December 15, 2019 are subject to redemption at the option of the County prior to the stated maturities thereof at any time on or after the fifth anniversary of the Dated Date 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.

The County has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond and precedent to and in the issuance of the bonds refunded hereby did exist, did happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of the County, including this Bond and the bonds refunded hereby, does not exceed any limitation imposed by law. The County covenants to levy an annual tax pursuant to Section 23-120(3)(b), Reissue Revised Statutes of Nebraska, as amended, in addition to all other taxes, in an amount not to exceed 5.2¢ per \$100 upon the taxable value of all the taxable property in the County, subject to the County's constitutional levy limitation, to pay the principal of and interest on the Bonds when and as the same become due.

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.



By: [Handwritten Signature]
Clerk

THE COUNTY OF SARPY, NEBRASKA

By: [Handwritten Signature] 3-11-14
Chair

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 8. (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 "Paying Agent and Registrar Agreement" (the "**Registrar 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 required of 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 Dated Date. 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 6**.

Section 9. The County hereby covenants to levy an annual tax pursuant to Section 23-120(3)(b), Reissue Revised Statutes of Nebraska, as amended, in addition to all other taxes, in an amount not to exceed 5.2¢ per \$100 upon the taxable value of all the taxable property in the County, subject to the

County's constitutional levy limitation, to pay the principal of and interest on the Bonds when and as the same become due, the County hereby irrevocably pledging such levy of taxes for such purpose.

Section 10. The Bond Purchase Agreement, dated March 11, 2014 (the "**Purchase Agreement**"), 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 11. The net sale proceeds of the Bonds, along with any necessary funds of the County on hand, shall be applied to the payment and satisfaction of all of the principal of and the interest on the Refunded Bonds prior to and as called for redemption on the Redemption Date, and applied to pay costs of issuance of the Bonds. Accrued interest received from the sale of the Bonds, if any, shall be applied to pay interest first falling due on the Bonds. Expenses of issuance of the Bonds may be paid from the proceeds of the Bonds. In order to satisfy the County's obligation on the Refunded Bonds, if the date of delivery of the Bonds occurs prior to the Redemption Date, such proceeds of the Bonds along with funds of the County on hand shall be set aside and held and invested in a special trust account which is hereby ordered established. Union Bank and Trust Company, Lincoln, Nebraska, is hereby designated to serve as the escrow agent ("Escrow Agent"), to have custody and safekeeping of the funds and investments which are to be set aside for the payment of principal and accrued interest on the Refunded Bonds prior to and on the Redemption Date. For purposes of governing such escrow account and the holding and application of such funds and investments, the County shall enter into a contract entitled "Escrow Agreement" with the Escrow Agent. The Chairperson, County Treasurer or Fiscal Administrator of the County is hereby authorized and directed to execute and deliver on behalf of the County said Escrow Agreement, including necessary counterparts, in substantially the form and content as presented to the meeting at which this resolution is adopted, but with such changes and modifications therein as to them seem necessary, desirable, or appropriate for and on behalf of the County. Said officers are further authorized to approve the investments provided for in said Escrow Agreement, and to make any necessary subscriptions for United States Treasury Securities, State and Local Government Series, or to contract for the purchase of securities in the open market. Said proceeds shall be invested in obligations of the United States Government, direct or guaranteed, including United States Treasury Securities, State and Local Government Series. To the extent that such proceeds are held in a bank depository account, such deposits shall be insured by insurance of the Federal Deposit Insurance Corporation or, to the extent not fully insured, fully collateralized in the same manner as is required for deposit of public funds. Any investment from the proceeds of the Bonds herein authorized shall mature not later than the Redemption Date. As provided in said Escrow Agreement, the proceeds of the Bonds herein authorized and investment earnings thereon shall be applied to the payment of the principal of and interest on the Refunded Bonds, as the same become due on and prior to the Redemption Date, and as called for redemption on the Redemption Date. The County agrees that on the date of original issue of the Bonds, or as soon thereafter as practicable, it shall deposit or otherwise have on hand with the Escrow Agent, from tax levy or other available sources, funds sufficient after taking into consideration available proceeds of the Bonds and investment earnings to provide funds for all payments due on the Refunded Bonds and the defeased Outstanding Bonds on or before the Redemption Date, and as called for redemption on the Redemption Date.

Section 12. 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 Representative shall have the right to direct the registration of the Bonds, subject to the restrictions of this Resolution.

Section 13. 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 14. The County hereby covenants to the purchasers and holders of the Bonds hereby authorized that it will make no use of the proceeds of said issue, including monies held in any sinking fund for the payment of the Bonds, which would cause the Bonds to be "arbitrage bonds" within the meaning of Sections 103(b) and 148 of the Internal Revenue Code of 1986 as amended (the "Code") and further covenants to comply with said Sections 103 and 148 and all applicable regulations thereunder throughout the term of said bond issue. The County hereby covenants and agrees to take all actions necessary under the Code to maintain the tax-exempt status of interest payable on the Bonds with respect to taxpayers generally but not including insurance companies or corporations subject to the additional minimum tax. The County hereby designates the Bonds as its "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Code and covenants and warrants that it does not anticipate issuing tax-exempt obligations in calendar 2014 in an amount in excess of \$10,000,000, taking into consideration the exception for current refunding issues. The Chair is hereby authorized to take such other action as may be necessary to designate the Bonds pursuant to the Code.

Section 15. 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 of America, or obligations of an agency of the United States of America ("**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 16. The County hereby covenants that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking, dated the date of delivery of the Bonds (the "**Disclosure Undertaking**"), 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 Undertaking 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 Undertaking in the form determined necessary by the Chair and bond counsel.

Section 17. 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 18. 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 Underwriters and their 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 or her 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 and the redemption of the Refunded 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 19. 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 20. 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 21. This Resolution shall be in full force and effect from and after its passage as provided by law.

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DATED: March 11, 2014.

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

[SEAL]



Commissioner

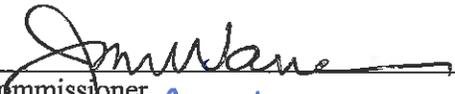


Commissioner

APPROVED AS TO FORM
this 11th day of March, 2014.



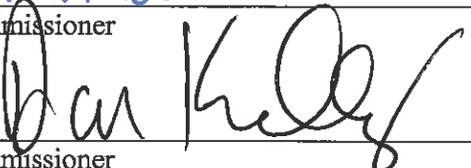
County Attorney



Commissioner



Commissioner



Commissioner



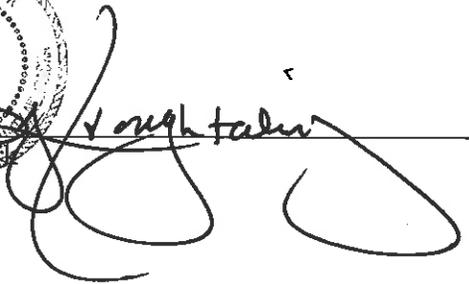


EXHIBIT A

PAYING AGENT AND REGISTRAR AGREEMENT

This Agreement is made and entered into as of this 15th day of April, 2014, by and between The County of Sarpy, in The State of Nebraska (the "County"), and Union Bank and Trust Company, Lincoln, Nebraska (the "Paying Agent").

WITNESSETH:

WHEREAS, the County has authorized the issuance of \$5,090,000 of its Limited Tax Refunding Building Bonds, Series 2014, date of original issue – April 15, 2014 (the "Bonds"), by a Resolution adopted March 11, 2014 (the "Resolution"), and requires the services of a paying agent and registrar for said issue; and

WHEREAS, the Paying Agent is willing to provide services as paying agent and registrar pursuant to the terms of this Agreement and the Resolution in consideration for the compensation described in this Agreement.

NOW THEREFORE, the County and the Paying Agent do hereby agree as follows:

1. The Paying Agent 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.
2. Paying Agent agrees that it shall serve as paying agent for the County in making the payments of principal and interest falling due on the Bonds. The County shall, not later than five days before each interest and principal payment date on the Bonds, deposit with the Paying Agent an amount sufficient to make such payment and the Paying Agent 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 paragraph 1 hereof for the appropriate amounts of interest due on each respective bond and by paying principal upon presentation, all in accordance with the Resolution. The provisions of this paragraph 2 are subject to the provisions of paragraph 13 so long as the Bonds are outstanding in "book-entry-only" form.
3. Paying Agent hereby accepts and agrees to perform all duties directed by the Resolution to be performed by the "Paying Agent" as defined in the Resolution and the terms of the Resolution are hereby incorporated by reference.
4. The Paying Agent shall make the initial registration of the Bonds upon written directions from the original purchaser thereof as designated in the Resolution.
5. Transfer of the Bonds shall be registered pursuant to the limitations prescribed in the Resolution, upon surrender to the Paying Agent of any outstanding Bond in form deemed by the Paying Agent properly endorsed for transfer with all necessary signatures guaranteed in such manner and form as the Paying Agent may require by a signature guarantor reasonably believed by Paying Agent to be responsible, accompanied by such assurances as the Paying Agent shall deem necessary or appropriate to evidence the genuineness and effectiveness of each necessary signature and, if deemed appropriate by the Paying Agent, satisfactory evidence of compliance with all applicable laws relating to the collection of taxes. In registering transfer of the Bonds, the Paying Agent may rely upon the Uniform Commercial Code or any other statutes which in the opinion of counsel protect the Paying Agent 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 wherein Paying Agent's judgment an adverse claim requires such refusal.

6. As provided by law, the books of registration maintained by the Paying Agent 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.

7. At least annually, the Paying Agent shall give a report to the County accounting for all funds received and disbursement made. The Paying Agent shall maintain customary records in connection with its exercise of its duties under this Agreement and the Resolution.

8. At any time the Paying Agent may apply to the County for instructions and may consult with the County's attorney or the Paying Agent's own counsel in respect to any matter arising in connection with its duties under this Agreement and the Resolution and the Paying Agent 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 Paying Agent 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.

9. The County agrees to pay any expenses reasonably incurred by the Paying Agent in connection with the performance of its duties under this Agreement and the Resolution including counsel fees, and in addition shall pay the Paying Agent as compensation for its services pursuant to the attached schedule.

10. Any corporation or association into which the Paying Agent 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 part, shall ipso facto, be and become successor Paying Agent hereunder and vested with all of the trusts, powers, discretion, 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.

11. The County shall have the right to remove the Paying Agent only in the event of a material breach of the Paying Agent's duties under this Agreement and the Resolution. In such event, the County shall have the right to designate a successor and the Paying Agent 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.

12. This Agreement shall terminate when the Bonds have been paid in full. The Paying Agent shall have no duties with respect to the investment of monies paid to it under this Agreement and the Resolution except as may be otherwise agreed between Paying Agent and the County. Any deposit of such monies shall be either fully insured by insurance at the Federal Deposit Insurance Corporation or fully secured in the manner required by law for deposit of funds of the County. Any such deposit may be in an account maintained with the Paying Agent.

13. Under the terms of the Resolution, the Bonds are to be issued initially as "book-entry-only bonds" using the services of The Depository Trust Company (the "Depository") and initially the entire issue of the Bonds shall be registered in the name of Cede & Co., as nominee for the Depository, with one typewritten bond of each separate stated maturity. Payment of semiannual interest for any Bond registered as of each Record Date in the name of Cede & Co. shall be made by wire transfer to the account of Cede & Co. on the interest payment date for the Bonds at the address shown in the Paying Agent's books of registration for Cede & Co. as registered owner in accordance with the Depository's procedures as in effect from time to time. The Paying Agent 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 Paying Agent and the County in connection with services provided by the Depository.

The Paying Agent 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 bondholders under the Resolution, registering the transfer of Bonds, obtaining any consent or other action to be taken by bondholders and for all other purposes whatsoever, and neither the Paying Agent nor the County shall be affected by any notice to the contrary. Neither the Paying Agent 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 Paying Agent as being a bondholder, with respect to the accuracy of any records maintained by the Depository or any Participant; the payment by the Depository or any Participant or any amount in respect of the principal of or interest on the Bonds; any notice which is permitted or required to be given to bondholders 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 bondholder. The Paying Agent shall pay all principal 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 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 of and interest pursuant to the Resolution. Upon delivery by the Depository to the Paying Agent 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 Paying Agent 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:

(i) 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 Paying Agent 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 the Resolution and the Paying Agent 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.

(ii) If the County elects to terminate the book-entry system for the Bonds, it shall so notify the Paying Agent in writing. Thereafter, upon presentation of the Bonds, or any of them, by the Depository or its nominee to the Paying Agent for registration of transfer in accordance with the Resolution, the Paying Agent shall register the transfer in accordance with the Resolution and all provisions of this paragraph 13 shall immediately cease to be in effect.

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 Paying Agent. On the effective date of such termination, the provisions of this paragraph 13 shall cease to be in effect, except that the Paying Agent 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 Paying Agent shall, upon presentation of Bonds by the Depository or its nominee for registration of transfer or exchange in accordance with the Resolution make such transfer or exchange in accordance with the Resolution. Upon the appointment of a successor securities depository or termination of the book-entry system, the Paying Agent shall give

notice of such event to the registered owners of Bonds (through the Depository) and (1) of 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 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 bondholders pursuant to the Resolution by the County or the Paying Agent with respect to any consent or other action to be taken by bondholders, the County or the Paying Agent, 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.

14. If any one or more of the covenants or agreements to be performed by either of the parties to this Agreement shall be determined by a court of competent jurisdiction to be unenforceable, such covenants 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.

15. 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.

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

IN WITNESS WHEREOF, the parties hereto have each caused this Paying Agent and Registrar Agreement to be executed by their duly authorized officers and attested as of the date first above written.

THE COUNTY OF SARPY, NEBRASKA

By _____
Chairperson

ATTEST:

County Clerk

(SEAL)

Union Bank and Trust Company, Lincoln, Nebraska
Paying Agent and Registrar

By _____
Its _____



(402) 323-1828 · P.O. Box 82535 · LINCOLN, NE 68501-2535 · UBT.COM

**Union Bank & Trust Co.
Paying Agent and Registrar and Escrow Agent
Fee Schedule**

**SARPY COUNTY LIMITED TAX
REFUNDED BUILDING BONDS
SERIES 2014
Book Entry Issue**

Acceptance and Account Set Up Fee	\$ 500.00
Annual Administration Fee	\$ 450.00
Annual Escrow Administration Fee	\$ 500.00
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
Vice President & Trust Officer

Item 2

DIRECTION FOR CALL

**LIMITED TAX BUILDING BONDS, SERIES 2009
OF THE COUNTY OF SARPY, IN THE STATE OF NEBRASKA**

Section 1. That the following maturities of bonds of the County are hereby irrevocably called for redemption on December 8, 2014:

Limited Tax Building Bonds, Series 2009, issued by The County of Sarpy, (the "County") in the State of Nebraska, date of original issue – December 8, 2009, in the outstanding principal amount of Four Million Eight Hundred Seventy-Five Thousand Dollars (\$4,875,000), numbered as shown on the books of the Paying Agent and Registrar, becoming due, and bearing interest as follows (the "Called Bonds"):

<u>Principal Amount</u>	<u>Maturing December 15 of Year</u>	<u>Interest Rate</u>	<u>CUSIP</u>
\$ 760,000	2014	2.25%	80373F JR9
780,000	2015	2.55	80373F JS7
800,000	2016	2.75	80373F JT5
820,000	2017	3.00	80373F JU2
845,000	2018	3.20	80373F JV0
870,000	2019	3.35	80373F JW8

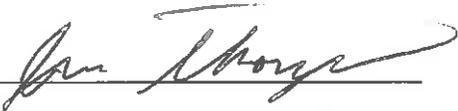
The Called Bonds are subject to redemption at any time on or after December 8, 2014, at the principal amount thereof plus accrued interest to the date fixed for redemption, and said interest is payable semiannually.

Section 2. The Called Bonds are to be paid off at the principal corporate trust office of Union Bank and Trust Company, in Lincoln, Nebraska, (the "Paying Agent") as paying agent and registrar.

Section 3. This Direction for Call is a determination by the undersigned with respect to redemption of the Called Bonds, as called for in the resolution of the Chairperson and Board of Commissioners of the County adopted on March 11, 2014, and the actions and determinations made herein pursuant to said resolution are and shall constitute the action of the County without further action of the Chairperson and Board of Commissioners of the County.

Section 4. A copy of this Direction for Call shall be filed with the Paying Agent, not less than thirty days prior to said date fixed for redemption of the Called Bonds. The Paying Agent is hereby directed to mail notice to all registered owners of the Called Bonds to be redeemed not less than thirty days prior to the date fixed for redemption in accordance with resolution authorizing the issuance of the Called Bonds and to take all other actions deemed necessary in connection therewith.

Dated as of the 15th day of April, 2014.

By: 
Title: Chairman, Sarpy County Board

Item 3

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 6, 2014

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 "Code"), (1) the interest on the Bonds is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (2) the interest on the Bonds is exempt from Nebraska income taxation by the State of Nebraska and (3) the Bonds have been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See "TAX MATTERS" herein.

**Bank Qualified
Book-Entry-Only**

**New Issue - Refunding
Ratings: Moody's "Aa1"**

\$5,075,000*

**THE COUNTY OF SARPY
IN THE STATE OF NEBRASKA
LIMITED TAX REFUNDING BUILDING BONDS, SERIES 2014**

Dated: Date of Delivery

Due: December 15, as set forth below

Union Bank and Trust Company is the Paying Agent and Registrar. Interest is payable semiannually on June 15 and December 15 of each year, beginning June 15, 2014*. The Bonds are issuable as fully registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Purchases of Bonds will be made in book-entry-only form, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC Participants. Beneficial owners of the Bonds will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal or redemption price of and interest on the Bonds will be made directly to DTC. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants. See "BOOK-ENTRY-ONLY SYSTEM."

The County will use the proceeds of the Bonds to (a) refund, on December 8, 2014, the County's Limited Tax Building Bonds, Series 2009, date of original issue - December 8, 2009 (the "2009 Bonds"), which were issued to pay the costs of furnishing a new law enforcement center (the "Project") and (b) pay the costs of issuing the Bonds. SEE "THE BONDS - The 2009 Project."

The Bonds are issued pursuant to a resolution passed by the Board of Commissioners of the County on November 17, 2009. The principal or redemption price of and interest on the Bonds are limited obligations of the County payable solely from taxes levied by the County pursuant to Section 23-120(3)(b), Reissue Revised Statutes of Nebraska, as amended, in an amount not to exceed 5.2 cents on each \$100 of actual valuation of all the taxable property in the County, subject to the County's constitutional levy limitation. See "THE BONDS - Security."

MATURITY SCHEDULE

<u>Principal Amount</u>	<u>Maturing (December 15)</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
\$845,000	2014	%	%	%
835,000	2015			
840,000	2016			
845,000	2017			
850,000	2018			
860,000	2019			

The Bonds maturing on and after December 15, 2019 are subject to redemption prior to maturity at the option of the County at any time on or after the fifth anniversary of the date of issuance of the Bonds. See "THE BONDS - Redemption."

The Bonds are offered in book-entry form, when, as and if issued and received by the Underwriter and subject to the approval of legality by Gilmore & Bell, P.C., Omaha, Nebraska, Bond Counsel, and certain other conditions. It is expected that the Bonds will be available for delivery through The Depository Trust Company, in New York, New York, on or about April 15, 2014.

AMERITAS INVESTMENT CORP.

The date of this Official Statement is _____, 2014.

* Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or 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 shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

THE COUNTY OF SARPY, NEBRASKA

COUNTY OFFICIALS

Board of Commissioners

Don Kelly
Jim Warren
Tom Richards
Brenda Carlisle
Jim Thompson

County Administration

Deb Houghtaling, County Clerk
Rich James, County Treasurer
Dan Pittman, County Assessor
Lee Polikov, County Attorney

BOND COUNSEL

Gilmore & Bell, P.C.

REGISTRAR AND PAYING AGENT

Union Bank and Trust Company

UNDERWRITER

Ameritas Investment Corp.

The information contained in the Official Statement has been obtained from Sarpy County, Nebraska and other sources which are believed to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information, and nothing contained in the Official Statement is, or shall be, relied on as a promise or representation by the Underwriter. The Official Statement is submitted in connection with the sale of securities as referred to therein, and may not be reproduced or be used, in whole or in part, for any other purpose. Neither delivery of the Official Statement nor any sale made thereunder shall create an implication that information therein is correct as of any time subsequent to its date.

No dealer, broker, salesman or other person has been authorized by the County or the Underwriter to give any information or to make any representation other than as contained in this Official Statement, in connection with the offering described herein, and if given or made, such information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer of any securities other than those described herein or an offer to sell or a solicitation of an offer to buy within any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale within such jurisdiction.

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APPENDIX A – INFORMATION CONCERNING THE COUNTY

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FORWARD-LOOKING STATEMENTS

This Official Statement contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE COUNTY DOES NOT EXPECT OR INTEND TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS CHANGE OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTIONS 3(a)(2) AND 3(a)(4) OF THE SECURITIES ACT OF 1933, AS AMENDED. THE REGISTRATION OR QUALIFICATION OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

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OFFICIAL STATEMENT

\$5,075,000*
THE COUNTY OF SARPY
IN THE STATE OF NEBRASKA
LIMITED TAX REFUNDING BUILDING BONDS, SERIES 2014

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and any Appendices hereto, is to furnish information concerning the County of Sarpy, in the State of Nebraska (the "County") and certain other information in connection with the issuance and sale of the County's \$5,075,000* Limited Tax Refunding Building Bonds, Series 2014 (the "Series 2014 Bonds" or the "Bonds").

THE BONDS

Purpose and Authority

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State including, particularly, Sections 10-142 and 23-120, Reissue Revised Statutes of Nebraska, as amended, and a resolution passed by the Board of Commissioners of the County on March 11, 2014 to (a) refund, on December 8, 2014 (the "Redemption Date"), the County's Limited Tax Building Bonds, Series 2009, date of original issue—December 8, 2009 (the "2009 Bonds").

The 2009 Project

The 2009 Bonds were issued pursuant to a resolution passed November 17, 2009 by the Board of Commissioners of the County for the purpose of paying (a) the costs of constructing, equipping and furnishing a new law enforcement center for the County, and (b) the costs of issuing the Bonds.

Security

For the prompt payment of the principal and interest on the Bonds, the County shall levy ad valorem taxes upon all the taxable property in the County at such rate or rates within applicable statutory and constitutional limitations as will provide funds which will be sufficient to make payment of the principal of and interest on said bonds as the same fall due. Pursuant to Section 23-120(3)(b), the levy for the payment of principal of and interest on the Bonds shall not exceed 5.2 cents for each \$100 of taxable valuation in any year. The County is also subject to a constitutional levy limitation which limits its tax levy rate to not more than 50 cents per \$100 of taxable valuation. Such limit applies to any tax levy for the payment of the Bonds. The total current County levy, which includes funds to pay debt service on the Bonds, is 29.990 cents per \$100 of taxable valuation. Maximum annual debt service on the Bonds is anticipated to be approximately \$880,000, which requires a tax levy of approximately 0.76 cents per \$100 of taxable valuation.

* Preliminary; subject to change.

In addition to the Bonds, the County has outstanding its Limited Tax Refunding Building Bonds, Series 2013, date of original issue – October 22, 2013, and its Limited Tax Refunding Bonds, Series 2011, date of original issue – August 18, 2011 (together, the “Outstanding Limited Tax Bonds”). Upon the issuance of the Bonds, the Bonds and the Outstanding Limited Tax Bonds will be the only bonds of the County payable from the limited tax levy authorized pursuant to Section 23-120(3)(b). The debt service requirements on the Bonds and the outstanding Bonds do not produce a levy in excess of 5.2 cents per \$100 of taxable valuation in any fiscal year in which the Bonds or the Outstanding Limited Tax Bonds are to be outstanding.

General Description

The Bonds will be dated Date of Delivery and will bear interest from that date, payable semiannually on June 15 and December 15 of each year, beginning June 15, 2014. Pursuant to the resolution authorizing the Bonds, the Bonds will be issued in “Book-Entry-Only” form, without coupons in denominations of \$5,000 or integral multiples thereof, not exceeding the amount of each maturity.

The Bonds will mature and bear interest at the rates referred to on the cover page of this Official Statement.

The Refunding

On the date of issuance of the Bonds, a portion of the net proceeds thereof will be deposited into an escrow account (the “Escrow Account”) to be held under an Escrow Agreement between the County and Union Bank and Trust Company, Lincoln, Nebraska, as escrow agent (the “Escrow Agent”). Such deposit will be used to purchase on such date of issuance direct obligations of the United States of America (“Government Securities”) which will be held in the Escrow Account.

The Government Securities will mature on such dates and in such amounts as shall provide funds which, together with other funds in the Escrow Account, will be sufficient to pay when due the principal amount or redemption price of and all interest due on the 2009 Bonds through and including the Redemption Date and to pay and redeem on the applicable Redemption Date all of the then outstanding 2009 Refunded Bonds.

After the issuance of the Bonds and the deposit of a portion of the proceeds thereof and other moneys with the Escrow Agent pursuant to the Escrow Agreement, the 2009 Bonds will be payable from the maturing principal of the Government Securities, together with the earnings thereon and other moneys held for such purpose by the Escrow Agent. Under the Escrow Agreement, the Government Securities and the moneys held by the Escrow Agent are irrevocably pledged to the payment of the 2009 Bonds and the interest thereon and may be applied only to such payment, and the 2009 Bonds will no longer be deemed outstanding for purposes of the Indenture.

Verification of Mathematical Computations

Upon delivery of the Bonds, Berens-Tate Consulting Group, a firm of independent certified public accountants, will deliver to the Underwriter a report verifying the mathematical accuracy of certain computations relating to (a) the adequacy of the maturing principal amount of the securities held in the Escrow Account, interest earned thereon and certain uninvested cash to pay the principal and redemption price of, and interest on, the Refunded Bonds as such principal and redemption price and interest become due and payable, and (b) the mathematical computations supporting the conclusion that the Bonds are not “arbitrage bonds” under Section 148 of the Code. Such verification of the accuracy of the computations will be based upon information supplied by the Underwriter and on interpretations of the Code provided by Bond Counsel.

Registration and Transfer

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

The County will cause the books for the registration and transfer of the Bonds to be kept at the principal corporate trust office of the Paying Agent and Registrar at all times while any of such Bonds shall be outstanding. The Bonds are being issued in "Book-Entry-Only" form. Reference is made to the section and caption entitled "Book-Entry-Only System" for registry details and transfer information. To the extent of denominations authorized for Bonds by the terms of this Bond Resolution, one Bond may be transferred for several other Bonds of the same series, interest rate and maturity, and for a like aggregate principal amount and several such Bonds, of the same series may be transferred for one of several such Bonds, respectively, the same series, interest rate and maturity and for a like aggregate principal amount.

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

The Paying Agent and Registrar shall not be required (a) to issue, transfer or exchange Bonds from the last day of the month preceding any interest payment date until such interest payment date; or (b) to register, transfer or exchange any Bond which has been designated for redemption within a period of 30 days next preceding the date fixed for redemption.

Redemption

Optional Redemption. The Bonds maturing December 15, 2018 are not subject to optional redemption prior to their stated maturities. The Bonds maturing on and after December 15, 2019 are subject to optional redemption at the option of the County prior to the stated maturities thereof at any time on or after the fifth anniversary of the date of issue of the Bonds 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 Bonds shall be redeemed in whole multiples of \$5,000 and if any 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 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 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 Bonds duly called for redemption if payment thereof has been duly provided for with the Registrar.

Book-Entry-Only System

The Bonds are available in book-entry only form and beneficial ownership interests therein may be purchased in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds.

The following information concerning The Depository Trust Company ("DTC"), New York, New York and DTC's book-entry system has been obtained from sources the County believes to be reliable. However, the County takes no responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

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

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity 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 Participant's accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and at www.dtc.org.

Purchases of the 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 the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the 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 notices be provided directly to them.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's 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).

Payment of principal or redemption price of and interest 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 Paying Agent and Registrar, on the payment 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, its nominee, the Paying Agent and Registrar, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal or redemption price of and interest on the Bonds 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 Paying Agent and 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.

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 Paying Agent and Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed, 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), and delivered to DTC (or a successor securities depository), to be held by it as securities depository for Direct Participants. If, however, the system of book-entry-only transfers has been discontinued and a Direct Participant has elected to withdraw its Bonds from DTC (or such successor securities depository), Bond certificates may be delivered to Beneficial Owners in the manner described herein under the caption "THE BONDS - Registration and Transfer".

Book-Entry System Risk Factors

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

Since transactions in the Bonds can be effected only through DTC, its Participants, Indirect Participants and certain banks, the ability of a Beneficial Owner to pledge any Bonds to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Bonds, may be limited due to lack of physical certificate. Beneficial Owners will not be recognized by the Registrar as registered owners for purposes of the Resolution, and Beneficial Owners will be permitted to exercise the rights of registered owners only indirectly through DTC and its Participants. For the rights of Beneficial Owners with respect to the County's continuing disclosure obligation, see APPENDIX C.

SOURCES AND USES OF FUNDS

Sources:

Bond Principal	\$ _____
County Contribution	_____
TOTAL	\$ _____

Uses:

Refunding Deposit	\$ _____
Cost of Issuance and Underwriting	_____
TOTAL	\$ _____

NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION

The Nebraska Legislature has enacted legislation intended to reduce the level of property taxation and political subdivision expenditures in the State. The Legislature has enacted legislation to provide for budget limitations and legislation requiring reductions in the rate of taxation for general property taxes.

A limitation of 2.5% has been imposed on the growth of restricted funds with an adjustment factor for population growth, if any. Restricted funds include property taxes (excluding any amounts required to pay interest and principal on bonded indebtedness), payments in lieu of taxes, local option sales taxes, permit and regulatory fees, state aid and fees from enterprise funds to the extent budgeted for general purposes rather than the enterprise function.

The rates for levying property taxes are limited for each type of governmental unit in the State of Nebraska. The statutory rate for counties is limited to no more than 50¢ per one hundred dollars (\$100) of taxable value, provided that from such levy amount 5¢ may only be levied for payments due under interlocal cooperation act agreements. Up to a total of 15¢ of the county's authority may be dedicated to other political subdivisions at the discretion of the county board. Such 15¢ allocation authority applies to certain political subdivisions within the county, such as fire districts, but does not include cities, villages, school districts, community colleges, natural resource districts, educational service units and sanitary and improvement districts. Voter-approved property tax levies of the county to pay bonded debt are not included in such statutory limitation.

Ad valorem taxes levied to pay debt service on bonded indebtedness, including the Bonds, are not subject to the budget or tax levy limitations described above. However, taxes levied for the Bonds are subject to Nebraska's constitutional maximum levy for counties of 50 cents per \$100 of taxable valuation of property subject to the levy, and the levy for the Bonds may not exceed 5.2 cents per \$100 of taxable valuation of property. See "THE BONDS: Security".

The future methods of providing financing for counties and other local units may be altered depending upon future actions to be taken by the Nebraska Legislature, possible future voter initiatives and further decisions of the Nebraska Supreme Court or of federal courts.

BONDHOLDERS' RISKS

The payment of the Bonds is subject to certain risks. Each prospective investor in the Bonds is encouraged to read this Official Statement in its entirety. Particular attention should be given to the factors described below which, among others, could affect the payment of debt service on the Bonds and which could also affect the market price of the Bonds to an extent that cannot be determined.

1. Limitation of Rights Upon Insolvency. The United States Bankruptcy Code enables debtors, including cities and counties, which 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 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, including the Tax Limitations and the Budget Limitations (see "NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION"), 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 Nebraska 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 of Nebraska has authorized its political subdivisions to seek relief under the United States Bankruptcy Code by statute.

2. Nebraska Laws Related to Budgets and Taxation. The Nebraska Legislature has taken actions designed to limit increases in spending and to reduce the reliance of local governmental units on property taxation. For a discussion of such changes, see "NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION".

3. Future Legislation. Legislative and budget proposals have been released that would, among other things, subject interest on tax-exempt bonds (including the Bonds and other tax-exempt obligations of the County) to a federal income tax for taxpayers with incomes above certain thresholds. Additional proposals affecting tax-exempt interest may be considered from time to time which could limit the availability of or eliminate federally tax-exempt interest on tax-exempt bonds. Neither house of Congress has passed any such proposal and it is not possible to predict whether any proposal with similar effects will be enacted into law. If enacted into law, such a proposal could adversely affect the ability of the County to finance and/or refinance projects on favorable tax-exempt terms. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

TAX MATTERS

The following is a summary of the material federal and State of Nebraska income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Nebraska, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under the law existing as of the issue date of the Bonds:

Federal and Nebraska Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Nebraska.

Alternative Minimum Tax. Interest on the 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.

Bank Qualification. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

Bond counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and Nebraska income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the heading “TAX MATTERS.”

Other Tax Consequences

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner’s federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the 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 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of 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 Bonds, including the possible application of state, local, foreign and other tax laws.

NO DEFAULTED BONDS

The County has never failed to pay principal and interest when due on any of its bonded indebtedness.

UNDERWRITING

Ameritas Investment Corp. has agreed to purchase all of the Bonds from the County at the price of \$_____ plus accrued interest in the amount of \$-0-. The purchase price reflects the underwriter's discount of \$_____. The Underwriter has advised the County that the Bonds may be offered and sold to certain dealers (including dealers depositing the Bonds into investment trusts) at prices lower than the initial public offering prices set forth on the cover of this Official Statement and that such public offering prices may be changed from time to time.

Although the Underwriter expects to maintain a secondary market in the Bonds after the initial offering, no guarantee can be given concerning the future existence of such a secondary market or its maintenance by the Underwriter or others.

RATINGS

Moody's Investors Service, Inc. ("Moody's") has assigned the Bonds a rating of "Aa1." Such rating reflects only the views of such organization, and an explanation of the significance of such ratings may be obtained from Moody's, 250 Greenwich Street, New York, NY 10007.

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 Bonds.

FINANCIAL STATEMENTS

The financial statements of the County included in APPENDIX B to this Official Statement have been audited by BKD CPAs and Advisors, independent certified public accountants, as indicated in their report, which is also included in APPENDIX B. Such auditor has not been asked to provide its consent to the inclusion of the financial statements, or its audit report thereon, in this Official Statement.

CERTIFICATE OF NO LITIGATION

A no-litigation certificate, dated the date of closing, will be provided stating, among other things, that there is no action, suit, proceeding, inquiry, or any other litigation or investigation at law or in equity, before or by any court, public board or body, which is pending or threatened, challenging the creation, organization or existence of the County; or the titles of its officers to their respective offices; or which, if decided adversely to the interests of the County, would have a material adverse effect on the operations or financial condition of the County; or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds; or affecting the pledge and application of the County's full faith and credit pursuant to the Resolution; or directly or indirectly contesting or affecting the proceedings or the authority by which the Bonds are issued; or the validity of the Bonds or the issuance thereof.

CONTINUING DISCLOSURE

The County is executing and delivering a continuing disclosure undertaking (the "Undertaking") for the benefit of the holders and beneficial owners of the Bonds to send certain financial information and operating data to certain information repositories annually and to provide notice to the Municipal Securities Rulemaking Board or certain other repositories of certain events, pursuant to the requirements of Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. § 240.15c2-12) (the "Rule"). See APPENDIX C—FORM OF CONTINUING DISCLOSURE UNDERTAKING.

A failure by the County to comply with the Undertaking will not constitute an event of default with respect to the Bonds, although any holder would have any available remedy at law or in equity, including seeking specific performance by court order, to cause the County to comply with its obligations under the Undertaking. 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 Bonds and their market price. For fiscal years ending June 30, 2009, 2010, 2011 and 2012, the County filed its audit and financial information and operating data later than required by the official statements for certain of the County's outstanding bond issues, but in all cases within sixty days of such requirements. The County believes it has otherwise complied in all material respects with its undertakings for the past five years.

APPROVAL OF LEGAL PROCEEDINGS

All of the legal proceedings in connection with the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Omaha, Nebraska, Bond Counsel for the County.

MISCELLANEOUS

Any description which may be included in this Official Statement of the terms of the Bonds and the resolution authorizing the Bonds, do not purport to be complete and any such description and references thereto are qualified in their entirety by reference to each such document, copies of which may be obtained from the County or the Underwriter of the Bonds.

The information contained in this Official Statement has been compiled or prepared from information obtained from the County and other sources deemed to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct as of this date. Any statements involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

SARPY COUNTY, NEBRASKA

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APPENDIX A

INFORMATION CONCERNING THE COUNTY

GENERAL DESCRIPTION OF THE COUNTY

The County encompasses approximately 249 square miles, or 159,360 acres in area, and is located on the eastern border of Nebraska. Sarpy County is surrounded by Douglas County on the north, Saunders County on the west, Cass County on the south, and borders with the State of Iowa on the east. The Missouri River separates Iowa and Nebraska on Sarpy County's eastern edge. Papillion, the county seat of Sarpy County, is located ten miles from Omaha, Nebraska, and 45 miles from Lincoln, Nebraska. The current population of the County is estimated at 165,853.

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

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

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

Source: 2010 US Census (www.quickfacts.census.gov)

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 2012 was 83,941. According to Offutt Air Force Base, there are 9,980 military and civilian personnel employed on the base in Bellevue.

Source: State of Nebraska, <http://networks.nebraska.gov> (for civilian labor); Offutt Impact Analysis for 9/30/12 (for military assigned).

Per Capita Personal Income. In 2012, the per capita personal income of Sarpy County residents was \$44,323, which was 98.5 percent of the Nebraska average per capita income of \$45,012. The lower per capita income is explained by Sarpy County's 28.2% population under age 18.

Source: <http://quickfacts.census.gov> (for population under 17)

<http://bea.gov> (for per capita personal income by County)

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

Source: <http://quickfacts.census.gov>

SALES

Net taxable sales (excluding motor vehicles) within the County increased from \$1,118,043,437 in 2011 to \$1,316,902,534 in 2012, representing a 17.79 percent increase over the prior year.

Source: Nebraska Department of Revenue Research Department

EMPLOYERS

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

COMPANY	ADDRESS	PHONE	INDUSTRY
Offutt Air Force Base	205 Looking Glass Ave.#121 Offutt AFB, NE 68113-6000	402-294- 5533	Government
PayPal, Inc.	12312 Port Grace Blvd. LaVista, NE 68128	402-935- 2000	Service
Bellevue Public Schools	1600 Highway 370 Bellevue, NE 68005	402-293- 4000	Education
Werner Enterprises	14507 Frontier Road Omaha, NE 68145	402-895- 6640	Trucking
Papillion-LaVista Schools	420 S. Washington Street Papillion, NE 68046	402-537- 6200	Education
Wal-Mart Super Center (Bellevue, Gretna & Papillion)	10504 S. 15 th Street Bellevue, NE 68005	402-292- 0156	Retail
InfoGroup Compilation Center	1020 East First Street Papillion, NE 68046	402-593- 4500	Service
Sarpy County Government	1210 Golden Gate Dr. Papillion, NE 68046	402-593- 2346	Government
Ehrling Bergquist Clinic	2501 Capehart Road Offutt AFB, NE 68113	402-294- 5533	Military Healthcare
Bellevue University	1000 Galvin Road S. Bellevue, NE 68005	402-293- 3800	Education
Hillcrest Health Systems	1702 Hillcrest Drive Bellevue, NE 68005	402-682- 4800	Healthcare
Northrup Grumman	3200 Sampson Way Bellevue, NE 68005	402-291- 8300	Service
Oriental Trading Company	4206 S. 108 th Street Omaha, NE 68137	402-331- 5511	Warehouse/Distribution
Alegent Health Midlands Hospital	1111 S. 84th Street Papillion, NE 68046	402-593- 3000	Healthcare
Gretna Public Schools	11717 S. 216 th Street Gretna, NE 68028	402-332- 3265	Education
Securities America, Inc.	12325 Port Grace Blvd. LaVista, NE 68128	402-339- 9111	Financial
Bellevue Medical Center	2500 Bellevue Med Ctr. Dr. Bellevue, NE 68123	402-763- 3000	Healthcare
TSL Cos.	9902 S. 148 th Street Omaha, NE 68138	402-895- 6692	Trucking
Super Target Stores (Bellevue & Papillion)	716 N. Washington Street Papillion, NE 68046	402-597- 9990	Retail
Streck, Inc.	7002 South 109 th Street La Vista, NE 68128	402-333- 1982	Manufacturing

Source: Sarpy County Department of Labor Planning & Development, Toby Churchill. Rankings are based on the most recent information available.

20 LARGEST TAXPAYERS

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

BUSINESS NAME	2012 TAXES	NATURE OF BUSINESS
Shadow Lake Towne Center LLC	\$ 2,060,185.00	Retail Business
Clarkson Regional	\$ 1,604,211.00	Healthcare
JQH LaVista Conference/CY Dev/III Dev	\$ 1,335,027.00	Conference Center & Hotel
Offutt AFB America	\$ 1,033,227.00	Base Housing
Walmart Real Estate/Stores	\$ 945,046.00	Retail Business
Werner Leasing, Inc./Werner Enterprises	\$ 787,854.00	Lease/Trucking Company
PayPal	\$ 728,500.00	Commercial Business
Wells Exchange-Maass Rd/Samson Way	\$ 706,117.00	Foreign LLC
Harrison Hills Apartments	\$ 696,536.00	Apartments
Edward Rose Development	\$ 576,995.00	Apartments
Green Pointe LLC	\$ 540,281.00	Apartments
Cole Mt. Papillion NE LLC	\$ 525,899.00	Retail Business
Toys NE QRD 15-74 Inc.	\$ 510,543.00	Distribution
Shopko Properties/Real Estate	\$ 463,443.00	Distribution
Rock Creek Apartments	\$ 438,842.00	Apartments
Hillcrest Development	\$ 430,034.00	Healthcare & Apartments
NS OVLK LLC	\$ 429,819.00	Apartments
Twin Creek Apartments, LLC	\$ 422,712.00	Apartments
Nebraska Machinery	\$ 383,831.00	Retail Business
Bellevue Medical Center	\$ 344,904.00	Healthcare

*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 total tax levy for fiscal year 2012-2013 is 29.990 cents per \$100 of actual valuation.

LIMITED TAX BUILDING BONDS, SERIES 2007 (Courthouse Addition)

The County issued \$7,000,000 Limited Tax Building Bonds dated February 6, 2007 to finance the construction of a Courthouse Administrative Addition. Refunding bonds were issued on August 8, 2011 in the amount of \$4,165,000, of which \$2,375,000 remain outstanding.

LIMITED TAX BUILDING BONDS, SERIES 2008 (Courthouse Remodel)

The County issued \$5,700,000 Limited Tax Building Bonds dated June 5, 2008 to finance the remodel of the existing Courthouse. Refunding bonds were issued on October 22, 2013 in the amount of \$2,900,000, of which 2,900,000 remain outstanding.

HIGHWAY ALLOCATION BONDS, SERIES 2009 (96TH STREET)

The County issued \$6,075,000 in Highway Allocation Bonds dated February 18, 2009 to finance the repayment of the 96th Street Project. This bond issue was paid in full during the 2013FY.

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

The County issued \$7,790,000 Limited Tax Building Bonds dated December 8, 2009 to finance the construction of a Law Enforcement Center, of which \$4,875,000 remain outstanding.

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

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

Series 2009A Bonds \$4,195,000 of which \$3,520,000 remain outstanding.

Taxable Series 2009B (Build America Bonds) \$9,290,000 of which \$9,290,000 remain outstanding.

Taxable Series 2009C \$5,500,000 of which \$4,500,000 remain outstanding.

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

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

Source: Bond Debt Service Schedules

ACTUAL VALUE OF TAXABLE PROPERTY

Tax Year	Actual Valuation	Percentage of Increase
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%
2009	\$ 10,977,324,419.00	2.43%
2010	\$ 11,076,469,531.00	0.90%
2011	\$ 11,197,886,358.00	1.10%
2012	\$ 11,451,696,861.00	2.30%
2013	\$ 11,599,879,360.00	1.30%

*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: Sarpy County Assessor

TAX LEVIES AND COLLECTIONS

TAX CERTIFIED BY THE ASSESSOR-INCLUDING INTEREST & PUBLICATION FEES:

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Real Estate	\$223,669,089	\$228,991,725	\$234,965,835
Personal	6,415,192	5,752,590	6,135,521
Centrally Assessed	<u>1,210,009</u>	<u>1,088,752</u>	<u>1,291,352</u>
	\$231,294,290	\$235,833,067	\$242,392,708

NET TAX COLLECTED BY THE COUNTY-INCLUDING INTEREST & PUBLICATION FEES TREASURER AS OF JUNE 30, 2013:

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Real Estate	\$223,571,720	\$228,867,146	\$130,423,402
Personal	6,360,572	5,721,235	3,985,614
Centrally Assessed	<u>1,207,451</u>	<u>1,088,752</u>	<u>750,017</u>
	\$231,139,743	\$235,677,133	\$135,159,033

TOTAL UNCOLLECTED TAX AS OF JUNE 30, 2013:

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Real Estate	\$ 97,369.00	\$124,579.00	\$104,542,433.00
Personal	54,620.00	31,355.00	2,149,907.00
Centrally Assessed	<u>2,558.00</u>	<u>-</u>	<u>541,335.00</u>
	\$154,547.00	\$155,934.00	\$107,233,675.00
Percentage uncollected	0.07%	0.07%	44.24%

Source: Unaudited Financial Statements

HISTORY OF COUNTY TAX LEVIES (CENTS PER \$100 OF ASSESSED VALUATION)

Year	Amount	Year	Amount
1985	38.893	2000	29.008
1986	45.345	2001	29.008
1987	45.259	2002	29.990
1988	45.293	2003	29.990
1989	44.925	2004	29.990
1990	44.946	2005	29.990
1991	44.923	2006	29.990
1992	43.891	2007	29.990
1993	43.643	2008	29.990
1994	40.517	2009	29.990
1995	40.719	2010	29.990
1996	36.730	2011	29.990
1997	34.612	2012	29.990
1998	34.052	2013	29.990
1999	30.932		

Source: The County

SARPY COUNTY POPULATION (1970-2012)

April 1, 1970 (census)	66,200	July 1, 2000 (census)	122,595
April 1, 1980 (census)	86,015	October 24, 2002 (estimate)	125,836
July 1, 1982 (estimate)	91,359	July 2003 (estimate)	132,476
July 1, 1984 (estimate)	93,589	July 2004 (estimate)	135,973
July 1, 1986 (estimate)	95,600	July 2005 (estimate)	139,371
July 1, 1988 (estimate)	98,500	July 2006 (estimate)	142,637
July 1, 1990 (estimate)	102,582	July 2007 (estimate)	146,756
July 1, 1991 (estimate)	105,012	July 2008 (estimate)	150,467
July 1, 1993 (estimate)	108,000	July 2009 (estimate)	153,504
July 1, 1994 (estimate)	109,000	July 2010 (Census)	158,840
July 1, 1995 (estimate)	112,000	July 2011 (estimate)	162,561
July 1, 1996 (estimate)	116,271	July 2012 (estimate)	165,853
January 1, 1998 (estimate)	120,329		
February, 1999 (estimate)	122,495		

Source: U.S. Census

SARPY COUNTY BUILDING PERMITS*

<u>Year</u>	<u>Single Family</u>		<u>Multi Family</u>	
	<u>Permits</u>	<u>Value</u>	<u>Permits</u>	<u>Value</u>
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	\$ -
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	\$ -
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	\$ -
2002	340	\$ 35,253,309	0	\$ -
2003	467	\$ 49,115,417	2	\$ 460,880
2004	696	\$ 71,447,719	0	\$ -
2005	685	\$ 72,518,595	0	\$ -
2006	689	\$ 75,054,119	1	\$ 1,080,000
2007	400	\$ 48,871,958	1	\$ 1,000,000
2008	359	\$ 58,579,543	1	\$ 1,080,000
2009	216	\$ 43,714,130	1	\$ 1,617,941
2010	78	\$ 34,085,230	1	\$ 1,238,465
2011	169	\$ 36,527,462	0	\$ -
2012	195	\$ 38,787,474	0	\$ -
2013	318	\$ 63,519,462	4	\$ 8,232,185

<u>Year</u>	<u>Commercial/Industrial</u>	
	<u>Permits</u>	<u>Value</u>
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
2009	7	\$ 3,061,475
2010	4	\$ 2,742,806
2011	12	\$ 1,727,142
2012	17	\$ 6,540,526
2013	33	\$ 3,354,267

Source: Sarpy County Building and Planning Department

*Includes only areas outside city zoning jurisdictions.

CASH FUNDS ON HAND

OPERATING FUNDS:	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013
General	\$ 10,854,227	\$ 9,295,174	\$ 11,443,100	\$ 12,888,282	\$ 12,213,310	\$ 13,873,830
Road	\$ 1,088,854	\$ 4,188,885	\$ 4,772,849	\$ 1,488,840	\$ 4,838,289	\$ 4,877,881
EP11 Communication	\$ 67,871	\$ 2,814	\$ 10,888	\$ 15,818	\$ 358,289	\$ 228,878
Child Support-Clerical Court	\$ 67,888	\$ 801	\$ 18,884	\$ 88,888	\$ 1,888	\$ 778
Child Support-County Attorney	\$ 388,888	\$ 118,181	\$ 148,888	\$ 148,888	\$ 3,888	\$ 288,887
Landfill	\$ 1,144,888	\$ 2,148,288	\$ 2,888,888	\$ 2,848,888	\$ 8,288,888	\$ 8,881,888
Noxious Weed	\$ 8,878	\$ 288	\$ 88	\$ 288	\$ 111	\$ 3,788
Information Systems	\$ 28,881	\$ 7,887	\$ 88,777	\$ 38,888	\$ 48,144	\$ 48,884
Purchasing	\$ 1,888	\$ (17)	\$ 4,222	\$ 6,881	\$ 3,878	\$ 8,888
Fleet	\$ 82,240	\$ 10,772	\$ 81,811	\$ 81,185	\$ 8,443	\$ 128,840
TOTAL OPERATING FUNDS:	\$ 18,844,885	\$ 18,788,870	\$ 18,824,888	\$ 17,878,888	\$ 28,874,147	\$ 28,471,818

NON-OPERATING FUNDS:	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013
EP11 Writings Service	\$ -	\$ -	\$ -	\$ 128,888	\$ 18,888	\$ -
EP11 Blinding	\$ -	\$ -	\$ -	\$ -	\$ 188,758	\$ 187,484
Writings Communications	\$ 17,888	\$ 84,888	\$ 88,288	\$ 88,848	\$ 42,888	\$ 84,888
EP11 Rebanding	\$ -	\$ 88,847	\$ 88,877	\$ 81,877	\$ 728	\$ 728
Child Support-Incentive	\$ -	\$ -	\$ 88,882	\$ 88,882	\$ 37,888	\$ 34,488
Toulan	\$ 188,817	\$ 188,770	\$ 287,888	\$ 384,842	\$ 482,888	\$ 688,888
Victims Improvement	\$ 888,871	\$ 818,848	\$ 718,281	\$ 821,888	\$ 888,144	\$ 888,482
Employment Security	\$ 1,818	\$ 17,882	\$ 8,218	\$ 888	\$ 24,882	\$ 38,818
Early Release Reimb Program	\$ -	\$ -	\$ -	\$ -	\$ 128,888	\$ -
Medical	\$ 9,114	\$ 84,884	\$ 187,882	\$ 182,885	\$ 142,188	\$ 188,888
Institutions	\$ 37,881	\$ 28,887	\$ 28,481	\$ 18,488	\$ 4,888	\$ 1,188
Register of Deeds Technology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,488
Alcohol Diversion	\$ 4,884	\$ 8,884	\$ 108,881	\$ 7,188	\$ 7,788	\$ 3,787
County Drug Enforcement	\$ 2,884	\$ 3,788	\$ 8,188	\$ 8,188	\$ 8,188	\$ 4,188
FG-Drug Court	\$ 1,188	\$ 1,384	\$ 1,888	\$ 888	\$ 88	\$ 87
FG-JAIBG	\$ 3,148	\$ 3,172	\$ 8,218	\$ 8,884	\$ 2,888	\$ -
FG-Title 1D	\$ 182	\$ 1,888	\$ 78	\$ 1,888	\$ 1,888	\$ 2,882
FG-Juvenile Pretrial Assessment	\$ 848	\$ 1,188	\$ -	\$ -	\$ -	\$ -
State Education Reimbursement	\$ 1,881	\$ 8,878	\$ 8,888	\$ 1,888	\$ 8,878	\$ 8,888
FG-ARRA Title 1D	\$ -	\$ -	\$ 888	\$ 874	\$ -	\$ -
FG-Treasury	\$ -	\$ -	\$ -	\$ -	\$ 488	\$ -
Learning Comm-Treasury	\$ -	\$ -	\$ -	\$ -	\$ 28,184	\$ 14,818
FG-JDA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 888
Federal Forfeitures	\$ 288,878	\$ 384,811	\$ 182,888	\$ 178,122	\$ 184,187	\$ 184,841
SCAAP	\$ -	\$ -	\$ -	\$ -	\$ 2,888	\$ 2,888
Soc. Security Incentive	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,888
Fed Forf - City Atty	\$ 42,878	\$ -	\$ -	\$ -	\$ -	\$ -
STOP Program	\$ 88,847	\$ 88,878	\$ 88,188	\$ 72,818	\$ 77,818	\$ 74,888
FG-Victim Witness	\$ (144)	\$ 888	\$ -	\$ 888	\$ -	\$ 88
CDBG-Revolving Loan	\$ 888,848	\$ 888,187	\$ 888,488	\$ 31,188	\$ -	\$ -
FG-Energy Efficiency	\$ -	\$ -	\$ 28	\$ 888	\$ 781	\$ -
FG-Pedins Controllers	\$ -	\$ -	\$ -	\$ 1,888	\$ 1,114	\$ 128
FG-Project Engage	\$ 884	\$ 788	\$ 188	\$ -	\$ -	\$ -
GGP Grant-Corner Service	\$ -	\$ -	\$ -	\$ 488	\$ 478	\$ -
FG-JAG Recruitment	\$ -	\$ -	\$ 1,878	\$ -	\$ -	\$ -
FG-Drug Enforcement	\$ 888	\$ 347	\$ 278	\$ 888	\$ 888	\$ 388
Juvenile Serv LBS40	\$ 887	\$ 12	\$ -	\$ -	\$ -	\$ -
County Aid Enhancement	\$ -	\$ -	\$ 488	\$ -	\$ -	\$ -
FG-JAG Equipment	\$ -	\$ -	\$ 888	\$ -	\$ -	\$ 144
FG-Title Enforcement	\$ -	\$ -	\$ 8,878	\$ 12,882	\$ 18,888	\$ 18,248
FG-Brownfield	\$ -	\$ -	\$ 888	\$ 378	\$ -	\$ -
FG-Title Transportation	\$ 881	\$ 817	\$ 878	\$ 488	\$ 1,481	\$ 81
FG-Adult Drug Court	\$ 22,882	\$ 28,718	\$ 24,882	\$ 88,844	\$ 88,888	\$ 48,441
FG-Buffer Zone	\$ 84	\$ 481	\$ 84	\$ 818	\$ 48,884	\$ -
FG-Drug Enforcement	\$ 4,888	\$ 8,878	\$ 8,788	\$ 8,884	\$ 7,748	\$ 11,288
FG-Juvenile Day/Evening Reporting	\$ 3,118	\$ 8,197	\$ 4,878	\$ 3,844	\$ -	\$ -
FG-MIP Mkt Grant	\$ 12,888	\$ 8,788	\$ 888	\$ -	\$ -	\$ -
FG-Assault Reconstruction	\$ 8,178	\$ 1,881	\$ 3,881	\$ 1,888	\$ -	\$ -
FG-Beast Patrol	\$ -	\$ 178	\$ 178	\$ -	\$ -	\$ -
SG-Slamwater Mgt.	\$ 118,778	\$ 181,484	\$ 177,887	\$ 28,881	\$ 187,188	\$ 174,184
Inheritance Tax	\$ 2,144,288	\$ 2,438,341	\$ 2,432,487	\$ 2,884,888	\$ 3,842,881	\$ 3,871,888
Non-Operating Sub-Total	\$ 3,878,221	\$ 4,747,348	\$ 4,888,287	\$ 4,881,348	\$ 5,888,178	\$ 6,888,848

	6/30/2008	6/30/2009	6/30/2010	6/30/2011	6/30/2012	6/30/2013
Keno	\$ 175,840	\$ 143,487	\$ 115,094	\$ 90,729	\$ 81,429	\$ 77,030
800 MHz Bond	\$ 415,280	\$ 413,392	\$ 181,286	\$ -	\$ -	\$ -
Courthouse Bond	\$ 577,836	\$ 415,351	\$ -	\$ -	\$ -	\$ -
Courthouse Administrative Bond	\$ 349,532	\$ 281,941	\$ 628,016	\$ 1,048,882	\$ 1,879,890	\$ 317,579
Courthouse Remodel Bond	\$ 363,142	\$ 217,892	\$ 133,481	\$ (52,515)	\$ 7,746	\$ 34,828
Sheriff Admin Bond	\$ -	\$ 643,858	\$ 1,818,445	\$ 1,122,806	\$ 834,233	\$ 728,669
Stadium Bonds Public	\$ -	\$ -	\$ 22,195	\$ 505	\$ 792	\$ 71,189
Stadium Bonds Private	\$ -	\$ -	\$ 1,182	\$ 9,183	\$ 188,647	\$ 14,718
Landfill Bond Surplus	\$ 3,255,255	\$ 3,385,032	\$ 2,217,011	\$ 1,725,817	\$ 1,268,887	\$ 769,734
Series A Stadium Const.	\$ -	\$ -	\$ -	\$ 282	\$ -	\$ -
Series B Stadium Const.	\$ -	\$ -	\$ -	\$ 291	\$ -	\$ -
Series C Stadium Const.	\$ -	\$ -	\$ -	\$ 338	\$ -	\$ -
Series 2010 Stadium Const.	\$ -	\$ -	\$ -	\$ 578	\$ -	\$ -
Stadium Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 24,789	\$ 110,352
Sliding Fund	\$ 888,988	\$ 888,168	\$ 888,583	\$ 824,972	\$ 808,184	\$ 480,439
Landfill Closure	\$ 7,182,127	\$ 7,182,127	\$ 7,182,127	\$ 7,182,127	\$ 7,182,127	\$ 7,182,127
Hazardous Waste	\$ 68,548	\$ 68,823	\$ 46,623	\$ -	\$ -	\$ -
Sewer Fund	\$ 1,202,708	\$ 1,185,913	\$ 1,282,880	\$ 1,276,345	\$ 1,367,081	\$ 1,382,086
Sewer Operations	\$ 128,104	\$ 124,817	\$ 109,878	\$ 15,487	\$ 66,512	\$ 87,233
Phase II Stormwater	\$ 7,500	\$ 11,000	\$ 14,500	\$ 19,500	\$ 29,500	\$ 32,000
Watershed Fee	\$ -	\$ -	\$ 5,750	\$ 28,645	\$ 253,232	\$ 33,221
Connection Fee Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25
GIB	\$ 19,595	\$ 175	\$ 3,537	\$ 11,076	\$ 51,552	\$ 4,518
TOTAL NON-OPERATING FUNDS:	\$ 18,401,548	\$ 19,724,536	\$ 19,068,732	\$ 19,189,833	\$ 19,155,484	\$ 17,778,544
GRAND TOTAL:	\$ 32,245,893	\$ 35,511,658	\$ 37,894,767	\$ 35,576,569	\$ 38,228,881	\$ 42,230,454

Source: The County

The County hereby incorporates by reference the following section of the County's continuing disclosure filing for the year ended June 30, 2013 filed on December 26, 2013 as part of the continuing disclosure information for the County's Limited Tax Refunding Bonds, Series 2013 provided to the Municipal Securities Rulemaking Board on its EMMA website at www.emma.msrb.org:

- ESTIMATED OVERLAPPING AND UNDERLYING INDEBTEDNESS (AS OF JUNE 30, 2013)

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APPENDIX B

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS**

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Sarpy County, Nebraska
Independent Auditor's Report and Financial Statements
June 30, 2013



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Sarpy County, Nebraska
June 30, 2013

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Sarpy County, Nebraska

June 30, 2013

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Independent Auditor's Report

Board of Commissioners
Sarpy County, Nebraska

Report on the Financial Statements

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, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

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 Sarpy County, Nebraska as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary and other post-employment benefits information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards required by OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the schedule of receipts and disbursements for the non-major special revenue funds, as listed in the table of contents, are presented for purposes of additional analysis, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Statements of Accountability, schedule of revenues, expenditures and changes in fund balances-budget and actual for the non-major special revenue funds and tax certification, correction and collections information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January __, 2014, 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* in considering the County's internal control over financial reporting and compliance.

BKD, LLP

Omaha, Nebraska
February 3, 2014

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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, 2013. 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 but also includes activity of the Sarpy County Leasing Corporation as a blended component unit because it meets the requirements for inclusion in the financial statements as set forth by the Governmental Accounting Standards Board.

Financial Highlights

As of June 30, 2013, the County's total assets exceeded its total liabilities by \$169,571,940.

Total net position is comprised of the following:

- Net investment in capital assets, of \$128,425,600. 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 position of \$11,142,949
- Unrestricted net position of \$30,003,391

The County's total revenues exceeded its total expenses by \$6,866,057.

The County's governmental activities reported a net increase in net position of \$4,984,193 and a total ending net position balance of \$155,520,995.

The County's proprietary funds reported a net increase in net position of \$1,881,864 and a total ending net position balance of \$14,050,945.

For the year ending June 30, 2013, the General Fund reported revenues in excess of expenditures before transfers of \$6,327,284 and had an ending fund balance of \$30,929,224.

The County's total debt decreased by \$4,281,811 during the current fiscal year to a total debt balance of \$41,164,270 as of June 30, 2013.

Overview of the Financial Statements

This discussion and analysis is 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 Position. This is the County-wide statement of position presenting information that includes the County's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position 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 position 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, public welfare and social services, special roads and debt service interest. Business-type activities include landfill and sewer functions and activities of the Sarpy County Leasing Corporation which was created for the construction of the baseball stadium project.

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 sixty 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, and special roads 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 and sewer functions as well as the activity of the Sarpy County Leasing Corporation are accounted for and reported as enterprise funds. 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 position 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 \$169,571,940, as of June 30, 2013.

A significant portion of Sarpy County, Nebraska's net position (75.7%) reflects its investment in capital assets (e.g., land, infrastructure, 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 position:

	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 49,211,827	\$ 16,952,170	\$ 66,163,997
Capital assets	135,300,046	32,848,013	168,148,059
Total assets	<u>184,511,873</u>	<u>49,800,183</u>	<u>234,312,056</u>
Current liabilities	10,928,125	3,579,305	14,507,430
Long-term liabilities	18,062,753	32,169,933	50,232,686
Total liabilities	<u>28,990,878</u>	<u>35,749,238</u>	<u>64,740,116</u>
Net position			
Net investment in capital assets	120,443,841	7,981,759	128,425,600
Restricted	10,769,342	373,607	11,142,949
Unrestricted	<u>24,307,812</u>	<u>5,695,579</u>	<u>30,003,391</u>
Total net position	<u>\$ 155,520,995</u>	<u>\$ 14,050,945</u>	<u>\$ 169,571,940</u>

This reflects an increase in net position of \$6,866,057 or 4.2% for the County from the previous year net position balance of \$162,705,883; an indication that the County's overall financial position remained stable during the fiscal year 2013.

The governmental activities had an increase in net position of \$4,984,193 and the business-type activities had an increase of \$1,881,864 for a total increase in net position for the County of \$6,866,057. A summary of the government-wide operations is presented below:

	2013	2012	Increase (Decrease)
General revenues and transfers	\$ 48,216,680	\$ 46,534,127	\$ 1,682,553
Charges for services	16,142,020	14,097,275	2,044,745
Operating grants and contributions	13,286,979	12,449,939	837,040
Capital grants and contributions	157,681	4,478	153,203
Total revenues	<u>77,803,360</u>	<u>73,085,819</u>	<u>4,717,541</u>
Expenses	<u>(70,937,303)</u>	<u>(71,262,443)</u>	<u>325,140</u>
Change in net position	<u>\$ 6,866,057</u>	<u>\$ 1,823,376</u>	<u>\$ 5,042,681</u>

The \$5MM increase in the change in net position from the 2012 FY to the 2013 FY was caused by a number of factors:

1. General revenues increased by approximately \$1.7MM. Factors contributing to that are:
 - a. Property tax collections increased as a result of higher tax dollars levied.
 - b. Miscellaneous income increased in 2013 due to a refund in 2012 that decreased miscellaneous income.
2. Charges for service increased by approximately \$2.0MM mostly in the business-type activities.
 - a. The landfill fund had higher revenues as the County moves to fill the final cells.
 - b. Several governmental activity revenues also increased, such as Register of Deeds revenue, building permit revenue and juveniles held for Douglas County.
3. Operating grants and contributions increased by approximately \$.8MM due to increases in a CDBG grant, child support-county attorney reimbursement and highway allocation revenues.

GOVERNMENTAL ACTIVITY REVENUES

General revenues from governmental activities totaled \$47,315,486 in 2013, an increase of \$1,245,212 or 2.7% from 2012. The amount of general revenues by source and increase or decrease from the prior year is summarized below:

	2013	2012	Increase (Decrease)
Property taxes	\$ 43,962,808	\$ 42,436,910	\$ 1,525,898
Investment income	227,089	419,664	(192,575)
Miscellaneous	3,799,589	3,313,700	485,889
Transfers	(674,000)	(100,000)	(574,000)
Total general revenues	\$ 47,315,486	\$ 46,070,274	\$ 1,245,212

The County relies heavily on property taxes to support its governmental operations. Tax revenue provided approximately 61.9% of the County's total governmental revenues.

GOVERNMENTAL ACTIVITY EXPENDITURES

Expenditures of governmental activities totaled \$66,055,062 for 2013, a decrease of \$447,066 from 2012 expenditures of \$66,502,128. As shown below, there are a variety of offsetting factors affecting the decrease in governmental activity expenditures such as a larger amount of road fund expenditures that were capitalized in the 2013 FY.

These expenditures, by function, are summarized below:

	2013	2012	Increase (Decrease)
General government	\$ 20,400,444	\$ 20,786,550	\$ (386,106)
Public health	1,397,099	406,988	990,111
Public safety	33,627,373	32,983,444	643,929
Public health and social services	1,196,841	1,176,047	20,794
Special roads	9,024,222	10,647,285	(1,623,063)
Debt service interest	409,083	501,814	(92,731)
	<u>\$ 66,055,062</u>	<u>\$ 66,502,128</u>	<u>\$ (447,066)</u>

BUSINESS-TYPE ACTIVITIES

Business-type activities are shown comparing costs to revenues generated by related services. The landfill and sewer functions are designated to be self-supporting with user charges and other revenues designed to recover costs. For the year ending June 30, 2013, landfill revenues exceeded expenditures by \$2,220,728. Sewer expenditures exceeded revenues by \$105,375 for the 2013 FY. Stadium activity is also shown as a business-type activity for the 2013 fiscal year and the expenditures exceeded revenues by \$233,489. A summary of this activity is presented below.

	2013			2012		
	Sewer	Landfill	Stadium	Sewer	Landfill	Stadium
Operating revenues	\$ 138,769	\$ 4,925,105	\$ 799,037	\$ 404,915	\$ 3,145,852	\$ 1,286,967
Operating expenses	(244,144)	(2,739,539)	(637,264)	(441,312)	(2,431,820)	(622,660)
Operating income (loss)	(105,375)	2,185,566	161,773	(36,397)	714,032	664,307
Non-operating revenues	-	35,162	192,032	96,477	17,822	249,554
Non-operating expenses	-	-	(1,261,294)	-	-	(1,264,523)
Transfers	-	-	674,000	-	-	100,000
Increase (decrease) in net position	<u>\$ (105,375)</u>	<u>\$ 2,220,728</u>	<u>\$ (233,489)</u>	<u>\$ 60,080</u>	<u>\$ 731,834</u>	<u>\$ (250,662)</u>

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 and investments of \$32,876,124 as of June 30, 2013, which represents 50.8% of the current total expenditures.

The Governmental Fund information is summarized below:

	Total Governmental Funds	
	2013	2012
Assets		
Cash and investments	\$ 32,876,124	\$ 34,458,134
Accounts receivable	210,510	220,076
Taxes receivable	14,392,920	14,457,220
Grants receivable	752,912	1,010,407
Due from other funds	359,000	520,500
Inventory	512,386	560,515
Total assets	\$ 49,103,852	\$ 51,226,852
Liabilities		
Accounts payable	\$ 5,220,634	\$ 8,745,790
Due to other funds	335,000	520,500
Wages and benefits payable	245,905	124,564
Deferred revenue	1,396,502	1,388,831
Compensated absences	147,783	273,116
Total liabilities	7,345,824	11,052,801
Fund Balances		
Nonspendable	512,386	560,515
Restricted	10,767,758	10,835,064
Assigned	1,027,253	3,767,252
Unassigned	29,450,631	25,011,220
Total fund balances	41,758,028	40,174,051
Total liabilities and fund balances	\$ 49,103,852	\$ 51,226,852

The Governmental Funds cash and investments decreased by \$1,582,010 from the 2012 FY to the 2013 FY. A major cause for this decrease is that the General fund cash decreased by approximately \$1.1MM due to a large decrease in cash being held by the Clerk of District Court for a court case.

General Fund Budgetary Highlights

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 \$1,726,725 based on the modified accrual basis of accounting.

The General Fund budgeted revenues (cash basis) for the 2013 fiscal year were \$46,677,095 while actual revenues (cash basis) were \$50,518,387 for a favorable variance of \$3,841,292. The General Fund budgeted expenses (cash basis) were \$53,881,594 while actual expenses (cash basis) were \$44,815,111 for a favorable variance of \$9,066,483. Some of the major factors influencing these variances are shown below:

	<u>Variation</u>
<u>Revenues</u>	
General Fund - Local	\$ 3.6 MM
General Fund - Taxes	(600k)
General Fund - State	800k
<u>Expenditures</u>	
Miscellaneous General	\$ 2.1MM
Inheritance Tax	4.4MM
Landfill Bond Surplus	1.3MM
Capital Projects	.4MM

Assessed Valuation and Property Taxes

Assessed valuation of \$11,451,696,861 represented a 2.3% increase over the preceding year's valuation of \$11,197,886,358. Property taxes are assessed on actual valuation. The tax rates are applied to each \$100 of actual valuation. The breakdown of tax rates for 2013 fiscal year and the preceding two years are as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
General fund	.2596	.2604	.2552
All other funds	<u>.0403</u>	<u>.0395</u>	<u>.0447</u>
Total	<u>.2999</u>	<u>.2999</u>	<u>.2999</u>
Total valuation	\$11,451,696,861	\$11,197,886,358	\$11,076,469,531
% valuation increase over preceding year	2.3%	1.1%	0.9%

Capital Assets

As of June 30, 2013, the County had \$168,148,059 invested in capital assets, including roads, bridges, buildings, machinery, equipment, etc. This is a decrease of \$640,001 from the previous year amount. The net book value of these assets are summarized below.

Land	\$ 5,906,122
Infrastructure	96,933,614
Buildings	58,362,003
Intangible assets	36,841
Machinery and equipment	<u>6,909,479</u>
Net investment in capital assets	<u>\$ 168,148,059</u>

The minimal decrease in capital assets during the year is due primarily to the fact that asset additions were offset by increases in depreciation. The annual depreciation for the County for 2013 was \$6,005,573.

Debt Administration

At the end of the fiscal year, the County had total bonded debt and notes payable outstanding of \$41,164,270. During the current year, the County made principal payments on outstanding bonds totaling \$3,610,000. The County's total future debt service requirements for bonded debt and notes payable are presented below.

Year Ending June 30,	Principal	Interest	Total Requirements
2014	\$ 5,538,052	\$ 1,556,923	\$ 7,094,975
2015	2,869,680	1,468,364	4,338,044
2016	2,814,080	1,406,410	4,220,490
2017	2,915,999	1,335,635	4,251,634
2018	2,218,001	1,262,492	3,480,493
2019 and beyond	<u>24,808,458</u>	<u>12,889,187</u>	<u>37,697,645</u>
	<u>\$ 41,164,270</u>	<u>\$ 19,919,011</u>	<u>\$ 61,083,281</u>

Economic Environment

Sarpy County encompasses approximately 241 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 165,853.

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 2012 was 83,941. According to Offutt Air Force Base, there are 9,980 military and civilian personnel employed on the base in Bellevue.

In 2012, the per capita personal income of Sarpy County residents was \$44,323 which was 98.5 percent of the Nebraska average per capita income of \$45,012. The lower per capita income is explained by Sarpy County's 28.2% population under age 18.

Net taxable sales (excluding motor vehicles) within Sarpy County increased from \$1,118,043,437 in 2011 to \$1,316,902,534 in 2012, representing a 17.79 percent increase over the prior year.

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

<u>Company</u>	<u>Industry</u>
Offutt Air Force Base	Military
PayPal, Inc.	Service
Bellevue Public Schools	Education
Werner Enterprises	Trucking
Papillion-La Vista Schools	Education

Sarpy County's population figures from 2007 through 2012 are as follows:

<u>Year</u>	<u>Population</u>
July, 2007 (estimate)	146,756
July, 2008 (estimate)	150,467
July, 2009 (estimate)	153,504
July, 2010 (census)	158,840
July, 2011 (estimate)	162,561
July, 2012 (estimate)	165,853

Information for the number of building permits for single-family dwellings issued for Sarpy County (outside city zoning jurisdictions) from 2008 through 2013 are as follows:

<u>Year</u>	<u>Permits</u>	<u>Value</u>
2008	359	\$ 58,579,543
2009	216	43,714,130
2010	78	34,085,230
2011	169	36,527,462
2012	195	38,787,474
2013	318	63,519,462

Information for the number of building permits for commercial/industrial buildings issued for Sarpy County from 2008 through 2013 are as follows:

Year	Permits	Value
2008	12	\$ 13,027,139
2009	7	3,016,475
2010	4	2,742,806
2011	12	1,727,142
2012	17	6,540,526
2013	33	3,354,267

2012-2013 Budget

For the year ending June 30, 2013, the County adopted a total budget of \$116,493,527, which was subsequently amended to a total of \$116,757,927. This is an increase of \$6,193,812 over the previous year budget of \$110,564,115. This increase is due mainly to a \$4.8MM increase in the Public Works budget. The property tax request for the 2012-13 fiscal year is \$34,343,753 on assessed valuation of \$11,451,696,861 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, Nebraska 68046.

Sarpy County, Nebraska

Statement of Net Position

June 30, 2013

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 32,876,124	\$ 6,773,744	\$ 39,649,868
Accounts receivable	504,834	893,238	1,398,072
Grants receivable	752,912	-	752,912
Taxes receivable	14,392,920	-	14,392,920
Internal balances	24,000	(24,000)	-
Inventory	512,386	-	512,386
Restricted cash	-	8,896,132	8,896,132
Capital assets			
Land	4,610,105	1,296,017	5,906,122
Depreciable	207,573,100	37,570,251	245,143,351
Less accumulated depreciation	(76,883,159)	(6,018,255)	(82,901,414)
Bond issue costs	321,162	484,805	805,967
Less accumulated amortization	(172,511)	(71,749)	(244,260)
Total assets	<u>184,511,873</u>	<u>49,800,183</u>	<u>234,312,056</u>
Liabilities			
Accounts payable	6,171,134	248,170	6,419,304
Wages and benefits payable	245,905	7,209	253,114
Interest payable	13,955	51,426	65,381
Deferred revenue	-	1,932,500	1,932,500
Compensated absences			
Current	147,783	-	147,783
Non-current	7,419,580	145,217	7,564,797
Other post-employment benefits			
Current	151,296	-	151,296
Non-current	496,380	12,765	509,145
Landfill closure and post closure costs	-	6,808,520	6,808,520
Bonds payable			
Current	3,345,000	1,340,000	4,685,000
Non-current	9,635,575	25,203,431	34,839,006
Notes Payable			
Current	853,052	-	853,052
Non-current	511,218	-	511,218
Total liabilities	<u>28,990,878</u>	<u>35,749,238</u>	<u>64,740,116</u>
Net Position			
Net investment in capital assets	120,443,841	7,981,759	128,425,600
Restricted for:			
Debt service	4,518,483	-	4,518,483
Post closure costs	-	373,607	373,607
Grant stipulations	817,531	-	817,531
Other	5,433,328	-	5,433,328
Unrestricted	24,307,812	5,695,579	30,003,391
Total net position	<u>\$ 155,520,995</u>	<u>\$ 14,050,945</u>	<u>\$ 169,571,940</u>

Sarpy County, Nebraska

Balance Sheet Governmental Funds

June 30, 2013

	General Fund	Special Roads Fund	Other Governmental Funds	Total
Assets				
Cash and investments	\$ 23,056,701	\$ 4,620,016	\$ 5,199,407	\$ 32,876,124
Accounts receivable	116,067	5,527	88,916	210,510
Grants receivable	84,888	25,007	643,017	752,912
Taxes receivable	12,456,871	-	1,936,049	14,392,920
Due from other funds	359,000	-	-	359,000
Inventory	19,873	492,513	-	512,386
	<u>\$ 36,093,400</u>	<u>\$ 5,143,063</u>	<u>\$ 7,867,389</u>	<u>\$ 49,103,852</u>
Liabilities				
Accounts payable	\$ 4,125,912	\$ 836,279	\$ 258,443	\$ 5,220,634
Due to other funds	-	-	335,000	335,000
Wages and benefits payable	147,655	4,771	93,479	245,905
Deferred revenue	768,503	25,007	602,992	1,396,502
Compensated absences	122,106	9,581	16,096	147,783
	<u>5,164,176</u>	<u>875,638</u>	<u>1,306,010</u>	<u>7,345,824</u>
Fund balances				
Nonspendable	19,873	492,513	-	512,386
Restricted	241,825	3,774,912	6,751,021	10,767,758
Assigned	1,027,253	-	-	1,027,253
Unassigned	29,640,273	-	(189,642)	29,450,631
	<u>30,929,224</u>	<u>4,267,425</u>	<u>6,561,379</u>	<u>41,758,028</u>
Total liabilities and fund balances	<u>\$ 36,093,400</u>	<u>\$ 5,143,063</u>	<u>\$ 7,867,389</u>	<u>\$ 49,103,852</u>
Total fund balance - total governmental funds				\$ 41,758,028
Amounts reported for governmental activities in the statement of net position are different because:				
Deferred revenues represent funds not available in the current period and, therefore, are not recognized as revenue in the governmental funds.				1,396,502
Other accounts receivable are not available to pay for current period expenditures and, therefore, are not reported in the governmental funds.				294,233
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				135,300,046
Some liabilities, including bonds payable, notes payable and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. Other related amounts include capitalized bond issue costs of \$148,651, capital asset additions included in accounts payable of \$950,500, interest payable of \$13,955, and post employment benefit accruals of \$647,676.				(23,227,814)
Net position of governmental activities				<u>\$ 155,520,995</u>

Sarpy County, Nebraska
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2013

	General Fund	Special Roads	Other Governmental Funds	Total
Revenues				
Taxes	\$ 29,103,863	\$ -	\$ 4,530,226	\$ 33,634,089
Intergovernmental				
Federal	168,268	149,341	2,441,539	2,759,148
State	1,732,678	9,117,131	652,240	11,502,049
Local	19,703,739	424,442	3,682,114	23,810,295
Total revenues	<u>50,708,548</u>	<u>9,690,914</u>	<u>11,306,119</u>	<u>71,705,581</u>
Expenditures				
Current				
General government	15,658,460	-	2,912,909	18,571,369
Special roads	-	5,376,910	-	5,376,910
Public safety	25,929,603	-	5,893,087	31,822,690
Public health	626,053	-	622,494	1,248,547
Public welfare and social services	1,057,474	-	131,230	1,188,704
Capital outlay	844,369	4,515,407	1,141,859	6,501,635
Debt service				
Debt service principal	260,862	1,541,018	2,552,492	4,354,372
Debt service interest	4,443	40,605	338,329	383,377
Total expenditures	<u>44,381,264</u>	<u>11,473,940</u>	<u>13,592,400</u>	<u>69,447,604</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>6,327,284</u>	<u>(1,783,026)</u>	<u>(2,286,281)</u>	<u>2,257,977</u>
Other Financing Sources (Uses)				
Operating transfers in	520,534	2,281,315	2,739,778	5,541,627
Operating transfers out	(5,121,093)	-	(1,094,534)	(6,215,627)
Total other financing sources (uses)	<u>(4,600,559)</u>	<u>2,281,315</u>	<u>1,645,244</u>	<u>(674,000)</u>
Net Change in Fund Balances	<u>1,726,725</u>	<u>498,289</u>	<u>(641,037)</u>	<u>1,583,977</u>
Fund Balances - Beginning of Year	<u>29,202,499</u>	<u>3,769,136</u>	<u>7,202,416</u>	<u>40,174,051</u>
Fund Balances - End of Year	<u>\$ 30,929,224</u>	<u>\$ 4,267,425</u>	<u>\$ 6,561,379</u>	<u>\$ 41,758,028</u>

Sarpy County, Nebraska
Reconciliation of Statement of Revenues, Expenditures, and
Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended June 30, 2013

Net change in fund balances - total governmental funds	\$ 1,583,977
Amounts reported for governmental activities in the 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.	7,671
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 depreciation expense exceeded capital outlays.	(598,449)
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.	(363,378)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. 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 position.	<u>4,354,372</u>
Change in net position of governmental activities	<u>\$ 4,984,193</u>

Sarpy County, Nebraska
Balance Sheet
Proprietary Funds
June 30, 2013

	Landfill Fund	Stadium Fund	Sewer Fund	Total
Assets				
Current Assets				
Cash and investments	\$ 5,343,525	\$ -	\$ 1,430,219	\$ 6,773,744
Accounts receivable	822,811	70,427	-	893,238
Total current assets	6,166,336	70,427	1,430,219	7,666,982
Noncurrent Assets				
Restricted cash	7,182,127	1,714,005	-	8,896,132
Bond issue costs	-	484,805	-	484,805
Less accumulated amortization	-	(71,749)	-	(71,749)
Capital assets				
Land	676,017	620,000	-	1,296,017
Land improvements	586,898	18,284	-	605,182
Infrastructure	-	-	5,255,707	5,255,707
Buildings	474,500	28,284,996	-	28,759,496
Machinery and equipment	2,943,556	6,310	-	2,949,866
Less accumulated depreciation	(3,183,265)	(1,280,694)	(1,554,296)	(6,018,255)
Total noncurrent assets	8,679,833	29,775,957	3,701,411	42,157,201
Total assets	\$ 14,846,169	\$ 29,846,384	\$ 5,131,630	\$ 49,824,183
Liabilities and Net Position				
Current Liabilities				
Accounts payable	\$ 207,153	\$ 37,703	\$ 3,314	\$ 248,170
Wages and benefits payable	7,209	-	-	7,209
Interest payable	-	51,426	-	51,426
Due to other funds	-	24,000	-	24,000
Current maturities of long-term debt	-	1,340,000	-	1,340,000
Total current liabilities	214,362	1,453,129	3,314	1,670,805
Noncurrent Liabilities				
Compensated absences	145,217	-	-	145,217
Deferred revenue	-	1,932,500	-	1,932,500
Bonds payable	-	25,203,431	-	25,203,431
Accrued other post-employment benefits	12,765	-	-	12,765
Accrued landfill closure and post-closure costs	6,808,520	-	-	6,808,520
Total noncurrent liabilities	6,966,502	27,135,931	-	34,102,433
Total liabilities	7,180,864	28,589,060	3,314	35,773,238
Net Position				
Net investment in capital assets	1,497,706	2,782,642	3,701,411	7,981,759
Restricted for post closure costs	373,607	-	-	373,607
Unrestricted	5,793,992	(1,525,318)	1,426,905	5,695,579
Total net position	7,665,305	1,257,324	5,128,316	14,050,945
Total Liabilities and Net Position	\$ 14,846,169	\$ 29,846,384	\$ 5,131,630	\$ 49,824,183

Sarpy County, Nebraska
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2013

	<u>Landfill Fund</u>	<u>Stadium Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Operating Revenues				
Charges for services and facilities	\$ 4,925,105	\$ 799,037	\$ 138,769	\$ 5,862,911
Total operating revenues	<u>4,925,105</u>	<u>799,037</u>	<u>138,769</u>	<u>5,862,911</u>
Operating Expenses				
Personal services	949,743	-	-	949,743
Operating expenses	850,549	637,264	244,144	1,731,957
Estimated closure and post-closure care costs	307,372	-	-	307,372
Supplies and materials	353,987	-	-	353,987
Small equipment	277,888	-	-	277,888
Total operating expenses	<u>2,739,539</u>	<u>637,264</u>	<u>244,144</u>	<u>3,620,947</u>
Operating Income (Loss)	<u>2,185,566</u>	<u>161,773</u>	<u>(105,375)</u>	<u>2,241,964</u>
Non-Operating Revenues (Expenses)				
Federal interest rate subsidy	-	192,032	-	192,032
Miscellaneous	35,162	-	-	35,162
Interest expense	-	(1,261,294)	-	(1,261,294)
Total non-operating revenues (expenses)	<u>35,162</u>	<u>(1,069,262)</u>	<u>-</u>	<u>(1,034,100)</u>
Income (Loss) Before Transfers	<u>2,220,728</u>	<u>(907,489)</u>	<u>(105,375)</u>	<u>1,207,864</u>
Transfers In	<u>-</u>	<u>674,000</u>	<u>-</u>	<u>674,000</u>
Change in Net Position	<u>2,220,728</u>	<u>(233,489)</u>	<u>(105,375)</u>	<u>1,881,864</u>
Net Position - Beginning of Year	<u>5,444,577</u>	<u>1,490,813</u>	<u>5,233,691</u>	<u>12,169,081</u>
Net Position - End of Year	<u>\$ 7,665,305</u>	<u>\$ 1,257,324</u>	<u>\$ 5,128,316</u>	<u>\$ 14,050,945</u>

Sarpy County, Nebraska
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	Landfill Fund	Stadium Fund	Sewer Fund	Total
Cash Flows from Operating Activities				
Receipts from customers	\$ 4,510,131	\$ 1,710,532	\$ 138,769	\$ 6,359,432
Payments to suppliers	(1,318,895)	(50,180)	(161,193)	(1,530,268)
Payments to employees	(960,095)	-	-	(960,095)
Net cash provided by (used in) operating activities	2,231,141	1,660,352	(22,424)	3,869,069
Cash Flows from Noncapital Financing Activities				
Transfers from other funds	-	674,000	-	674,000
Advances from General Fund	-	24,000	-	24,000
Other noncapital financing receipts	35,162	-	-	35,162
Net cash provided by noncapital financing activities	35,162	698,000	-	733,162
Cash Flows from Capital and Related Financing Activities				
Purchase of capital assets	(145,770)	(24,589)	-	(170,359)
Receipt of federal interest subsidy	-	192,032	-	192,032
Principal payments on capital debt	-	(335,000)	-	(335,000)
Interest payments on capital debt	-	(1,253,623)	-	(1,253,623)
Net cash used in capital and related financing activities	(145,770)	(1,421,180)	-	(1,566,950)
Increase (Decrease) in Cash	2,120,533	937,172	(22,424)	3,035,281
Cash - Beginning of Year	10,405,119	776,833	1,452,643	12,634,595
Cash - End of Year	\$ 12,525,652	\$ 1,714,005	\$ 1,430,219	\$ 15,669,876
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating income (loss)	\$ 2,185,566	\$ 161,773	\$ (105,375)	\$ 2,241,964
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	95,980	586,209	105,114	787,303
Changes in operating assets and liabilities:				
Receivables	(414,974)	(8,505)	-	(423,479)
Accounts payable	67,549	875	(22,163)	46,261
Deferred revenue	-	920,000	-	920,000
Other liabilities	(10,352)	-	-	(10,352)
Landfill closure and post closure costs	307,372	-	-	307,372
Net cash provided by (used in) operating activities	\$ 2,231,141	\$ 1,660,352	\$ (22,424)	\$ 3,869,069
Supplemental Cash Flows Information				
Capital asset acquisitions included in accounts payable	\$ -	\$ 36,828	\$ -	\$ 36,828

Sarpy County, Nebraska
Statement of Net Position
Fiduciary Fund
June 30, 2013

Assets

Cash and investments	\$ 64,627,183
Taxes receivable	<u>93,318,643</u>
Total assets	<u>\$ 157,945,826</u>

Liabilities

Due to employees	\$ 57,017
Due to other governmental entities	<u>157,888,809</u>
Total liabilities	<u>\$ 157,945,826</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies

Organization

Sarpy County, Nebraska (the "County") is a governmental entity established under and governed by the laws of the State of Nebraska and acts as a political subdivision of the State. The County is governed by a five-member Board of Commissioners (the "Board"), who are elected, by each district, by a vote of the public. The County's responsibilities include general social welfare; corrections; maintenance of streets and highways not within any incorporated city, village or sanitary and improvement district; legal court-related activities; licensing, recording, and assessment of real property; tax collection for all public entities within the County; conducting elections; law enforcement; and sanitary landfill.

Reporting Entity

The accompanying financial statements present the government of Sarpy County, Nebraska (the primary government) and its blended component unit, the Sarpy County Leasing Corporation ("SCLC"). 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.

Blended component units, although legally separate entities, are, in substance, part of the County's operations. The governing body of the SCLC is comprised of members of the County Board and the SCLC was established to acquire, construct, furnish and equip a baseball stadium and related infrastructure and other facilities necessary to run a baseball stadium within the County.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governmental units. 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.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Government-Wide Financial Statements

The government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental and business-type activities for the County accompanied by a total column. The material effect of interfund activity has been removed or eliminated from these statements. Fiduciary activities of the County are not included in these statements.

These statements are presented on an economic resources measurement focus and on the accrual basis of accounting. 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 position. The statement of activities presents changes in net position and demonstrates the degree to which the direct expense of a given function is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

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 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/net position, 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 aggregate 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, or 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.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Governmental Funds - Continued

For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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 from issuance of long-term debt are reported as other financing sources. Accompanying schedules are presented to reconcile and explain the difference in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

The County reports the following major governmental funds:

- (1) The 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. Revenues are derived primarily from property and other taxes, state and federal distributions, licenses, permits, charges for services and interest income.
- (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. Revenues are typically derived from state and federal resources.

Proprietary Funds

Proprietary fund financial statements include a balance sheet, a statement of revenues, expenses, and changes in net position, 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 balance sheet. 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, regardless of the timing of related cash flows. 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.

The County reports the following major proprietary funds:

- (1) The landfill fund is used to account for the activities of the County's solid waste system and related facilities.
- (2) The sewer fund is used to account for the activities of the County's sanitary sewer system and related facilities.
- (3) The stadium fund is used to account for the activities of the Sarpy County Leasing Corporation, a blended component unit of the County, established to construct and operate a baseball stadium within the County.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Fiduciary Fund

Fiduciary fund financial statements include a statement of net position. The County's fiduciary fund represents an agency fund, which is custodial in nature and does not involve measurement of results of operations. The agency fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. This fund is not incorporated into the government-wide statements since monies within this fund are held for the benefit of a third party and cannot 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 of each year, 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 of each year, the County Board, after the action of the State Board of Equalization and Assessment has been certified to the County Clerk, adopts the budget, as revised, and the amounts provided therein are appropriated.

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. During the year ended June 30, 2013, the County amended its original budget for the purpose of accommodating unanticipated expenditures.

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 Treasury securities, United States agencies obligations, certificates of deposit and time deposits. Investments in negotiable certificates of deposit are carried at fair value, which is based upon quoted market prices. The County's investment in the NPAIT investment pool is measured at the net asset value per share provided by the pool, which approximates fair value, as the pool is considered a 2a7-like pool in accordance with Securities and Exchange Commission regulations. All other investments are carried at amortized cost.

Receivables

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

Sarpy County, Nebraska

Notes to Financial Statements

June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

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 the fiduciary fund.

Counties are permitted by State Constitution to levy a tax up to \$0.50 per \$100 of assessed valuation for general governmental services other than the payment of principal and interest on bonded debt. The County may levy taxes in addition to the \$0.50 limitation upon a vote of the people. The tax levy remained below the \$0.50 limitation for 2013.

Additionally, \$.05 of the \$0.50 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. Also, 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 reported as expenditures when used (consumption method). Inventory held by the governmental funds consist primarily of road construction and maintenance materials.

Capital Assets (Including Intangible Assets)

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation if acquired by gift. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful life of each asset. Intangible assets consist of internally developed software utilized by the County.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Capital Assets (Including Intangible Assets) - Continued

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalization value of the assets constructed. No interest costs were capitalized during 2013.

The following useful lives are being used by the County:

Infrastructure	15 – 50 years
Buildings and improvements	20 – 50 years
Machinery and equipment	5 – 20 years
Computer software	5 years

Bond Issue Costs

Bond issue costs represent costs incurred in connection with the issuance of long-term debt and are presented in the financial statements net of accumulated amortization. Such costs are being amortized over the term of the respective debt using the effective interest method.

Compensated Absences

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 in the current period.

Fund Balance - Governmental Funds

The fund balances for the County's governmental funds are displayed in five components:

Nonspendable - Nonspendable fund balances are not in a spendable form or are required to be maintained intact.

Restricted - Restricted fund balances may be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed - Committed fund balances may be used only for the specific purposes determined by resolution of the Board of Commissioners. Commitments may be changed or lifted only by issuance of a resolution by the County Board of Commissioners.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Fund Balance - Governmental Funds - Continued

Assigned - Assigned fund balances are intended to be used by the County for specific purposes as determined by management. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications.

The County considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The County applies committed amounts first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Net Position Classification

Net position is required to be classified into three components: (1) net investment in capital assets; (2) restricted; and (3) unrestricted. These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets.

Restricted – This component of net position consists of restrictions placed on net position use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or law or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Use of Estimates

The preparation of 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Implementation of New Accounting Principles

In 2013, the County implemented the provisions of the following accounting principles:

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This standard was created to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in pre-November 30, 1989 FASB and AICPA pronouncements, which do not conflict with or contradict GASB pronouncements.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement amends the net asset reporting requirements in GASB Statement No. 34 and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

The implementation of these standards did not have a significant impact on the County's financial statements.

Note 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

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 County has not adopted a specific policy for custodial credit risk, but requires compliance with the provisions of state law. The County's cash deposits, including nonnegotiable certificates of deposit, are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2013, the County's cash accounts at one financial institution exceeded federally insured limits by approximately \$116,000.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 2: Deposits and Investments - Continued

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.

Custodial credit risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investment securities that are in the possession of an outside party.

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County limits its interest rate risk by investing primarily in securities with original maturities of less than one year. Money market mutual funds and the NPAIT investment pool are presented as investments with a maturity of less than one year because they are redeemable in full immediately. The County has two repurchase agreements for \$1,000,000 and \$1,377,273, which mature in July 2013 and March 2015, respectively, and is invested in nonnegotiable certificates of deposit totaling \$10,370,792 that are scheduled to mature during the 2015 fiscal year. All other investment securities held at June 30, 2013 have a maturity of less than one year.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. U.S. Treasury securities are not exposed to credit risk as they are backed by the full faith and credit of the United States Government. All other investments were not rated.

Concentration 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 that may be invested in any one issuer. At June 30, 2013, the County's investment in the NPAIT investment pool comprised approximately 64% of the County's total investments.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 2: Deposits and Investments - Continued

Summary of Carrying Values

The carrying values of deposits and investments at June 30, 2013, and reconciliation to amounts shown in the financial statements, are as follows:

Carrying Values	
Cash on hand	<u>\$ 1,010,446</u>
Deposits	
Cash in bank (checking, money market)	49,998,294
Nonnegotiable certificates of deposit	<u>19,379,786</u>
Total deposits	<u>69,378,080</u>
Investments	
Money market mutual funds	1,683,077
NPAIT investment pool	27,330,849
U.S. Treasury Bills	6,982,451
Negotiable certificates of deposit	4,411,007
Repurchase agreements (with NPAIT)	<u>2,377,273</u>
Total investments	<u>42,784,657</u>
Total cash, deposits and investments	<u>\$ 113,173,183</u>
Reconciliation to the Financial Statements	
Government Wide cash and investments	\$ 39,649,868
Government Wide restricted cash	8,896,132
Fiduciary fund cash and investments	<u>64,627,183</u>
Total cash and investments	<u>\$ 113,173,183</u>

Sarpy County, Nebraska

Notes to Financial Statements

June 30, 2013

Note 3: Interfund Balances and Transfers

"Due to" and "Due from" balances are recorded as a result of temporary loans from the general fund to cover cash shortages in other County funds. Balances due to/from other funds at June 30, 2013, consisted of \$359,000 owed to the general fund, of which \$335,000 is owed by the other governmental funds and \$24,000 owed is by the stadium fund.

Transfers are used primarily to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers to/from other funds for the year ended June 30, 2013, consist of the following:

Transfer To	Transfer From General Fund	Transfer From Other Governmental Funds
General Fund	\$ -	\$ 520,534
Special Roads Fund	2,281,315	-
Other Governmental Funds	2,739,778	-
Stadium Fund	100,000	574,000
	<u>\$ 5,121,093</u>	<u>\$ 1,094,534</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Governmental Activities				
Nondepreciable capital assets				
Land	\$ 4,182,904	\$ 427,201	\$ -	\$ 4,610,105
Total nondepreciable capital assets	<u>4,182,904</u>	<u>427,201</u>	<u>-</u>	<u>4,610,105</u>
Depreciable capital assets				
Intangible assets	106,638	-	-	106,638
Infrastructure	139,937,476	3,829,885	-	143,767,361
Buildings and improvements	42,195,068	103,373	-	42,298,441
Machinery and equipment	21,005,251	832,735	(437,326)	21,400,660
Total depreciable capital assets	<u>203,244,433</u>	<u>4,765,993</u>	<u>(437,326)</u>	<u>207,573,100</u>
Accumulated depreciation				
Intangible assets	(76,173)	(21,328)	27,704	(69,797)
Infrastructure	(47,253,181)	(3,281,977)	-	(50,535,158)
Buildings and improvements	(10,317,962)	(842,660)	-	(11,160,622)
Machinery and equipment	(14,398,294)	(1,094,101)	374,813	(15,117,582)
Total accumulated depreciation	<u>(72,045,610)</u>	<u>(5,240,066)</u>	<u>402,517</u>	<u>(76,883,159)</u>
Capital assets being depreciated, net	<u>131,198,823</u>	<u>(474,073)</u>	<u>(34,809)</u>	<u>130,689,941</u>
Governmental activities capital assets, net	<u>\$ 135,381,727</u>	<u>\$ (46,872)</u>	<u>\$ (34,809)</u>	<u>\$ 135,300,046</u>
Business-type Activities				
Nondepreciable capital assets				
Land	\$ 1,296,017	\$ -	\$ -	\$ 1,296,017
Total nondepreciable capital assets	<u>1,296,017</u>	<u>-</u>	<u>-</u>	<u>1,296,017</u>
Depreciable capital assets				
Infrastructure	5,255,707	-	-	5,255,707
Buildings and improvements	29,309,571	55,107	-	29,364,678
Machinery and equipment	2,816,983	152,099	(19,216)	2,949,866
Total depreciable capital assets	<u>37,382,261</u>	<u>207,206</u>	<u>(19,216)</u>	<u>37,570,251</u>
Accumulated depreciation				
Infrastructure	(1,449,182)	(105,114)	-	(1,554,296)
Buildings and improvements	(1,566,600)	(573,894)	-	(2,140,494)
Machinery and equipment	(2,256,163)	(86,499)	19,197	(2,323,465)
Total accumulated depreciation	<u>(5,271,945)</u>	<u>(765,507)</u>	<u>19,197</u>	<u>(6,018,255)</u>
Capital assets being depreciated, net	<u>32,110,316</u>	<u>(558,301)</u>	<u>(19)</u>	<u>31,551,996</u>
Business-type activities capital assets, net	<u>\$ 33,406,333</u>	<u>\$ (558,301)</u>	<u>\$ (19)</u>	<u>\$ 32,848,013</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 4: Capital Assets - Continued

Depreciation expense was charged to the functions/programs as follows:

General government	\$ 410,294
Public health	1,487
Public safety	1,166,116
Roads	<u>3,662,169</u>
Total governmental activities depreciation expense	<u>\$ 5,240,066</u>
Business-type Activities	
Landfill	\$ 95,980
Stadium	564,413
Sewer	<u>105,114</u>
Total business-type activities depreciation expense	<u>\$ 765,507</u>

Note 5: Leases

Operating Lease – Stadium

The County leases the stadium property to the Omaha Storm Chasers. This lease is a twenty-five year lease with rent to be adjusted every five years. The initial payments will be \$450,000 annually, paid in two installments. In addition, the lease agreement provided for the County to receive two equal capital contributions of \$1,000,000 each from the Omaha Storm Chasers. The first contribution was received during the 2011 fiscal year upon completion of the stadium and the second contribution was received in the 2013 fiscal year, after the end of the second lease year.

Future minimum lease receipts for the stadium project are as follows:

Year Ending June 30,	Amount
2014	\$ 450,000
2015	450,000
2016	450,000
2017	450,000
2018	450,000
Thereafter	<u>7,875,000</u>
	<u>\$ 10,125,000</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 6: Long-term Liabilities

The following is a summary of long-term liability transactions for the year ended June 30, 2013:

	Beginning Balance	Increases	Decreases	Ending Balances	Due Within One Year
Governmental Activities					
General obligation bonds	\$ 16,355,000	\$ -	\$ (3,275,000)	\$ 13,080,000	\$ 3,345,000
Deferred loss from refunding	(130,823)	-	31,398	(99,425)	-
Total general obligation bonds	16,224,177	-	(3,243,602)	12,980,575	3,345,000
Notes payable	2,036,081	429,241	(1,101,052)	1,364,270	853,052
Compensated absences	7,535,982	178,551	(147,170)	7,567,363	147,783
Other post-employment benefits	511,842	135,834	-	647,676	151,296
Governmental activities long-term liabilities	<u>\$ 26,308,082</u>	<u>\$ 743,626</u>	<u>\$ (4,491,824)</u>	<u>\$ 22,559,884</u>	<u>\$ 4,497,131</u>
Business-type Activities					
Revenue bonds	\$ 27,055,000	\$ -	\$ (335,000)	\$ 26,720,000	\$ 1,340,000
Bond issue discount	(185,048)	-	8,479	(176,569)	-
Total revenue bonds	26,869,952	-	(326,521)	26,543,431	1,340,000
Compensated absences	158,712	-	(13,495)	145,217	-
Other post-employment benefits	11,016	1,749	-	12,765	-
Landfill closure and post closure costs	6,501,148	307,372	-	6,808,520	-
Business-type activities long-term liabilities	<u>\$ 33,540,828</u>	<u>\$ 309,121</u>	<u>\$ (340,016)</u>	<u>\$ 33,509,933</u>	<u>\$ 1,340,000</u>

Type of Indebtedness (Purpose)	Maturity	Interest Rates	Original Issue Amount	Date Callable	Outstanding at June 30, 2013
Governmental Activities					
Bonds Payable					
Limited tax refunding bonds	December 2016	0.25% - 1.60%	\$ 4,165,000	N/A	\$ 3,150,000
Remodel bond	June 2018	2.05% - 3.70%	5,700,000	2013	3,060,000
Highway allocation bond	December 2013	1.00% - 1.90%	6,075,000	2011	1,250,000
Sheriff remodel bond	December 2019	3.35% - 3.80%	7,790,000	2014	5,620,000
					<u>\$ 13,080,000</u>
Notes payable					
ENHSA house 3	December 2018	4.65%	\$ 153,061	N/A	\$ 68,637
ENHSA house 4	June 2019	5.00%	190,000	N/A	93,289
ENHSA house 5	June 2023	4.70%	178,575	N/A	132,398
Equipment notes	Monthly through October 2014	1.75% - 2.10%	2,844,094	Various	1,069,946
					<u>\$ 1,364,270</u>
Business-Type Activities					
Bonds Payable					
Stadium revenue bonds - Series A	June 2025	1.50% - 3.75%	\$ 4,195,000	2019	\$ 3,860,000
Stadium revenue bonds - Series B	June 2036	6.05% - 6.25%	9,290,000	2019	9,290,000
Stadium revenue bonds - Series C	June 2030	2.75% - 6.00%	5,500,000	2019	5,500,000
Stadium COPS - Series 2010	December 2035	1.50% - 4.0%	8,070,000	2020	8,070,000
					<u>\$ 26,720,000</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 6: Long-term Liabilities - Continued

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

Governmental Activities – Bonds

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 3,345,000	\$ 297,356	\$ 3,642,356
2015	2,135,000	243,624	2,378,624
2016	2,180,000	197,385	2,377,385
2017	2,230,000	144,470	2,374,470
2018	1,475,000	92,720	1,567,720
2019-2020	1,715,000	57,238	1,772,238
	<u>\$ 13,080,000</u>	<u>\$ 1,032,793</u>	<u>\$ 14,112,793</u>

Governmental Activities – Notes Payable

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 853,052	\$ 25,351	\$ 878,403
2015	289,680	12,926	302,606
2016	39,080	9,857	48,937
2017	40,999	7,937	48,936
2018	43,001	5,934	48,935
2019-2023	98,458	9,812	108,270
	<u>\$ 1,364,270</u>	<u>\$ 71,817</u>	<u>\$ 1,436,087</u>

Business-Type Activities – Bonds

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 1,340,000	\$ 1,234,216	\$ 2,574,216
2015	445,000	1,211,814	1,656,814
2016	595,000	1,199,168	1,794,168
2017	645,000	1,183,228	1,828,228
2018	700,000	1,163,838	1,863,838
2019-2023	3,990,000	5,433,350	9,423,350
2024-2028	5,650,000	4,399,944	10,049,944
2029-2033	7,770,000	2,538,249	10,308,249
2034-2036	5,585,000	450,594	6,035,594
	<u>\$ 26,720,000</u>	<u>\$ 18,814,401</u>	<u>\$ 45,534,401</u>

Sarpy County, Nebraska

Notes to Financial Statements

June 30, 2013

Note 6: Long-term Liabilities - Continued

Compensated absences and other post-employment benefit obligations in the governmental activities are primarily liquidated by the General Fund.

The 2009 Series A and B Stadium revenue bonds, the 2009 Series C Stadium revenue bonds and the Series 2010 Stadium COPS are secured by a pledge of the revenues derived from lease payments received pursuant to a Public Payment Lease and a Private Payment Lease, respectively. The total principal and interest remaining to be paid on the bonds and certificates of participation is \$45,534,401, with annual payments expected to require 100 percent of the revenues derived from the lease payments. Principal and interest for the current year and revenues from lease payments and other sources were \$1,588,623 and \$1,581,966, respectively.

The 2009 Series B Stadium revenue bonds were issued as direct pay Build America Bonds in accordance with the American Recovery and Reinvestment Act of 2009, which allows the County to receive a U.S. Treasury subsidy equal to 35% of the amount of interest payable on those bonds. Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, refund payments to certain state and local government filers claiming refundable credits under section 6341 of the Internal Revenue Code applicable to certain qualified bonds are subject to sequestration. The refund payments processed on or after October 1, 2013 and on or before September 30, 2014 will be reduced by the fiscal year 2014 sequestration rate of 7.2%.

Note 7: Employees' Retirement System

Pension Plan

The County has adopted the provision 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 Sheriff's 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, 2013, the County's payroll for covered employees was \$34,594,556 and the total payroll for the County was \$34,897,857. The County contributed \$2,538,183 to the employees account and paid \$1,248 for prior service benefits during 2013. The employees contributed \$1,759,247 to the plan for the year ended June 30, 2013.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 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. Employees contributed \$533,180 to the plan for the year ended June 30, 2013.

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.

Other Postemployment Benefits

Plan Description – The County provides certain post-employment health care benefits (“OPEB Plan”) to eligible retirees and their spouses. An employee (and spouse) is eligible to elect medical coverage upon retiring and meeting specific criteria under the Nebraska Public Retirement System and attaining an age varying between 55 and 62, based upon their job classification. Participants pay a percentage of the premiums, based upon their age and job classification. A prescription drug program is also available to those who elect health coverage. The OPEB Plan is a single-employer defined benefit healthcare plan administered by the County. The OPEB Plan does not issue separate financial statements.

Funding Policy – The contribution requirements of OPEB Plan members and the County are established by the Sarpy County Board of Commissioners. Contributions are made to the OPEB Plan based on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation - The County is required to contribute the annual required contribution (“ARC”), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize an unfunded actuarial liabilities (or funding excess) on an open basis over a period not to exceed thirty years.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 7: Employees' Retirement System - Continued

Other Postemployment Benefits - Continued

The County's annual OPEB cost and the net OPEB obligation is as follows:

	<u>Governmental</u>	<u>Proprietary</u>
Annual required contribution	\$ 271,507	\$ 1,911
Interest on net OPEB obligation	20,769	146
Adjustments to annual required contribution	(28,767)	(318)
Annual OPEB cost (expense)	<u>263,509</u>	<u>1,739</u>
Contributions made	(127,675)	-
Increase in net OPEB obligation	135,834	1,739
Net OPEB obligation - beginning of year	<u>511,842</u>	<u>11,026</u>
Net OPEB obligation - end of year	<u>\$ 647,676</u>	<u>\$ 12,765</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2013 and the two preceding years were as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2013	265,248	48.1%	660,441
June 30, 2012	267,852	38.0%	522,868
June 30, 2011	198,641	31.1%	356,676

Funded Status and Funding Progress - As of July 1, 2012, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$2,453,569, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,453,569.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Sarpy County, Nebraska

Notes to Financial Statements

June 30, 2013

Note 7: Employees' Retirement System - Continued

Other Postemployment Benefits - Continued

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As required by GASB 45, the County, acting with the advice of the actuary, has allocated the cost of benefits to years of active service using the Projected Unit Credit Actuarial Cost Method. In the most current valuation, July 1, 2012, the actuarial assumptions used for the calculation of costs and liabilities are as follows:

Discount rate	4.0% per annum, compounded annually
Annual medical trend rate	8.5% initially, reduced in increments
Participation rate	70% will elect coverage
Spouse participation rate	50% will elect coverage

The valuation involves estimates of the value of reported amounts and assumptions about the probability of future events and is subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. These calculations are based on the types of benefits provided under the terms of the substantive plan at the time of the valuation and on the pattern of cost sharing between employer and plan members to this point and reflects a long-term perspective.

Note 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, 2013.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 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 post-closure 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 post-closure care costs as an operating expense in each period based on landfill capacity used during the year. Based on a cost estimate performed in 2013, closure costs will be \$4,065,517 and an additional \$2,913,286 will be required for post-closure care. The estimated total of the landfill closure and post-closure care of \$6,978,803 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 98% used (filled). The County expects to close the landfill in 2014. The County has accrued 98% of the total landfill closure and post-closure care of \$6,808,520 as of June 30, 2013.

However, the actual cost of closure and post-closure 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 post-closure care. The county is in compliance with these requirements and at June 30, 2013, investments of \$7,182,127 are held for these purposes. These are reported as restricted assets on the proprietary fund statement of net position.

The County, in a review by the Nebraska Department of Environmental Quality (NDEQ), has demonstrated compliance with the financial assurance requirements as specified in Title 132 *Integrated Solid Waste Management Regulations*, through the Local Government Financial Test.

Note 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 79 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 pays for 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

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 10: Public Entity Risk Pool - Continued

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 provided 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.

There were no significant insurance recoveries in the current year, and settled claims have not exceeded coverage in any of the past three fiscal years.

Note 11: Governmental Fund Balances

Governmental fund balances are classified as follows at June 30, 2013:

	General Fund	Special Roads Fund	Other Governmental Funds	Total
Nonspendable:				
Inventory	\$ 19,873	\$ 492,513	\$ -	\$ 512,386
Restricted for:				
Debt service	241,825	1,374,013	2,901,061	4,516,899
Emergency communications	-	-	385,986	385,986
Social services	-	-	46,421	46,421
Tourism	-	-	1,285,575	1,285,575
Public health and welfare	-	-	292,290	292,290
Grant stipulations	-	-	817,531	817,531
Community betterment	-	-	77,030	77,030
Capital projects	-	2,400,899	243,405	2,644,304
Information systems	-	-	701,722	701,722
	<u>241,825</u>	<u>3,774,912</u>	<u>6,751,021</u>	<u>10,767,758</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 11: Governmental Fund Balances - Continued

	General Fund	Special Roads Fund	Other Governmental Funds	Total
Assigned to:				
Wireless communications	\$ 91,126	\$ -	\$ -	\$ 91,126
Public health and welfare	57	-	-	57
Public safety	74,883	-	-	74,883
Future contingencies	769,734	-	-	769,734
Fleet services	85,005	-	-	85,005
Other purposes	6,448	-	-	6,448
	<u>1,027,253</u>	<u>-</u>	<u>-</u>	<u>1,027,253</u>
Unassigned:	<u>29,640,273</u>	<u>-</u>	<u>(189,642)</u>	<u>29,450,631</u>
Total fund balances	<u>\$ 30,929,224</u>	<u>\$ 4,267,425</u>	<u>\$ 6,561,379</u>	<u>\$ 41,758,028</u>

Note 12: Subsequent Events

In September 2013, the County issued \$2,900,000 of Limited Tax Refunding Building Bonds, Series 2013, to refund the outstanding principal of \$3,060,000 of the Limited Tax Building Bonds, Series 2008. Interest rates range on the Series 2013 bonds from 0.35% to 1.7% and have a final maturity of June 15, 2018. The County completed the refunding to reduce its total debt service payments by \$159,014, which resulted in an economic gain of \$152,968.

Required Supplementary Information

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Sarpy County, Nebraska
Schedule of Revenues, Expenditures and Changes In Fund Balances –
Budget and Actual (Cash Basis)
General Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Tax	\$ 29,724,653	\$ 29,724,653	\$ 29,177,604	\$ (547,049)
Federal	201,787	201,787	176,427	(25,360)
State	926,000	926,000	1,732,678	806,678
Local	15,804,655	15,824,655	19,431,678	3,607,023
Total revenues	46,657,095	46,677,095	50,518,387	3,841,292
Expenditures				
General government				
County Board	152,016	152,016	149,513	2,503
County Clerk	673,370	673,370	668,608	4,762
County Treasurer	1,475,847	1,475,847	1,446,788	29,059
Register of Deeds	487,911	487,911	479,117	8,794
County Assessor	1,278,613	1,278,613	1,253,100	25,513
Election Commissioner	526,955	520,855	519,770	1,085
Planning and Zoning Administration	311,808	311,808	304,380	7,428
Personnel	316,266	316,266	314,404	1,862
Records Management	315,822	315,822	296,369	19,453
Fiscal Administration	189,723	189,723	188,892	831
Board of Equalization	238,886	238,886	236,523	2,363
Facilities Management	23,000	23,000	20,975	2,025
Public Property Utilities	1,051,283	1,028,283	1,026,578	1,705
Jail Maintenance	696,225	696,225	574,305	121,920
Juvenile Justice Center Maintenance	219,500	230,500	230,034	466
Sheriff Admin Maintenance	77,061	92,561	91,871	690
Extension Agent	94,519	91,019	87,999	3,020
Other Intergovernmental	134,500	134,500	134,449	51
Miscellaneous General	836,000	836,000	698,124	137,876
Capital Projects	7,929,381	7,815,338	5,704,542	2,110,796
Wireless Communications	498,000	498,000	101,717	396,283
Inheritance Tax	65,000	65,000	49,945	15,055
Purchasing	5,100,000	5,100,000	644,771	4,455,229
Fleet	148,800	148,800	142,897	5,903
Public Safety	1,227,338	1,227,338	1,100,079	127,259
Sheriff	2,102,118	2,141,118	2,139,783	1,335
County Attorney	3,070,639	3,083,639	3,083,331	308
Investigations	1,494,512	1,494,512	1,490,121	4,391
Road Patrol	5,069,435	5,069,435	5,069,373	62
Sheriff Merit Commission	11,758	11,758	1,792	9,966
Vehicle Inspection	118,395	118,695	118,667	28

Sarpy County, Nebraska
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual (Cash Basis) - Continued

General Fund

For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Expenditures - Continued				
Public Safety - Continued				
Tow Lot	\$ 273,897	\$ 255,097	\$ 250,277	\$ 4,820
Juvenile Diversion	330,546	332,546	331,091	1,455
Victim Witness	226,259	224,259	222,297	1,962
Pre-Trial/Community Service	344,297	412,340	411,440	900
Juvenile Justice Center	2,451,873	2,381,873	2,376,078	5,795
County Jail	5,051,269	5,065,769	5,062,462	3,307
Court Services	1,378,497	1,386,497	1,385,181	1,316
Warrants Extradition	544,837	571,837	571,647	190
Adult Probation	89,240	89,240	78,405	10,835
Adult Diversion	527,101	530,601	509,791	20,810
Emergency Management	220,550	220,550	181,548	39,002
Clerk of the District Court	594,140	594,140	585,397	8,743
County Court	118,390	125,390	125,186	204
Juvenile Probation	19,050	19,050	17,366	1,684
Juvenile Court Judge	541,382	541,382	535,502	5,880
District Judge	566,700	566,700	550,012	16,688
Public Defender	1,298,647	1,298,647	1,290,600	8,047
Federal Grant - Drug Court	1,000	1,000	-	1,000
STOP Program	93,000	93,000	7,432	85,568
Jury Commissioner	120,413	126,513	126,433	80
CASA	140,107	140,107	139,497	610
Public Health				
Animal Control	498,055	498,055	485,421	12,634
Mental Health	116,778	116,778	76,211	40,567
Landfill Bond Surplus	1,274,108	1,274,108	-	1,274,108
Connection Fee	-	20,000	475	19,525
Noxious Weed	64,221	65,421	65,078	343
Public Welfare and Social Services				
Veterans Services	235,999	235,999	235,414	585
Human Services	801,857	827,857	826,053	1,804
Total expenditures	53,856,894	53,881,594	44,815,111	9,066,483
Other Financing Sources (Uses)				
Operating transfer in	1,726,652	1,731,352	3,240,186	1,508,834
Operating transfer out	(5,686,545)	(5,686,545)	(7,679,245)	(1,992,700)
Total transfers	(3,959,893)	(3,955,193)	(4,439,059)	(483,866)
Excess (Deficiency) of Revenues Over Expenditures	(11,159,692)	(11,159,692)	1,264,217	12,423,909
Fund Balance - Beginning of Year	17,259,692	17,259,692	17,259,692	-
Fund Balance - End of Year	\$ 6,100,000	\$ 6,100,000	\$ 18,523,909	\$ 12,423,909

Sarpy County, Nebraska
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual (Cash Basis)
Special Roads Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Federal	\$ 164,600	\$ 164,600	\$ 182,505	\$ 17,905
State	7,870,741	7,870,741	9,117,131	1,246,390
Local	1,088,616	1,088,616	418,913	(669,703)
Total revenues	<u>9,123,957</u>	<u>9,123,957</u>	<u>9,718,549</u>	<u>594,592</u>
Expenditures				
Personal services	3,272,246	3,272,246	3,301,325	(29,079)
Operating expenses	801,808	801,808	819,043	(17,235)
Supplies and materials	1,172,500	1,172,500	1,326,789	(154,289)
Equipment and office rental	34,250	34,250	30,260	3,990
Capital outlays	9,198,850	9,198,850	5,018,856	4,179,994
Principal and interest	1,258,856	1,258,856	1,259,478	(622)
Total expenditures	<u>15,738,510</u>	<u>15,738,510</u>	<u>11,755,751</u>	<u>3,982,759</u>
Operating transfer in	<u>2,281,315</u>	<u>2,281,315</u>	<u>2,281,315</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,333,238)</u>	<u>(4,333,238)</u>	<u>244,113</u>	<u>4,577,351</u>
Fund Balance - Beginning of Year	<u>4,333,238</u>	<u>4,333,238</u>	<u>4,333,238</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,577,351</u>	<u>\$ 4,577,351</u>

Sarpy County, Nebraska
Note to Required Supplementary Information –
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual (Cash Basis)
For the Year Ended June 30, 2013

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.

Sarpy County, Nebraska
Other Postemployment Benefits
Schedule of Funding Progress
For the Year Ended June 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) - Unit Credit (b)	Unfunded AAL(UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as % of Covered Payroll ((b-a)/c)
7/1/2009	\$ -	\$ 1,646,774	\$ 1,646,774	0.00%	N/A	N/A
7/1/2010	-	1,739,926	1,739,926	0.00%	N/A	N/A
7/1/2012	-	2,453,569	2,453,569	0.00%	\$ 31,001,141	7.9%

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Other Supplementary Information

Sarpy County, Nebraska
Tax Certification, Correction and Collections
As of June 30, 2013

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Tax Certified by the Assessor			
Real estate	\$ 223,669,089	\$ 228,991,725	\$ 234,965,835
Personal	6,415,192	5,752,590	6,135,521
Centrally assessed	<u>1,210,009</u>	<u>1,088,752</u>	<u>1,291,352</u>
Total certified tax	<u>\$ 231,294,290</u>	<u>\$ 235,833,067</u>	<u>\$ 242,392,708</u>
Net Tax Collected by the County Treasurer as of June 30, 2013			
Real estate	\$ 223,571,720	\$ 228,867,146	\$ 130,423,402
Personal	6,360,572	5,721,235	3,985,614
Centrally assessed	<u>1,207,451</u>	<u>1,088,752</u>	<u>750,017</u>
Total collected tax	<u>\$ 231,139,743</u>	<u>\$ 235,677,133</u>	<u>\$ 135,159,033</u>
Total Uncollected Tax as of June 30, 2013			
Real estate	\$ 97,369	\$ 124,579	\$ 104,542,433
Personal	54,620	31,355	2,149,907
Centrally assessed	<u>2,558</u>	<u>-</u>	<u>541,335</u>
Total uncollected	<u>\$ 154,547</u>	<u>\$ 155,934</u>	<u>\$ 107,233,675</u>
Percentage Uncollected Tax	0.07%	0.07%	44.24%

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Clerk
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 600
Cash in bank	2,696
	<u>3,296</u>
Collections	
Recording and miscellaneous fees	3,023
Marriage licenses	16,401
Prepaid certified marriage licenses	6,090
Miscellaneous	77
Other licenses	13,504
	<u>39,095</u>
Credits	
Paid to County Treasurer	
Recording and miscellaneous fees	3,004
Marriage licenses	16,575
Prepaid certified marriage licenses	6,120
Miscellaneous	229
Other licenses	13,504
	<u>39,432</u>
Paid to State of Nebraska	
Title fees	<u>-</u>
Balance on hand, end of year	<u>\$ 2,959</u>
Summary of balance, end of year	
Cash on hand	\$ 600
Cash in bank	2,359
	<u>\$ 2,959</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
Register of Deeds
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 150
Cash in bank	246,007
Accounts receivable	4,849
	<u>251,006</u>
 Collections	
Recording fees	1,242,331
Copies fees	7,110
Non-credit refunds	159
Federal tax liens	2,591
State tax liens	1,024
Documentary stamp tax	1,654,902
Interest	207
SID penalties	440
	<u>2,908,764</u>
 Credits	
Paid to County Treasurer	
Recording fees	1,206,531
Copies fees	7,005
Non-credit refunds	168
Federal tax liens	2,269
State tax liens	918
Documentary stamp tax	362,241
Interest	204
SID penalties	440
	<u>1,579,776</u>
 Paid to State of Nebraska	
Documentary stamp tax	<u>1,268,007</u>
Balance on hand, end of year	<u>\$ 311,987</u>
 Summary of balance, end of year	
Cash on hand	\$ 150
Cash in bank	308,228
Accounts receivable	3,609
	<u>\$ 311,987</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
Clerk of the District Court
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 650
Cash in bank	5,942,783
	<u>5,943,433</u>
Collections	
Dissolution fees	66,575
State fees	171,462
Regular fees	352,375
Retirement fees	23,740
Law enforcement fees	1,352
Trust	8,161,919
Drug court	
County fees	16,478
State fees	10,155
Miscellaneous receipts	28,090
	<u>8,832,146</u>
Credits	
Dissolution fees	70,850
State fees	201,471
Regular fees	352,375
Retirement fees	25,526
Law enforcement fees	1,904
Trust	10,940,187
Drug court	
County fees	16,723
State fees	10,082
	<u>11,619,118</u>
Balance on hand, end of year	<u>\$ 3,156,461</u>
Summary of balance, end of year	
Cash on hand	\$ 650
Cash in bank	3,155,811
	<u>\$ 3,156,461</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Sheriff
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 246
Cash in bank	145,330
	<u>145,576</u>
Collections	
Civil process	241,389
Inmate	1,772,583
Distress warrants	161,663
Miscellaneous and administrative	164,410
VIN	103,916
CID	5,522
DARE	6,271
Tow lot	399,664
	<u>2,855,418</u>
Credits	
Paid to County Treasurer	
Civil process	230,215
Inmate	1,763,584
Distress warrants	161,663
Miscellaneous and administrative	164,411
VIN	103,916
CID	8,550
DARE	6,377
Tow lot	397,124
	<u>2,835,840</u>
Balance on hand, end of year	<u>\$ 165,154</u>
Summary of balance, end of year	
Cash on hand	\$ 200
Cash in bank	164,954
	<u>\$ 165,154</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Attorney
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash in bank	<u>\$ 29,411</u>
Collections	
Restitution	115,687
Collection on bad checks	53,147
Collection fees	1,630
Law enforcement fund	1,503
Miscellaneous	88
	<u>172,055</u>
Credits	
Restitution payment	113,720
Payments on bad checks collected	53,972
Collection fees remitted to the County Treasurer	1,570
Subpoena and miscellaneous expenditures paid	1,582
Miscellaneous	260
	<u>171,104</u>
Summary of balance, end of year	
Cash in bank	<u>\$ 30,362</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Surveyor
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 50
Collections	39
Credits	<u>39</u>
Balance on hand, end of year	<u>\$ 50</u>
Summary of balance, end of year	
Cash on hand	<u>\$ 50</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Election Commissioner
For the Year Ended June 30, 2013

Balance on hand, beginning of year	\$ <u>-</u>
Collections	
Certification of registration	15
Election cost recoveries	<u>135,793</u>
	<u>135,808</u>
Credits	
Paid to County Treasurer	<u>135,808</u>
Balance on hand, end of year	<u>\$ -</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Building Inspector
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash in bank	\$ 897
Contractor deposits	<u>105,223</u>
	<u>106,120</u>
Collections	
Permit fees	629,529
Sewer fees	113,392
Watershed fees	246,010
Tiburon water fees	13,500
Other grading deposits	32,450
Wireless tower fees	<u>101,706</u>
	<u>1,136,587</u>
Credits	
Paid to County Treasurer	
Permit fees	630,627
Sewer fees	122,764
Watershed fees	228,512
Tiburon water fees	16,256
Other grading deposits	14,442
Wireless tower fees	<u>101,706</u>
	<u>1,114,307</u>
Balance on hand, end of year	<u>\$ 128,400</u>
Summary of balance, end of year	
Cash in bank	\$ 23,571
Contractor deposits	<u>104,829</u>
	<u>\$ 128,400</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Landfill
For the Year Ended June 30, 2013

Balance on hand, beginning of year		
Cash on hand	\$	530
Accounts receivable		<u>407,787</u>
		<u>408,317</u>
 Collections		 <u>4,995,259</u>
 Credits		
Paid to County Treasurer		<u>4,580,235</u>
 Balance on hand, end of year	 \$	 <u>823,341</u>
 Summary of balance, end of year		
Cash on hand	\$	530
Accounts receivable		<u>822,811</u>
	 \$	 <u>823,341</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Alcohol Diversion
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ <u>1,653</u>
Collections	
Alcohol diversion	232,823
Adult education	41,852
Adult shoplifters	14,522
Adult community service	1,895
Victim impact panel	5,685
Juvenile intake	61,511
Juvenile community service	2,820
Teen court	5,323
Restitution	6,050
Miscellaneous	<u>2,940</u>
	<u>375,421</u>
Credits	
Alcohol diversion	232,709
Adult education	41,767
Adult shoplifters	14,614
Adult community service	1,870
Victim impact panel	5,675
Juvenile intake	61,821
Juvenile community service	2,830
Teen court	5,273
Restitution	6,050
Miscellaneous	<u>2,940</u>
	<u>375,549</u>
Balance on hand, end of year	
Cash on hand	\$ <u><u>1,525</u></u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Pretrial Diversion
For the Year Ended June 30, 2013

Balance on hand, beginning of year	<u>\$ -</u>
Collections	
Drug testing	90
Electronic monitoring	1,907
Supervision	<u>10,740</u>
	<u>12,737</u>
Credits	
Paid to County Treasurer	<u>12,737</u>
Balance on hand, end of year	<u><u>\$ -</u></u>

Sarpy County, Nebraska
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual (Cash Basis)
All Special Revenue Funds
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Tax	\$ 4,618,986	\$ 4,618,986	\$ 4,499,378	\$ (119,608)
Federal	2,483,656	2,483,656	2,686,789	203,133
State	792,227	792,227	652,240	(139,987)
Local	3,320,805	3,320,805	3,986,255	665,450
Total revenues	11,215,674	11,215,674	11,824,662	608,988
Expenditures				
E911 Communications	3,650,091	3,650,091	3,513,438	136,653
E911 Rebanding	67,300	67,300	-	67,300
District Court - Child Support	231,346	231,346	176,869	54,477
County Attorney - Child Support	1,063,754	1,063,754	1,000,779	62,975
Child Support Incentive	170,283	170,283	144,981	25,302
Tourism	937,165	937,165	449,510	487,655
Visitor's Improvement	1,145,000	1,145,000	897,000	248,000
Employment Security Act	50,000	50,000	23,779	26,221
County Medical	245,500	245,500	87,737	157,763
Institutions	40,000	45,500	43,541	1,959
County Drug Enforcement	10,000	10,000	5,000	5,000
Federal Grant - JAIBG	21,437	21,437	16,728	4,709
Federal Grant - Title 1D	60,970	60,970	46,374	14,596
State Education Reimbursement	529,557	529,557	286,618	242,939
Federal Grant -Juvenile Detention - JDAI	25,000	25,000	7,956	17,044
Federal Forfeiture	165,000	165,000	49,320	115,680
SCAAP	60,000	60,000	36,858	23,142
Federal Grant - Victim Witness	107,527	107,527	107,527	-
Federal Grant -Energy Efficiency	68,000	68,000	-	68,000
Federal Grant - Perkins Corrections	76,000	76,000	40,000	36,000
CCP Community Service	3,000	3,000	-	3,000
Federal Grant - Drug Enforcement	51,495	51,495	50,422	1,073
Juvenile Services LB640	113,089	134,089	134,011	78
County Aid Enhancement	11,045	11,045	11,045	-
Federal Grant -JAG Equipment	10,855	12,055	11,951	104
Federal Grant-Traffic Enforcement	217,694	217,694	163,444	54,250

Sarpy County, Nebraska
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual (Cash Basis) - Continued
All Special Revenue Funds
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Expenditures - Continued				
Federal Grant - GIS Transportation	\$ 130,745	\$ 130,745	\$ 110,745	\$ 20,000
Federal Grant - Adult Drug Court	52,400	52,400	9,808	42,592
Federal Grant - Buffer Zone	49,100	49,100	-	49,100
Federal Grant - Drug Eradication	20,250	20,250	19,458	792
State Grant - Stormwater	272,000	272,000	138,502	133,498
Kano	205,500	205,500	135,775	69,725
Courthouse Administration	1,596,350	1,596,350	803,293	793,057
Courthouse Remodel	746,719	746,719	676,610	70,109
Sheriff Admin Bond	1,554,642	1,554,642	730,000	824,642
Sinking Fund	1,336,155	1,336,155	876,563	459,592
Phase II Stormwater Fees	50,000	50,000	-	50,000
Watershed Fee Fund	416,000	466,000	464,839	1,161
Information Systems	2,069,637	2,069,637	1,705,082	364,555
CDBG - Revolving Loan Fund	546,700	546,700	508,340	38,360
GIS	389,846	389,846	382,407	7,439
Social Security Incentive	15,000	15,000	4,800	10,200
Register of Deeds Tech	80,000	80,000	-	80,000
Early Retiree Reinsurance	120,000	120,000	120,000	-
E911 Wireless Service	219,000	272,000	197,506	74,494
E911 Wireless Sinking	233,000	233,000	95,301	137,699
Federal Grant - Truancy	33,957	44,957	44,478	479
Learning Comm - Truancy	75,552	75,552	61,542	14,010
Total expenditures	19,343,661	19,485,361	14,389,937	5,095,424
Other Financing Sources (Uses)				
Operating transfer in	2,587,830	2,729,530	2,922,830	193,300
Operating transfer out	-	-	(889,086)	(889,086)
Total transfers	2,587,830	2,729,530	2,033,744	(695,786)
Excess (Deficiency) of Revenues Over Expenditures	(5,540,157)	(5,540,157)	(531,531)	5,008,626
Fund Balance - Beginning of Year	5,540,157	5,540,157	5,540,157	-
Fund Balance - End of Year	\$ -	\$ -	\$ 5,008,626	\$ 5,008,626

Sarpy County, Nebraska
Schedule of Receipts and Disbursements (Cash Basis)
All Special Revenue Funds
For the Year Ended June 30, 2013

	Fund Balance July 1, 2012	Receipts	Disbursements	Fund Balance June 30, 2013
Special Revenue Funds				
E911 Communications	\$ 259,386	\$ 3,479,132	\$ 3,513,439	\$ 225,079
E911 Rebanding	723	9,000	9,000	723
District Court - Child Support	1,055	223,589	223,869	775
County Attorney - Child Support	3,025	1,335,841	1,058,779	280,087
Child Support Incentive	37,523	131,904	144,981	24,446
Tourism	482,858	566,318	449,310	599,666
Visitor's Improvement	693,144	889,318	897,000	685,462
Employment Security Act	24,252	36,045	23,779	36,518
County Medical	142,156	105,949	87,736	160,369
Institutions	4,985	39,744	43,541	1,188
County Drug Enforcement	9,109	-	5,000	4,109
Federal Grant - JAIBG	2,359	14,369	16,728	-
Federal Grant - Title 1D	1,669	48,437	47,874	2,232
State Education Reimbursement	6,069	464,206	466,619	3,656
FG-Juvenile Detention - JDAI	-	8,294	7,955	339
Federal Forfeiture	154,187	80,074	49,320	184,941
SCAAP	2,800	36,858	36,858	2,800
Federal Grant - Victim Witness	-	107,626	107,527	99
FG-Energy Efficiency	781	67,219	68,000	-
Federal Grant - Perkins Corrections	1,114	75,012	76,000	126
CCP Community Service	471	2,529	3,000	-
Federal Grant - Drug Enforcement	388	50,416	50,422	382
Juvenile Services LB640	-	134,011	134,011	-
County Aid Enhancement	-	11,045	11,045	-
FG-JAG Equipment	-	12,095	11,951	144
FG-Traffic Enforcement	13,810	192,873	188,443	18,240
Federal Grant - GIS Transportation	1,462	129,334	130,745	51
Federal Grant - Adult Drug Court	38,526	16,723	9,808	45,441
Federal Grant - Buffer Zone	49,034	-	49,034	-
Federal Grant - Drug Eradication	7,741	23,010	19,458	11,293
State Grant - Stormwater	137,158	175,449	138,503	174,104
Keno	51,429	161,376	135,775	77,030
Courthouse Administration	1,079,630	341,539	803,293	817,876
Courthouse Remodel	7,746	771,933	695,610	84,069
Sheriff Admin Bond	834,233	648,866	730,000	753,099
Sinking Fund	808,135	537,867	876,563	469,439
Phase II Stormwater Fees	29,500	2,500	-	32,000
Watershed Fee Fund	253,282	244,788	464,839	33,231
Information Systems	45,145	2,006,093	2,004,634	46,604
CDBG - Revolving Loan Fund	-	508,340	508,340	-
GIS	31,561	355,364	382,407	4,518
Social Security Incentive	-	6,400	4,800	1,600
Register of Deeds Technology	-	75,426	-	75,426
Early Retirees Reinsurance	120,000	-	120,000	-
E911 Wireless Service	19,369	252,137	271,506	-
E911 Wireless Sinking	158,755	74,000	95,301	137,454
Federal Grant - Truancy	403	44,075	44,478	-
Learning Comm - Truancy	25,184	50,368	61,542	14,010
Totals	\$ 5,540,157	\$ 14,747,492	\$ 15,279,023	\$ 5,008,626

Sarpy County, Nebraska
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

Cluster / Program	Federal Agency/ Pass-Through Entity	CFDA Number	Amount Expended
CDDBG - State-Administered Small Cities Program Cluster			
Community Development Block Grants	U.S. Department of Housing & Urban Development / NE Department of Economic Development	14.228	\$ 504,500
			<u>504,500</u>
JAG Program Cluster			
Edward Byrne Memorial Justice Assistance Grant Program	U.S. Department of Justice / City of Omaha	16.738	50,416
Edward Byrne Memorial Justice Assistance Grant Program	U.S. Department of Justice / NE Crime Commission & Heartland Family Services	16.738	11,951
			<u>62,367</u>
Highway Planning and Construction Cluster			
Recreational Trails Program	U.S. Department of Transportation / NE Game & Parks Commission	20.219	9,113
Highway Planning and Construction	U.S. Department of Transportation / State of Nebraska	20.205	165,235
Highway Planning and Construction	U.S. Department of Transportation / Nebraska Office of Highway Safety	20.205	18,455
			<u>192,803</u>
Highway Safety Cluster			
State and Community Highway Safety	U.S. Department of Transportation / Nebraska Office of Highway Safety	20.600	163,444
Alcohol Impaired Driving Countermeasures Incentive Grant	U.S. Department of Transportation / Nebraska Office of Highway Safety	20.601	21,158
			<u>184,602</u>
Title I, Part A Cluster			
Title I Grants to Local Educational Agencies	U.S. Department of Education / Papillion / La Vista School District	84.010	46,374
			<u>46,374</u>
Medicaid Cluster			
Medical Assistance Program	U.S. Department of Health and Human Services / Nebraska Department of Health and Human Services	93.778	16,366
			<u>16,366</u>

Sarpy County, Nebraska
Schedule of Expenditures of Federal Awards - Continued
Year Ended June 30, 2013

Cluster / Program	Federal Agency/ Pass-Through Entity	CFDA Number	Amount Expended
Juvenile Accountability Block Grants	U.S. Department of Justice / Nebraska Crime Commission	16.523	\$ 16,100
Juvenile Justice & Delinquency Prevention - Allocation to States	U.S. Department of Justice / Nebraska Crime Commission	16.540	44,458
Crime Victim Assistance	U.S. Department of Justice / Nebraska Crime Commission	16.575	107,527
Violence Against Women Formula Grants	U.S. Department of Justice / Nebraska Crime Commission & Heartland Family Services	16.588	28,200
State Criminal Alien Assistance Program	U.S. Department of Justice	16.606	41,658
Bulletproof Vest Partnership Program	U.S. Department of Justice	16.607	1,595
Equitable Sharing Program	U.S. Department of Justice	16.922	49,320
Drug Eradication	U.S. Department of Justice	16.xxx	19,458
FBI Overtime Reimbursement - Cyber Crimes Task Force	U.S. Department of Justice	16.xxx	4,152
Prisoner Housing - Military Prisoner	U.S. Department of Justice	16.xxx	1,512
Juvenile Detention Alternatives Initiative	U.S. Department of Justice	16.xxx	7,955
Metropolitan Transportation Planning	U.S. Department of Transportation / Metropolitan Area Planning Agency	20.505	110,738
U.S. Immigrations - Juveniles	Immigration & Customs Enforcement	16.xxx	3,147
Career and Technical Education - Basic Grants to States	U.S. Department of Education / Nebraska Department of Education	84.048	40,000
Child Support Enforcement	U.S. Department of Health and Human Services / Nebraska Department of Health and Human Services	93.563	1,175,764
Homeland Security Grant Program	U.S. Department of Homeland Security / State of Nebraska / City of Omaha	97.067	16,981
Emergency Management Performance Grants	U.S. Department of Homeland Security / Nebraska Emergency Management Agency	97.042	100,204
			<u>\$ 2,775,781</u>

Sarpy County, Nebraska
Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

1. This schedule presents the federal awards activity of Sarpy County, Nebraska presented on the cash disbursements basis of accounting, which differs from generally accepted accounting principles in the United States of America. Under this method, expenditures are recognized when disbursements are made. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. Of the federal expenditures presented in this schedule, the County provided federal awards to subrecipients as follows:

Program	CFDA Number	Subrecipient	Amount Provided
Edward Byrne Memorial Justice Assistance Grant Program	16.738	City of Bellevue	\$ 5,570
State and Community Highway Safety	20.600	City of Bellevue	<u>67,478</u>
			<u>\$ 73,048</u>

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**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters Based on an
Audit of the Financial Statements Performed in Accordance with
Government Auditing Standards**

Board of Commissioners
Sarpy County, Nebraska

We have audited, 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, the 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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 3, 2014.

Internal Control Over Financial Reporting

Management of Sarpy County, Nebraska is responsible for establishing and maintaining effective internal control over financial reporting (internal control). In planning and performing our audit, we considered the County's internal control to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses as defined above. However, material weaknesses may exist that have not been identified.

Compliance

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Other Matters

We noted certain matters that we reported to the County's management in a separate letter dated February 3, 2014.

The purpose of this communication is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or compliance. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Omaha, Nebraska
February 3, 2014

**Independent Auditor's Report on Compliance with Requirements
That Could Have a Direct and Material Effect on Each Major Program
and on Internal Control Over Compliance In Accordance with OMB Circular A-133**

Board of Commissioners
Sarpy County, Nebraska

Report on Compliance for Each Major Federal Program

We have audited the compliance of Sarpy County, Nebraska (the County) with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management.

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the County's compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, Sarpy County, Nebraska complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

The management of Sarpy County, Nebraska is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected or corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

BKD, LLP

Omaha, Nebraska
February 3, 2014

Sarpy County, Nebraska
Schedule of Findings and Questioned Costs - Continued
Year Ended June 30, 2013

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was \$300,000.
9. The County qualified as a low-risk auditee as that term is defined in OMB Circular A-133? Yes No

Sarpy County, Nebraska
Schedule of Findings and Questioned Costs - Continued
Year Ended June 30, 2013

Findings Required to be Reported by Government Auditing Standards

Reference Number	Finding	Questioned Costs
No matters are reportable		

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
No matters are reportable		

Sarpy County, Nebraska
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2013

Reference Number	Summary of Finding	Status
No matters are reportable		

APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

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APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This CONTINUING DISCLOSURE UNDERTAKING dated _____, 20__ (the "Disclosure Undertaking"), is executed and delivered by THE COUNTY OF SARPY, IN THE STATE OF NEBRASKA (the "Issuer").

RECITALS

1. This Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of \$_____ Limited Tax Refunding Building Bonds, Series 2014 (the "Bonds"), pursuant to a resolution adopted _____, 2014 by the governing body of the Issuer (the "Resolution").

2. The Issuer is entering into this Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The Issuer is the only "obligated person" with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the Issuer covenants and agrees 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 Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report filed by the Issuer pursuant to, and as described in, Section 2 of this Disclosure Undertaking.

"Beneficial Owner" means any registered owner of any Bonds and any person which (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.

"Business Day" means a day other than (a) a Saturday, Sunday, or legal holiday, (b) a day on which banks located in the city in which the designated payment office of the paying agent for the Bonds is located is required or authorized by law to remain closed, or a day on which the Securities Depository or the New York Stock Exchange is closed.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"Fiscal Year" means the 12-month period beginning on July 1 and ending on June 30 or any other 12-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

"Material Events" means any of the events listed in Section 3 of this Disclosure Undertaking.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"Participating Underwriter" means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with offering of the Bonds.

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

Section 2. Provision of Annual Reports.

(a) Pursuant to the Continuing Disclosure Undertaking, the County shall, not later than eight months after the end of the County's fiscal year, provide to the Municipal Securities Rulemaking Board (the **"MSRB"**) the following financial information and operating data (the **"Annual Report"**):

(1) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles. If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the fiscal year of the financial information and operating data contained in **APPENDIX A** to the Official Statement in substantially the same format contained in the Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an **"obligated person"** (as defined by the Rule), which have been filed with the MSRB and is available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer 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 Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under Section 3.

(b) In addition to the foregoing requirements of this Section, the Issuer agrees to provide copies of the most recent Annual Report to any requesting Beneficial Owner or prospective Beneficial Owner, but only after the same has been filed with the MSRB.

Section 3. Reporting of Material Events. No later than 10 business days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds (**"Material Events"**):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;

- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in Section 2(a), the Issuer shall send a notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this Section 3.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under Section 3.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such 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 Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including, without limitation, the Annual Report) prepared by the Issuer pursuant to this Disclosure Undertaking.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Issuer may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Disclosure Undertaking.

If a provision of this Disclosure Undertaking is amended or waived, the Issuer shall describe such amendment or waiver 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 Issuer. 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 under Section 3, and (2) the Annual Report 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 7. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall

have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer fails to comply with any provision of this Disclosure Undertaking, any Participating Underwriter or 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 Issuer to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Resolution or the Bonds, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Issuer to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 9. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Disclosure Undertaking, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Disclosure Undertaking shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, 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 12. Governing Law. This Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Nebraska.

IN WITNESS WHEREOF, the Issuer has caused this Disclosure Undertaking to be executed as of the day and year first above written.

**THE COUNTY OF SARPY,
IN THE STATE OF NEBRASKA**

By: _____
Chairperson

APPENDIX D
FORM OF BOND COUNSEL OPINION

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APPENDIX D

FORM OF BOND COUNSEL OPINION

_____, 2014

The County of Sarpy
Papillion, Nebraska

Ameritas Investment Corp.
Omaha, Nebraska

Re: \$ _____ The County of Sarpy, in The State of Nebraska,
Limited Tax Refunding Building Bonds, Series 2014

Ladies and Gentlemen:

We have acted as bond counsel to The County of Sarpy (the "Issuer") in The State of Nebraska, ("State") 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 limited tax obligations of the Issuer, payable as to both principal and interest from ad valorem taxes which may be levied upon all the taxable property within the territorial limits of the Issuer, subject to the 5.2 cent levy limitation set forth in Section 23-120, Neb. R.R.S. 2012, as amended, and also subject to the Issuer's constitutional levy limitation of 50 cents per each \$100 of taxable property within the territorial limits of the Issuer.
3. The interest on the Bonds (a) is excludable from gross income for federal income tax purposes, (b) is exempt from income taxation by the State, and (c) 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 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 that interest thereon be, or continue to be, excludable from gross income for federal 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

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State income tax purposes retroactive to the date of issuance of the Bonds. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds. 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,

Item 4

OFFICIAL STATEMENT DATED MARCH 11, 2014

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 "Code"), (1) the interest on the Bonds is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (2) the interest on the Bonds is exempt from Nebraska income taxation by the State of Nebraska and (3) the Bonds have been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See "TAX MATTERS" herein.

Bank Qualified
Book-Entry-Only

New Issue - Refunding
Ratings: Moody's "Aa1"

\$5,090,000

THE COUNTY OF SARPY
IN THE STATE OF NEBRASKA
LIMITED TAX REFUNDING BUILDING BONDS, SERIES 2014

Dated: Date of Delivery

Due: December 15, as set forth below

Union Bank and Trust Company is the Paying Agent and Registrar. Interest is payable semiannually on June 15 and December 15 of each year, beginning June 15, 2014. The Bonds are issuable as fully registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Purchases of Bonds will be made in book-entry-only form, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC Participants. Beneficial owners of the Bonds will not receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. So long as DTC or its nominee is the registered owner of the Bonds, payments of the principal or redemption price of and interest on the Bonds will be made directly to DTC. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants. See "BOOK-ENTRY-ONLY SYSTEM."

The County will use the proceeds of the Bonds to (a) refund, on December 8, 2014, the County's Limited Tax Building Bonds, Series 2009, date of original issue - December 8, 2009 (the "2009 Bonds"), which were issued to pay the costs of furnishing a new law enforcement center (the "Project") and (b) pay the costs of issuing the Bonds. SEE "THE BONDS - The 2009 Project."

The Bonds are issued pursuant to a resolution passed by the Board of Commissioners of the County on March 11, 2014. The principal or redemption price of and interest on the Bonds are limited obligations of the County payable solely from taxes levied by the County pursuant to Section 23-120(3)(b), Reissue Revised Statutes of Nebraska, as amended, in an amount not to exceed 5.2 cents on each \$100 of actual valuation of all the taxable property in the County, subject to the County's constitutional levy limitation. See "THE BONDS - Security."

MATURITY SCHEDULE

<u>Principal Amount</u>	<u>Maturing (December 15)</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
\$850,000	2014	0.250%	0.250%	100.000%
850,000	2015	0.350	0.350	100.000
845,000	2016	0.350	0.450	99.735
845,000	2017	0.650	0.750	99.638
850,000	2018	1.000	1.100	99.546
850,000	2019	1.300	1.400	99.456

The Bonds maturing on and after December 15, 2019 are subject to redemption prior to maturity at the option of the County at any time on or after the fifth anniversary of the date of issuance of the Bonds. See "THE BONDS - Redemption."

The Bonds are offered in book-entry form, when, as and if issued and received by the Underwriter and subject to the approval of legality by Gilmore & Bell, P.C., Omaha, Nebraska, Bond Counsel, and certain other conditions. It is expected that the Bonds will be available for delivery through The Depository Trust Company, in New York, New York, on or about April 15, 2014.

AMERITAS INVESTMENT CORP.

The date of this Official Statement is March 11, 2014.

THE COUNTY OF SARPY, NEBRASKA

COUNTY OFFICIALS

Board of Commissioners

Don Kelly
Jim Warren
Tom Richards
Brenda Carlisle
Jim Thompson

County Administration

Deb Houghtaling, County Clerk
Rich James, County Treasurer
Dan Pittman, County Assessor
Lee Polikov, County Attorney

BOND COUNSEL

Gilmore & Bell, P.C.

REGISTRAR AND PAYING AGENT

Union Bank and Trust Company

UNDERWRITER

Ameritas Investment Corp.

The information contained in the Official Statement has been obtained from Sarpy County, Nebraska and other sources which are believed to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information, and nothing contained in the Official Statement is, or shall be, relied on as a promise or representation by the Underwriter. The Official Statement is submitted in connection with the sale of securities as referred to therein, and may not be reproduced or be used, in whole or in part, for any other purpose. Neither delivery of the Official Statement nor any sale made thereunder shall create an implication that information therein is correct as of any time subsequent to its date.

No dealer, broker, salesman or other person has been authorized by the County or the Underwriter to give any information or to make any representation other than as contained in this Official Statement, in connection with the offering described herein, and if given or made, such information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer of any securities other than those described herein or an offer to sell or a solicitation of an offer to buy within any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale within such jurisdiction.

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FORWARD-LOOKING STATEMENTS

This Official Statement contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE COUNTY DOES NOT EXPECT OR INTEND TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS CHANGE OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR OR FAIL TO OCCUR.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTIONS 3(a)(2) AND 3(a)(4) OF THE SECURITIES ACT OF 1933, AS AMENDED. THE REGISTRATION OR QUALIFICATION OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

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OFFICIAL STATEMENT

\$5,090,000

**THE COUNTY OF SARPY
IN THE STATE OF NEBRASKA
LIMITED TAX REFUNDING BUILDING BONDS, SERIES 2014**

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and any Appendices hereto, is to furnish information concerning the County of Sarpy, in the State of Nebraska (the "County") and certain other information in connection with the issuance and sale of the County's \$5,090,000 Limited Tax Refunding Building Bonds, Series 2014 (the "Series 2014 Bonds" or the "Bonds").

THE BONDS

Purpose and Authority

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State including, particularly, Sections 10-142 and 23-120, Reissue Revised Statutes of Nebraska, as amended, and a resolution passed by the Board of Commissioners of the County on March 11, 2014 to (a) refund, on December 8, 2014 (the "Redemption Date"), the County's Limited Tax Building Bonds, Series 2009, date of original issue—December 8, 2009 (the "2009 Bonds") and (b) pay the costs of issuance of the Bonds.

The 2009 Project

The 2009 Bonds were issued pursuant to a resolution passed November 17, 2009 by the Board of Commissioners of the County for the purpose of paying (a) the costs of constructing, equipping and furnishing a new law enforcement center for the County, and (b) the costs of issuing the Bonds.

Security

For the prompt payment of the principal and interest on the Bonds, the County shall levy ad valorem taxes upon all the taxable property in the County at such rate or rates within applicable statutory and constitutional limitations as will provide funds which will be sufficient to make payment of the principal of and interest on said bonds as the same fall due. Pursuant to Section 23-120(3)(b), the levy for the payment of principal of and interest on the Bonds shall not exceed 5.2 cents for each \$100 of taxable valuation in any year. The County is also subject to a constitutional levy limitation which limits its tax levy rate to not more than 50 cents per \$100 of taxable valuation. Such limit applies to any tax levy for the payment of the Bonds. The total current County levy, which includes funds to pay debt service on the Bonds, is 29.990 cents per \$100 of taxable valuation. Maximum annual debt service on the Bonds is anticipated to be approximately \$880,000, which requires a tax levy of approximately 0.76 cents per \$100 of taxable valuation.

In addition to the Bonds, the County has outstanding its Limited Tax Refunding Building Bonds, Series 2013, date of original issue – October 22, 2013, and its Limited Tax Refunding Bonds, Series 2011, date of original issue – August 18, 2011 (together, the "Outstanding Limited Tax Bonds"). Upon the issuance of

the Bonds, the Bonds and the Outstanding Limited Tax Bonds will be the only bonds of the County payable from the limited tax levy authorized pursuant to Section 23-120(3)(b). The debt service requirements on the Bonds and the outstanding Bonds do not produce a levy in excess of 5.2 cents per \$100 of taxable valuation in any fiscal year in which the Bonds or the Outstanding Limited Tax Bonds are to be outstanding.

General Description

The Bonds will be dated Date of Delivery and will bear interest from that date, payable semiannually on June 15 and December 15 of each year, beginning June 15, 2014. Pursuant to the resolution authorizing the Bonds, the Bonds will be issued in "Book-Entry-Only" form, without coupons in denominations of \$5,000 or integral multiples thereof, not exceeding the amount of each maturity.

The Bonds will mature and bear interest at the rates referred to on the cover page of this Official Statement.

The Refunding

On the date of issuance of the Bonds, a portion of the net proceeds thereof will be deposited into an escrow account (the "Escrow Account") to be held under an Escrow Agreement between the County and Union Bank and Trust Company, Lincoln, Nebraska, as escrow agent (the "Escrow Agent"). Such deposit will be used to purchase on such date of issuance direct obligations of the United States of America ("Government Securities") which will be held in the Escrow Account.

The Government Securities will mature on such dates and in such amounts as shall provide funds which, together with other funds in the Escrow Account, will be sufficient to pay when due the principal amount or redemption price of and all interest due on the 2009 Bonds through and including the Redemption Date and to pay and redeem on the applicable Redemption Date all of the then outstanding 2009 Refunded Bonds.

After the issuance of the Bonds and the deposit of a portion of the proceeds thereof and other moneys with the Escrow Agent pursuant to the Escrow Agreement, the 2009 Bonds will be payable from the maturing principal of the Government Securities, together with the earnings thereon and other moneys held for such purpose by the Escrow Agent. Under the Escrow Agreement, the Government Securities and the moneys held by the Escrow Agent are irrevocably pledged to the payment of the 2009 Bonds and the interest thereon and may be applied only to such payment, and the 2009 Bonds will no longer be deemed outstanding for purposes of the Indenture.

Verification of Mathematical Computations

Upon delivery of the Bonds, Berens-Tate Consulting Group, a firm of independent certified public accountants, will deliver to the Underwriter a report verifying the mathematical accuracy of certain computations relating to (a) the adequacy of the maturing principal amount of the securities held in the Escrow Account, interest earned thereon and certain uninvested cash to pay the principal and redemption price of, and interest on, the Refunded Bonds as such principal and redemption price and interest become due and payable, and (b) the mathematical computations supporting the conclusion that the Bonds are not "arbitrage bonds" under Section 148 of the Code. Such verification of the accuracy of the computations will be based upon information supplied by the Underwriter and on interpretations of the Code provided by Bond Counsel.

Registration and Transfer

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

The County will cause the books for the registration and transfer of the Bonds to be kept at the principal corporate trust office of the Paying Agent and Registrar at all times while any of such Bonds shall be outstanding. The Bonds are being issued in "Book-Entry-Only" form. Reference is made to the section and caption entitled "Book-Entry-Only System" for registry details and transfer information. To the extent of denominations authorized for Bonds by the terms of this Bond Resolution, one Bond may be transferred for several other Bonds of the same series, interest rate and maturity, and for a like aggregate principal amount and several such Bonds, of the same series may be transferred for one of several such Bonds, respectively, the same series, interest rate and maturity and for a like aggregate principal amount.

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

The Paying Agent and Registrar shall not be required (a) to issue, transfer or exchange Bonds from the last day of the month preceding any interest payment date until such interest payment date; or (b) to register, transfer or exchange any Bond which has been designated for redemption within a period of 30 days next preceding the date fixed for redemption.

Redemption

Optional Redemption. The Bonds maturing December 15, 2018 are not subject to optional redemption prior to their stated maturities. The Bonds maturing on and after December 15, 2019 are subject to optional redemption at the option of the County prior to the stated maturities thereof at any time on or after the fifth anniversary of the date of issue of the Bonds 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 Bonds shall be redeemed in whole multiples of \$5,000 and if any 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 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 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 Bonds duly called for redemption if payment thereof has been duly provided for with the Registrar.

Book-Entry-Only System

The Bonds are available in book-entry only form and beneficial ownership interests therein may be purchased in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds.

The following information concerning The Depository Trust Company ("DTC"), New York, New York and DTC's book-entry system has been obtained from sources the County believes to be reliable. However, the County takes no responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

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

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity 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 Participant's accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and at www.dtc.org.

Purchases of the 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 the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the 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 notices be provided directly to them.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's 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).

Payment of principal or redemption price of and interest 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 Paying Agent and Registrar, on the payment 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, its nominee, the Paying Agent and Registrar, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal or redemption price of and interest on the Bonds 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 Paying Agent and 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.

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 Paying Agent and Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed, 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), and delivered to DTC (or a successor securities depository), to be held by it as securities depository for Direct Participants. If, however, the system of book-entry-only transfers has been discontinued and a Direct Participant has elected to withdraw its Bonds from DTC (or such successor securities depository), Bond certificates may be delivered to Beneficial Owners in the manner described herein under the caption "THE BONDS -- Registration and Transfer".

Book-Entry System Risk Factors

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

Since transactions in the Bonds can be effected only through DTC, its Participants, Indirect Participants and certain banks, the ability of a Beneficial Owner to pledge any Bonds to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Bonds, may be limited due to lack of physical certificate. Beneficial Owners will not be recognized by the Registrar as registered owners for purposes of the Resolution, and Beneficial Owners will be permitted to exercise the rights of registered owners only indirectly through DTC and its Participants. For the rights of Beneficial Owners with respect to the County's continuing disclosure obligation, see APPENDIX C.

SOURCES AND USES OF FUNDS

Sources:

Bond Principal	\$5,090,000.00
Minus Net Original Issue Discount	<u>(13,781.15)</u>
TOTAL	<u>\$5,076,218.85</u>

Uses:

Refunding Deposit	\$5,009,486.60
Cost of Issuance and Underwriting	<u>66,732.25</u>
TOTAL	<u>\$5,076,218.85</u>

DEBT SERVICE

The following table shows the debt service on the limited tax building bonds of the County as will be outstanding upon the issuance of the Series 2014 Bonds (Series 2011 Bonds and 2013 Bonds) and the Series 2014 Bonds, based upon the maturity schedule and interest rates shown on the cover page of this Official Statement.

Fiscal Year Ending June 30,	Outstanding Series 2011 and Series 2013 Bonds	Series 2014 Bonds			Combined Total
		Principal	Interest	Total	
2014	\$1,227,446.32		\$ 5,516.67	\$ 5,516.67	\$ 1,232,962.99
2015	1,455,073.75	\$ 850,000	32,037.50	882,037.50	2,337,111.25
2016	1,452,520.00	850,000	29,487.50	879,487.50	2,332,007.50
2017	1,450,405.00	845,000	26,521.25	871,521.25	2,321,926.25
2018	650,880.00	845,000	22,296.25	867,296.25	1,518,176.25
2019		850,000	15,300.00	865,300.00	865,300.00
2020		850,000	5,525.00	855,525.00	855,525.00
Total	<u>\$6,236,325.07</u>	<u>\$ 5,090,000</u>	<u>\$136,684.17</u>	<u>\$5,226,684.17</u>	<u>\$11,463,009.24</u>

NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION

The Nebraska Legislature has enacted legislation intended to reduce the level of property taxation and political subdivision expenditures in the State. The Legislature has enacted legislation to provide for budget limitations and legislation requiring reductions in the rate of taxation for general property taxes.

A limitation of 2.5% has been imposed on the growth of restricted funds with an adjustment factor for population growth, if any. Restricted funds include property taxes (excluding any amounts required to pay interest and principal on bonded indebtedness), payments in lieu of taxes, local option sales taxes, permit and regulatory fees, state aid and fees from enterprise funds to the extent budgeted for general purposes rather than the enterprise function.

The rates for levying property taxes are limited for each type of governmental unit in the State of Nebraska. The statutory rate for counties is limited to no more than 50¢ per one hundred dollars (\$100) of taxable value, provided that from such levy amount 5¢ may only be levied for payments due under interlocal cooperation act agreements. Up to a total of 15¢ of the county's authority may be dedicated to other political subdivisions at the discretion of the county board. Such 15¢ allocation authority applies to certain political subdivisions within the county, such as fire districts, but does not include cities, villages, school districts, community colleges, natural resource districts, educational service units and sanitary and improvement districts. Voter-approved property tax levies of the county to pay bonded debt are not included in such statutory limitation.

Ad valorem taxes levied to pay debt service on bonded indebtedness, including the Bonds, are not subject to the budget or tax levy limitations described above. However, taxes levied for the Bonds are subject to Nebraska's constitutional maximum levy for counties of 50 cents per \$100 of taxable valuation of property subject to the levy, and the levy for the Bonds may not exceed 5.2 cents per \$100 of taxable valuation of property. See "THE BONDS: Security".

The future methods of providing financing for counties and other local units may be altered depending upon future actions to be taken by the Nebraska Legislature, possible future voter initiatives and further decisions of the Nebraska Supreme Court or of federal courts.

BONDHOLDERS' RISKS

The payment of the Bonds is subject to certain risks. Each prospective investor in the Bonds is encouraged to read this Official Statement in its entirety. Particular attention should be given to the factors described below which, among others, could affect the payment of debt service on the Bonds and which could also affect the market price of the Bonds to an extent that cannot be determined.

1. Limitation of Rights Upon Insolvency. The United States Bankruptcy Code enables debtors, including cities and counties, which 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 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, including the Tax Limitations and the Budget Limitations (see "NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION"), 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 Nebraska 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 of Nebraska has authorized its political subdivisions to seek relief under the United States Bankruptcy Code by statute.

2. Nebraska Laws Related to Budgets and Taxation. The Nebraska Legislature has taken actions designed to limit increases in spending and to reduce the reliance of local governmental units on property taxation. For a discussion of such changes, see "NEBRASKA LAWS RELATED TO BUDGETS AND TAXATION".

3. Future Legislation. Legislative and budget proposals have been released that would, among other things, subject interest on tax-exempt bonds (including the Bonds and other tax-exempt obligations of the County) to a federal income tax for taxpayers with incomes above certain thresholds. Additional proposals affecting tax-exempt interest may be considered from time to time which could limit the availability of or eliminate federally tax-exempt interest on tax-exempt bonds. Neither house of Congress has passed any such proposal and it is not possible to predict whether any proposal with similar effects will be enacted into law. If enacted into law, such a proposal could adversely affect the ability of the County to finance and/or refinance projects on favorable tax-exempt terms. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

TAX MATTERS

The following is a summary of the material federal and State of Nebraska income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other

persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Nebraska, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under the law existing as of the issue date of the Bonds:

Federal and Nebraska Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Nebraska.

Alternative Minimum Tax. Interest on the 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.

Bank Qualification. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

Bond counsel's opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and Nebraska income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the heading "TAX MATTERS."

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount ("OID") is the excess of the stated redemption price at maturity of a Bond over its issue price. The issue price of a Bond is the first price at which a substantial amount of the Bonds of that maturity have been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). Under Section 1288 of the Code, OID on tax-exempt bonds accrues on a compound basis. The amount of OID that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of OID accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that 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 (3) any interest payable on that Bond during that accrual period. The amount of OID 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 that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of OID.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the 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 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of 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 Bonds, including the possible application of state, local, foreign and other tax laws.

NO DEFAULTED BONDS

The County has never failed to pay principal and interest when due on any of its bonded indebtedness.

UNDERWRITING

Ameritas Investment Corp. has agreed to purchase all of the Bonds from the County at the price of \$5,030,408.85 plus accrued interest in the amount of \$-0-. The purchase price reflects the underwriter's discount of \$45,810.00 and a net aggregate original issue discount of \$13,781.15. The Underwriter has advised the County that the Bonds may be offered and sold to certain dealers (including dealers depositing the Bonds into investment trusts) at prices lower than the initial public offering prices set forth on the cover of this Official Statement and that such public offering prices may be changed from time to time.

Although the Underwriter expects to maintain a secondary market in the Bonds after the initial offering, no guarantee can be given concerning the future existence of such a secondary market or its maintenance by the Underwriter or others.

RATINGS

Moody's Investors Service, Inc. ("Moody's") has assigned the Bonds a rating of "Aa1." Such rating reflects only the views of such organization, and an explanation of the significance of such ratings may be obtained from Moody's, 250 Greenwich Street, New York, NY 10007.

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 Bonds.

FINANCIAL STATEMENTS

The financial statements of the County included in APPENDIX B to this Official Statement have been audited by BKD CPAs and Advisors, independent certified public accountants, as indicated in their report, which is also included in APPENDIX B. Such auditor has not been asked to provide its consent to the inclusion of the financial statements, or its audit report thereon, in this Official Statement.

CERTIFICATE OF NO LITIGATION

A no-litigation certificate, dated the date of closing, will be provided stating, among other things, that there is no action, suit, proceeding, inquiry, or any other litigation or investigation at law or in equity, before or by any court, public board or body, which is pending or threatened, challenging the creation, organization or existence of the County; or the titles of its officers to their respective offices; or which, if decided adversely to the interests of the County, would have a material adverse effect on the operations or financial condition of the County; or seeking to restrain or enjoin the issuance, sale or delivery of the Bonds; or affecting the pledge and application of the County's full faith and credit pursuant to the Resolution; or directly or indirectly contesting or affecting the proceedings or the authority by which the Bonds are issued; or the validity of the Bonds or the issuance thereof.

CONTINUING DISCLOSURE

The County is executing and delivering a continuing disclosure undertaking (the "Undertaking") for the benefit of the holders and beneficial owners of the Bonds to send certain financial information and operating data to certain information repositories annually and to provide notice to the Municipal Securities Rulemaking Board or certain other repositories of certain events, pursuant to the requirements of Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. § 240.15c2-12) (the "Rule"). See APPENDIX C—FORM OF CONTINUING DISCLOSURE UNDERTAKING.

A failure by the County to comply with the Undertaking will not constitute an event of default with respect to the Bonds, although any holder would have any available remedy at law or in equity, including seeking specific performance by court order, to cause the County to comply with its obligations under the Undertaking. 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 Bonds and their market price. For fiscal years ending June 30, 2009, 2010, 2011 and

2012, the County filed its audit and financial information and operating data later than required by the official statements for certain of the County's outstanding bond issues, but in all cases within sixty days of such requirements. The County believes it has otherwise complied in all material respects with its undertakings for the past five years.

APPROVAL OF LEGAL PROCEEDINGS

All of the legal proceedings in connection with the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Omaha, Nebraska, Bond Counsel for the County.

MISCELLANEOUS

Any description which may be included in this Official Statement of the terms of the Bonds and the resolution authorizing the Bonds, do not purport to be complete and any such description and references thereto are qualified in their entirety by reference to each such document, copies of which may be obtained from the County or the Underwriter of the Bonds.

The information contained in this Official Statement has been compiled or prepared from information obtained from the County and other sources deemed to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct as of this date. Any statements involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact.

SARPY COUNTY, NEBRASKA

APPENDIX A
INFORMATION CONCERNING THE COUNTY

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APPENDIX A

INFORMATION CONCERNING THE COUNTY

GENERAL DESCRIPTION OF THE COUNTY

The County encompasses approximately 249 square miles, or 159,360 acres in area, and is located on the eastern border of Nebraska. Sarpy County is surrounded by Douglas County on the north, Saunders County on the west, Cass County on the south, and borders with the State of Iowa on the east. The Missouri River separates Iowa and Nebraska on Sarpy County's eastern edge. Papillion, the county seat of Sarpy County, is located ten miles from Omaha, Nebraska, and 45 miles from Lincoln, Nebraska. The current population of the County is estimated at 165,853.

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

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

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

Source: 2010 US Census (www.quickfacts.census.gov)

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 2012 was 83,941. According to Offutt Air Force Base, there are 9,980 military and civilian personnel employed on the base in Bellevue.

Source: State of Nebraska, <http://networks.nebraska.gov> (for civilian labor); Offutt Impact Analysis for 9/30/12 (for military assigned).

Per Capita Personal Income. In 2012, the per capita personal income of Sarpy County residents was \$44,323, which was 98.5 percent of the Nebraska average per capita income of \$45,012. The lower per capita income is explained by Sarpy County's 28.2% population under age 18.

Source: <http://quickfacts.census.gov> (for population under 17)

<http://bea.gov> (for per capita personal income by County)

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

Source: <http://quickfacts.census.gov>

SALES

Net taxable sales (excluding motor vehicles) within the County increased from \$1,118,043,437 in 2011 to \$1,316,902,534 in 2012, representing a 17.79 percent increase over the prior year.

Source: Nebraska Department of Revenue Research Department

EMPLOYERS

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

COMPANY	ADDRESS	PHONE	INDUSTRY
Offutt Air Force Base	205 Looking Glass Ave.#121 Offutt AFB, NE 68113-6000	402-294- 5533	Government
PayPal, Inc.	12312 Port Grace Blvd. LaVista, NE 68128	402-935- 2000	Service
Bellevue Public Schools	1600 Highway 370 Bellevue, NE 68005	402-293- 4000	Education
Werner Enterprises	14507 Frontier Road Omaha, NE 68145	402-895- 6640	Trucking
Papillion-LaVista Schools	420 S. Washington Street Papillion, NE 68046	402-537- 6200	Education
Wal-Mart Super Center (Bellevue, Gretna & Papillion)	10504 S. 15 th Street Bellevue, NE 68005	402-292- 0156	Retail
InfoGroup Compilation Center	1020 East First Street Papillion, NE 68046	402-593- 4500	Service
Sarpy County Government	1210 Golden Gate Dr. Papillion, NE 68046	402-593- 2346	Government
Ehrling Bergquist Clinic	2501 Capehart Road Offutt AFB, NE 68113	402-294- 5533	Military Healthcare
Bellevue University	1000 Galvin Road S. Bellevue, NE 68005	402-293- 3800	Education
Hillcrest Health Systems	1702 Hillcrest Drive Bellevue, NE 68005	402-682- 4800	Healthcare
Northrup Grumman	3200 Sampson Way Bellevue, NE 68005	402-291- 8300	Service
Oriental Trading Company	4206 S. 108 th Street Omaha, NE 68137	402-331- 5511	Warehouse/Distribution
Alegent Health Midlands Hospital	1111 S. 84th Street Papillion, NE 68046	402-593- 3000	Healthcare
Gretna Public Schools	11717 S. 216 th Street Gretna, NE 68028	402-332- 3265	Education
Securities America, Inc.	12325 Port Grace Blvd. LaVista, NE 68128	402-339- 9111	Financial
Bellevue Medical Center	2500 Bellevue Med Ctr. Dr. Bellevue, NE 68123	402-763- 3000	Healthcare
TSL Cos.	9902 S. 148 th Street Omaha, NE 68138	402-895- 6692	Trucking
Super Target Stores (Bellevue & Papillion)	716 N. Washington Street Papillion, NE 68046	402-597- 9990	Retail
Streck, Inc.	7002 South 109 th Street La Vista, NE 68128	402-333- 1982	Manufacturing

Source: Sarpy County Department of Labor Planning & Development, Toby Churchill. Rankings are based on the most recent information available.

20 LARGEST TAXPAYERS

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

BUSINESS NAME	2012 TAXES	NATURE OF BUSINESS
Shadow Lake Towne Center LLC	\$ 2,060,185.00	Retail Business
Clarkson Regional	\$ 1,604,211.00	Healthcare
JQH LaVista Conference/CY Dev/III Dev	\$ 1,335,027.00	Conference Center & Hotel
Offutt AFB America	\$ 1,033,227.00	Base Housing
Walmart Real Estate/Stores	\$ 945,046.00	Retail Business
Werner Leasing, Inc./Werner Enterprises	\$ 787,854.00	Lease/Trucking Company
PayPal	\$ 728,500.00	Commercial Business
Wells Exchange-Maass Rd/Samson Way	\$ 706,117.00	Foreign LLC
Harrison Hills Apartments	\$ 696,536.00	Apartments
Edward Rose Development	\$ 576,995.00	Apartments
Green Pointe LLC	\$ 540,281.00	Apartments
Cole Mt. Papillion NE LLC	\$ 525,899.00	Retail Business
Toys NE QRD 15-74 Inc.	\$ 510,543.00	Distribution
Shopko Properties/Real Estate	\$ 463,443.00	Distribution
Rock Creek Apartments	\$ 438,842.00	Apartments
Hillcrest Development	\$ 430,034.00	Healthcare & Apartments
NS OVLK LLC	\$ 429,819.00	Apartments
Twin Creek Apartments, LLC	\$ 422,712.00	Apartments
Nebraska Machinery	\$ 383,831.00	Retail Business
Bellevue Medical Center	\$ 344,904.00	Healthcare

*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 total tax levy for fiscal year 2012-2013 is 29.990 cents per \$100 of actual valuation.

LIMITED TAX BUILDING BONDS, SERIES 2007 (Courthouse Addition)

The County issued \$7,000,000 Limited Tax Building Bonds dated February 6, 2007 to finance the construction of a Courthouse Administrative Addition. Refunding bonds were issued on August 8, 2011 in the amount of \$4,165,000, of which \$2,375,000 remain outstanding.

LIMITED TAX BUILDING BONDS, SERIES 2008 (Courthouse Remodel)

The County issued \$5,700,000 Limited Tax Building Bonds dated June 5, 2008 to finance the remodel of the existing Courthouse. Refunding bonds were issued on October 22, 2013 in the amount of \$2,900,000, of which 2,900,000 remain outstanding.

HIGHWAY ALLOCATION BONDS, SERIES 2009 (96TH STREET)

The County issued \$6,075,000 in Highway Allocation Bonds dated February 18, 2009 to finance the repayment of the 96th Street Project. This bond issue was paid in full during the 2013FY.

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

The County issued \$7,790,000 Limited Tax Building Bonds dated December 8, 2009 to finance the construction of a Law Enforcement Center, of which \$4,875,000 remain outstanding.

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

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

Series 2009A Bonds \$4,195,000 of which \$3,520,000 remain outstanding.

Taxable Series 2009B (Build America Bonds) \$9,290,000 of which \$9,290,000 remain outstanding.

Taxable Series 2009C \$5,500,000 of which \$4,500,000 remain outstanding.

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

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

Source: Bond Debt Service Schedules

ACTUAL VALUE OF TAXABLE PROPERTY

Tax Year	Actual Valuation	Percentage of Increase
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%
2009	\$ 10,977,324,419.00	2.43%
2010	\$ 11,076,469,531.00	0.90%
2011	\$ 11,197,886,358.00	1.10%
2012	\$ 11,451,696,861.00	2.30%
2013	\$ 11,599,879,360.00	1.30%

*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: Sarpy County Assessor

TAX LEVIES AND COLLECTIONS

TAX CERTIFIED BY THE ASSESSOR-INCLUDING INTEREST & PUBLICATION FEES:

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Real Estate	\$223,669,089	\$228,991,725	\$234,965,835
Personal	6,415,192	5,752,590	6,135,521
Centrally Assessed	<u>1,210,009</u>	<u>1,088,752</u>	<u>1,291,352</u>
	\$231,294,290	\$235,833,067	\$242,392,708

**NET TAX COLLECTED BY THE COUNTY-INCLUDING
INTEREST & PUBLICATION FEES TREASURER AS OF JUNE 30, 2013:**

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Real Estate	\$223,571,720	\$228,867,146	\$130,423,402
Personal	6,360,572	5,721,235	3,985,614
Centrally Assessed	<u>1,207,451</u>	<u>1,088,752</u>	<u>750,017</u>
	\$231,139,743	\$235,677,133	\$135,159,033

TOTAL UNCOLLECTED TAX AS OF JUNE 30, 2013:

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Real Estate	\$ 97,369.00	\$124,579.00	\$104,542,433.00
Personal	54,620.00	31,355.00	2,149,907.00
Centrally Assessed	<u>2,558.00</u>	<u>-</u>	<u>541,335.00</u>
	\$154,547.00	\$155,934.00	\$107,233,675.00
Percentage uncollected	0.07%	0.07%	44.24%

Source: Unaudited Financial Statements

HISTORY OF COUNTY TAX LEVIES (CENTS PER \$100 OF ASSESSED VALUATION)

Year	Amount	Year	Amount
1985	38.893	2000	29.008
1986	45.345	2001	29.008
1987	45.259	2002	29.990
1988	45.293	2003	29.990
1989	44.925	2004	29.990
1990	44.946	2005	29.990
1991	44.923	2006	29.990
1992	43.891	2007	29.990
1993	43.643	2008	29.990
1994	40.517	2009	29.990
1995	40.719	2010	29.990
1996	36.730	2011	29.990
1997	34.612	2012	29.990
1998	34.052	2013	29.990
1999	30.932		

Source: The County

SARPY COUNTY POPULATION (1970-2012)

April 1, 1970 (census)	66,200	July 1, 2000 (census)	122,595
April 1, 1980 (census)	86,015	October 24, 2002 (estimate)	125,836
July 1, 1982 (estimate)	91,359	July 2003 (estimate)	132,476
July 1, 1984 (estimate)	93,589	July 2004 (estimate)	135,973
July 1, 1986 (estimate)	95,600	July 2005 (estimate)	139,371
July 1, 1988 (estimate)	98,500	July 2006 (estimate)	142,637
July 1, 1990 (estimate)	102,582	July 2007 (estimate)	146,756
July 1, 1991 (estimate)	105,012	July 2008 (estimate)	150,467
July 1, 1993 (estimate)	108,000	July 2009 (estimate)	153,504
July 1, 1994 (estimate)	109,000	July 2010 (Census)	158,840
July 1, 1995 (estimate)	112,000	July 2011 (estimate)	162,561
July 1, 1996 (estimate)	116,271	July 2012 (estimate)	165,853
January 1, 1998 (estimate)	120,329		
February, 1999 (estimate)	122,495		

Source: U.S. Census

SARPY COUNTY BUILDING PERMITS*

<u>Year</u>	<u>Single Family</u>		<u>Multi Family</u>	
	<u>Permits</u>	<u>Value</u>	<u>Permits</u>	<u>Value</u>
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	\$ -
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	\$ -
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	\$ -
2002	340	\$ 35,253,309	0	\$ -
2003	467	\$ 49,115,417	2	\$ 460,880
2004	696	\$ 71,447,719	0	\$ -
2005	685	\$ 72,518,595	0	\$ -
2006	689	\$ 75,054,119	1	\$ 1,080,000
2007	400	\$ 48,871,958	1	\$ 1,000,000
2008	359	\$ 58,579,543	1	\$ 1,080,000
2009	216	\$ 43,714,130	1	\$ 1,617,941
2010	78	\$ 34,085,230	1	\$ 1,238,465
2011	169	\$ 36,527,462	0	\$ -
2012	195	\$ 38,787,474	0	\$ -
2013	318	\$ 63,519,462	4	\$ 8,232,185

<u>Year</u>	<u>Commercial/Industrial</u>	
	<u>Permits</u>	<u>Value</u>
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
2009	7	\$ 3,061,475
2010	4	\$ 2,742,806
2011	12	\$ 1,727,142
2012	17	\$ 6,540,526
2013	33	\$ 3,354,267

Source: Sarpy County Building and Planning Department

**Includes only areas outside city zoning jurisdictions.*

	<u>6/30/2008</u>	<u>6/30/2009</u>	<u>6/30/2010</u>	<u>6/30/2011</u>	<u>6/30/2012</u>	<u>6/30/2013</u>
Keno	\$ 175,840	\$ 119,487	\$ 118,884	\$ 90,728	\$ 61,429	\$ 77,690
800 MHz Bond	\$ 415,280	\$ 415,282	\$ 181,288	\$ -	\$ -	\$ -
Courthouse Bond	\$ 577,535	\$ 418,851	\$ -	\$ -	\$ -	\$ -
Courthouse Administrative Bond	\$ 348,552	\$ 681,941	\$ 688,016	\$ 1,045,882	\$ 1,079,890	\$ 817,876
Courthouse Remodel Bond	\$ 385,148	\$ 217,952	\$ 193,481	\$ (82,516)	\$ 7,748	\$ 84,688
Sheriff Admin Bond	\$ -	\$ 843,853	\$ 1,616,445	\$ 1,123,085	\$ 834,293	\$ 755,959
Stadium Bonds Public	\$ -	\$ -	\$ 22,198	\$ 988	\$ 792	\$ 71,109
Stadium Bonds Private	\$ -	\$ -	\$ 1,182	\$ 9,193	\$ 168,847	\$ 14,718
LeppIII Bond Surplus	\$ 3,255,288	\$ 3,533,882	\$ 2,217,811	\$ 1,725,817	\$ 1,288,807	\$ 788,734
Series A Stadium Const.	\$ -	\$ -	\$ -	\$ 282	\$ -	\$ -
Series B Stadium Const.	\$ -	\$ -	\$ -	\$ 281	\$ -	\$ -
Series C Stadium Const.	\$ -	\$ -	\$ -	\$ 388	\$ -	\$ -
Series 2010 Stadium Const.	\$ -	\$ -	\$ -	\$ 875	\$ -	\$ -
Stadium Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 84,789	\$ 169,382
Sinking Fund	\$ 888,988	\$ 888,188	\$ 688,888	\$ 924,872	\$ 808,184	\$ 488,488
Landfill Closure	\$ 7,182,127	\$ 7,182,127	\$ 7,182,127	\$ 7,182,127	\$ 7,182,127	\$ 7,182,127
Hazardous Waste	\$ 68,648	\$ 48,823	\$ 48,823	\$ -	\$ -	\$ -
Sewer Fund	\$ 1,282,788	\$ 1,188,913	\$ 1,282,888	\$ 1,278,348	\$ 1,367,881	\$ 1,382,888
Sewer Operations	\$ 128,184	\$ 124,817	\$ 108,878	\$ 18,487	\$ 88,812	\$ 87,288
Phase II Stormwater	\$ 7,888	\$ 11,888	\$ 14,888	\$ 18,888	\$ 28,888	\$ 32,888
Watered Fee	\$ -	\$ -	\$ 6,788	\$ 28,845	\$ 28,882	\$ 33,281
Connection Fee Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28
GIS	\$ 18,388	\$ 178	\$ 3,887	\$ 11,878	\$ 31,882	\$ 4,818
TOTAL NON-OPERATING FUNDS:	\$ 18,481,688	\$ 18,724,888	\$ 18,888,732	\$ 18,188,888	\$ 18,168,484	\$ 17,778,844
GRAND TOTAL:	\$ 32,248,888	\$ 35,511,688	\$ 37,884,767	\$ 35,878,888	\$ 38,228,881	\$ 42,258,484

Source: The County

The County hereby incorporates by reference the following section of the County's continuing disclosure filing for the year ended June 30, 2013 filed on December 26, 2013 as part of the continuing disclosure information for the County's Limited Tax Refunding Bonds, Series 2013 provided to the Municipal Securities Rulemaking Board on its EMMA website at www.emma.msrb.org:

- ESTIMATED OVERLAPPING AND UNDERLYING INDEBTEDNESS (AS OF JUNE 30, 2013)

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APPENDIX B

**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS**

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Sarpy County, Nebraska

Independent Auditor's Report and Financial Statements

June 30, 2013



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Sarpy County, Nebraska

June 30, 2013

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June 30, 2013

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Independent Auditor's Report

Board of Commissioners
Sarpy County, Nebraska

Report on the Financial Statements

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, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

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 Sarpy County, Nebraska as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary and other post-employment benefits information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards required by OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the schedule of receipts and disbursements for the non-major special revenue funds, as listed in the table of contents, are presented for purposes of additional analysis, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Statements of Accountability, schedule of revenues, expenditures and changes in fund balances-budget and actual for the non-major special revenue funds and tax certification, correction and collections information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January __, 2014, 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* in considering the County's internal control over financial reporting and compliance.

BKD, LLP

Omaha, Nebraska
February 3, 2014

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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, 2013. 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 but also includes activity of the Sarpy County Leasing Corporation as a blended component unit because it meets the requirements for inclusion in the financial statements as set forth by the Governmental Accounting Standards Board.

Financial Highlights

As of June 30, 2013, the County's total assets exceeded its total liabilities by \$169,571,940.

Total net position is comprised of the following:

- Net investment in capital assets, of \$128,425,600. 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 position of \$11,142,949
- Unrestricted net position of \$30,003,391

The County's total revenues exceeded its total expenses by \$6,866,057.

The County's governmental activities reported a net increase in net position of \$4,984,193 and a total ending net position balance of \$155,520,995.

The County's proprietary funds reported a net increase in net position of \$1,881,864 and a total ending net position balance of \$14,050,945.

For the year ending June 30, 2013, the General Fund reported revenues in excess of expenditures before transfers of \$6,327,284 and had an ending fund balance of \$30,929,224.

The County's total debt decreased by \$4,281,811 during the current fiscal year to a total debt balance of \$41,164,270 as of June 30, 2013.

Overview of the Financial Statements

This discussion and analysis is 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 Position. This is the County-wide statement of position presenting information that includes the County's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position 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 position 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, public welfare and social services, special roads and debt service interest. Business-type activities include landfill and sewer functions and activities of the Sarpy County Leasing Corporation which was created for the construction of the baseball stadium project.

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 sixty 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, and special roads 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 and sewer functions as well as the activity of the Sarpy County Leasing Corporation are accounted for and reported as enterprise funds. 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 position 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 \$169,571,940, as of June 30, 2013.

A significant portion of Sarpy County, Nebraska's net position (75.7%) reflects its investment in capital assets (e.g., land, infrastructure, 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 position:

	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 49,211,827	\$ 16,952,170	\$ 66,163,997
Capital assets	<u>135,300,046</u>	<u>32,848,013</u>	<u>168,148,059</u>
Total assets	<u>184,511,873</u>	<u>49,800,183</u>	<u>234,312,056</u>
Current liabilities	10,928,125	3,579,305	14,507,430
Long-term liabilities	<u>18,062,753</u>	<u>32,169,933</u>	<u>50,232,686</u>
Total liabilities	<u>28,990,878</u>	<u>35,749,238</u>	<u>64,740,116</u>
Net position			
Net investment in capital assets	120,443,841	7,981,759	128,425,600
Restricted	<u>10,769,342</u>	<u>373,607</u>	<u>11,142,949</u>
Unrestricted	<u>24,307,812</u>	<u>5,695,579</u>	<u>30,003,391</u>
Total net position	<u>\$ 155,520,995</u>	<u>\$ 14,050,945</u>	<u>\$ 169,571,940</u>

This reflects an increase in net position of \$6,866,057 or 4.2% for the County from the previous year net position balance of \$162,705,883; an indication that the County's overall financial position remained stable during the fiscal year 2013.

The governmental activities had an increase in net position of \$4,984,193 and the business-type activities had an increase of \$1,881,864 for a total increase in net position for the County of \$6,866,057. A summary of the government-wide operations is presented below:

	2013	2012	Increase (Decrease)
General revenues and transfers	\$ 48,216,680	\$ 46,534,127	\$ 1,682,553
Charges for services	16,142,020	14,097,275	2,044,745
Operating grants and contributions	13,286,979	12,449,939	837,040
Capital grants and contributions	<u>157,681</u>	<u>4,478</u>	<u>153,203</u>
Total revenues	77,803,360	73,085,819	4,717,541
Expenses	<u>(70,937,303)</u>	<u>(71,262,443)</u>	<u>325,140</u>
Change in net position	<u>\$ 6,866,057</u>	<u>\$ 1,823,376</u>	<u>\$ 5,042,681</u>

The \$5MM increase in the change in net position from the 2012 FY to the 2013 FY was caused by a number of factors:

1. General revenues increased by approximately \$1.7MM. Factors contributing to that are:
 - a. Property tax collections increased as a result of higher tax dollars levied.
 - b. Miscellaneous income increased in 2013 due to a refund in 2012 that decreased miscellaneous income.
2. Charges for service increased by approximately \$2.0MM mostly in the business-type activities.
 - a. The landfill fund had higher revenues as the County moves to fill the final cells.
 - b. Several governmental activity revenues also increased, such as Register of Deeds revenue, building permit revenue and juveniles held for Douglas County.
3. Operating grants and contributions increased by approximately \$.8MM due to increases in a CDBG grant, child support-county attorney reimbursement and highway allocation revenues.

GOVERNMENTAL ACTIVITY REVENUES

General revenues from governmental activities totaled \$47,315,486 in 2013, an increase of \$1,245,212 or 2.7% from 2012. The amount of general revenues by source and increase or decrease from the prior year is summarized below:

	2013	2012	increase (Decrease)
Property taxes	\$ 43,962,808	\$ 42,436,910	\$ 1,525,898
Investment income	227,089	419,664	(192,575)
Miscellaneous	3,799,589	3,313,700	485,889
Transfers	(674,000)	(100,000)	(574,000)
Total general revenues	\$ 47,315,486	\$ 46,070,274	\$ 1,245,212

The County relies heavily on property taxes to support its governmental operations. Tax revenue provided approximately 61.9% of the County's total governmental revenues.

GOVERNMENTAL ACTIVITY EXPENDITURES

Expenditures of governmental activities totaled \$66,055,062 for 2013, a decrease of \$447,066 from 2012 expenditures of \$66,502,128. As shown below, there are a variety of offsetting factors affecting the decrease in governmental activity expenditures such as a larger amount of road fund expenditures that were capitalized in the 2013 FY.

These expenditures, by function, are summarized below:

	2013	2012	Increase (Decrease)
General government	\$ 20,400,444	\$ 20,786,550	\$ (386,106)
Public health	1,397,099	406,988	990,111
Public safety	33,627,373	32,983,444	643,929
Public health and social services	1,196,841	1,176,047	20,794
Special roads	9,024,222	10,647,285	(1,623,063)
Debt service interest	409,083	501,814	(92,731)
	<u>\$ 66,055,062</u>	<u>\$ 66,502,128</u>	<u>\$ (447,066)</u>

BUSINESS-TYPE ACTIVITIES

Business-type activities are shown comparing costs to revenues generated by related services. The landfill and sewer functions are designated to be self-supporting with user charges and other revenues designed to recover costs. For the year ending June 30, 2013, landfill revenues exceeded expenditures by \$2,220,728. Sewer expenditures exceeded revenues by \$105,375 for the 2013 FY. Stadium activity is also shown as a business-type activity for the 2013 fiscal year and the expenditures exceeded revenues by \$233,489. A summary of this activity is presented below.

	2013			2012		
	Sewer	Landfill	Stadium	Sewer	Landfill	Stadium
Operating revenues	\$ 138,769	\$ 4,925,105	\$ 799,037	\$ 404,915	\$ 3,143,852	\$ 1,286,967
Operating expenses	(244,144)	(2,739,539)	(637,264)	(441,312)	(2,431,820)	(622,660)
Operating income (loss)	(105,375)	2,185,566	161,773	(36,397)	714,032	664,307
Non-operating revenues	-	35,162	192,032	96,477	17,822	249,554
Non-operating expenses	-	-	(1,261,294)	-	-	(1,264,523)
Transfers	-	-	674,000	-	-	100,000
Increase (decrease) in net position	<u>\$ (105,375)</u>	<u>\$ 2,220,728</u>	<u>\$ (233,489)</u>	<u>\$ 60,080</u>	<u>\$ 731,854</u>	<u>\$ (250,662)</u>

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 and investments of \$32,876,124 as of June 30, 2013, which represents 50.8% of the current total expenditures.

The Governmental Fund information is summarized below:

	Total Governmental Funds	
	2013	2012
Assets		
Cash and investments	\$ 32,876,124	\$ 34,458,134
Accounts receivable	210,510	220,076
Taxes receivable	14,392,920	14,457,220
Grants receivable	752,912	1,010,407
Due from other funds	359,000	520,500
Inventory	512,386	560,515
Total assets	\$ 49,103,852	\$ 51,226,852
Liabilities		
Accounts payable	\$ 5,220,634	\$ 8,745,790
Due to other funds	335,000	520,500
Wages and benefits payable	245,905	124,564
Deferred revenue	1,396,502	1,388,831
Compensated absences	147,783	273,116
Total liabilities	7,345,824	11,052,801
Fund Balances		
Nonspendable	512,386	560,515
Restricted	10,767,758	10,835,064
Assigned	1,027,253	3,767,252
Unassigned	29,450,631	25,011,220
Total fund balances	41,758,028	40,174,051
Total liabilities and fund balances	\$ 49,103,852	\$ 51,226,852

The Governmental Funds cash and investments decreased by \$1,582,010 from the 2012 FY to the 2013 FY. A major cause for this decrease is that the General fund cash decreased by approximately \$1.1MM due to a large decrease in cash being held by the Clerk of District Court for a court case.

General Fund Budgetary Highlights

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 \$1,726,725 based on the modified accrual basis of accounting.

The General Fund budgeted revenues (cash basis) for the 2013 fiscal year were \$46,677,095 while actual revenues (cash basis) were \$50,518,387 for a favorable variance of \$3,841,292. The General Fund budgeted expenses (cash basis) were \$53,881,594 while actual expenses (cash basis) were \$44,815,111 for a favorable variance of \$9,066,483. Some of the major factors influencing these variances are shown below:

	<u>Variation</u>
<u>Revenues</u>	
General Fund - Local	\$ 3.6 MM
General Fund - Taxes	(600k)
General Fund - State	800k
<u>Expenditures</u>	
Miscellaneous General	\$ 2.1MM
Inheritance Tax	4.4MM
Landfill Bond Surplus	1.3MM
Capital Projects	.4MM

Assessed Valuation and Property Taxes

Assessed valuation of \$11,451,696,861 represented a 2.3% increase over the preceding year's valuation of \$11,197,886,358. Property taxes are assessed on actual valuation. The tax rates are applied to each \$100 of actual valuation. The breakdown of tax rates for 2013 fiscal year and the preceding two years are as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
General fund	.2596	.2604	.2552
All other funds	<u>.0403</u>	<u>.0395</u>	<u>.0447</u>
Total	<u>.2999</u>	<u>.2999</u>	<u>.2999</u>
Total valuation	\$11,451,696,861	\$11,197,886,358	\$11,076,469,531
% valuation increase over preceding year	2.3%	1.1%	0.9%

Capital Assets

As of June 30, 2013, the County had \$168,148,059 invested in capital assets, including roads, bridges, buildings, machinery, equipment, etc. This is a decrease of \$640,001 from the previous year amount. The net book value of these assets are summarized below.

Land	\$ 5,906,122
Infrastructure	96,933,614
Buildings	58,362,003
Intangible assets	36,841
Machinery and equipment	6,909,479
	<hr/>
Net investment in capital assets	<u>\$ 168,148,059</u>

The minimal decrease in capital assets during the year is due primarily to the fact that asset additions were offset by increases in depreciation. The annual depreciation for the County for 2013 was \$6,005,573.

Debt Administration

At the end of the fiscal year, the County had total bonded debt and notes payable outstanding of \$41,164,270. During the current year, the County made principal payments on outstanding bonds totaling \$3,610,000. The County's total future debt service requirements for bonded debt and notes payable are presented below.

Year Ending June 30,	Principal	Interest	Total Requirements
2014	\$ 5,538,052	\$ 1,556,923	\$ 7,094,975
2015	2,869,680	1,468,364	4,338,044
2016	2,814,080	1,406,410	4,220,490
2017	2,915,999	1,335,635	4,251,634
2018	2,218,001	1,262,492	3,480,493
2019 and beyond	24,808,458	12,889,187	37,697,645
	<hr/>	<hr/>	<hr/>
	<u>\$ 41,164,270</u>	<u>\$ 19,919,011</u>	<u>\$ 61,083,281</u>

Economic Environment

Sarpy County encompasses approximately 241 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 165,853.

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 2012 was 83,941. According to Offutt Air Force Base, there are 9,980 military and civilian personnel employed on the base in Bellevue.

In 2012, the per capita personal income of Sarpy County residents was \$44,323 which was 98.5 percent of the Nebraska average per capita income of \$45,012. The lower per capita income is explained by Sarpy County's 28.2% population under age 18.

Net taxable sales (excluding motor vehicles) within Sarpy County increased from \$1,118,043,437 in 2011 to \$1,316,902,534 in 2012, representing a 17.79 percent increase over the prior year.

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

<u>Company</u>	<u>Industry</u>
Offutt Air Force Base	Military
PayPal, Inc.	Service
Bellevue Public Schools	Education
Werner Enterprises	Trucking
Papillion-La Vista Schools	Education

Sarpy County's population figures from 2007 through 2012 are as follows:

<u>Year</u>	<u>Population</u>
July, 2007 (estimate)	146,756
July, 2008 (estimate)	150,467
July, 2009 (estimate)	153,504
July, 2010 (census)	158,840
July, 2011 (estimate)	162,561
July, 2012 (estimate)	165,853

Information for the number of building permits for single-family dwellings issued for Sarpy County (outside city zoning jurisdictions) from 2008 through 2013 are as follows:

<u>Year</u>	<u>Permits</u>	<u>Value</u>
2008	359	\$ 58,579,543
2009	216	43,714,130
2010	78	34,085,230
2011	169	36,527,462
2012	195	38,787,474
2013	318	63,519,462

Information for the number of building permits for commercial/industrial buildings issued for Sarpy County from 2008 through 2013 are as follows:

Year	Permits	Value
2008	12	\$ 13,027,139
2009	7	3,016,475
2010	4	2,742,806
2011	12	1,727,142
2012	17	6,540,526
2013	33	3,354,267

2012-2013 Budget

For the year ending June 30, 2013, the County adopted a total budget of \$116,493,527, which was subsequently amended to a total of \$116,757,927. This is an increase of \$6,193,812 over the previous year budget of \$110,564,115. This increase is due mainly to a \$4.8MM increase in the Public Works budget. The property tax request for the 2012-13 fiscal year is \$34,343,753 on assessed valuation of \$11,451,696,861 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, Nebraska 68046.

Sarpy County, Nebraska
Statement of Net Position
June 30, 2013

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 32,876,124	\$ 6,773,744	\$ 39,649,868
Accounts receivable	504,834	893,238	1,398,072
Grants receivable	752,912	-	752,912
Taxes receivable	14,392,920	-	14,392,920
Internal balances	24,000	(24,000)	-
Inventory	512,386	-	512,386
Restricted cash	-	8,896,132	8,896,132
Capital assets			
Land	4,610,105	1,296,017	5,906,122
Depreciable	207,573,100	37,570,251	245,143,351
Less accumulated depreciation	(76,883,159)	(6,018,255)	(82,901,414)
Bond issue costs	321,162	484,805	805,967
Less accumulated amortization	(172,511)	(71,749)	(244,260)
Total assets	<u>184,511,873</u>	<u>49,800,183</u>	<u>234,312,056</u>
Liabilities			
Accounts payable	6,171,134	248,170	6,419,304
Wages and benefits payable	245,905	7,209	253,114
Interest payable	13,955	51,426	65,381
Deferred revenue	-	1,932,500	1,932,500
Compensated absences			
Current	147,783	-	147,783
Non-current	7,419,580	145,217	7,564,797
Other post-employment benefits			
Current	151,296	-	151,296
Non-current	496,380	12,765	509,145
Landfill closure and post closure costs	-	6,808,520	6,808,520
Bonds payable			
Current	3,345,000	1,340,000	4,685,000
Non-current	9,635,575	25,203,431	34,839,006
Notes Payable			
Current	853,052	-	853,052
Non-current	511,218	-	511,218
Total liabilities	<u>28,990,878</u>	<u>35,749,238</u>	<u>64,740,116</u>
Net Position			
Net investment in capital assets	120,443,841	7,981,759	128,425,600
Restricted for:			
Debt service	4,518,483	-	4,518,483
Post closure costs	-	373,607	373,607
Grant stipulations	817,531	-	817,531
Other	5,433,328	-	5,433,328
Unrestricted	24,307,812	5,695,579	30,003,391
Total net position	<u>\$ 155,520,995</u>	<u>\$ 14,050,945</u>	<u>\$ 169,571,940</u>

See Notes to Financial Statements

Sarpy County, Nebraska

Balance Sheet Governmental Funds

June 30, 2013

	General Fund	Special Roads Fund	Other Governmental Funds	Total
Assets				
Cash and investments	\$ 23,056,701	\$ 4,620,016	\$ 5,199,407	\$ 32,876,124
Accounts receivable	116,067	5,527	88,916	210,510
Grants receivable	84,888	25,007	643,017	752,912
Taxes receivable	12,456,871	-	1,936,049	14,392,920
Due from other funds	359,000	-	-	359,000
Inventory	19,873	492,513	-	512,386
Total assets	\$ 36,093,400	\$ 5,143,063	\$ 7,867,389	\$ 49,103,852
Liabilities				
Accounts payable	\$ 4,125,912	\$ 836,279	\$ 258,443	\$ 5,220,634
Due to other funds	-	-	335,000	335,000
Wages and benefits payable	147,655	4,771	93,479	245,905
Deferred revenue	768,503	25,007	602,992	1,396,502
Compensated absences	122,106	9,581	16,096	147,783
Total liabilities	5,164,176	875,638	1,306,010	7,345,824
Fund balances				
Nonspendable	19,873	492,513	-	512,386
Restricted	241,825	3,774,912	6,751,021	10,767,758
Assigned	1,027,253	-	-	1,027,253
Unassigned	29,640,273	-	(189,642)	29,450,631
Total fund balances	30,929,224	4,267,425	6,561,379	41,758,028
Total liabilities and fund balances	\$ 36,093,400	\$ 5,143,063	\$ 7,867,389	\$ 49,103,852

Total fund balance - total governmental funds \$ 41,758,028

Amounts reported for governmental activities in the statement of net position are different because:

Deferred revenues represent funds not available in the current period and, therefore, are not recognized as revenue in the governmental funds. 1,396,502

Other accounts receivable are not available to pay for current period expenditures and, therefore, are not reported in the governmental funds. 294,233

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 135,300,046

Some liabilities, including bonds payable, notes payable and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. Other related amounts include capitalized bond issue costs of \$148,651, capital asset additions included in accounts payable of \$950,500, interest payable of \$13,955, and post employment benefit accruals of \$647,676. (23,227,814)

Net position of governmental activities \$ 155,520,995

Sarpy County, Nebraska
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2013

	General Fund	Special Roads	Other Governmental Funds	Total
Revenues				
Taxes	\$ 29,103,863	\$ -	\$ 4,530,226	\$ 33,634,089
Intergovernmental				
Federal	168,268	149,341	2,441,539	2,759,148
State	1,732,678	9,117,131	652,240	11,502,049
Local	19,703,739	424,442	3,682,114	23,810,295
Total revenues	<u>50,708,548</u>	<u>9,690,914</u>	<u>11,306,119</u>	<u>71,705,581</u>
Expenditures				
Current				
General government	15,658,460	-	2,912,909	18,571,369
Special roads	-	5,376,910	-	5,376,910
Public safety	25,929,603	-	5,893,087	31,822,690
Public health	626,053	-	622,494	1,248,547
Public welfare and social services	1,057,474	-	131,230	1,188,704
Capital outlay	844,369	4,515,407	1,141,859	6,501,635
Debt service				
Debt service principal	260,862	1,541,018	2,552,492	4,354,372
Debt service interest	4,443	40,605	338,329	383,377
Total expenditures	<u>44,381,264</u>	<u>11,473,940</u>	<u>13,592,400</u>	<u>69,447,604</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>6,327,284</u>	<u>(1,783,026)</u>	<u>(2,286,281)</u>	<u>2,257,977</u>
Other Financing Sources (Uses)				
Operating transfers in	520,534	2,281,315	2,739,778	5,541,627
Operating transfers out	(5,121,093)	-	(1,094,534)	(6,215,627)
Total other financing sources (uses)	<u>(4,600,559)</u>	<u>2,281,315</u>	<u>1,645,244</u>	<u>(674,000)</u>
Net Change in Fund Balances	1,726,725	498,289	(641,037)	1,583,977
Fund Balances - Beginning of Year	<u>29,202,499</u>	<u>3,769,136</u>	<u>7,202,416</u>	<u>40,174,051</u>
Fund Balances - End of Year	<u>\$ 30,929,224</u>	<u>\$ 4,267,425</u>	<u>\$ 6,561,379</u>	<u>\$ 41,758,028</u>

Sarpy County, Nebraska
Reconciliation of Statement of Revenues, Expenditures, and
Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended June 30, 2013

Net change in fund balances - total governmental funds	\$ 1,583,977
Amounts reported for governmental activities in the 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.	7,671
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 depreciation expense exceeded capital outlays.	(598,449)
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.	(363,378)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. 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 position.	<u>4,354,372</u>
Change in net position of governmental activities	<u>\$ 4,984,193</u>

Sarpy County, Nebraska
Balance Sheet
Proprietary Funds
June 30, 2013

	Landfill Fund	Stadium Fund	Sewer Fund	Total
Assets				
Current Assets				
Cash and investments	\$ 5,343,525	\$ -	\$ 1,430,219	\$ 6,773,744
Accounts receivable	822,811	70,427	-	893,238
Total current assets	6,166,336	70,427	1,430,219	7,666,982
Noncurrent Assets				
Restricted cash	7,182,127	1,714,005	-	8,896,132
Bond issue costs	-	484,805	-	484,805
Less accumulated amortization	-	(71,749)	-	(71,749)
Capital assets				
Land	676,017	620,000	-	1,296,017
Land improvements	586,898	18,284	-	605,182
Infrastructure	-	-	5,255,707	5,255,707
Buildings	474,500	28,284,996	-	28,759,496
Machinery and equipment	2,943,556	6,310	-	2,949,866
Less accumulated depreciation	(3,183,265)	(1,280,694)	(1,554,296)	(6,018,255)
Total noncurrent assets	8,679,833	29,775,957	3,701,411	42,157,201
Total assets	\$ 14,846,169	\$ 29,846,384	\$ 5,131,630	\$ 49,824,183
Liabilities and Net Position				
Current Liabilities				
Accounts payable	\$ 207,153	\$ 37,703	\$ 3,314	\$ 248,170
Wages and benefits payable	7,209	-	-	7,209
Interest payable	-	51,426	-	51,426
Due to other funds	-	24,000	-	24,000
Current maturities of long-term debt	-	1,340,000	-	1,340,000
Total current liabilities	214,362	1,453,129	3,314	1,670,805
Noncurrent Liabilities				
Compensated absences	145,217	-	-	145,217
Deferred revenue	-	1,932,500	-	1,932,500
Bonds payable	-	25,203,431	-	25,203,431
Accrued other post-employment benefits	12,765	-	-	12,765
Accrued landfill closure and post-closure costs	6,808,520	-	-	6,808,520
Total noncurrent liabilities	6,966,502	27,135,931	-	34,102,433
Total liabilities	7,180,864	28,589,060	3,314	35,773,238
Net Position				
Net investment in capital assets	1,497,706	2,782,642	3,701,411	7,981,759
Restricted for post closure costs	373,607	-	-	373,607
Unrestricted	5,793,992	(1,525,318)	1,426,905	5,695,579
Total net position	7,665,305	1,257,324	5,128,316	14,050,945
Total Liabilities and Net Position	\$ 14,846,169	\$ 29,846,384	\$ 5,131,630	\$ 49,824,183

Sarpy County, Nebraska
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2013

	Landfill Fund	Stadium Fund	Sewer Fund	Total
Operating Revenues				
Charges for services and facilities	\$ 4,925,105	\$ 799,037	\$ 138,769	\$ 5,862,911
Total operating revenues	<u>4,925,105</u>	<u>799,037</u>	<u>138,769</u>	<u>5,862,911</u>
Operating Expenses				
Personal services	949,743	-	-	949,743
Operating expenses	850,549	637,264	244,144	1,731,957
Estimated closure and post-closure care costs	307,372	-	-	307,372
Supplies and materials	353,987	-	-	353,987
Small equipment	277,888	-	-	277,888
Total operating expenses	<u>2,739,539</u>	<u>637,264</u>	<u>244,144</u>	<u>3,620,947</u>
Operating Income (Loss)	<u>2,185,566</u>	<u>161,773</u>	<u>(105,375)</u>	<u>2,241,964</u>
Non-Operating Revenues (Expenses)				
Federal interest rate subsidy	-	192,032	-	192,032
Miscellaneous	35,162	-	-	35,162
Interest expense	-	(1,261,294)	-	(1,261,294)
Total non-operating revenues (expenses)	<u>35,162</u>	<u>(1,069,262)</u>	<u>-</u>	<u>(1,034,100)</u>
Income (Loss) Before Transfers	<u>2,220,728</u>	<u>(907,489)</u>	<u>(105,375)</u>	<u>1,207,864</u>
Transfers In	<u>-</u>	<u>674,000</u>	<u>-</u>	<u>674,000</u>
Change in Net Position	<u>2,220,728</u>	<u>(233,489)</u>	<u>(105,375)</u>	<u>1,881,864</u>
Net Position - Beginning of Year	<u>5,444,577</u>	<u>1,490,813</u>	<u>5,233,691</u>	<u>12,169,081</u>
Net Position - End of Year	<u>\$ 7,665,305</u>	<u>\$ 1,257,324</u>	<u>\$ 5,128,316</u>	<u>\$ 14,050,945</u>

Sarpy County, Nebraska
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	<u>Landfill Fund</u>	<u>Stadium Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Cash Flows from Operating Activities				
Receipts from customers	\$ 4,510,131	\$ 1,710,532	\$ 138,769	\$ 6,359,432
Payments to suppliers	(1,318,895)	(50,180)	(161,193)	(1,530,268)
Payments to employees	(960,095)	-	-	(960,095)
Net cash provided by (used in) operating activities	<u>2,231,141</u>	<u>1,660,352</u>	<u>(22,424)</u>	<u>3,869,069</u>
Cash Flows from Noncapital Financing Activities				
Transfers from other funds	-	674,000	-	674,000
Advances from General Fund	-	24,000	-	24,000
Other noncapital financing receipts	35,162	-	-	35,162
Net cash provided by noncapital financing activities	<u>35,162</u>	<u>698,000</u>	<u>-</u>	<u>733,162</u>
Cash Flows from Capital and Related Financing Activities				
Purchase of capital assets	(145,770)	(24,589)	-	(170,359)
Receipt of federal interest subsidy	-	192,032	-	192,032
Principal payments on capital debt	-	(335,000)	-	(335,000)
Interest payments on capital debt	-	(1,253,623)	-	(1,253,623)
Net cash used in capital and related financing activities	<u>(145,770)</u>	<u>(1,421,180)</u>	<u>-</u>	<u>(1,566,950)</u>
Increase (Decrease) in Cash	<u>2,120,533</u>	<u>937,172</u>	<u>(22,424)</u>	<u>3,035,281</u>
Cash - Beginning of Year	<u>10,405,119</u>	<u>776,833</u>	<u>1,452,643</u>	<u>12,634,595</u>
Cash - End of Year	<u>\$ 12,525,652</u>	<u>\$ 1,714,005</u>	<u>\$ 1,430,219</u>	<u>\$ 15,669,876</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating income (loss)	\$ 2,185,566	\$ 161,773	\$ (105,375)	\$ 2,241,964
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	95,980	586,209	105,114	787,303
Changes in operating assets and liabilities				
Receivables	(414,974)	(8,505)	-	(423,479)
Accounts payable	67,549	875	(22,163)	46,261
Deferred revenue	-	920,000	-	920,000
Other liabilities	(10,352)	-	-	(10,352)
Landfill closure and post closure costs	307,372	-	-	307,372
Net cash provided by (used in) operating activities	<u>\$ 2,231,141</u>	<u>\$ 1,660,352</u>	<u>\$ (22,424)</u>	<u>\$ 3,869,069</u>
Supplemental Cash Flows Information				
Capital asset acquisitions included in accounts payable	\$ -	\$ 36,828	\$ -	\$ 36,828

Sarpy County, Nebraska
Statement of Net Position
Fiduciary Fund
June 30, 2013

Assets

Cash and investments	\$ 64,627,183
Taxes receivable	<u>93,318,643</u>
Total assets	<u>\$ 157,945,826</u>

Liabilities

Due to employees	\$ 57,017
Due to other governmental entities	<u>157,888,809</u>
Total liabilities	<u>\$ 157,945,826</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies

Organization

Sarpy County, Nebraska (the "County") is a governmental entity established under and governed by the laws of the State of Nebraska and acts as a political subdivision of the State. The County is governed by a five-member Board of Commissioners (the "Board"), who are elected, by each district, by a vote of the public. The County's responsibilities include general social welfare; corrections; maintenance of streets and highways not within any incorporated city, village or sanitary and improvement district; legal court-related activities; licensing, recording, and assessment of real property; tax collection for all public entities within the County; conducting elections; law enforcement; and sanitary landfill.

Reporting Entity

The accompanying financial statements present the government of Sarpy County, Nebraska (the primary government) and its blended component unit, the Sarpy County Leasing Corporation ("SCLC"). 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.

Blended component units, although legally separate entities, are, in substance, part of the County's operations. The governing body of the SCLC is comprised of members of the County Board and the SCLC was established to acquire, construct, furnish and equip a baseball stadium and related infrastructure and other facilities necessary to run a baseball stadium within the County.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America as applicable to governmental units. 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.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Government-Wide Financial Statements

The government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental and business-type activities for the County accompanied by a total column. The material effect of interfund activity has been removed or eliminated from these statements. Fiduciary activities of the County are not included in these statements.

These statements are presented on an economic resources measurement focus and on the accrual basis of accounting. 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 position. The statement of activities presents changes in net position and demonstrates the degree to which the direct expense of a given function is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

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 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/net position, 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 aggregate 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, or 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.

Sarpy County, Nebraska

Notes to Financial Statements

June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Governmental Funds - Continued

For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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 from issuance of long-term debt are reported as other financing sources. Accompanying schedules are presented to reconcile and explain the difference in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

The County reports the following major governmental funds:

- (1) The 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. Revenues are derived primarily from property and other taxes, state and federal distributions, licenses, permits, charges for services and interest income.
- (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. Revenues are typically derived from state and federal resources.

Proprietary Funds

Proprietary fund financial statements include a balance sheet, a statement of revenues, expenses, and changes in net position, 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 balance sheet. 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, regardless of the timing of related cash flows. 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.

The County reports the following major proprietary funds:

- (1) The landfill fund is used to account for the activities of the County's solid waste system and related facilities.
- (2) The sewer fund is used to account for the activities of the County's sanitary sewer system and related facilities.
- (3) The stadium fund is used to account for the activities of the Sarpy County Leasing Corporation, a blended component unit of the County, established to construct and operate a baseball stadium within the County.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Fiduciary Fund

Fiduciary fund financial statements include a statement of net position. The County's fiduciary fund represents an agency fund, which is custodial in nature and does not involve measurement of results of operations. The agency fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. This fund is not incorporated into the government-wide statements since monies within this fund are held for the benefit of a third party and cannot 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 of each year, 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 of each year, the County Board, after the action of the State Board of Equalization and Assessment has been certified to the County Clerk, adopts the budget, as revised, and the amounts provided therein are appropriated.

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. During the year ended June 30, 2013, the County amended its original budget for the purpose of accommodating unanticipated expenditures.

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 Treasury securities, United States agencies obligations, certificates of deposit and time deposits. Investments in negotiable certificates of deposit are carried at fair value, which is based upon quoted market prices. The County's investment in the NPAIT investment pool is measured at the net asset value per share provided by the pool, which approximates fair value, as the pool is considered a 2a7-like pool in accordance with Securities and Exchange Commission regulations. All other investments are carried at amortized cost.

Receivables

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

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

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 the fiduciary fund.

Counties are permitted by State Constitution to levy a tax up to \$0.50 per \$100 of assessed valuation for general governmental services other than the payment of principal and interest on bonded debt. The County may levy taxes in addition to the \$0.50 limitation upon a vote of the people. The tax levy remained below the \$0.50 limitation for 2013.

Additionally, \$.05 of the \$0.50 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. Also, 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 reported as expenditures when used (consumption method). Inventory held by the governmental funds consist primarily of road construction and maintenance materials.

Capital Assets (Including Intangible Assets)

Capital assets are recorded at cost at the date of acquisition, or fair value at the date of donation if acquired by gift. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful life of each asset. Intangible assets consist of internally developed software utilized by the County.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Capital Assets (Including Intangible Assets) - Continued

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalization value of the assets constructed. No interest costs were capitalized during 2013.

The following useful lives are being used by the County:

Infrastructure	15 – 50 years
Buildings and improvements	20 – 50 years
Machinery and equipment	5 – 20 years
Computer software	5 years

Bond Issue Costs

Bond issue costs represent costs incurred in connection with the issuance of long-term debt and are presented in the financial statements net of accumulated amortization. Such costs are being amortized over the term of the respective debt using the effective interest method.

Compensated Absences

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 in the current period.

Fund Balance - Governmental Funds

The fund balances for the County's governmental funds are displayed in five components:

Nonspendable - Nonspendable fund balances are not in a spendable form or are required to be maintained intact.

Restricted - Restricted fund balances may be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed - Committed fund balances may be used only for the specific purposes determined by resolution of the Board of Commissioners. Commitments may be changed or lifted only by issuance of a resolution by the County Board of Commissioners.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Fund Balance - Governmental Funds - Continued

Assigned - Assigned fund balances are intended to be used by the County for specific purposes as determined by management. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications.

The County considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The County applies committed amounts first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Net Position Classification

Net position is required to be classified into three components: (1) net investment in capital assets; (2) restricted; and (3) unrestricted. These classifications are defined as follows:

Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. If there are significant unspent debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets.

Restricted - This component of net position consists of restrictions placed on net position use through external constraints imposed by creditors (such as debt covenants), grantors, contributors, or law or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - This component consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

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

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 1: Summary of Significant Accounting Policies - Continued

Use of Estimates

The preparation of 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Implementation of New Accounting Principles

In 2013, the County implemented the provisions of the following accounting principles:

GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. This standard was created to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in pre-November 30, 1989 FASB and AICPA pronouncements, which do not conflict with or contradict GASB pronouncements.

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position. This statement amends the net asset reporting requirements in GASB Statement No. 34 and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

The implementation of these standards did not have a significant impact on the County's financial statements.

Note 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

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 County has not adopted a specific policy for custodial credit risk, but requires compliance with the provisions of state law. The County's cash deposits, including nonnegotiable certificates of deposit, are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2013, the County's cash accounts at one financial institution exceeded federally insured limits by approximately \$116,000.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 2: Deposits and Investments - Continued

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.

Custodial credit risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investment securities that are in the possession of an outside party.

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County limits its interest rate risk by investing primarily in securities with original maturities of less than one year. Money market mutual funds and the NPAIT investment pool are presented as investments with a maturity of less than one year because they are redeemable in full immediately. The County has two repurchase agreements for \$1,000,000 and \$1,377,273, which mature in July 2013 and March 2015, respectively, and is invested in nonnegotiable certificates of deposit totaling \$10,370,792 that are scheduled to mature during the 2015 fiscal year. All other investment securities held at June 30, 2013 have a maturity of less than one year.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. U.S. Treasury securities are not exposed to credit risk as they are backed by the full faith and credit of the United States Government. All other investments were not rated.

Concentration 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 that may be invested in any one issuer. At June 30, 2013, the County's investment in the NPAIT investment pool comprised approximately 64% of the County's total investments.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 2: Deposits and Investments - Continued

Summary of Carrying Values

The carrying values of deposits and investments at June 30, 2013, and reconciliation to amounts shown in the financial statements, are as follows:

Carrying Values	
Cash on hand	<u>\$ 1,010,446</u>
Deposits	
Cash in bank (checking, money market)	49,998,294
Nonnegotiable certificates of deposit	<u>19,379,786</u>
Total deposits	<u>69,378,080</u>
Investments	
Money market mutual funds	1,683,077
NPAIT investment pool	27,330,849
U.S. Treasury Bills	6,982,451
Negotiable certificates of deposit	4,411,007
Repurchase agreements (with NPAIT)	<u>2,377,273</u>
Total investments	<u>42,784,657</u>
Total cash, deposits and investments	<u>\$ 113,173,183</u>
Reconciliation to the Financial Statements	
Government Wide cash and investments	\$ 39,649,868
Government Wide restricted cash	8,896,132
Fiduciary fund cash and investments	<u>64,627,183</u>
Total cash and investments	<u>\$ 113,173,183</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 3: Interfund Balances and Transfers

“Due to” and “Due from” balances are recorded as a result of temporary loans from the general fund to cover cash shortages in other County funds. Balances due to/from other funds at June 30, 2013, consisted of \$359,000 owed to the general fund, of which \$335,000 is owed by the other governmental funds and \$24,000 owed is by the stadium fund.

Transfers are used primarily to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers to/from other funds for the year ended June 30, 2013, consist of the following:

Transfer To	Transfer From General Fund	Transfer From Other Governmental Funds
General Fund	\$ -	\$ 520,534
Special Roads Fund	2,281,315	-
Other Governmental Funds	2,739,778	-
Stadium Fund	100,000	574,000
	<u>\$ 5,121,093</u>	<u>\$ 1,094,534</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Governmental Activities				
Nondepreciable capital assets				
Land	\$ 4,182,904	\$ 427,201	\$ -	\$ 4,610,105
Total nondepreciable capital assets	4,182,904	427,201	-	4,610,105
Depreciable capital assets				
Intangible assets	106,638	-	-	106,638
Infrastructure	139,937,476	3,829,885	-	143,767,361
Buildings and improvements	42,195,068	103,373	-	42,298,441
Machinery and equipment	21,005,251	832,735	(437,326)	21,400,660
Total depreciable capital assets	203,244,433	4,765,993	(437,326)	207,573,100
Accumulated depreciation				
Intangible assets	(76,173)	(21,328)	27,704	(69,797)
Infrastructure	(47,253,181)	(3,281,977)	-	(50,535,158)
Buildings and improvements	(10,317,962)	(842,660)	-	(11,160,622)
Machinery and equipment	(14,398,294)	(1,094,101)	374,813	(15,117,582)
Total accumulated depreciation	(72,045,610)	(5,240,066)	402,517	(76,883,159)
Capital assets being depreciated, net	131,198,823	(474,073)	(34,809)	130,689,941
Governmental activities capital assets, net	<u>\$ 135,381,727</u>	<u>\$ (46,872)</u>	<u>\$ (34,809)</u>	<u>\$ 135,300,046</u>
Business-type Activities				
Nondepreciable capital assets				
Land	\$ 1,296,017	\$ -	\$ -	\$ 1,296,017
Total nondepreciable capital assets	1,296,017	-	-	1,296,017
Depreciable capital assets				
Infrastructure	5,255,707	-	-	5,255,707
Buildings and improvements	29,309,571	55,107	-	29,364,678
Machinery and equipment	2,816,983	152,099	(19,216)	2,949,866
Total depreciable capital assets	37,382,261	207,206	(19,216)	37,570,251
Accumulated depreciation				
Infrastructure	(1,449,182)	(105,114)	-	(1,554,296)
Buildings and improvements	(1,566,600)	(573,894)	-	(2,140,494)
Machinery and equipment	(2,256,163)	(86,499)	19,197	(2,323,465)
Total accumulated depreciation	(5,271,945)	(765,507)	19,197	(6,018,255)
Capital assets being depreciated, net	32,110,316	(558,301)	(19)	31,551,996
Business-type activities capital assets, net	<u>\$ 33,406,333</u>	<u>\$ (558,301)</u>	<u>\$ (19)</u>	<u>\$ 32,848,013</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 4: Capital Assets - Continued

Depreciation expense was charged to the functions/programs as follows:

General government	\$ 410,294
Public health	1,487
Public safety	1,166,116
Roads	<u>3,662,169</u>
Total governmental activities depreciation expense	<u>\$ 5,240,066</u>
Business-type Activities	
Landfill	\$ 95,980
Stadium	564,413
Sewer	<u>105,114</u>
Total business-type activities depreciation expense	<u>\$ 765,507</u>

Note 5: Leases

Operating Lease -- Stadium

The County leases the stadium property to the Omaha Storm Chasers. This lease is a twenty-five year lease with rent to be adjusted every five years. The initial payments will be \$450,000 annually, paid in two installments. In addition, the lease agreement provided for the County to receive two equal capital contributions of \$1,000,000 each from the Omaha Storm Chasers. The first contribution was received during the 2011 fiscal year upon completion of the stadium and the second contribution was received in the 2013 fiscal year, after the end of the second lease year.

Future minimum lease receipts for the stadium project are as follows:

Year Ending June 30,	Amount
2014	\$ 450,000
2015	450,000
2016	450,000
2017	450,000
2018	450,000
Thereafter	<u>7,875,000</u>
	<u>\$ 10,125,000</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 6: Long-term Liabilities

The following is a summary of long-term liability transactions for the year ended June 30, 2013:

	Beginning Balance	Increases	Decreases	Ending Balances	Due Within One Year
Governmental Activities					
General obligation bonds	\$ 16,355,000	\$ -	\$ (3,275,000)	\$ 13,080,000	\$ 3,345,000
Deferred loss from refunding	(130,823)	-	31,398	(99,425)	-
Total general obligation bonds	16,224,177	-	(3,243,602)	12,980,575	3,345,000
Notes payable	2,036,081	429,241	(1,101,052)	1,364,270	853,052
Compensated absences	7,535,982	178,551	(147,170)	7,567,363	147,783
Other post-employment benefits	511,842	135,834	-	647,676	151,296
Governmental activities long-term liabilities	<u>\$ 26,308,082</u>	<u>\$ 743,626</u>	<u>\$ (4,491,824)</u>	<u>\$ 22,559,884</u>	<u>\$ 4,497,131</u>
Business-type Activities					
Revenue bonds	\$ 27,055,000	\$ -	\$ (335,000)	\$ 26,720,000	\$ 1,340,000
Bond issue discount	(185,048)	-	8,479	(176,569)	-
Total revenue bonds	26,869,952	-	(326,521)	26,543,431	1,340,000
Compensated absences	158,712	-	(13,495)	145,217	-
Other post-employment benefits	11,016	1,749	-	12,765	-
Landfill closure and post closure costs	6,501,148	307,372	-	6,808,520	-
Business-type activities long-term liabilities	<u>\$ 33,540,828</u>	<u>\$ 309,121</u>	<u>\$ (340,016)</u>	<u>\$ 33,509,933</u>	<u>\$ 1,340,000</u>

Type of Indebtedness (Purpose)	Maturity	Interest Rates	Original Issue Amount	Date Callable	Outstanding at June 30, 2013
Governmental Activities					
Bonds Payable					
Limited tax refunding bonds	December 2016	0.25% - 1.60%	\$ 4,165,000	N/A	\$ 3,150,000
Remodel bond	June 2018	2.05% - 3.70%	5,700,000	2013	3,060,000
Highway allocation bond	December 2013	1.00% - 1.90%	6,075,000	2011	1,250,000
Sheriff remodel bond	December 2019	3.35% - 3.80%	7,790,000	2014	5,620,000
					<u>\$ 13,080,000</u>
Notes payable					
ENHSA house 3	December 2018	4.65%	\$ 153,061	N/A	\$ 68,637
ENHSA house 4	June 2019	5.00%	190,000	N/A	93,289
ENHSA house 5	June 2023	4.70%	178,575	N/A	132,398
Equipment notes	Monthly through October 2014	1.75% - 2.10%	2,844,094	Various	1,069,946
					<u>\$ 1,364,270</u>
Business-Type Activities					
Bonds Payable					
Stadium revenue bonds - Series A	June 2025	1.50% - 3.75%	\$ 4,195,000	2019	\$ 3,860,000
Stadium revenue bonds - Series B	June 2036	6.05% - 6.25%	9,290,000	2019	9,290,000
Stadium revenue bonds - Series C	June 2030	2.75% - 6.00%	5,500,000	2019	5,500,000
Stadium COPS - Series 2010	December 2035	1.50% - 4.0%	8,070,000	2020	8,070,000
					<u>\$ 26,720,000</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 6: Long-term Liabilities - Continued

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

Governmental Activities – Bonds

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 3,345,000	\$ 297,356	\$ 3,642,356
2015	2,135,000	243,624	2,378,624
2016	2,180,000	197,385	2,377,385
2017	2,230,000	144,470	2,374,470
2018	1,475,000	92,720	1,567,720
2019-2020	1,715,000	57,238	1,772,238
	<u>\$ 13,080,000</u>	<u>\$ 1,032,793</u>	<u>\$ 14,112,793</u>

Governmental Activities – Notes Payable

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 853,052	\$ 25,351	\$ 878,403
2015	289,680	12,926	302,606
2016	39,080	9,857	48,937
2017	40,999	7,937	48,936
2018	43,001	5,934	48,935
2019-2023	98,458	9,812	108,270
	<u>\$ 1,364,270</u>	<u>\$ 71,817</u>	<u>\$ 1,436,087</u>

Business-Type Activities – Bonds

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 1,340,000	\$ 1,234,216	\$ 2,574,216
2015	445,000	1,211,814	1,656,814
2016	595,000	1,199,168	1,794,168
2017	645,000	1,183,228	1,828,228
2018	700,000	1,163,838	1,863,838
2019-2023	3,990,000	5,433,350	9,423,350
2024-2028	5,650,000	4,399,944	10,049,944
2029-2033	7,770,000	2,538,249	10,308,249
2034-2036	5,585,000	450,594	6,035,594
	<u>\$ 26,720,000</u>	<u>\$ 18,814,401</u>	<u>\$ 45,534,401</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 6: Long-term Liabilities - Continued

Compensated absences and other post-employment benefit obligations in the governmental activities are primarily liquidated by the General Fund.

The 2009 Series A and B Stadium revenue bonds, the 2009 Series C Stadium revenue bonds and the Series 2010 Stadium COPS are secured by a pledge of the revenues derived from lease payments received pursuant to a Public Payment Lease and a Private Payment Lease, respectively. The total principal and interest remaining to be paid on the bonds and certificates of participation is \$45,534,401, with annual payments expected to require 100 percent of the revenues derived from the lease payments. Principal and interest for the current year and revenues from lease payments and other sources were \$1,588,623 and \$1,581,966, respectively.

The 2009 Series B Stadium revenue bonds were issued as direct pay Build America Bonds in accordance with the American Recovery and Reinvestment Act of 2009, which allows the County to receive a U.S. Treasury subsidy equal to 35% of the amount of interest payable on those bonds. Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, refund payments to certain state and local government filers claiming refundable credits under section 6341 of the Internal Revenue Code applicable to certain qualified bonds are subject to sequestration. The refund payments processed on or after October 1, 2013 and on or before September 30, 2014 will be reduced by the fiscal year 2014 sequestration rate of 7.2%.

Note 7: Employees' Retirement System

Pension Plan

The County has adopted the provision 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 Sheriff's 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, 2013, the County's payroll for covered employees was \$34,594,556 and the total payroll for the County was \$34,897,857. The County contributed \$2,538,183 to the employees account and paid \$1,248 for prior service benefits during 2013. The employees contributed \$1,759,247 to the plan for the year ended June 30, 2013.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 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. Employees contributed \$533,180 to the plan for the year ended June 30, 2013.

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.

Other Postemployment Benefits

Plan Description – The County provides certain post-employment health care benefits (“OPEB Plan”) to eligible retirees and their spouses. An employee (and spouse) is eligible to elect medical coverage upon retiring and meeting specific criteria under the Nebraska Public Retirement System and attaining an age varying between 55 and 62, based upon their job classification. Participants pay a percentage of the premiums, based upon their age and job classification. A prescription drug program is also available to those who elect health coverage. The OPEB Plan is a single-employer defined benefit healthcare plan administered by the County. The OPEB Plan does not issue separate financial statements.

Funding Policy – The contribution requirements of OPEB Plan members and the County are established by the Sarpy County Board of Commissioners. Contributions are made to the OPEB Plan based on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation - The County is required to contribute the annual required contribution (“ARC”), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize an unfunded actuarial liabilities (or funding excess) on an open basis over a period not to exceed thirty years.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 7: Employees' Retirement System - Continued

Other Postemployment Benefits - Continued

The County's annual OPEB cost and the net OPEB obligation is as follows:

	<u>Governmental</u>	<u>Proprietary</u>
Annual required contribution	\$ 271,507	\$ 1,911
Interest on net OPEB obligation	20,769	146
Adjustments to annual required contribution	<u>(28,767)</u>	<u>(318)</u>
Annual OPEB cost (expense)	263,509	1,739
Contributions made	<u>(127,675)</u>	<u>-</u>
Increase in net OPEB obligation	135,834	1,739
Net OPEB obligation - beginning of year	<u>511,842</u>	<u>11,026</u>
Net OPEB obligation - end of year	<u>\$ 647,676</u>	<u>\$ 12,765</u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2013 and the two preceding years were as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2013	265,248	48.1%	660,441
June 30, 2012	267,852	38.0%	522,868
June 30, 2011	198,641	31.1%	356,676

Funded Status and Funding Progress - As of July 1, 2012, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$2,453,569, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,453,569.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 7: Employees' Retirement System - Continued

Other Postemployment Benefits - Continued

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As required by GASB 45, the County, acting with the advice of the actuary, has allocated the cost of benefits to years of active service using the Projected Unit Credit Actuarial Cost Method. In the most current valuation, July 1, 2012, the actuarial assumptions used for the calculation of costs and liabilities are as follows:

Discount rate	4.0% per annum, compounded annually
Annual medical trend rate	8.5% initially, reduced in increments
Participation rate	70% will elect coverage
Spouse participation rate	50% will elect coverage

The valuation involves estimates of the value of reported amounts and assumptions about the probability of future events and is subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. These calculations are based on the types of benefits provided under the terms of the substantive plan at the time of the valuation and on the pattern of cost sharing between employer and plan members to this point and reflects a long-term perspective.

Note 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, 2013.

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 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 post-closure 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 post-closure care costs as an operating expense in each period based on landfill capacity used during the year. Based on a cost estimate performed in 2013, closure costs will be \$4,065,517 and an additional \$2,913,286 will be required for post-closure care. The estimated total of the landfill closure and post-closure care of \$6,978,803 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 98% used (filled). The County expects to close the landfill in 2014. The County has accrued 98% of the total landfill closure and post-closure care of \$6,808,520 as of June 30, 2013.

However, the actual cost of closure and post-closure 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 post-closure care. The county is in compliance with these requirements and at June 30, 2013, investments of \$7,182,127 are held for these purposes. These are reported as restricted assets on the proprietary fund statement of net position.

The County, in a review by the Nebraska Department of Environmental Quality (NDEQ), has demonstrated compliance with the financial assurance requirements as specified in Title 132 *Integrated Solid Waste Management Regulations*, through the Local Government Financial Test.

Note 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 79 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 pays for 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

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 10: Public Entity Risk Pool - Continued

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 provided 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.

There were no significant insurance recoveries in the current year, and settled claims have not exceeded coverage in any of the past three fiscal years.

Note 11: Governmental Fund Balances

Governmental fund balances are classified as follows at June 30, 2013:

	General Fund	Special Roads Fund	Other Governmental Funds	Total
Nonspendable:				
Inventory	\$ 19,873	\$ 492,513	\$ -	\$ 512,386
Restricted for:				
Debt service	241,825	1,374,013	2,901,061	4,516,899
Emergency communications	-	-	385,986	385,986
Social services	-	-	46,421	46,421
Tourism	-	-	1,285,575	1,285,575
Public health and welfare	-	-	292,290	292,290
Grant stipulations	-	-	817,531	817,531
Community betterment	-	-	77,030	77,030
Capital projects	-	2,400,899	243,405	2,644,304
Information systems	-	-	701,722	701,722
	<u>241,825</u>	<u>3,774,912</u>	<u>6,751,021</u>	<u>10,767,758</u>

Sarpy County, Nebraska
Notes to Financial Statements
June 30, 2013

Note 11: Governmental Fund Balances - Continued

	General Fund	Special Roads Fund	Other Governmental Funds	Total
Assigned to:				
Wireless communications	\$ 91,126	\$ -	\$ -	\$ 91,126
Public health and welfare	57	-	-	57
Public safety	74,883	-	-	74,883
Future contingencies	769,734	-	-	769,734
Fleet services	85,005	-	-	85,005
Other purposes	6,448	-	-	6,448
	<u>1,027,253</u>	<u>-</u>	<u>-</u>	<u>1,027,253</u>
Unassigned:	<u>29,640,273</u>	<u>-</u>	<u>(189,642)</u>	<u>29,450,631</u>
Total fund balances	<u>\$ 30,929,224</u>	<u>\$ 4,267,425</u>	<u>\$ 6,561,379</u>	<u>\$ 41,758,028</u>

Note 12: Subsequent Events

In September 2013, the County issued \$2,900,000 of Limited Tax Refunding Building Bonds, Series 2013, to refund the outstanding principal of \$3,060,000 of the Limited Tax Building Bonds, Series 2008. Interest rates range on the Series 2013 bonds from 0.35% to 1.7% and have a final maturity of June 15, 2018. The County completed the refunding to reduce its total debt service payments by \$159,014, which resulted in an economic gain of \$152,968.

Required Supplementary Information

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Sarpy County, Nebraska
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual (Cash Basis)
General Fund
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Tax	\$ 29,724,653	\$ 29,724,653	\$ 29,177,604	\$ (547,049)
Federal	201,787	201,787	176,427	(25,360)
State	926,000	926,000	1,732,678	806,678
Local	15,804,655	15,824,655	19,431,678	3,607,023
Total revenues	46,657,095	46,677,095	50,518,387	3,841,292
Expenditures				
General government				
County Board	152,016	152,016	149,513	2,503
County Clerk	673,370	673,370	668,608	4,762
County Treasurer	1,475,847	1,475,847	1,446,788	29,059
Register of Deeds	487,911	487,911	479,117	8,794
County Assessor	1,278,613	1,278,613	1,253,100	25,513
Election Commissioner	526,955	520,855	519,770	1,085
Planning and Zoning Administration	311,808	311,808	304,380	7,428
Personnel	316,266	316,266	314,404	1,862
Records Management	315,822	315,822	296,369	19,453
Fiscal Administration	189,723	189,723	188,892	831
Board of Equalization	238,886	238,886	236,523	2,363
Facilities Management	23,000	23,000	20,975	2,025
Public Property Utilities	1,051,283	1,028,283	1,026,578	1,705
Jail Maintenance	696,225	696,225	574,305	121,920
Juvenile Justice Center Maintenance	219,500	230,500	230,034	466
Sheriff Admin Maintenance	77,061	92,561	91,871	690
Extension Agent	94,519	91,019	87,999	3,020
Other Intergovernmental	134,500	134,500	134,449	51
Miscellaneous General	836,000	836,000	698,124	137,876
Capital Projects	7,929,381	7,815,338	5,704,542	2,110,796
Wireless Communications	498,000	498,000	101,717	396,283
Inheritance Tax	65,000	65,000	49,945	15,055
Purchasing	5,100,000	5,100,000	644,771	4,455,229
Fleet	148,800	148,800	142,897	5,903
Public Safety	1,227,338	1,227,338	1,100,079	127,259
Sheriff	2,102,118	2,141,118	2,139,783	1,335
County Attorney	3,070,639	3,083,639	3,083,331	308
Investigations	1,494,512	1,494,512	1,490,121	4,391
Road Patrol	5,069,435	5,069,435	5,069,373	62
Sheriff Merit Commission	11,758	11,758	1,792	9,966
Vehicle Inspection	118,395	118,695	118,667	28

Sarpy County, Nebraska

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Cash Basis) - Continued

General Fund

For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Expenditures - Continued				
Public Safety - Continued				
Tow Lot	\$ 273,897	\$ 255,097	\$ 250,277	\$ 4,820
Juvenile Diversion	330,546	332,546	331,091	1,455
Victim Witness	226,259	224,259	222,297	1,962
Pre-Trial/Community Service	344,297	412,340	411,440	900
Juvenile Justice Center	2,451,873	2,381,873	2,376,078	5,795
County Jail	5,051,269	5,065,769	5,062,462	3,307
Court Services	1,378,497	1,386,497	1,385,181	1,316
Warrants Extradition	544,837	571,837	571,647	190
Adult Probation	89,240	89,240	78,405	10,835
Adult Diversion	527,101	530,601	509,791	20,810
Emergency Management	220,550	220,550	181,548	39,002
Clerk of the District Court	594,140	594,140	585,397	8,743
County Court	118,390	125,390	125,186	204
Juvenile Probation	19,050	19,050	17,366	1,684
Juvenile Court Judge	541,382	541,382	535,502	5,880
District Judge	566,700	566,700	550,012	16,688
Public Defender	1,298,647	1,298,647	1,290,600	8,047
Federal Grant - Drug Court	1,000	1,000		1,000
STOP Program	93,000	93,000	7,432	85,568
Jury Commissioner	120,413	126,513	126,433	80
CASA	140,107	140,107	139,497	610
Public Health				
Animal Control	498,055	498,055	485,421	12,634
Mental Health	116,778	116,778	76,211	40,567
Landfill Bond Surplus	1,274,108	1,274,108		1,274,108
Connection Fee		20,000	475	19,525
Noxious Weed	64,221	65,421	65,078	343
Public Welfare and Social Services				
Veterans Services	235,999	235,999	235,414	585
Human Services	801,857	827,857	826,053	1,804
Total expenditures	<u>53,856,894</u>	<u>53,881,594</u>	<u>44,815,111</u>	<u>9,066,483</u>
Other Financing Sources (Uses)				
Operating transfer in	1,726,652	1,731,352	3,240,186	1,508,834
Operating transfer out	(5,686,545)	(5,686,545)	(7,679,245)	(1,992,700)
Total transfers	<u>(3,959,893)</u>	<u>(3,955,193)</u>	<u>(4,439,059)</u>	<u>(483,866)</u>
Excess (Deficiency) of Revenues Over Expenditures				
	<u>(11,159,692)</u>	<u>(11,159,692)</u>	<u>1,264,217</u>	<u>12,423,909</u>
Fund Balance - Beginning of Year				
	<u>17,259,692</u>	<u>17,259,692</u>	<u>17,259,692</u>	<u>-</u>
Fund Balance - End of Year				
	<u>\$ 6,100,000</u>	<u>\$ 6,100,000</u>	<u>\$ 18,523,909</u>	<u>\$ 12,423,909</u>

Sarpy County, Nebraska

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Cash Basis)

Special Roads Fund

For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Federal	\$ 164,600	\$ 164,600	\$ 182,505	\$ 17,905
State	7,870,741	7,870,741	9,117,131	1,246,390
Local	1,088,616	1,088,616	418,913	(669,703)
Total revenues	9,123,957	9,123,957	9,718,549	594,592
Expenditures				
Personal services	3,272,246	3,272,246	3,301,325	(29,079)
Operating expenses	801,808	801,808	819,043	(17,235)
Supplies and materials	1,172,500	1,172,500	1,326,789	(154,289)
Equipment and office rental	34,250	34,250	30,260	3,990
Capital outlays	9,198,850	9,198,850	5,018,856	4,179,994
Principal and interest	1,258,856	1,258,856	1,259,478	(622)
Total expenditures	15,738,510	15,738,510	11,755,751	3,982,759
Operating transfer in	2,281,315	2,281,315	2,281,315	-
Excess (Deficiency) of Revenues Over Expenditures	(4,333,238)	(4,333,238)	244,113	4,577,351
Fund Balance - Beginning of Year	4,333,238	4,333,238	4,333,238	-
Fund Balance - End of Year	\$ -	\$ -	\$ 4,577,351	\$ - 4,577,351

Sarpy County, Nebraska
Note to Required Supplementary Information --
Schedule of Revenues, Expenditures and Changes in Fund Balances --
Budget and Actual (Cash Basis)
For the Year Ended June 30, 2013

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.

Sarpy County, Nebraska
Other Postemployment Benefits
Schedule of Funding Progress
For the Year Ended June 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) - Unit Credit (b)	Unfunded AAL(UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as % of Covered Payroll ((b-a)/c)
7/1/2009	\$ -	\$ 1,646,774	\$ 1,646,774	0.00%	N/A	N/A
7/1/2010	-	1,739,926	1,739,926	0.00%	N/A	N/A
7/1/2012	-	2,453,569	2,453,569	0.00%	\$ 31,001,141	7.9%

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Other Supplementary Information

Sarpy County, Nebraska
Tax Certification, Correction and Collections
As of June 30, 2013

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Tax Certified by the Assessor			
Real estate	\$ 223,669,089	\$ 228,991,725	\$ 234,965,835
Personal	6,415,192	5,752,590	6,135,521
Centrally assessed	<u>1,210,009</u>	<u>1,088,752</u>	<u>1,291,352</u>
Total certified tax	<u>\$ 231,294,290</u>	<u>\$ 235,833,067</u>	<u>\$ 242,392,708</u>
Net Tax Collected by the County Treasurer as of June 30, 2013			
Real estate	\$ 223,571,720	\$ 228,867,146	\$ 130,423,402
Personal	6,360,572	5,721,235	3,985,614
Centrally assessed	<u>1,207,451</u>	<u>1,088,752</u>	<u>750,017</u>
Total collected tax	<u>\$ 231,139,743</u>	<u>\$ 235,677,133</u>	<u>\$ 135,159,033</u>
Total Uncollected Tax as of June 30, 2013			
Real estate	\$ 97,369	\$ 124,579	\$ 104,542,433
Personal	54,620	31,355	2,149,907
Centrally assessed	<u>2,558</u>	<u>-</u>	<u>541,335</u>
Total uncollected	<u>\$ 154,547</u>	<u>\$ 155,934</u>	<u>\$ 107,233,675</u>
Percentage Uncollected Tax	0.07%	0.07%	44.24%

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Clerk
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 600
Cash in bank	2,696
	<hr/>
	3,296
	<hr/>
Collections	
Recording and miscellaneous fees	3,023
Marriage licenses	16,401
Prepaid certified marriage licenses	6,090
Miscellaneous	77
Other licenses	13,504
	<hr/>
	39,095
	<hr/>
Credits	
Paid to County Treasurer	
Recording and miscellaneous fees	3,004
Marriage licenses	16,575
Prepaid certified marriage licenses	6,120
Miscellaneous	229
Other licenses	13,504
	<hr/>
	39,432
	<hr/>
Paid to State of Nebraska	
Title fees	-
	<hr/>
	-
	<hr/>
Balance on hand, end of year	\$ 2,959
	<hr/>
Summary of balance, end of year	
Cash on hand	\$ 600
Cash in bank	2,359
	<hr/>
	\$ 2,959
	<hr/>

Sarpy County, Nebraska
Schedule of Statement of Accountability
Register of Deeds
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 150
Cash in bank	246,007
Accounts receivable	<u>4,849</u>
	<u>251,006</u>
Collections	
Recording fees	1,242,331
Copies fees	7,110
Non-credit refunds	159
Federal tax liens	2,591
State tax liens	1,024
Documentary stamp tax	1,654,902
Interest	207
SID penalties	<u>440</u>
	<u>2,908,764</u>
Credits	
Paid to County Treasurer	
Recording fees	1,206,531
Copies fees	7,005
Non-credit refunds	168
Federal tax liens	2,269
State tax liens	918
Documentary stamp tax	362,241
Interest	204
SID penalties	<u>440</u>
	<u>1,579,776</u>
Paid to State of Nebraska	
Documentary stamp tax	<u>1,268,007</u>
Balance on hand, end of year	<u>\$ 311,987</u>
Summary of balance, end of year	
Cash on hand	\$ 150
Cash in bank	308,228
Accounts receivable	<u>3,609</u>
	<u>\$ 311,987</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
Clerk of the District Court
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 650
Cash in bank	5,942,783
	<u>5,943,433</u>
Collections	
Dissolution fees	66,575
State fees	171,462
Regular fees	352,375
Retirement fees	23,740
Law enforcement fees	1,352
Trust	8,161,919
Drug court	
County fees	16,478
State fees	10,155
Miscellaneous receipts	28,090
	<u>8,832,146</u>
Credits	
Dissolution fees	70,850
State fees	201,471
Regular fees	352,375
Retirement fees	25,526
Law enforcement fees	1,904
Trust	10,940,187
Drug court	
County fees	16,723
State fees	10,082
	<u>11,619,118</u>
Balance on hand, end of year	<u>\$ 3,156,461</u>
Summary of balance, end of year	
Cash on hand	\$ 650
Cash in bank	3,155,811
	<u>\$ 3,156,461</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Sheriff
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 246
Cash in bank	145,330
	<u>145,576</u>
Collections	
Civil process	241,389
Inmate	1,772,583
Distress warrants	161,663
Miscellaneous and administrative	164,410
VIN	103,916
CID	5,522
DARE	6,271
Tow lot	399,664
	<u>2,855,418</u>
Credits	
Paid to County Treasurer	
Civil process	230,215
Inmate	1,763,584
Distress warrants	161,663
Miscellaneous and administrative	164,411
VIN	103,916
CID	8,550
DARE	6,377
Tow lot	397,124
	<u>2,835,840</u>
Balance on hand, end of year	<u>\$ 165,154</u>
Summary of balance, end of year	
Cash on hand	\$ 200
Cash in bank	164,954
	<u>\$ 165,154</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Attorney
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash in bank	<u>\$ 29,411</u>
Collections	
Restitution	115,687
Collection on bad checks	53,147
Collection fees	1,630
Law enforcement fund	1,503
Miscellaneous	<u>88</u>
	<u>172,055</u>
Credits	
Restitution payment	113,720
Payments on bad checks collected	53,972
Collection fees remitted to the County Treasurer	1,570
Subpoena and miscellaneous expenditures paid	1,582
Miscellaneous	<u>260</u>
	<u>171,104</u>
Summary of balance, end of year	
Cash in bank	<u>\$ 30,362</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Surveyor
For the Year Ended June 30, 2013

Balance on hand, beginning of year Cash on hand	\$ 50
Collections	39
Credits	<u>39</u>
Balance on hand, end of year	<u>\$ 50</u>
Summary of balance, end of year Cash on hand	<u>\$ 50</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Election Commissioner
For the Year Ended June 30, 2013

Balance on hand, beginning of year	<u>\$ -</u>
Collections	
Certification of registration	15
Election cost recoveries	<u>135,793</u>
	<u>135,808</u>
Credits	
Paid to County Treasurer	<u>135,808</u>
Balance on hand, end of year	<u>\$ -</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Building Inspector
For the Year Ended June 30, 2013

Balance on hand, beginning of year		
Cash in bank	\$	897
Contractor deposits		<u>105,223</u>
		<u>106,120</u>
 Collections		
Permit fees		629,529
Sewer fees		113,392
Watershed fees		246,010
Tiburon water fees		13,500
Other grading deposits		32,450
Wireless tower fees		<u>101,706</u>
		<u>1,136,587</u>
 Credits		
Paid to County Treasurer		
Permit fees		630,627
Sewer fees		122,764
Watershed fees		228,512
Tiburon water fees		16,256
Other grading deposits		14,442
Wireless tower fees		<u>101,706</u>
		<u>1,114,307</u>
 Balance on hand, end of year	\$	<u>128,400</u>
 Summary of balance, end of year		
Cash in bank	\$	23,571
Contractor deposits		<u>104,829</u>
	\$	<u>128,400</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Landfill
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 530
Accounts receivable	<u>407,787</u>
	<u>408,317</u>
Collections	<u>4,995,259</u>
Credits	
Paid to County Treasurer	<u>4,580,235</u>
Balance on hand, end of year	<u>\$ 823,341</u>
Summary of balance, end of year	
Cash on hand	\$ 530
Accounts receivable	<u>822,811</u>
	<u>\$ 823,341</u>

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Alcohol Diversion
For the Year Ended June 30, 2013

Balance on hand, beginning of year	
Cash on hand	\$ 1,653
Collections	
Alcohol diversion	232,823
Adult education	41,852
Adult shoplifters	14,522
Adult community service	1,895
Victim impact panel	5,685
Juvenile intake	61,511
Juvenile community service	2,820
Teen court	5,323
Restitution	6,050
Miscellaneous	2,940
	<u>375,421</u>
Credits	
Alcohol diversion	232,709
Adult education	41,767
Adult shoplifters	14,614
Adult community service	1,870
Victim impact panel	5,675
Juvenile intake	61,821
Juvenile community service	2,830
Teen court	5,273
Restitution	6,050
Miscellaneous	2,940
	<u>375,549</u>
Balance on hand, end of year	
Cash on hand	\$ 1,525

Sarpy County, Nebraska
Schedule of Statement of Accountability
County Pretrial Diversion
For the Year Ended June 30, 2013

Balance on hand, beginning of year	<u>\$ -</u>
Collections	
Drug testing	90
Electronic monitoring	1,907
Supervision	<u>10,740</u>
	<u>12,737</u>
Credits	
Paid to County Treasurer	<u>12,737</u>
Balance on hand, end of year	<u><u>\$ -</u></u>

Sarpy County, Nebraska

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Cash Basis)

All Special Revenue Funds For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Tax	\$ 4,618,986	\$ 4,618,986	\$ 4,499,378	\$ (119,608)
Federal	2,483,656	2,483,656	2,686,789	203,133
State	792,227	792,227	652,240	(139,987)
Local	3,320,805	3,320,805	3,986,255	665,450
Total revenues	11,215,674	11,215,674	11,824,662	608,988
Expenditures				
E911 Communications	3,650,091	3,650,091	3,513,438	136,653
E911 Rebanding	67,300	67,300	-	67,300
District Court - Child Support	231,346	231,346	176,869	54,477
County Attorney - Child Support	1,063,754	1,063,754	1,000,779	62,975
Child Support Incentive	170,283	170,283	144,981	25,302
Tourism	937,165	937,165	449,510	487,655
Visitor's Improvement	1,145,000	1,145,000	897,000	248,000
Employment Security Act	50,000	50,000	23,779	26,221
County Medical	245,500	245,500	87,737	157,763
Institutions	40,000	45,500	43,541	1,959
County Drug Enforcement	10,000	10,000	5,000	5,000
Federal Grant - JAIBG	21,437	21,437	16,728	4,709
Federal Grant - Title 1D	60,970	60,970	46,374	14,596
State Education Reimbursement	529,557	529,557	286,618	242,939
Federal Grant - Juvenile Detention - JDAI	25,000	25,000	7,956	17,044
Federal Forfeiture	165,000	165,000	49,320	115,680
SCAAP	60,000	60,000	36,858	23,142
Federal Grant - Victim Witness	107,527	107,527	107,527	-
Federal Grant -Energy Efficiency	68,000	68,000	-	68,000
Federal Grant - Perkins Corrections	76,000	76,000	40,000	36,000
CCP Community Service	3,000	3,000	-	3,000
Federal Grant - Drug Enforcement	51,495	51,495	50,422	1,073
Juvenile Services LB640	113,089	134,089	134,011	78
County Aid Enhancement	11,045	11,045	11,045	-
Federal Grant -JAG Equipment	10,855	12,055	11,951	104
Federal Grant-Traffic Enforcement	217,694	217,694	163,444	54,250

Sarpy County, Nebraska
Schedule of Revenues, Expenditures and Changes in Fund Balances --
Budget and Actual (Cash Basis) - Continued
All Special Revenue Funds
For the Year Ended June 30, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Expenditures - Continued				
Federal Grant - GIS Transportation	\$ 130,745	\$ 130,745	\$ 110,745	\$ 20,000
Federal Grant - Adult Drug Court	52,400	52,400	9,808	42,592
Federal Grant - Buffer Zone	49,100	49,100	-	49,100
Federal Grant - Drug Eradication	20,250	20,250	19,458	792
State Grant - Stormwater	272,000	272,000	138,502	133,498
Keno	205,500	205,500	135,775	69,725
Courthouse Administration	1,596,350	1,596,350	803,293	793,057
Courthouse Remodel	746,719	746,719	676,610	70,109
Sheriff Admin Bond	1,554,642	1,554,642	730,000	824,642
Sinking Fund	1,336,155	1,336,155	876,563	459,592
Phase II Stormwater Fees	50,000	50,000	-	50,000
Watershed Fee Fund	416,000	466,000	464,839	1,161
Information Systems	2,069,637	2,069,637	1,705,082	364,555
CDBG - Revolving Loan Fund	546,700	546,700	508,340	38,360
GIS	389,846	389,846	382,407	7,439
Social Security Incentive	15,000	15,000	4,800	10,200
Register of Deeds Tech	80,000	80,000	-	80,000
Early Retiree Reinsurance	120,000	120,000	120,000	-
E911 Wireless Service	219,000	272,000	197,506	74,494
E911 Wireless Sinking	233,000	233,000	95,301	137,699
Federal Grant - Truancy	33,957	44,957	44,478	479
Learning Comm - Truancy	75,552	75,552	61,542	14,010
Total expenditures	19,343,661	19,485,361	14,389,937	5,095,424
Other Financing Sources (Uses)				
Operating transfer in	2,587,830	2,729,530	2,922,830	193,300
Operating transfer out	-	-	(889,086)	(889,086)
Total transfers	2,587,830	2,729,530	2,033,744	(695,786)
Excess (Deficiency) of Revenues Over Expenditures	(5,540,157)	(5,540,157)	(531,531)	5,008,626
Fund Balance - Beginning of Year	5,540,157	5,540,157	5,540,157	-
Fund Balance - End of Year	\$ -	\$ -	\$ 5,008,626	\$ 5,008,626

Sarpy County, Nebraska
Schedule of Receipts and Disbursements (Cash Basis)
All Special Revenue Funds
For the Year Ended June 30, 2013

	Fund Balance July 1, 2012	Receipts	Disbursements	Fund Balance June 30, 2013
Special Revenue Funds				
E911 Communications	\$ 259,386	\$ 3,479,132	\$ 3,513,439	\$ 225,079
E911 Rebanding	723	9,000	9,000	723
District Court - Child Support	1,055	223,589	223,869	775
County Attorney - Child Support	3,025	1,335,841	1,058,779	280,087
Child Support Incentive	37,523	131,904	144,981	24,446
Tourism	482,858	566,318	449,510	599,666
Visitor's Improvement	693,144	889,318	897,000	685,462
Employment Security Act	24,252	36,045	23,779	36,518
County Medical	142,156	105,949	87,736	160,369
Institutions	4,985	39,744	43,541	1,188
County Drug Enforcement	9,109	-	5,000	4,109
Federal Grant - JAIBG	2,359	14,369	16,728	-
Federal Grant - Title 1D	1,669	48,437	47,874	2,232
State Education Reimbursement	6,069	464,206	466,619	3,656
FG-Juvenile Detention - JDAI	-	8,294	7,955	339
Federal Forfeiture	154,187	80,074	49,320	184,941
SCAAP	2,800	36,858	36,858	2,800
Federal Grant - Victim Witness	-	107,626	107,527	99
FG-Energy Efficiency	781	67,219	68,000	-
Federal Grant - Perkins Corrections	1,114	75,012	76,000	126
CCP Community Service	471	2,529	3,000	-
Federal Grant - Drug Enforcement	388	50,416	50,422	382
Juvenile Services LB640	-	134,011	134,011	-
County Aid Enhancement	-	11,045	11,045	-
FG-JAG Equipment	-	12,095	11,951	144
FG-Traffic Enforcement	13,810	192,873	188,443	18,240
Federal Grant - GIS Transportation	1,462	129,334	130,745	51
Federal Grant - Adult Drug Court	38,526	16,723	9,808	45,441
Federal Grant - Buffer Zone	49,034	-	49,034	-
Federal Grant - Drug Eradication	7,741	23,010	19,458	11,293
State Grant - Stormwater	137,158	175,449	138,503	174,104
Keno	51,429	161,376	135,775	77,030
Courthouse Administration	1,079,630	541,539	803,293	817,876
Courthouse Remodel	7,746	771,933	695,610	84,069
Sheriff Admin Bond	834,233	648,866	730,000	753,099
Sinking Fund	808,135	537,867	876,563	469,439
Phase II Stormwater Fees	29,500	2,500	-	32,000
Watershed Fee Fund	253,282	244,788	464,839	33,231
Information Systems	45,145	2,006,093	2,004,634	46,604
CDBG - Revolving Loan Fund	-	508,340	508,340	-
GIS	31,561	355,364	382,407	4,518
Social Security Incentive	-	6,400	4,800	1,600
Register of Deeds Technology	-	75,426	-	75,426
Early Retiree Reinsurance	120,000	-	120,000	-
E911 Wireless Service	19,369	252,137	271,506	-
E911 Wireless Sinking	158,755	74,000	95,301	137,454
Federal Grant - Truancy	403	44,075	44,478	-
Learning Comm - Truancy	25,184	50,368	61,542	14,010
Totals	\$ 5,540,157	\$ 14,747,492	\$ 15,279,023	\$ 5,008,626

Sarpy County, Nebraska
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

Cluster / Program	Federal Agency/ Pass-Through Entity	CFDA Number	Amount Expended
CDBG - State-Administered Small Cities Program Cluster			
Community Development Block Grants	U.S. Department of Housing & Urban Development / NE Department of Economic Development	14.228	\$ 504,500
			<u>504,500</u>
JAG Program Cluster			
Edward Byrne Memorial Justice Assistance Grant Program	U.S. Department of Justice / City of Omaha	16.738	50,416
Edward Byrne Memorial Justice Assistance Grant Program	U.S. Department of Justice / NE Crime Commission & Heartland Family Services	16.738	11,951
			<u>62,367</u>
Highway Planning and Construction Cluster			
Recreational Trails Program	U.S. Department of Transportation / NE Game & Parks Commission	20.219	9,113
Highway Planning and Construction	U.S. Department of Transportation / State of Nebraska	20.205	165,235
Highway Planning and Construction	U.S. Department of Transportation / Nebraska Office of Highway Safety	20.205	18,455
			<u>192,803</u>
Highway Safety Cluster			
State and Community Highway Safety	U.S. Department of Transportation / Nebraska Office of Highway Safety	20.600	163,444
Alcohol Impaired Driving Countermeasures Incentive Grant	U.S. Department of Transportation / Nebraska Office of Highway Safety	20.601	21,158
			<u>184,602</u>
Title I, Part A Cluster			
Title I Grants to Local Educational Agencies	U.S. Department of Education / Papillion/ La Vista School District	84.010	46,374
			<u>46,374</u>
Medicaid Cluster			
Medical Assistance Program	U.S. Department of Health and Human Services / Nebraska Department of Health and Human Services	93.778	16,366
			<u>16,366</u>

Sarpy County, Nebraska
Schedule of Expenditures of Federal Awards - Continued
Year Ended June 30, 2013

Cluster / Program	Federal Agency/ Pass-Through Entity	CFDA Number	Amount Expended
Juvenile Accountability Block Grants	U.S. Department of Justice / Nebraska Crime Commission	16.523	\$ 16,100
Juvenile Justice & Delinquency Prevention - Allocation to States	U.S. Department of Justice / Nebraska Crime Commission	16.540	44,458
Crime Victim Assistance	U.S. Department of Justice / Nebraska Crime Commission	16.575	107,527
Violence Against Women Formula Grants	U.S. Department of Justice / Nebraska Crime Commission & Heartland Family Services	16.588	28,200
State Criminal Alien Assistance Program	U.S. Department of Justice	16.606	41,658
Bulletproof Vest Partnership Program	U.S. Department of Justice	16.607	1,595
Equitable Sharing Program	U.S. Department of Justice	16.922	49,320
Drug Eradication	U.S. Department of Justice	16.xxx	19,458
FBI Overtime Reimbursement - Cyber Crimes Task Force	U.S. Department of Justice	16.xxx	4,152
Prisoner Housing - Military Prisoner	U.S. Department of Justice	16.xxx	1,512
Juvenile Detention Alternatives Initiative	U.S. Department of Justice	16.xxx	7,955
Metropolitan Transportation Planning	U.S. Department of Transportation / Metropolitan Area Planning Agency	20.505	110,738
U.S. Immigrations - Juveniles	Immigration & Customs Enforcement	16.xxx	3,147
Career and Technical Education - Basic Grants to States	U.S. Department of Education / Nebraska Department of Education	84.048	40,000
Child Support Enforcement	U.S. Department of Health and Human Services / Nebraska Department of Health and Human Services	93.563	1,175,764
Homeland Security Grant Program	U.S. Department of Homeland Security / State of Nebraska / City of Omaha	97.067	16,981
Emergency Management Performance Grants	U.S. Department of Homeland Security / Nebraska Emergency Management Agency	97.042	100,204
			<u>\$ 2,775,781</u>

Sarpy County, Nebraska
Notes to the Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

1. This schedule presents the federal awards activity of Sarpy County, Nebraska presented on the cash disbursements basis of accounting, which differs from generally accepted accounting principles in the United States of America. Under this method, expenditures are recognized when disbursements are made. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. Of the federal expenditures presented in this schedule, the County provided federal awards to subrecipients as follows:

Program	CFDA Number	Subrecipient	Amount Provided
Edward Byrne Memorial Justice Assistance Grant Program	16.738	City of Bellevue	\$ 5,570
State and Community Highway Safety	20.600	City of Bellevue	<u>67,478</u>
			<u>\$ 73,048</u>

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**Independent Auditor's Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters Based on an
Audit of the Financial Statements Performed in Accordance with
Government Auditing Standards**

Board of Commissioners
Sarpy County, Nebraska

We have audited, 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, the 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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 3, 2014.

Internal Control Over Financial Reporting

Management of Sarpy County, Nebraska is responsible for establishing and maintaining effective internal control over financial reporting (internal control). In planning and performing our audit, we considered the County's internal control to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses as defined above. However, material weaknesses may exist that have not been identified.

Compliance

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Other Matters

We noted certain matters that we reported to the County's management in a separate letter dated February 3, 2014.

The purpose of this communication is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or compliance. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Omaha, Nebraska
February 3, 2014

**Independent Auditor's Report on Compliance with Requirements
That Could Have a Direct and Material Effect on Each Major Program
and on Internal Control Over Compliance In Accordance with OMB Circular A-133**

Board of Commissioners
Sarpy County, Nebraska

Report on Compliance for Each Major Federal Program

We have audited the compliance of Sarpy County, Nebraska (the County) with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management.

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the County's compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, Sarpy County, Nebraska complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

The management of Sarpy County, Nebraska is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected or corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

BKD, LLP

Omaha, Nebraska
February 3, 2014

Sarpy County, Nebraska
Schedule of Findings and Questioned Costs - Continued
Year Ended June 30, 2013

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was \$300,000.

9. The County qualified as a low-risk auditee as that term is defined in OMB Circular A-133?

Yes

No

Sarpy County, Nebraska
Schedule of Findings and Questioned Costs - Continued
Year Ended June 30, 2013

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding	Questioned Costs
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No matters are reportable

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
-----------------------------	----------------	-----------------------------

No matters are reportable

Sarpy County, Nebraska
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2013

Reference Number	Summary of Finding	Status
No matters are reportable		

APPENDIX C
FORM OF CONTINUING DISCLOSURE UNDERTAKING

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APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This CONTINUING DISCLOSURE UNDERTAKING dated April 15, 2014 (the "Disclosure Undertaking"), is executed and delivered by THE COUNTY OF SARPY, IN THE STATE OF NEBRASKA (the "Issuer").

RECITALS

1. This Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of \$5,090,000 Limited Tax Refunding Building Bonds, Series 2014 (the "Bonds"), pursuant to a resolution adopted March 11, 2014 by the governing body of the Issuer (the "Resolution").

2. The Issuer is entering into this Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). The Issuer is the only "obligated person" with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the Issuer covenants and agrees 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 Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report filed by the Issuer pursuant to, and as described in, Section 2 of this Disclosure Undertaking.

"Beneficial Owner" means any registered owner of any Bonds and any person which (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.

"Business Day" means a day other than (a) a Saturday, Sunday, or legal holiday, (b) a day on which banks located in the city in which the designated payment office of the paying agent for the Bonds is located is required or authorized by law to remain closed, or a day on which the Securities Depository or the New York Stock Exchange is closed.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"Fiscal Year" means the 12-month period beginning on July 1 and ending on June 30 or any other 12-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

"Material Events" means any of the events listed in Section 3 of this Disclosure Undertaking.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"Participating Underwriter" means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Provision of Annual Reports.

(a) Pursuant to the Continuing Disclosure Undertaking, the County shall, not later than eight months after the end of the County’s fiscal year, provide to the Municipal Securities Rulemaking Board (the **“MSRB”**) the following financial information and operating data (the **“Annual Report”**):

(1) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles. If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the fiscal year of the financial information and operating data contained in APPENDIX A to the Official Statement in substantially the same format contained in the Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an **“obligated person”** (as defined by the Rule), which have been filed with the MSRB and is available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer 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 Issuer’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under Section 3.

(b) In addition to the foregoing requirements of this Section, the Issuer agrees to provide copies of the most recent Annual Report to any requesting Beneficial Owner or prospective Beneficial Owner, but only after the same has been filed with the MSRB.

Section 3. Reporting of Material Events. No later than 10 business days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds (**“Material Events”**):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;

- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in Section 2(a), the Issuer shall send a notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this Section 3.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under Section 3.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such 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 Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including, without limitation, the Annual Report) prepared by the Issuer pursuant to this Disclosure Undertaking.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Issuer may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Disclosure Undertaking.

If a provision of this Disclosure Undertaking is amended or waived, the Issuer shall describe such amendment or waiver 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 Issuer. 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 under Section 3, and (2) the Annual Report 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 7. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall

have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer fails to comply with any provision of this Disclosure Undertaking, any Participating Underwriter or 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 Issuer to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Resolution or the Bonds, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Issuer to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 9. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Disclosure Undertaking, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Disclosure Undertaking shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, 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 12. Governing Law. This Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Nebraska.

IN WITNESS WHEREOF, the Issuer has caused this Disclosure Undertaking to be executed as of the day and year first above written.

THE COUNTY OF SARPY,
IN THE STATE OF NEBRASKA

By: _____
Chairperson

APPENDIX D
FORM OF BOND COUNSEL OPINION

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APPENDIX D

FORM OF BOND COUNSEL OPINION

_____, 2014

The County of Sarpy
Papillion, Nebraska

Ameritas Investment Corp.
Omaha, Nebraska

Re: \$5,090,000 The County of Sarpy, in The State of Nebraska,
Limited Tax Refunding Building Bonds, Series 2014

Ladies and Gentlemen:

We have acted as bond counsel to The County of Sarpy (the "Issuer") in The State of Nebraska, ("State") 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 limited tax obligations of the Issuer, payable as to both principal and interest from ad valorem taxes which may be levied upon all the taxable property within the territorial limits of the Issuer, subject to the 5.2 cent levy limitation set forth in Section 23-120, Neb. R.R.S. 2012, as amended, and also subject to the Issuer's constitutional levy limitation of 50 cents per each \$100 of taxable property within the territorial limits of the Issuer.
3. The interest on the Bonds (a) is excludable from gross income for federal income tax purposes, (b) is exempt from income taxation by the State, and (c) 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 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 that interest thereon be, or continue to be, excludable from gross income for federal 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

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State income tax purposes retroactive to the date of issuance of the Bonds. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds. 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,

Item 5

\$5,090,000
THE COUNTY OF SARPY, NEBRASKA
LIMITED TAX REFUNDING BUILDING BONDS, SERIES 2014

March 11, 2014

BOND PURCHASE AGREEMENT

Board of Commissioners
The County of Sarpy, Nebraska
1210 Golden Gate Drive
Papillion, Nebraska 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 \$5,090,000 aggregate principal amount of Limited Tax Refunding Building Bonds, Series 2014, dated the date of delivery (April 15, 2014) 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 March 11, 2014 (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 March 11, 2014.

Inasmuch as this purchase and sale represents a negotiated transaction, the County acknowledges and agrees that: (i) the transaction contemplated by this Purchase Agreement is an arm's length, commercial transaction between the County and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the County; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the County with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the County on other matters); (iii) the Underwriter is acting solely in its capacity as underwriter for its own account, (iv) the only obligations the Underwriter has to the County with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; and (v) the County has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

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, Sections 10-142 and 23-120, 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). The County is required to levy an annual tax pursuant to Section 23-120(3)(b), Reissue Revised Statutes of Nebraska, as amended, in addition to all other taxes, in an amount not to exceed 5.2¢ per \$100 upon the taxable value of all the taxable property in the County, subject to the County's constitutional levy limitation, to pay the principal of and interest on the Bonds when due to the extent not otherwise paid from other legally available funds of the County.

(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 March 6, 2014, as amended and supplemented by the Official Statement, dated March 11, 2014, 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 Undertaking by the County, to provide certain annual financial statements and operating data and notices of certain events, if material. A description of the Continuing Disclosure Undertaking 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, 2013, audited by BKD CPAs and Advisors, independent certified public accountants, contained in "APPENDIX B – INDEPENDENT AUDITOR'S REPORT AND 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, 2013, 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, along with other available funds of the County, as provided in the Resolution to (1) provide for the payment and redemption of \$4,875,000 outstanding principal amount of the County's Limited Tax Building Bonds, Series 2009, dated December 8, 2009 (the "**Refunded Bonds**"), and (2) pay 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 \$5,030,408.85 (representing the principal amount

of the Bonds minus a net aggregate original issue discount of \$13,781.15 and less an underwriter's discount of \$45,810.00). 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., 450 Regency Parkway, Suite 320, Omaha, Nebraska, at 10:00 a.m., local time, on April 15, 2014, 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 Undertaking 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 Undertaking 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 Undertaking; 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, Nebraska 68046; Attention: Clerk.
- (b) If to the Underwriter, 440 Regency Parkway Drive, Suite 222, Omaha, Nebraska, 68114-3742, Attention: Bruce Lefler, Senior Vice President.

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

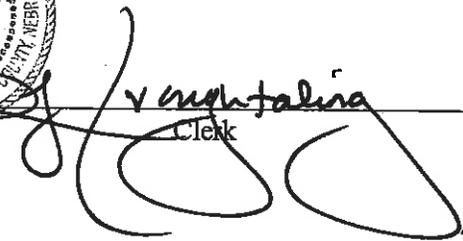
By: 
Title: SENIOR VICE PRESIDENT

Accepted and agreed to
March 11, 2014

THE COUNTY OF SARPY, NEBRASKA

By: 
Chair



By: 
Clerk

BOARD OF COUNTY COMMISSIONERS
SARPY COUNTY, NEBRASKA
RESOLUTION APPROVING AMENDMENT TO BOND PURCHASE AGREEMENT

WHEREAS, pursuant to Neb. Rev. Stat. §23-104(6)(Reissue 2012), the County has the power to do all acts in relation to the concerns of the County necessary to the exercise of its corporate powers; and,

WHEREAS, pursuant to Neb. Rev. Stat. §23-103(Reissue 2012), the powers of the County as a body are exercised by the County Board; and,

WHEREAS, a Bond Purchase Agreement was approved by the Sarpy County Board on March 11, 2014 between Sarpy County and Ameritas Investment Corp; and,

WHEREAS, the Bond Purchase Agreement incorrectly stated that the issuance costs would be paid by the Underwriter rather than the County; and,

WHEREAS, the attached Amendment to Bond Purchase Agreement clarifies that the issuance costs should be paid by the County.

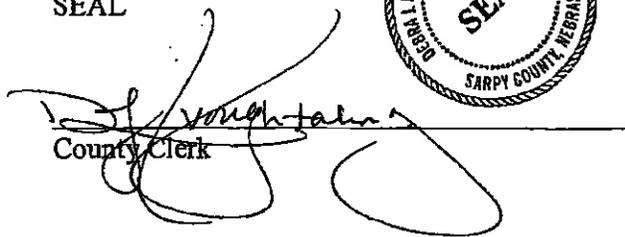
NOW, THEREFORE, BE IT RESOLVED BY THE SARPY COUNTY BOARD OF COMMISSIONERS, that the attached Amendment to Bond Purchase Agreement is hereby approved and the Chairman and Clerk of such Board are authorized to sign the same.

The above Resolution was approved by a vote of the Sarpy County Board of Commissioners at a public meeting duly held in accordance with applicable law on the 25th day of March, 2014.


Sarpy County Board Chairman

Attest:

SEAL


County Clerk



**AMENDMENT TO
BOND PURCHASE AGREEMENT**

This **AMENDMENT TO BOND PURCHASE AGREEMENT**, dated as of March ~~2~~²⁵, 2014 (the "**Amendment**"), is by and between **THE COUNTY OF SARPY, IN THE STATE OF NEBRASKA**, a county and political subdivision duly organized and validly existing under the laws of the State of Nebraska (the "**County**"), and **AMERITAS INVESTMENT CORP.**, as Underwriter (the "**Underwriter**").

RECITALS

In connection with the issuing of \$5,090,000 principal amount Limited Tax Refunding Building Bonds, Series 2014, dated the date of delivery (April 15, 2014) thereof (the "**Bonds**") by the County, the County and the Underwriter entered into a Bond Purchase Agreement dated March 11, 2014 (the "**Original Agreement**") providing for the purchase of the Bonds.

The parties have determined that it is necessary, desirable, advisable and in the best interests of the County and the Underwriter to make an amendment to the Original Agreement to correct Section 9 to accurately reflect the parties' agreement with respect to the payment of expenses in connection with the issuance of the Bonds.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants herein set forth, the parties hereto agree as follows:

1. Section 9 of the Original Agreement is hereby amended to read in its entirety as follows:

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 County. The County will also 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.

2. Except as otherwise provided in this Amendment, the provisions of the Original Agreement are hereby ratified, approved and confirmed and incorporated herein.

3. This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

4. The Original Agreement and this Amendment shall be construed and enforced in accordance with the laws of the State of Nebraska.

IN WITNESS WHEREOF, the parties have executed this Amendment the date written above.

COUNTY:

THE COUNTY OF SARPY, NEBRASKA

By: [Signature]
Chair

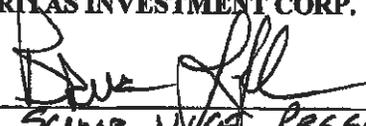
ATTEST:

By: [Signature]
Clerk



UNDERWRITER:

AMERITAS INVESTMENT CORP.

By: 

Title: SENIOR VICE PRESIDENT

Sarpy County, Nebraska
Limited Tax Building Bonds
Series 2014 | Refunding Series 2009

Sources & Uses

Dated 04/15/2014 | Delivered 04/15/2014

Sources Of Funds

Par Amount of Bonds	\$5,090,000.00
Original Issue Discount (OID)	(13,781.15)
Total Sources	\$5,076,218.85

Uses Of Funds

Deposit to Net Cash Escrow Fund	5,009,486.60
Total Underwriter's Discount (0.900%)	45,810.00
Rating Agency Fee	13,500.00
Bond Counsel	6,362.50
Rounding Amount	1,059.75
Total Uses	\$5,076,218.85

Item 6

PAYING AGENT AND REGISTRAR AGREEMENT

This Agreement is made and entered into as of this 15th day of April, 2014, by and between The County of Sarpy, in The State of Nebraska (the "County"), and Union Bank and Trust Company, Lincoln, Nebraska (the "Paying Agent").

WITNESSETH:

WHEREAS, the County has authorized the issuance of \$5,090,000 of its Limited Tax Refunding Building Bonds, Series 2014, date of original issue – April 15, 2014 (the "Bonds"), by a Resolution adopted March 11, 2014 (the "Resolution"), and requires the services of a paying agent and registrar for said issue; and

WHEREAS, the Paying Agent is willing to provide services as paying agent and registrar pursuant to the terms of this Agreement and the Resolution in consideration for the compensation described in this Agreement.

NOW THEREFORE, the County and the Paying Agent do hereby agree as follows:

1. The Paying Agent 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.
2. Paying Agent agrees that it shall serve as paying agent for the County in making the payments of principal and interest falling due on the Bonds. The County shall, not later than five days before each interest and principal payment date on the Bonds, deposit with the Paying Agent an amount sufficient to make such payment and the Paying Agent 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 paragraph 1 hereof for the appropriate amounts of interest due on each respective bond and by paying principal upon presentation, all in accordance with the Resolution. The provisions of this paragraph 2 are subject to the provisions of paragraph 13 so long as the Bonds are outstanding in "book-entry-only" form.
3. Paying Agent hereby accepts and agrees to perform all duties directed by the Resolution to be performed by the "Paying Agent" as defined in the Resolution and the terms of the Resolution are hereby incorporated by reference.
4. The Paying Agent shall make the initial registration of the Bonds upon written directions from the original purchaser thereof as designated in the Resolution.
5. Transfer of the Bonds shall be registered pursuant to the limitations prescribed in the Resolution, upon surrender to the Paying Agent of any outstanding Bond in form deemed by the Paying Agent properly endorsed for transfer with all necessary signatures guaranteed in such manner and form as the Paying Agent may require by a signature guarantor reasonably believed by Paying Agent to be responsible, accompanied by such assurances as the Paying Agent shall deem necessary or appropriate to evidence the genuineness and effectiveness of each necessary signature and, if deemed appropriate by the Paying Agent, satisfactory evidence of compliance with all applicable laws relating to the collection of taxes. In registering transfer of the Bonds, the Paying Agent may rely upon the Uniform Commercial Code or any other statutes which in the opinion of counsel protect the Paying Agent 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 wherein Paying Agent's judgment an adverse claim requires such refusal.

6. As provided by law, the books of registration maintained by the Paying Agent 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.

7. At least annually, the Paying Agent shall give a report to the County accounting for all funds received and disbursement made. The Paying Agent shall maintain customary records in connection with its exercise of its duties under this Agreement and the Resolution.

8. At any time the Paying Agent may apply to the County for instructions and may consult with the County's attorney or the Paying Agent's own counsel in respect to any matter arising in connection with its duties under this Agreement and the Resolution and the Paying Agent 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 Paying Agent 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.

9. The County agrees to pay any expenses reasonably incurred by the Paying Agent in connection with the performance of its duties under this Agreement and the Resolution including counsel fees, and in addition shall pay the Paying Agent as compensation for its services pursuant to the attached schedule.

10. Any corporation or association into which the Paying Agent 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 part, shall ipso facto, be and become successor Paying Agent hereunder and vested with all of the trusts, powers, discretion, 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.

11. The County shall have the right to remove the Paying Agent only in the event of a material breach of the Paying Agent's duties under this Agreement and the Resolution. In such event, the County shall have the right to designate a successor and the Paying Agent 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.

12. This Agreement shall terminate when the Bonds have been paid in full. The Paying Agent shall have no duties with respect to the investment of monies paid to it under this Agreement and the Resolution except as may be otherwise agreed between Paying Agent and the County. Any deposit of such monies shall be either fully insured by insurance at the Federal Deposit Insurance Corporation or fully secured in the manner required by law for deposit of funds of the County. Any such deposit may be in an account maintained with the Paying Agent.

13. Under the terms of the Resolution, the Bonds are to be issued initially as "book-entry-only bonds" using the services of The Depository Trust Company (the "Depository") and initially the entire issue of the Bonds shall be registered in the name of Cede & Co., as nominee for the Depository, with one typewritten bond of each separate stated maturity. Payment of semiannual interest for any Bond registered as of each Record Date in the name of Cede & Co. shall be made by wire transfer to the account of Cede & Co. on the interest payment date for the Bonds at the address shown in the Paying Agent's books of registration for Cede & Co. as registered owner in accordance with the Depository's procedures as in effect from time to time. The Paying Agent 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 Paying Agent and the County in connection with services provided by the Depository.

The Paying Agent 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 bondholders under the Resolution, registering the transfer of Bonds, obtaining any consent or other action to be taken by bondholders and for all other purposes whatsoever, and neither the Paying Agent nor the County shall be affected by any notice to the contrary. Neither the Paying Agent 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 Paying Agent as being a bondholder, with respect to the accuracy of any records maintained by the Depository or any Participant; the payment by the Depository or any Participant or any amount in respect of the principal of or interest on the Bonds; any notice which is permitted or required to be given to bondholders 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 bondholder. The Paying Agent shall pay all principal 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 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 of and interest pursuant to the Resolution. Upon delivery by the Depository to the Paying Agent 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 Paying Agent 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:

(i) 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 Paying Agent 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 the Resolution and the Paying Agent 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.

(ii) If the County elects to terminate the book-entry system for the Bonds, it shall so notify the Paying Agent in writing. Thereafter, upon presentation of the Bonds, or any of them, by the Depository or its nominee to the Paying Agent for registration of transfer in accordance with the Resolution, the Paying Agent shall register the transfer in accordance with the Resolution and all provisions of this paragraph 13 shall immediately cease to be in effect.

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 Paying Agent. On the effective date of such termination, the provisions of this paragraph 13 shall cease to be in effect, except that the Paying Agent 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 Paying Agent shall, upon presentation of Bonds by the Depository or its nominee for registration of transfer or exchange in accordance with the Resolution make such transfer or exchange in accordance with the Resolution. Upon the appointment of a successor securities depository or termination of the book-entry system, the Paying Agent shall give notice of such event to the registered owners of Bonds (through the Depository) and (1) of 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 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 bondholders pursuant to the Resolution by the County or the Paying Agent with respect to any consent or other action to be taken by bondholders, the County or the Paying Agent, 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.

14. If any one or more of the covenants or agreements to be performed by either of the parties to this Agreement shall be determined by a court of competent jurisdiction to be unenforceable, such covenants 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.

15. 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.

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

IN WITNESS WHEREOF, the parties hereto have each caused this Paying Agent and Registrar Agreement to be executed by their duly authorized officers and attested as of the date first above written.



Debra J. Houghtaling
County Clerk

THE COUNTY OF SARPY, NEBRASKA

By *[Signature]* 4-8-14
Chairperson

Union Bank and Trust Company, Lincoln, Nebraska
Paying Agent and Registrar

By _____
Its _____

applicable provisions of the Letter of Representations with respect to Bonds as to which the Depository remains the registered owner. After such termination, the Paying Agent shall, upon presentation of Bonds by the Depository or its nominee for registration of transfer or exchange in accordance with the Resolution make such transfer or exchange in accordance with the Resolution. Upon the appointment of a successor securities depository or termination of the book-entry system, the Paying Agent shall give notice of such event to the registered owners of Bonds (through the Depository) and (1) of 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 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 bondholders pursuant to the Resolution by the County or the Paying Agent with respect to any consent or other action to be taken by bondholders, the County or the Paying Agent, 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.

14. If any one or more of the covenants or agreements to be performed by either of the parties to this Agreement shall be determined by a court of competent jurisdiction to be unenforceable, such covenants 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.

15. 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.

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

IN WITNESS WHEREOF, the parties hereto have each caused this Paying Agent and Registrar Agreement to be executed by their duly authorized officers and attested as of the date first above written.

THE COUNTY OF SARPY, NEBRASKA

By _____
Chairperson

ATTEST:

County Clerk

Union Bank and Trust Company, Lincoln, Nebraska
Paying Agent and Registrar

By Rebecca K. Klostermeyer
Its Vice President



(402) 323-1828 • P.O. Box 82535 • LINCOLN, NE 68501-2535 • UBT.COM

**Union Bank & Trust Co.
Paying Agent and Registrar and Escrow Agent
Fee Schedule**

**SARPY COUNTY LIMITED TAX
REFUNDED BUILDING BONDS
SERIES 2014
Book Entry Issue**

Acceptance and Account Set Up Fee	\$ 500.00
Annual Administration Fee	\$ 450.00
Annual Escrow Administration Fee	\$ 500.00
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
Vice President & Trust Officer

STATE OF NEBRASKA)
)
COUNTY OF SARPY)

SS.

CERTIFICATE OF PAYING
AGENT AND REGISTRAR

Union Bank and Trust Company, Lincoln, Nebraska, as Paying Agent and Registrar for The County of Sarpy, in The State of Nebraska (the "County"), with respect to \$5,090,000 in stated principal amount of Limited Tax Refunding Building Bonds, Series 2014, of the County, date of original issue – April 15, 2014 (the "Bonds"), hereby certifies that on this date, it has authenticated and delivered \$5,090,000 in stated principal amount of the Bonds, evidenced by bond certificates numbered R-1 to R-6, each and all being in the maturities and at the interest rates as designated in the resolution adopted by the Chairperson and Board of Commissioners of the County on March 11, 2014 (the "Bond Resolution") and that the Bonds, conforming in all respects to the requirements of the Bond Resolution and duly registered and authenticated this date, were delivered to Ameritas Investment Corp., as purchasers of the Bonds.

DATED this 15th day of April, 2014.

UNION BANK AND TRUST COMPANY, LINCOLN,
NEBRASKA

By: Ratene K. Keonermeyer
Trust Officer

Item 7

Bond Filing Confirmation

Please Print For Your Records.

Filing Date / Time : April 15, 2014 11:04:55

Name of Bond Issuer : The County of Sarpy, Nebraska

Title or Designation of bonds : Limited Tax Refunding Building Bonds, Series 2014

Principal Amount of Bonds Initially Issued: \$5,090,000

Date of Bonds: April 15, 2014

Name of Underwriter : Ameritas Investment Corp.

Paying Agent : Union Bank and Trust Company, Lincoln, Nebraska

Mail Registration Certificate to:

Firm : Gilmore & Bell, P.C.

Attention: Sara Tonjes

Address: 450 Regency Parkway, Suite 320

City : Omaha

State : Nebraska

Zip : 68114

Email Address : stonjes@gilmorebell.com

Comments :

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[Webmaster](#)

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State Auditor of Public Accounts
Capitol Building, Suite 2303
P.O. Box 98917
Lincoln, Nebraska 68509

From:

Gilmore & Bell, P.C.
450 Regency Parkway, Suite 320
Omaha, Nebraska 68114
Attn: Michael G. Rogers, Esq.

Filing Information

Name of Underwriter: Ameritas Investment Corp.

Name of Issuer: The County of Sarpy, Nebraska

Title or Designation of Bonds: Limited Tax Refunding Building Bonds, Series 2014

Date of Bonds: April 15, 2014

Principal Amount of Bonds Initially Issued: \$5,090,000

Date(s) of maturity of principal, and the amount of principal maturing on such date(s):
See Attached Schedule

Interest rates and the dates such interest is payable (or attach schedule of interest rates):
See Attached Schedule

Paying Agent and Registrar where principal and interest are payable:
Union Bank and Trust Company, Lincoln, Nebraska

Principal purpose for which bonds were issued:

For the purpose of (a) refunding the County's Limited Tax Building Bonds, Series 2009, date of original issue—December 8, 2009, which were issued to pay the costs of constructing, equipping and furnishing a new law enforcement center for the County, and (b) paying the costs of issuing the Bonds.

COST OF BOND ISSUANCE

ISSUER: \$5,090,000 THE COUNTY OF SARPY, NEBRASKA
 Limited Tax Refunding Building Bonds, Series 2014

COST ITEM	PAID FROM BOND PROCEEDS	PAID FROM OTHER ISSUER FUNDS
1. UNDERWRITER'S FEE (including expenses, management fee and underwriter's discount) Name: <u>Ameritas Investment Corp.</u>	\$45,810.00	
2. BOND COUNSEL Name: <u>Gilmore & Bell, P.C.</u>	\$6,362.50	
3. OTHER COUNSEL (underwriter's counsel, special counsel, etc.) Name: Type:		
4. FINANCIAL ADVISOR FEE Name:		
5. RATING AGENCY FEE Name: <u>Moody's</u>	\$13,500.00	
6. BOND INSURANCE/CREDIT ENHANCEMENT FEE Name:		
7. REGISTRATION FEES (e.g. MSRB fees, CUSIP fees, Blue Sky, etc.)		
8. TRUSTEE FEES (e.g. opening trustee fee, escrow agent fee, paying agent fee). <u>Union Bank and Trust Company, Lincoln, Nebraska</u>	\$1,059.75	\$390.25
9. OTHER COSTS (e.g. printing costs, publication fees, cash flow fees, travel expenses, other professional fees, if any, etc.)	Included in Underwriter's Fee	
TOTAL (1 through 9)	\$66,732.25	\$390.25

The County of Sarpy, Nebraska
Limited Tax Refunding Building Bonds
Series 2014

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/15/2014	-	-	-	-	-
06/15/2014	-	-	5,516.67	5,516.67	-
12/15/2014	850,000.00	0.250%	16,550.00	866,550.00	872,066.67
06/15/2015	-	-	15,487.50	15,487.50	-
12/15/2015	850,000.00	0.350%	15,487.50	865,487.50	880,975.00
06/15/2016	-	-	14,000.00	14,000.00	-
12/15/2016	845,000.00	0.350%	14,000.00	859,000.00	873,000.00
06/15/2017	-	-	12,521.25	12,521.25	-
12/15/2017	845,000.00	0.650%	12,521.25	857,521.25	870,042.50
06/15/2018	-	-	9,775.00	9,775.00	-
12/15/2018	850,000.00	1.000%	9,775.00	859,775.00	869,550.00
06/15/2019	-	-	5,525.00	5,525.00	-
12/15/2019	850,000.00	1.300%	5,525.00	855,525.00	861,050.00
Total	\$5,090,000.00	-	\$136,684.17	\$5,226,684.17	-

Yield Statistics

Bond Year Dollars	\$16,118.33
Average Life	3.167 Years
Average Coupon	0.8480044%
Net Interest Cost (NIC)	1.2177147%
True Interest Cost (TIC)	1.2250321%
Bond Yield for Arbitrage Purposes	0.9329514%
All Inclusive Cost (AIC)	1.3528836%

IRS Form 8038

Net Interest Cost	0.9370737%
Weighted Average Maturity	3.163 Years

Information Return for Tax-Exempt Governmental Obligations

Under Internal Revenue Code section 149(a)
 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 County of Sarpy, Nebraska		2 Issuer's employer identification number (EIN) 47-6006504
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see Instructions) Michael G. Rogers, Gilmore & Bell, P.C., Bond Counsel		3b Telephone number of other person shown on 3a 402-991-8450
4 Number and street (or P.O. box if mail is not delivered to street address) 450 Regency Parkway	Room/suite 320	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Omaha, Nebraska 68114		7 Date of issue 04/15/2014
8 Name of issue Limited Tax Refunding Building Bonds, Series 2014		9 CUSIP number 80373F KP1
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see Instructions) Jim Thompson, Chairperson		10b Telephone number of officer or other employee shown on 10a 402-583-4155

Part II Type of issue (enter the issue price). See the 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 County Buildings		18	5,076,219
19 If obligations are TANs or RANs, check only box 19a	<input type="checkbox"/>		
If obligations are BANs, check only box 19b	<input type="checkbox"/>		
20 If obligations are in the form of a lease or installment sale, check box	<input type="checkbox"/>		

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	12/15/2019	\$ 5,076,219	\$ 5,090,000	3.163 years	0.9329 %

Part IV Uses of Proceeds of Bond Issue (Including underwriters' discount)

22 Proceeds used for accrued interest		22	0
23 Issue price of entire issue (enter amount from line 21, column (b))		23	5,076,219
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	66,672	
25 Proceeds used for credit enhancement	25	0	
26 Proceeds allocated to reasonably required reserve or replacement fund	26	0	
27 Proceeds used to currently refund prior issues	27	0	
28 Proceeds used to advance refund prior issues	28	5,009,487	
29 Total (add lines 24 through 28)		29	5,075,159
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)		30	1,000

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		3.240	years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)		12/08/2014	
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)		12/08/2009	

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Form 8038-G (Rev. 9-2011)

Part VI Miscellaneous

- 35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)

35		
----	--	--
- 36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)

36a		
-----	--	--
- b Enter the final maturity date of the GIC ▶ _____
- c Enter the name of the GIC provider ▶ _____
- 37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units

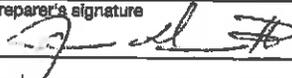
37		
----	--	--
- 38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box and enter the following information:
 - b Enter the date of the master pool obligation ▶ _____
 - c Enter the EIN of the issuer of the master pool obligation ▶ _____
 - d Enter the name of the issuer of the master pool obligation ▶ _____
- 39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box
- 40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box
- 41a If the issuer has identified a hedge, check here and enter the following information:
 - b Name of hedge provider ▶ _____
 - c Type of hedge ▶ _____
 - d Term of hedge ▶ _____
- 42 If the issuer has superintegrated the hedge, check box
- 43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box
- 44 If the issuer has established written procedures to monitor the requirements of section 148, check box
- 45a If some portion of the proceeds was used to reimburse expenditures, check here and enter the amount of reimbursement ▶ _____
 - b Enter the date the official intent was adopted ▶ _____

Signature and Consent

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. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative _____ Date _____ Jim Thompson, Chairperson
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
James Dummitt		4/4/14		P01062537
Firm's name ▶ Gilmore & Bell, P.C.			Firm's EIN ▶ 43-1611738	
Firm's address ▶ 2405 Grand Boulevard, Suite 1100, Kansas City, MO 64108-2521			Phone no. 816-221-1000	

Tonjes, Sara (G&B)

From: McKay, Sheila <sheila.mckay@nebraska.gov>
Sent: Tuesday, April 15, 2014 1:13 PM
To: Tonjes, Sara (G&B)
Subject: The County of Sarpy, Lim Tax Refund Building Bonds, 2014-\$5,090,000
Attachments: E368_THE_COUNTY_OF_SARPY__NEBRASKA.PDF

The attached bond information for the County of Sarpy, Limited Tax Refunding Building Bonds, Series 2014, in the amount of \$5,090,000.00, was received on April 15, 2014. It is filed in Book E, page 368.

Sheila McKay
Business Manager
Auditor of Public Accounts
Room 2303, State Capitol
Lincoln, NE 68509
Phone 402-471-2111
sheila.mckay@nebraska.gov

This message (including any attachments) contains confidential information intended for a specific individual and purpose, and is protected by law. If you are not the intended recipient, you should delete this message. Any disclosure, copying, or distribution of this message, or the taking of any action based on it, is strictly prohibited.

-----Original Message-----

From: no-reply@egov.com [<mailto:no-reply@egov.com>]
Sent: Tuesday, April 15, 2014 11:05 AM
To: Audits, APA; Avery, Mary
Subject: New Bond Filing - The County of Sarpy, Nebraska

New bond filing for The County of Sarpy, Nebraska

Contact stonjes@gilmorebell.com
Mail Registration Certificate to:
Gilmore & Bell, P.C.
Attention: Sara Tonjes
450 Regency Parkway, Suite 320
Omaha Nebraska 68114

Comments

Item 8

CERTIFICATE OF UNDERWRITER

**\$5,090,000 of Limited Tax Refunding Building Bonds, Series 2014
Issued by The County of Sarpy, in The State of Nebraska**

The undersigned, as representative of Ameritas Investment Corp., (the "Underwriter") as original purchaser of the above-described bonds (the "Bonds"), being issued on the date of this Certificate by The County of Sarpy, in The State of Nebraska (the "Issuer"), certifies and represents as follows:

1. **Receipt for Bonds.** The Underwriter acknowledges receipt on the Issue Date of the Bonds consisting of fully registered Bonds in authorized denominations in a form acceptable to the Underwriter.

2. **Public Offering.** The initial offering price and interest rate for each maturity of the Bonds is as shown on the cover page of the official statement for the Bonds. All of the Bonds of each maturity were offered to the public in a bona fide public offering at the initial offering prices on the date (the "Sale Date") the Bond Purchase Agreement between the Issuer and the Underwriter, dated March 11, 2014, as amended, (the "Purchase Agreement") was executed. On the Sale Date, the Underwriter reasonably expected that at least 10% of each maturity of the Bonds would be sold to the public at prices not higher than the initial offering prices. For purposes of this paragraph, "public" means persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers. The aggregate offering price of the Bonds is \$5,076,218.85, plus accrued interest, if any. At the request of the Issuer, the Underwriter will provide information explaining the factual basis for the Underwriter's certifications in this paragraph if (1) the Issuer requests the information in connection with an audit or inquiry by the Internal Revenue Service or the Securities and Exchange Commission or (2) the information is required to be retained by the Issuer pursuant to future regulation or similar guidance from the Internal Revenue Service, the Securities and Exchange Commission or other federal or state regulatory authority.

3. **Compliance with 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 the Underwriter pursuant to the Purchase Agreement on the date of the delivery of and payment for the Bonds (except to the extent it has waived or consented to modification of certain provisions thereof), and further acknowledges that the Issuer has complied with and satisfied all obligations owed to the Underwriter pursuant to the Purchase Agreement with which compliance or satisfaction is required on or before the date hereof.

This certificate may be relied upon by the Issuer in executing and delivering the tax certificate relating to the Bonds, and by Gilmore & Bell, P.C., Bond Counsel, in rendering its opinion relating to the exclusion from federal gross income of the interest on the Bonds.

Dated the day of delivery, this 15th day of April, 2014.

Ameritas Investment Corp.

By: 

Title: SENIOR VICE PRESIDENT

Item 9

ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated as of April 15, 2014, is made by and between The County of Sarpy, in the State of Nebraska (the "County") and Union Bank and Trust Company, Lincoln, Nebraska (the "Escrow Agent").

WITNESSETH:

The County is issuing contemporaneously with the execution of this Escrow Agreement \$5,090,000 of its Limited Tax Refunding Building Bonds, Series 2014, date of original issue – April 15, 2014 (the "Refunding Bonds"), for the purpose, among other things, of providing in full for the payment of certain outstanding bonds as described below. The Refunding Bonds have been authorized to be issued by resolution passed on March 11, 2014 (the "Resolution"). For purposes of assuring that payments are made as required by the Resolution, the County desires to establish a special escrow account. The Escrow Agent is willing to serve as the County's agent and trustee for such purpose.

The County has issued and outstanding the following bonds which constitute its valid and binding legal obligations:

Limited Tax Building Bonds, Series 2009, issued by The County of Sarpy, in the State of Nebraska, date of original issue – December 8, 2009, in the principal amount of Four Million Eight Hundred Seventy-Five Thousand Dollars (\$4,875,000), numbered as shown on the books of the Paying Agent and Registrar, in denomination of \$5,000 each, or integral multiples, becoming due and bearing interest as follows:

<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
\$ 760,000	December 15, 2014	2.25%	80373F JR9
780,000	December 15, 2015	2.55	80373F JS7
800,000	December 15, 2016	2.75	80373F JT5
820,000	December 15, 2017	3.00	80373F JU2
845,000	December 15, 2018	3.20	80373F JV0
870,000	December 15, 2019	3.35	80373F JW8

Said bonds are hereinafter referred to as the "Outstanding Bonds."

Said bonds maturing December 15, 2014 and thereafter (the "Called Outstanding Bonds") are subject to redemption at any time on or after December 8, 2014, at par and accrued interest, and said interest is payable semiannually.

Said bonds were issued for the purpose of paying the costs of constructing, equipping and furnishing a new law enforcement center for the County. All of said bonds are outstanding and a legal liability of this County. The County has determined by the Resolution that it is necessary and advisable for the County to provide for the payment in full of the Outstanding Bonds by a deposit of cash and United States Treasury Securities with the Escrow Agent in order to satisfy its obligation on the Outstanding Bonds.

NOW, THEREFORE, the County and the Escrow Agent agree as follows:

Section 1. The Called Outstanding Bonds have been irrevocably called for redemption on December 8, 2014 (the "Redemption Date"). Attached hereto as Exhibit "A", is a schedule of the

principal and interest payments due on the Called Outstanding Bonds as called for redemption on December 8, 2014 (the "Redemption Date"). Said Bonds shall be payable at the office of Union Bank and Trust Company, Lincoln, Nebraska, as paying agent and registrar for the Outstanding Bonds.

Section 2. There is hereby created and established with the Escrow Agent a special escrow to be designated "The County of Sarpy Escrow Deposit Fund" (the "Escrow Deposit Fund") to be held in trust, by Escrow Agent. On April 15, 2014, or as soon thereafter as practicable, there shall be transferred to Escrow Agent the United States government obligations listed in Exhibit "B". The monies and obligations deposited with Escrow Agent will be sufficient to provide Escrow Agent with sufficient monies to pay the principal of, and premium and interest on, the Outstanding Bonds as set forth in Exhibit "A". All investment earnings on government obligations listed in Exhibit "B" are to be applied to payments of interest and principal falling due on the Outstanding Bonds. Except as set forth in Exhibit "B", the Escrow Agent shall not invest any monies held in the Escrow Deposit Fund and any such monies in excess of current payment requirements shall be held in a non-interest bearing bank depository account which shall be fully insured or fully secured in the manner required by law for cities of the first class deposits and may be maintained as an account with Escrow Agent itself.

Section 3. On or before each interest payment date on the Outstanding Bonds, without further direction, Escrow Agent shall provide sufficient funds from monies on hand in the Escrow Deposit Fund from payments of the maturing principal and interest on the United States government obligations for the payment of interest on the Outstanding Bonds due and payable on said date. Monies in the Escrow Deposit Fund shall be applied to payments on the Outstanding Bonds as directed in Exhibit "B". All such payments shall be made by Escrow Agent on or before the respective payment dates shown in Exhibit "A", paid to the Union Bank and Trust Company, as paying agent for the Outstanding Bonds, in current bankable funds.

Section 4. The escrow created hereby shall be irrevocable. All right, title and interest of the County in the United States government obligations and monies listed on Exhibit "B" and the payments to be received therefrom are hereby irrevocably assigned to Escrow Agent for purposes of paying in full, and as payment in full for principal and interest due on the Outstanding Bonds. All monies and securities held or assigned to Escrow Agent hereunder shall be subject to an express trust as created by this Escrow Agreement until paid out, used and applied in accordance with this Escrow Agreement.

Section 5. Except as provided in Section 2, Escrow Agent shall have no power or duty to invest or reinvest any monies held hereunder or to make any substitutions for the United States government obligations or to sell, transfer or otherwise dispose of said obligations and the duties of the Escrow Agent shall be limited to receiving and paying out monies hereunder for purposes of paying principal and interest on the Outstanding Bonds as the same fall due and as called for redemption.

Section 6. In consideration of the services rendered by Escrow Agent under this Escrow Agreement, Escrow Agent shall receive the sum of \$500.00 which payment is to be made by the County and shall constitute the compensation for all services to be rendered by Escrow Agent hereunder. Escrow Agent shall have no lien or claim against any of the cash or securities in the Escrow Deposit Fund for the payment of its fees and expenses.

Section 7. This Escrow Agreement shall terminate when the Outstanding Bonds and interest due thereon have been paid in full by making the payments required hereunder to be made to Union Bank and Trust Company, as paying agent for the Outstanding Bonds. Any monies held in the Escrow Deposit Fund at the termination of this Escrow Agreement which are not required for the payment of the principal or interest on the Outstanding Bonds shall be paid over to the County upon the termination hereof.

Section 8. Escrow Agent and the County covenant and agree that neither of them will take or omit to take any action which would cause the Outstanding Bonds or the Refunding Bonds to be arbitrage bonds within the meaning of Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder (the "Code"), or take or omit to take any action which would cause the Outstanding Bonds or the Refunding Bonds to lose their tax-exempt status under said Code.

Section 9. The County agrees to execute for purposes of further assuring the rights of Escrow Agent hereunder and the rights of the holders of the Outstanding Bonds, any Uniform Commercial Code Financing Statement or Statements which Escrow Agent may require.

Section 10. If any one or more of the covenants or agreements to be performed by either of the parties to this Escrow Agreement 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 Escrow Agreement.

Section 11. This Escrow 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 12. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Agreement to be executed by their duly authorized officers and attested as of the date first above written.



Debra I. Houghtaling
County Clerk

THE COUNTY OF SARPY,
IN THE STATE OF NEBRASKA

By: *Jan Shroy*
Chairperson

4-8-14

Union Bank and Trust Company
Lincoln, Nebraska
Escrow Agent

By: _____
Its: _____

Section 8. Escrow Agent and the County covenant and agree that neither of them will take or omit to take any action which would cause the Outstanding Bonds or the Refunding Bonds to be arbitrage bonds within the meaning of Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder (the "Code"), or take or omit to take any action which would cause the Outstanding Bonds or the Refunding Bonds to lose their tax-exempt status under said Code.

Section 9. The County agrees to execute for purposes of further assuring the rights of Escrow Agent hereunder and the rights of the holders of the Outstanding Bonds, any Uniform Commercial Code Financing Statement or Statements which Escrow Agent may require.

Section 10. If any one or more of the covenants or agreements to be performed by either of the parties to this Escrow Agreement 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 Escrow Agreement.

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Section 12. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of Nebraska.

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Agreement to be executed by their duly authorized officers and attested as of the date first above written.

THE COUNTY OF SARPY,
IN THE STATE OF NEBRASKA

By: _____
Chairperson

ATTEST

County Clerk

Union Bank and Trust Company
Lincoln, Nebraska
Escrow Agent

By: Raene K. Klotzmeier
Its: Vice President

EXHIBIT "A"
TO ESCROW AGREEMENT
PAYMENTS DUE ON OUTSTANDING BONDS

<u>Payment Date</u>	<u>Amount Due</u>
June 15, 2014	\$ 69,887.50
December 8, 2014	4,942,169.65

EXHIBIT "B"
TO ESCROW AGREEMENT

**LIST OF UNITED STATES GOVERNMENT OBLIGATIONS
HELD IN ESCROW DEPOSIT FUND**

Maturity	Type	Coupon	Yield	\$ Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
<i>Escrow:</i>								
06/15/2014	SLGS-CI	0.040%	0.040%	100.00000000%	69,883	69,883.00	-	69,883.00
12/08/2014	SLGS-CI	0.080%	0.080%	100.00000000%	4,939,603	4,939,603.00	-	4,939,603.00
Subtotal					-	\$5,009,486	-	\$5,009,486.00
Total					-	\$5,009,486	-	\$5,009,486.00

Plus \$0.60 in cash to be held in accordance with the Escrow Agreement until December 8, 2014.

The securities and cash listed above shall be applied to payments on the Outstanding Bonds as shown below:

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
04/15/2014	-	-	-	0.80	-	0.80
06/15/2014	69,883.00	0.040%	4.67	69,887.67	69,887.50	0.77
12/08/2014	4,939,603.00	0.080%	2,565.88	4,942,168.88	4,942,168.65	-
Total	\$5,009,486.00	-	\$2,570.55	\$5,012,057.15	\$5,012,057.15	-

CERTIFICATE AND RECEIPT OF ESCROW AGENT

The undersigned ("Escrow Agent") hereby certifies that, pursuant to a resolution adopted by the Board of Commissioners of The County of Sarpy, Nebraska (the "Issuer") on March 11, 2014, and a Bond Purchase Agreement between the Issuer and Ameritas Investment Corp. dated March 11, 2014, as amended ("together, the "Authorizing Resolution) and an Escrow Agreement dated as of April 15, 2014, between the Issuer and the undersigned Escrow Agent (the "Escrow Agreement"), the undersigned is the duly designated Escrow Agent for the Issuer's Limited Tax Building Bonds, Series 2009, date of original issue – December 8, 2009, in the aggregate principal amount of \$4,875,000, which are to be redeemed pursuant to the terms of the Authorizing Resolution and the Escrow Agreement.

The undersigned hereby further certifies that it has received on behalf of the Issuer on this date the sum of \$5,009,486.60 which represents a portion of the net sale proceeds of the Issuer's Limited Tax Refunding Building Bonds, Series 2014. The undersigned agrees to hold, invest and apply said funds in accordance with the Escrow Agreement.

IN WITNESS WHEREOF, the undersigned Escrow Agent has caused this Receipt to be executed by its duly authorized officer of April 15, 2014.

Union Bank and Trust Company
Lincoln, Nebraska
As Escrow Agent

By: Raene K. Klotzmeier

Title: vice President

Item 10

FEDERAL TAX CERTIFICATE

Dated April 15, 2014

THE COUNTY OF SARPY, NEBRASKA

\$5,090,000
LIMITED TAX REFUNDING BUILDING BONDS
SERIES 2014

FEDERAL TAX CERTIFICATE

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Exhibit A – Debt Service Schedule and Proof of Bond Yield

Exhibit B – IRS Form 8038-G

Exhibit C – Final Written Allocation of Series 2009 Bonds

Exhibit D – Sample Annual Compliance Checklist

* * *

FEDERAL TAX CERTIFICATE

THIS FEDERAL TAX CERTIFICATE (the “**Tax Certificate**”), is executed as of April 15, 2014, by **THE COUNTY OF SARPY, NEBRASKA**, a political subdivision organized and existing under the laws of the State of Nebraska (the “**County**”).

RECITALS

1. This Tax Certificate is being executed and delivered in connection with the issuance by the County of \$5,090,000 principal amount of Limited Tax Refunding Building Bonds, Series 2014 (the “**Bonds**”), under a Bond Resolution passed and adopted by the Board of Commissioners of the County on March 11, 2014 (the “**Bond Resolution**”), for the purposes described in this Tax Certificate and in the Bond 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 Code § 148(f).

4. The County adopted a Tax-Exempt Financing Compliance Procedure on August 28, 2012 (the “**Tax Compliance Procedure**”) for the purpose of setting out general procedures for the County to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations. This Tax Certificate is entered into as required by the Tax Compliance Procedure to set out specific tax compliance procedures applicable to the Bonds.

NOW, THEREFORE, in consideration of the foregoing and the mutual 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 Bond Resolution, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. The following words and terms used in this Tax Certificate have the following meanings:

“Bond” or **“Bonds”** means any Bond or Bonds described in the recitals, authenticated and delivered under the Bond Resolution.

“Bond Compliance Officer” means the County’s Fiscal Administrator, or other person named in the Tax Compliance Procedure.

“Bond Counsel” means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the County.

“Bond Resolution” means the Bond Resolution as originally executed by the County, as amended and supplemented in accordance with the provisions thereof.

“Code” means the Internal Revenue Code of 1986, as amended.

“County” means The County of Sarpy, Nebraska and its successors and assigns, or any body, agency or instrumentality of the State of Nebraska succeeding to or charged with the powers, duties and functions of the County.

“Escrow Agent” means Union Bank and Trust Company, and any successors and assigns.

“Escrow Agreement” means the Escrow Agreement, dated as of the April 15, 2014, between the County and the Escrow Agent, as amended and supplemented in accordance with the provisions thereof.

“Financed Facility” means the portion of the Project financed or refinanced with the proceeds of the Original Obligations, as described on **Exhibit C**.

“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, other Investment proceeds or transferred 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, (e) any other replacement proceeds and (f) any transferred proceeds. Specifically, Gross Proceeds includes (but is not limited to) amounts held in the following funds and accounts:

- (1) Debt Service Fund.
- (2) Escrow Fund.

“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. This term does not include a tax-exempt bond, except for “specified private activity bonds” as defined in Code § 57(a)(5)(C), but it does include the investment element of most interest rate caps.

“IRS” means the United States Internal Revenue Service.

“Issue Date” means April 15, 2014.

“Management Agreement” means a legal agreement defined in Regulations § 1.141-3(b) 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. 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), however, are not treated as Management Agreements.

“Measurement Period” means, with respect to each item of property financed as part of the Financed Facility with proceeds of the Original Obligations, the period beginning on the later of (a) the issue date of the Original Obligations or (b) the date the property was placed in service, and ending on the earlier of (1) the final maturity date of the Bonds or (2) the end of 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, when used in reference to the Bonds, the sale proceeds (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 Regulations § 1.141-3 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 Regulations § 1.141-3.

“Non-Qualified User” means any person or entity other than a Qualified User.

“Opinion of Bond Counsel” means the written opinion of Bond Counsel to the effect that the proposed action or the failure to act will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

“Original Obligations” means the County’s \$7,790,000 original principal amount of Limited Tax Building Bonds, Series 2009, issued on December 8, 2009, which was the first issue of tax-exempt governmental bonds that financed or refinanced a portion of the Financed Facility.

“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.

“Post-Issuance Tax Requirements” means those requirements related to the use of proceeds of the Bonds and the Financed Facility and the investment of Gross Proceeds that apply after the Issue Date of the Bonds.

“Project” means all of the property acquired, developed, constructed, renovated, and equipped by the County using proceeds of the Original Obligations and other money contributed by the County, and specifically the construction, equipping and furnishing of a new law enforcement center for the County, all as described on **Exhibit C**.

“Qualified Use Agreement” means any of the following:

(a) A lease or other short-term use by members of the general public who occupy the Financed Facility on a short-term basis in the ordinary course of the County’s governmental purposes.

(b) Agreements with 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 whereby (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 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 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 Non-Qualified User. Any 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 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 County 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.

“Refunded Obligations” means \$4,875,000 outstanding principal amount of the Original Obligations.

“Regulations” means all Regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Bonds.

“Tax Certificate” means this Federal Tax Certificate as it may from time to time be amended and supplemented in accordance with its terms.

“Tax Compliance Procedure” means the Tax-Exempt Financing Compliance Procedure dated August 28, 2012, as amended and supplemented in accordance with the provisions thereof.

“Tax-Exempt Bond File” means documents and records for the Bonds and the Original Obligations maintained by the Bond Compliance Officer pursuant to the Tax Compliance Procedure.

“Transcript” means the Transcript of Proceedings relating to the authorization and issuance of the Bonds.

“Underwriter” means Ameritas Investment Corp., the underwriter of the Bonds.

“Verification Report” means the report of Berens-Tate Consulting Group, relating to the Bonds and the Original Obligations.

“Yield” means Yield on the Bonds, computed under Regulations § 1.148-4, and Yield on an Investment, computed under Regulations § 1.148-5.

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 political subdivision duly organized and validly existing under the laws of the State of Nebraska, and (2) has lawful power and authority to (A) issue the Bonds for the purposes set forth in the Bond Resolution, (B) pass the Bond Resolution, (C) execute and deliver the Bonds and this Tax Certificate and (D) carry out its obligations under this Tax Certificate and under such documents, and (3) by all necessary action has duly (A) passed the Bond 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 Code § 148, 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, all of the Financed Facility has been and is expected to be owned by the County or another Qualified User, no portion of the Financed Facility has been or is expected to be used in a Non-Qualified Use, and 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 of and interest on the Bonds will be, and the payment of

principal of and interest on the Original Obligations has not been, (under the terms of the Bonds or any underlying arrangement) directly or indirectly:

(1) secured by (A) 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 Bond proceeds will be, and not more than 5% of the proceeds of the Original Obligations have been, 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 description of the Financed Facility and a computation of the "average reasonably expected economic life" is attached to this Tax Certificate as **Exhibit C**. Based on this description, the "average maturity" of the Bonds of 3.163 years, as computed by Bond Counsel and shown on **Exhibit A**, does not exceed the average reasonably expected economic life of the Financed Facility.

(i) **Reimbursement of Expenditures.** No proceeds of the Original Obligations were used to reimburse an expenditure paid by the County before the issue date thereof, unless such reimbursement was valid under Regulations § 1.150-2. The County understands that, in general, a reimbursement is valid under Regulations § 1.150-2 only if such costs were paid (1) no more than 60 days prior to the date the bond resolution for the Original Obligations was passed, (2) no more than 3 years prior to the date of the reimbursement allocation and (3) no more than 18 months following the later of the date of the expenditure or the date the Financed Facility was placed in service.

(j) **Registered Bonds.** The Bond Resolution requires that all of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).

(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 Code § 149(b).

(l) **IRS Form 8038-G.** Bond Counsel will prepare Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the representations and covenants of the County

contained in this Tax Certificate or otherwise provided by the County. Bond Counsel will sign the return as a paid preparer following completion and will then deliver copies to the County for execution and for the County's records. The County agrees to timely execute and return to Bond Counsel the execution copy of Form 8038-G for filing with the IRS. A copy of the Form 8038-G filed with the IRS, along with proof of filing, will be included as **Exhibit B**.

(m) **Hedge Bonds.** At least 85% of the net sale proceeds (the sale proceeds less any sale proceeds invested in a reserve fund) of the Original Obligations were used to carry out the governmental purpose of the Original Obligations within 3 years after the issue date thereof, and not more than 50% of the proceeds of the Original Obligations were invested in Investments having a substantially guaranteed Yield for 4 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 Regulations § 1.150-1(c). 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 or the Refunded Obligations. 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 4.4(d)** if it decides to enter into a Guaranteed Investment Contract at a later date.

(r) **Bank-Qualified, Tax-Exempt Obligations.** The County designates the Bonds as "qualified tax-exempt obligations" under Code § 265(b)(3), and with respect to this designation certifies as follows:

(1) the County reasonably anticipates that the amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be issued by or on behalf of the County (and all subordinate entities of the County) during the calendar year in which the Bonds are issued, including the Bonds, will not exceed \$10,000,000; and

(2) the County (including all subordinate entities of the County) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during the calendar year in which the Bonds are issued, including the Bonds, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first obtaining an Opinion of Bond Counsel that the designation of the Bonds as "qualified tax-exempt obligations" will not be adversely affected.

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 III is to certify, under Regulations § 1.148-2(b), 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 III 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. Purposes of the Financing. The Bonds are being issued for the purpose of providing funds to refund the Refunded Obligations in order to achieve interest cost savings through early redemption of the Refunded Obligations.

Section 3.4. Funds and Accounts. The following funds and accounts have been established with respect to the Bonds:

- Debt Service Fund.
- Escrow 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	\$5,090,000.00
Original Issuer Premium/Discount	(13,781.15)
Less Underwriting Discount	<u>(45,810.00)</u>
Total Proceeds Received by County	\$5,030,408.85

(b) **Use of Bond Proceeds and Other Money.** The Bond proceeds and other money contributed by the County are expected to be allocated to expenditures as follows:

- (1) The accrued interest on the Bonds, if any, will be deposited in the Debt Service Fund and used to pay interest on the Bonds.

(2) \$5,009,486.60 of Bond proceeds will be transferred to the Escrow Agent for deposit into the Escrow Fund to accomplish a defeasance of the Refunded Obligations, and to pay the principal of and interest on the Refunded Obligations on and prior to December 8, 2014, the redemption date of the Refunded Obligations.

(3) \$19,862.50 of Bond proceeds will be used to pay costs of issuing the Bonds and refunding the Refunded Obligations.

(4) \$1,059.75 of Bond proceeds (representing a rounding amount), together with \$35,917.90 of excess amounts from the debt service fund for the Original Obligations shall be deposited in the Debt Service Fund and used to pay debt service on the Bonds.

Section 3.6. Multipurpose Issue. Pursuant to Regulations § 1.148-9(h), 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 separate issues for purposes of applying certain of the arbitrage restrictions under Code § 148.

Section 3.7. Advance Refunding.

(a) *Escrow Fund, Allocation Of Bond Proceeds And Other Money To Investments.* Money in the Escrow Fund aggregating \$5,009,486.00 will be used to purchase United States Treasury Securities (the "Escrowed Securities," as described in the Verification Report), and \$0.60 will be held uninvested as the initial cash balance in the Escrow Fund. The maturing principal of and interest on the Escrowed Securities and the initial cash deposit in the Escrow Fund will be expended to pay the principal of and interest on the Refunded Obligations.

(b) *Limit on Number of Advance Refunding Issues.* The issuance of the Bonds constitutes the first advance refunding of the Refunded Obligations.

(c) *Transferred Proceeds.* Upon completion of the Project, all unspent proceeds of the Original Obligations remaining in the construction fund for the Original Obligations were transferred to the debt service fund for the Original Obligations and used to pay interest thereon. As of the Issue Date, approximately \$35,917.90 remains in the debt service fund for the Original Obligations, which amount will be transferred to the Debt Service Fund and used to pay debt service on the Bonds on and before December 15, 2014. Upon discharge of the Refunded Obligations with the proceeds of the Bonds on December 8, 2014, any remaining unspent proceeds of the Refunded Obligations will become "transferred proceeds" of the Bonds, in accordance with Regulations § 1.148-9(b).

(d) *Yield On The Escrowed Securities.* The Yield on the Escrowed Securities (0.0801%, as shown in the Verification Report), does not exceed the Yield on the Bonds (0.9329%, as shown on **Exhibit A**).

(e) *No Excess Gross Proceeds.* Upon completion of the Project, all unspent proceeds of the Original Obligations remaining in the construction fund for the Original Obligations were transferred to the debt service fund for the Original Obligations and used to pay interest thereon. As of the Issue Date, approximately \$35,917.90 remains in the debt service fund for the Original Obligations (less than 1% of the sale proceeds of the Bonds), which amount will be transferred to the Debt Service Fund and used to pay debt service on the Bonds on and before December 15, 2014. Therefore, there will be no "excess gross proceeds" of the Bonds (within the meaning of Regulations § 1.148-10(c)).

(f) *Market Prices.* All of the Escrowed Securities are United States Treasury Securities State and Local Government Series purchased directly from the United States Treasury.

Section 3.8. No Current Refunding. No proceeds of the Bonds will be used to pay principal of or interest on any other debt obligation other than as described in Section 3.7 above.

Section 3.9. Project Completion. The Financed Facility has previously been completed.

Section 3.10. 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 3.11. 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 or refund the Refunded Obligations, 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 3.12. 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 3.13. 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 schedule attached to the Closing Certificate, without accrued interest (the "**Offering Prices**"), and (2) the Underwriter expects that at least 10% of each maturity of the Bonds will be sold to the public at initial offering prices no higher than said Offering Prices. The aggregate initial offering price of the Bonds is \$5,076,218.85, without accrued interest.

(b) *Bond Yield.* Based on the Offering Prices, the Yield on the Bonds is 0.9329%, 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 3.14. 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 3.15. 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 Code § 148 and the Regulations.

ARTICLE IV

POST-ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES

Section 4.1. General.

(a) *Purpose of Article.* The purpose of this **Article IV** is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with Post-Issuance Tax Requirements. The County recognizes that interest on the Bonds will remain excludable from gross income only if Post-Issuance Tax Requirements are followed after the Issue Date. The County further acknowledges that written evidence substantiating compliance with Post-Issuance Tax Requirements must be retained in order to permit the Bonds to be refinanced with tax-exempt obligations and support the position that interest on the Bonds is exempt from gross income in the event of an audit of the Bonds by the IRS.

(b) *Written Policies and Procedures of the County.* The County intends for the Tax Compliance Procedure, as supplemented by this Tax Certificate, to be its primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Bonds and to supplement any other formal policies and procedures related to tax compliance that the County has established. The provisions of this Tax Certificate are intended to be consistent with the Tax Compliance Procedure. In the event of any inconsistency between the Tax Compliance Procedure and this Tax Certificate, the terms of this Tax Certificate will govern.

(c) *Bond Compliance Officer.* The County will, if necessary to fulfill its Post-Issuance Tax Requirements, sign Form 8038-T in connection with the payment of arbitrage rebate or yield reduction payments, participate in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedure (VCAP) or undertake a remedial action procedure pursuant to Regulations § 1.141-12. In each case, all costs and expenses incurred by the County shall be treated as a reasonable cost of administering the Bonds, and the County shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Bond Resolution or State law.

Section 4.2. Record Keeping; Use of Bond Proceeds and Use of Financed Facility.

(a) *Record Keeping.* The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Bonds in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in a written Opinion of Bond Counsel or to the extent otherwise provided in this Tax Certificate, the Bond Compliance Officer shall retain records related to Post-Issuance Tax Requirements until 3 years following the final maturity of the Bonds or any obligation issued to refund the Bonds. Any records maintained

electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (1) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (2) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (3) exhibit a high degree of legibility and readability both electronically and in hardcopy, (4) provide support for other books and records of the County and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the County's premises.

(b) **Accounting and Allocation of Bond Proceeds to Expenditures.** Proceeds of the Bonds and other money contributed by the County will be used as described in Sections 3.5 and 3.7. The Bond Compliance Officer will maintain accounting records showing the investment and expenditure of Bond proceeds and other money as part of the Tax-Exempt Bond File. The Bond Compliance Officer has prepared written substantiation records of the allocation of proceeds of the Original Obligations to the Financed Facility through requisitions from the construction fund established for the Original Obligations. This allocation is included on Exhibit C and is intended to summarize the final allocation of proceeds for the Original Obligations.

(c) **Annual Compliance Checklist.** Attached as Exhibit D is a sample annual compliance checklist for the Bonds. The Bond Compliance Officer will prepare and complete an annual compliance checklist for the Financed Facility at least annually in accordance with the Tax Compliance Procedure. In the event the annual compliance checklist identifies a deficiency in compliance with the requirements of this Tax Certificate, the Bond Compliance Officer will take the actions identified in an Opinion of Bond Counsel or the Tax Compliance Procedure to correct any deficiency.

(d) **Opinions of Bond Counsel.** The Bond Compliance Officer is responsible for obtaining and delivering to the County any Opinion of Bond Counsel required by this Tax Certificate or the annual compliance checklist.

Section 4.3. Temporary Periods/Yield Restriction. Except as described below, the County will not invest Gross Proceeds at a Yield greater than the Yield on the Bonds:

(a) **Escrow Fund.** Amounts in the Escrow Fund may not be invested at a Yield greater than the Yield on the Bonds.

(b) **Costs of Issuance.** Bond proceeds used to pay costs of issuance may be invested without Yield restriction for 13 months.

(c) **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 1 year after the date of receipt of such earnings.

(d) **Minor Portion.** In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

Section 4.4. 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 Regulations § 1.148-5.

(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 Code § 1273), 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 Regulations § 1.148-5.

(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 3 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 4.5. Rebate Requirement. The County expects that all Bond Proceeds will be (a) deposited in the Escrow Fund, invested at a Yield less than the Yield on the Bonds and used to redeem the Refunded Obligations on December 8, 2014, (b) used to pay costs of issuing the Bonds within 6 months of the Issue Date or (c) deposited to the Debt Service Fund and used to pay debt service on the Bonds on and before December 15, 2014. Further, the Debt Service is expected to qualify as a Bona Fide Debt Service Fund during each year. Based on these representations and certifications, Bond Counsel has advised the County that no rebate computations are required with respect to the Bonds, so long as such Gross Proceeds are spent and invested for the purposes and in the manner described in this Section 4.5. If the Gross Proceeds of the Bonds are not so spent or invested, the County is obligated to engage Bond Counsel, an independent certified public accountant or a rebate analyst to compute arbitrage rebate on the Bonds and to pay rebate to the United States at least once every five years, and within 60 days after the discharge of the last Bond, in accordance with Code § 148(f).

Section 4.6. 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 4.7. Survival after Defeasance. Notwithstanding anything in the Bond 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 of, redemption premium, if any, and interest on all Bonds have been fully paid and all such Bonds are cancelled; provided that, the provisions of **Section 4.2** relating to record keeping shall continue in force for the period described therein for records to be retained and the provisions of **Section 4.5** relating to the payment of arbitrage rebate will remain in effect until all such amounts are paid to the United States.

Section 5.2. Amendments. This Tax Certificate may be amended from time to time by the parties to this Tax Certificate 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 this 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 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 it 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 County understands 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 Agreement. This Tax Certificate is binding upon the County and its respective successors and assigns, and inures to the benefit of the owners of the Bonds. Nothing in this Tax Certificate or in the Bond Resolution or the Bonds, express or implied, gives to any person, other than the owners of the Bonds, 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 Bond Resolution or any other document which references this Tax Certificate and gives remedies for a misrepresentation or breach thereof.

Section 5.8. 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 5.9. Governing Law. This Tax Certificate will be governed by and construed in accordance with the laws of the State of Nebraska.

Section 5.10. Electronic Transactions. The transaction described in this Tax Certificate may be conducted, and related documents may be stored, by electronic means.

[The remainder of this page is left intentionally blank]

THE UNDERSIGNED Chairperson of the Board of Commissioners 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:  _____
Chairperson

By:  _____
Fiscal Administrator

EXHIBIT A

DEBT SERVICE SCHEDULE AND PROOF OF BOND YIELD

The County of Sarpy, Nebraska
Limited Tax Refunding Building Bonds
Series 2014

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
04/15/2014	-	-	-	-	-
06/15/2014	-	-	5,516.67	5,516.67	-
12/15/2014	850,000.00	0.250%	16,550.00	866,550.00	872,066.67
06/15/2015	-	-	15,487.50	15,487.50	-
12/15/2015	850,000.00	0.350%	15,487.50	865,487.50	880,975.00
06/15/2016	-	-	14,000.00	14,000.00	-
12/15/2016	845,000.00	0.350%	14,000.00	859,000.00	873,000.00
06/15/2017	-	-	12,521.25	12,521.25	-
12/15/2017	845,000.00	0.650%	12,521.25	857,521.25	870,042.50
06/15/2018	-	-	9,775.00	9,775.00	-
12/15/2018	850,000.00	1.000%	9,775.00	859,775.00	869,550.00
06/15/2019	-	-	5,525.00	5,525.00	-
12/15/2019	850,000.00	1.300%	5,525.00	855,525.00	861,050.00
Total	\$5,090,000.00	-	\$136,684.17	\$5,226,684.17	-

Yield Statistics

Bond Year Dollars	\$16,118.33
Average Life	3.167 Years
Average Coupon	0.8480044%
Net Interest Cost (NIC)	1.2177147%
True Interest Cost (TIC)	1.2250321%
Bond Yield for Arbitrage Purposes	0.9329514%
All Inclusive Cost (AIC)	1.3528836%

IRS Form 8038

Net Interest Cost	0.9370737%
Weighted Average Maturity	3.163 Years

The County of Sarpy, Nebraska
Limited Tax Refunding Building Bonds
Series 2014

Proof Of Bond Yield @ 0.9329514%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
04/15/2014		1.0000000x	-	-
06/15/2014	5,516.67	0.9984499x	5,508.12	5,508.12
12/15/2014	866,550.00	0.9938140x	861,189.52	866,697.64
06/15/2015	15,487.50	0.9891996x	15,320.23	882,017.87
12/15/2015	865,487.50	0.9846067x	852,164.77	1,734,182.64
06/15/2016	14,000.00	0.9800350x	13,720.49	1,747,903.13
12/15/2016	859,000.00	0.9754846x	837,941.31	2,585,844.44
06/15/2017	12,521.25	0.9709554x	12,157.58	2,598,002.01
12/15/2017	857,521.25	0.9664471x	828,748.96	3,426,750.97
06/15/2018	9,775.00	0.9619598x	9,403.16	3,436,154.13
12/15/2018	859,775.00	0.9574934x	823,228.85	4,259,382.98
06/15/2019	5,525.00	0.9530476x	5,265.59	4,264,648.56
12/15/2019	855,525.00	0.9486225x	811,570.29	5,076,218.85
Total	\$5,226,684.17		\$5,076,218.85	

Derivation Of Target Amount

Par Amount of Bonds	\$5,090,000.00
Reoffering Premium or (Discount)	(13,781.15)
Original Issue Proceeds	\$5,076,218.85

EXHIBIT B

IRS FORM 8038-G

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)
► See separate instructions.

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority

If Amended Return, check here

1 Issuer's name County of Sarpy, Nebraska		2 Issuer's employer identification number (EIN) 47-8008604
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) Michael G. Rogers, Gilmore & Bell, P.C., Bond Counsel		3b Telephone number of other person shown on 3a 402-981-9450
4 Number and street (or P.O. box if mail is not delivered to street address) 450 Regency Parkway	Room/suite 320	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Omaha, Nebraska 68114		7 Date of issue 04/15/2014
8 Name of issue Limited Tax Refunding Building Bonds, Series 2014		9 CUSIP number 80373F KP1
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Jim Thompson, Chairperson		10b Telephone number of officer or other employee shown on 10a 402-693-4155

Part II Type of Issue (enter the issue price). See the 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 ► County Buildings	18	5,076,219
19 If obligations are TANs or RANs, check only box 19a		<input type="checkbox"/>
If obligations are BANs, check only box 19b		<input type="checkbox"/>
20 If obligations are in the form of a lease or installment sale, check box		<input type="checkbox"/>

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	12/15/2018	\$ 5,076,219	\$ 5,090,000	3.163 years	0.9329 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22	0
23 Issue price of entire issue (enter amount from line 21, column (b))	23	5,076,219
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	65,672
25 Proceeds used for credit enhancement	25	0
26 Proceeds allocated to reasonably required reserve or replacement fund	26	0
27 Proceeds used to currently refund prior issues	27	0
28 Proceeds used to advance refund prior issues	28	5,009,487
29 Total (add lines 24 through 28)	29	5,075,159
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	1,090

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	►	3.240	years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	►	12/08/2014	
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	►	12/08/2009	

For Paperwork Reduction Act Notice, see separate instructions.

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35		
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a		
b	Enter the final maturity date of the GIC ▶ _____			
c	Enter the name of the GIC provider ▶ _____			
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37		
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:			
b	Enter the date of the master pool obligation ▶ _____			
c	Enter the EIN of the issuer of the master pool obligation ▶ _____			
d	Enter the name of the issuer of the master pool obligation ▶ _____			
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(iii) (small issuer exception), check box			<input checked="" type="checkbox"/>
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box			<input type="checkbox"/>
41a	If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:			
b	Name of hedge provider ▶ _____			
c	Type of hedge ▶ _____			
d	Term of hedge ▶ _____			
42	If the issuer has superintegrated the hedge, check box			<input type="checkbox"/>
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box			<input checked="" type="checkbox"/>
44	If the issuer has established written procedures to monitor the requirements of section 148, check box			<input checked="" type="checkbox"/>
45a	If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement ▶ _____			
b	Enter the date the official intent was adopted ▶ _____			

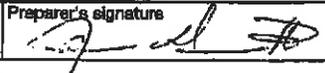
Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.				
	 Signature of issuer's authorized representative		4-8-14 Date		Jim Thompson, Chairperson Type or print name and title
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	James Dummitt		4/4/14		P01062537
	Firm's name ▶ Gilmore & Bell, P.C.	Firm's EIN ▶ 43-1611738		Phone no. 816-221-1000	
Firm's address ▶ 2405 Grand Boulevard, Suite 1100, Kansas City, MO 64108-2521					

EXHIBIT C

FINAL WRITTEN ALLOCATION OF SERIES 2009 BONDS

**SARPY COUNTY, NEBRASKA
LIMITED TAX BUILDING BONDS, SERIES 2009**

FINAL WRITTEN ALLOCATION

The undersigned is the Bond Compliance Officer of Sarpy County, Nebraska (the "Issuer") and in that capacity is authorized to execute federal income tax returns to be filed by the Issuer and to make appropriate elections and designations regarding federal income tax matters on behalf of the Issuer. This allocation of the proceeds of the bond issue referenced above (the "Bonds") is necessary for the Issuer to satisfy ongoing reporting and compliance requirements under federal income tax laws.

Purpose. This document, together with the schedules and records referred to below, is intended to memorialize allocations of Bond proceeds to expenditures for purposes of (**§§ 141 and 148**) of the Internal Revenue Code (the "Code"). All allocations are or were previously made no later than 18 months following the date the expenditure was made by the Issuer or, if later, the date of the "project" was "placed in service" (both as defined below), and no later than 60 days following the 5th anniversary of the issue date of the Bonds, although this form may have been completed after such date restrictions..

Background. The Bonds were issued on June 5, 2008 (the "Issue Date"), by Sarpy County (the "Issuer"). The Bonds were issued in order to provide funds needed to pay (a) the costs of constructing, equipping and furnishing a new law enforcement center and related facilities (the "Project") and (b) the costs of issuing the bonds. The Bonds were issued pursuant to a Resolution of the Issuer. Proceeds of the Bonds were deposited to the following accounts:

Project Account .

Sources Used to Fund Project Costs and Allocation of Proceeds to Project Costs. A portion of the costs of the Project was paid from sale proceeds of the Bonds and the remaining portion of the costs of the Project was paid from earnings from the investment of bond sale proceeds and from other money of the Issuer as shown on Exhibit A and A-3 to this Final Written Allocation.

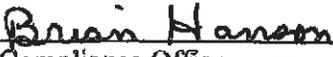
Identification of Financed Assets. The portions of the Project financed from Bond proceeds (i.e., the "Financed Facility" referenced in the Federal Tax Certificate) are listed on Exhibit B to this Final Written Allocation

Identification and Timing of Expenditures for Arbitrage Purposes. For purposes of complying with the arbitrage rules, the Issuer allocates the proceeds of the bonds to the various expenditures described in the invoices, requisitions or other substantiation attached as Exhibit B-1 and B-5 to this Final Written Allocation. In each case, the cost requisitioned was either paid directly to a third party or reimbursed the Issuer for an amount it has previously paid or incurred. Amounts received from the sale of the Bonds and retained as underwriters discount are allocated to that purpose and spent on the Issue Date. Amounts allocated to interest expense are treated as paid on the interest payment dates for the Bonds.

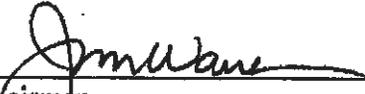
Placed In Service. The Project was "placed in service" on the date set out on **Exhibit C** to this Final Written Allocation. For this purpose, the assets are considered to be "placed in service" as of the date on which, based on all the facts and circumstances: (1) the constructing and equipping of the asset has reached a degree of completion which would permit its operation at substantially its design level; and (2) the asset is, in fact, in operation at that level.

This allocation has been prepared based on statutes and regulations existing as of this date. The Issuer reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

SARPY COUNTY, A BODY POLITIC



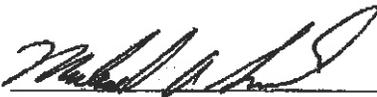
Bond Compliance Officer



Chairman,
Sarpy County Board of Commissioners

Dated: 11/5/13

Approved as to form:



Deputy County Attorney

Exhibit A
 County of Sarpy, Nebraska
 Limited Tax Building Bonds, Series 2009
 Final Written Allocation-Sources and Uses

	Bonds and Earnings	Other Sources			
		General Fund	Stormwater Mgt Fund	Inheritance Tax Fund	Sheriff Admin. Bond Fund
Sources					
Par	\$ 7,790,000.00				
Plus OIP (less OID)	\$ (12,540.60)				
Sale Proceeds					
Accrued Interest					
Investment Earnings	\$ 559.31				
Other Revenues		\$ 14,000.00	\$ 176,000.00	\$ 478,483.02	\$ 5,950.00
Total Sources	\$ 7,778,018.71	\$ 14,000.00	\$ 176,000.00	\$ 478,483.02	\$ 5,950.00
Uses					
Accrued Interest					
Bond Issuance Costs:					
Underwriting Fee	\$ 93,480.00				
Other Costs (Rating Agency)					\$ 5,950.00
Total Issuance Costs	\$ 93,480.00	\$ -	\$ -	\$ -	\$ 5,950.00
Credit Enhancement Fees					
Transfer to Bond Acct	\$ 361,054.70				
Current Refunding					
Advance Refunding					
Subtotal	\$ 454,534.70	\$ -	\$ -	\$ -	\$ 5,950.00
Project Portion	\$ 7,323,484.01	\$ 14,000.00	\$ 176,000.00	\$ 478,483.02	
Total Uses	\$ 7,778,018.71	\$ 14,000.00	\$ 176,000.00	\$ 478,483.02	\$ 5,950.00

EXHIBIT A-1

SARPY COUNTY, NEBRASKA
LIMITED TAX BUILDING BONDS - SERIES 2009
LAW ENFORCEMENT CENTER PROJECT
LEVEL DEBT SERVICE STRUCTURE

Sources & Uses

Dated 12/08/2009 | Delivered 12/08/2009

Sources Of Funds	
Par Amount of Bonds	\$7,790,000.00
Total Sources	\$7,790,000.00
Uses Of Funds	
Original Issue Discount (OID)	12,540.60
Total Underwriter's Discount (1.200%)	93,480.00
Costs of Issuance	7,500.00 *
Deposit to Reimbursement Fund	7,675,000.00
Rounding Amount	1,479.40
Total Uses	\$7,790,000.00

* Paid from other funds. (Actual cost * 5,950)

EXHIBIT A-2
12/23/09



Moody's Investors Service
7WTC at 250 Greenwich Street
New York, NY 10007

INVOICE

MR. BRIAN HANSON
FISCAL ADMINISTRATOR
COUNTY OF SARPY
1210 GOLDEN GATE DRIVE
PAPILLION, NE 88046

INVOICE No.: F1728780 - 000
CUSTOMER No.: 400033657
INVOICE DATE: December 23, 2009
679 / 12

FOR PROFESSIONAL SERVICES:

\$ 5,950

\$7,790,000 Sarpy (County of) NE, County of Sarpy, NE, Limited Tax Building
Bonds, Series 2008

3309 352
FOR
528905

Payment inquiries contact:

Carmine Charles
Phone: 212 553 7794, Fax: 212 288 6228
Email: Carmine.Charles@moody's.com

Fee inquiries contact:

Alex Epelboym
Phone: 212 553 4608, Fax: 212 553 3810
Email: Alex.Epelboym@moody's.com

Please do not contact your Analytic Team regarding this invoice or any other fee-related matter.

Return This Portion With Your Payment

Invoice Number: F1728780 - 000
Account Number: 400033657
Invoice Date: 12/23/2009

Amount Due: \$ 5,950

INVOICE PAYABLE IN U.S. DOLLAR

Fed Wire or ACH with invoice Number to : OR

SUNTRUST BANK
Transit Routing # 061000104
ACH # 061000104
Moody's Account # 8801939847
For Customers wiring from outside the U.S.:
Swift Code: SNTRUS3A

Mall Payment with invoice Stub to:

MOODY'S INVESTORS SERVICE
P.O. Box 102597
Atlanta, Georgia 30368-0597
USA

PAYMENT DUE UPON RECEIPT
Moody's Taxpayer ID #: 13-195-9883

EXHIBIT A-3

10/28/2013 13:03
debp

SARPY COUNTY
G/L ACCOUNT DETAIL

PG 1
glactinq

Org: 3309352 Object: 522505
CONTRACTUAL SERVICES 3309-02-35-90031-01-00-00-2-522505-

YEAR	PER	JOURNAL	EFF	DATE	SRC	T	PO/REF2	REFERENCE	AMOUNT	P	CHECK NO	WARRANT	VDR NAME/ITEM	DESC	COMMENTS
2010	07	000113		01/07/2010	API	1		6736	5,950.00	Y	51256	01122010	MOODY'S INVESTOR SERVICE		BOND ISSUANCE COSTS
2010	06	000562		12/23/2009	API	1		6532	500.00	Y	50989	12292009	UNION BANK & TRUST COMPAN		ACCOUNT SET UP FEE
2010	01	000835		07/01/2009	BUC	5		2010 BUDGT	500.00	Y					ORIGINAL BUDGET 201
Total Amount:								6,950.00							

** END OF REPORT - Generated by Debby Peoples **

Exhibit B
 Sarpy County, Nebraska
 Post Issuance Bond Compliance
 Final Written Allocation-Limited Tax Building Bonds Series 2009
 As of 10/25/2013

Asset Description	Original Economic Life	Economic Life x Total Bond Financed Cost	Paid From Bond Issue	Paid From Gen Fund	Paid From Stormwater Mgt Fund	Paid From Inheritance Tax Fund	Total Cost
Original Funds Available			\$ 7,790,000.00				\$ 7,790,000.00
Interest Received			\$ 559.31				\$ 559.31
Other Revenues				\$ 14,000.00	\$ 176,000.00	\$ 478,483.02	\$ 668,483.02
Total Funds Available			\$ 7,790,559.31	\$ 14,000.00	\$ 176,000.00	\$ 478,483.02	\$ 8,459,042.33
Construction	50	\$ 313,346,370.00	\$ 6,266,927.40	\$ 14,000.00			\$ 6,280,927.40
Underwriter & Architect	50	\$ 13,242,414.50	\$ 264,848.29			\$ 420,084.92	\$ 684,933.21
Landscaping	20	\$ -	\$ -		\$ 176,000.00		\$ 176,000.00
LEC & Garage Phones	10	\$ 583,578.00	\$ 58,357.80				\$ 58,357.80
IT Costs	5	\$ 551,437.70	\$ 110,287.54				\$ 110,287.54
Connectivity	50	\$ 11,681,300.50	\$ 233,626.01				\$ 233,626.01
File Shelving	20	\$ 1,365,435.20	\$ 68,271.76				\$ 68,271.76
Moving Costs	50	\$ 173,088.00	\$ 3,461.76				\$ 3,461.76
LEC Garage & Security Equip	50	\$ 3,233,484.50	\$ 64,669.69				\$ 64,669.69
Signs	50	\$ 248,370.00	\$ 4,967.40				\$ 4,967.40
Modular Furniture	20	\$ 1,354,686.20	\$ 67,734.31				\$ 67,734.31
Audio Visual	10	\$ 1,410,124.70	\$ 141,012.47			\$ 7,448.10	\$ 148,460.57
Furnishings	20	\$ 1,584,256.40	\$ 79,212.82				\$ 79,212.82
Fees & Permits	50	\$ 1,480,603.00	\$ 29,612.06			\$ 10,950.00	\$ 40,562.06
Other Costs	50	\$ 1,825,765.00	\$ 36,515.30			\$ 40,000.00	\$ 76,515.30
Total Costs Allocated		\$ 352,080,913.70	\$ 7,429,504.61	\$ 14,000.00	\$ 176,000.00	\$ 478,483.02	\$ 8,097,987.63
Average Original Economic Life of Assets			47.39				
120% of Expected Economic Life of Facilities Financed			56.87				

Note: Economic lives were obtained from County Clerk's Fixed Asset Reports where available.

EXHIBIT
SARPY COUNTY, NEBRASKA
Law Enforcement Center Construction Fund

#	Construction	LEC and Garage Phones	IT Costs	Connectivity	File Shelving	Moving Costs	LEC Garage & Security Equip	Signs	Modular Furniture	Audio Visual Costs	Fordelings	Fees & Permits	Architect and Underwriter Fees	Adjustments	Other Costs	Interest	Total Expend
1	\$64,230.00																\$64,230.00
2												\$408.28					\$408.28
3													\$4,578.08				\$4,578.08
4	\$63,738.80																\$63,738.80
5															\$1,878.00		\$1,878.00
6												\$358.00					\$358.00
7	\$29,048.50																\$29,048.50
8													\$7,897.88				\$7,897.88
9	\$152,298.20																\$152,298.20
10	\$11,199.80																\$11,199.80
11												\$812.80					\$812.80
12													\$4,730.70				\$4,730.70
13												\$836.28					\$836.28
14												\$217.78					\$217.78
15	\$58,817.70																\$58,817.70
16													\$4,738.22				\$4,738.22
17	\$184,845.00																\$184,845.00
18	\$27,804.50																\$27,804.50
19												\$294.25					\$294.25
20												\$9,488.86					\$9,488.86
21	\$388,740.20																\$388,740.20
22	\$267,878.80															-\$30.83	\$267,847.97
23																-\$68.84	\$267,779.13
24												\$706.25	\$4,728.98				\$5,435.23
25																	\$706.25
26													\$4,728.97				\$4,728.97
27	\$458,268.50											\$288.80					\$458,268.50
28	\$31,725.80															-\$88.37	\$31,637.43
29												\$268.00					\$268.00
30													\$5,088.28				\$5,088.28
31	\$381,883.80																\$381,883.80
32	\$83,798.80																\$83,798.80
33												\$442.00					\$442.00
34										\$1,342.00						-\$50.18	\$1,291.82
35																	\$1,342.00
36															\$80.00		\$80.00
37	\$17,845.20																\$17,845.20
38	\$854,214.30																\$854,214.30
39													\$9,488.95				\$9,488.95
40																-\$48.94	\$9,440.01
41												\$282.76	\$4,858.87				\$5,141.63
42	\$808,730.80																\$808,730.80
43											\$3,537.22					-\$42.33	\$3,494.89
44				\$8,500.00													\$8,500.00
45												\$371.00					\$371.00
46													\$4,728.98				\$4,728.98
47	\$840,848.00																\$840,848.00
48				\$15,875.00													\$15,875.00
49													\$4,784.25			-\$108.57	\$4,675.68
50																	\$4,784.25
51	\$814,384.00															-\$98.88	\$814,285.12
52												\$19,881.72					\$19,881.72

EXHIBIT
SARPY COUNTY, NEBRASKA
 Law Enforcement Center Construction Fund

#	Construction	LEC and Garage Phones	IT Costs	Connectivity	File Shelving	Moving Costs	LEC Storage & Security Equip	Signs	Modular Furniture	Audio Visual Costs	Furniture	Fees & Permits	Architect and Underwriter Fees	Adjustments	Other Costs	Interest	Total Expend
3	\$1,254,258.20	\$15,498.00	\$11,550.00	\$32,790.00	\$19,207.40	\$13,150.50	\$17,284.00	\$1,072.00	\$24,000.00	\$138,000.00	\$33,415.50	\$24,720.00	\$187,800.00	\$20,000.00			\$2,790,000.00
5												\$361.75					\$361.75
4		\$10,498.00															\$10,498.00
6	\$265,908.00			\$151,491.00													\$167,431.00
5																	\$265,908.00
7																	\$36.10
8													\$5,559.97				\$5,559.97
9																	\$785.50
10													\$574.18				\$574.18
11										\$1,424.00							\$1,424.00
12																	\$751.33
13													\$382.60				\$382.60
14				\$48,568.00									\$4,447.48				\$4,447.48
15	\$552,861.00																\$48,568.00
16																	\$4.85
17													\$218.97				\$218.97
18																	\$308.25
19		\$2,295.56											\$4,728.58				\$4,728.58
20	\$143,488.00																\$2,295.56
21			\$8,614.51														\$8,614.51
22			\$4,032.00														\$4,032.00
23										\$50,330.00							\$50,330.00
24						\$50.55											\$50.55
25					\$88,271.78												\$88,271.78
26																	\$283.00
27													\$4,447.48				\$4,447.48
28			\$4,084.09														\$4,084.09
29			\$85,120.13														\$85,120.13
30	\$215,316.00	\$24,136.89															\$24,136.89
31			\$1,237.23														\$1,237.23
32																	\$460.00
33													\$118.32				\$118.32
34																	\$461.50
35			\$599.51														\$599.51
36			\$138.92														\$138.92
37				\$5,560.00												\$517.00	\$5,560.00
38													\$4,447.48				\$4,447.48
39	\$205,051.00								\$59,918.82								\$59,918.82
40																	\$205,051.00
41				\$5,776.25													\$5,776.25
42								\$4,987.40									\$4,987.40
43		\$288.87															\$288.87
44		\$18,535.50															\$18,535.50
45				\$3,560.91													\$3,560.91
46																	\$483.00
47																	\$483.00
48																	\$50,385.97
49																	\$231.56
50							\$43,913.45										\$43,913.45
51						\$3,360.00											\$3,360.00
52		\$288.24															\$288.24
53																	\$1,743.58
54	\$140,274.00		\$8,584.06														\$8,584.06
55																	\$140,274.00
56																	\$2,214.45
57																	\$1,110.10
58				\$1,110.10													\$1,110.10
59							\$1,690.00										\$1,690.00

EXHIBIT B-2

EXHIBIT B-2

Sarpy County, Nebraska

Post Issuance Bond Compliance

Supplementary Expenditures-Law Enforcement Center

As of 10/25/2013

Inheritance Tax-Courthouse Remodeling

Date	Check #	Vender	Description	Amount
8/13/09	47115	Carlson West Povondra	Architectural Services	\$ 506.69
8/13/09	47115	Carlson West Povondra	Architectural Services	\$ 61,391.20
10/23/09	49148	AVI Systems	Systems Design	\$ 469.70
		Total		\$ 62,367.59

Inheritance Tax-Contractual Services

11/14/08	68464	Carlson West Povondra	Architectural Services	\$ 3,195.00
3/13/09	42263	Carlson West Povondra	Architectural Services	\$ 52,000.00
3/13/09	42263	Carlson West Povondra	Architectural Services	\$ 195.44
4/10/09	43156	Carlson West Povondra	Architectural Services	\$ 41,600.00
5/15/09	44178	Carlson West Povondra	Architectural Services	\$ 29,904.71
6/12/09	45084	Carlson West Povondra	Architectural Services	\$ 18,950.59
6/12/09	45069	AVI Systems	Audio Visual	\$ 3,355.00
7/9/09	45957	Carlson West Povondra	Architectural Services	\$ 561.56
7/9/09	45957	Carlson West Povondra	Architectural Services	\$ 29,645.86
7/24/09	46510	AVI Systems	Audio Visual	\$ 3,623.40
8/21/09	47553	Thompson, Dreessen & Domer	Geotechnical Services	\$ 10,950.00
9/18/09	48093	Carlson West Povondra	Architectural Services	\$ 649.34
9/18/09	48093	Carlson West Povondra	Architectural Services	\$ 109,598.45
10/20/09	48910	Carlson West Povondra	Architectural Services	\$ 33,356.05
10/20/09	48910	Carlson West Povondra	Architectural Services	\$ 3,088.26
11/19/09	50032	Carlson West Povondra	Architectural Services	\$ 35,441.78
9/15/10	60466	Donald J Pepperl Trust	Attorney Fees	\$ 40,000.00
		Total		\$ 416,115.43

Stormwater Management Grant

10/19/10	60986	All Purpose Utilities	Land Improvement	\$ 2,888.00
10/19/10	60986	All Purpose Utilities	Land Improvement	\$ 28,038.00
10/19/10	60986	All Purpose Utilities	Land Improvement	\$ 14,842.00
10/19/10	60986	All Purpose Utilities	Land Improvement	\$ 90,871.00
10/19/10	60986	All Purpose Utilities	Land Improvement	\$ 20,129.00
11/23/10	62384	All Purpose Utilities	Land Improvement	\$ 19,232.00
		Total		\$ 176,000.00

Gen Fund-Capital Projects Courthouse

Date	Check #	Vender	Description	Amount
6/26/12	81117	All Purpose Utilities	Construction	\$ 14,000.00
		Total		\$ 14,000.00
		Grand total		\$ 668,483.02

Note: Payment for the land for the Law Enforcement Center totaled \$811,195, but only a portion of the land purchased was used for the LEC. Documentation is attached.

EXHIBIT B-3
New Sheriff Building

	Building	
Construction	6,188,715.40	
Connectivity	233,626.01	
Moving Cost	3,461.76	
Garage & Security Equip	63,309.69	
Signs	4,967.40	
Fees & Permits	28,953.47	
Architect & Underwriter Fees	158,562.20	
Other cost	16,800.30	
	<u>6,698,196.23</u>	6,698,196.23
	Interior	
LEC & Garage Phones	58,220.98	
IT Cost	109,154.69	
File Shelving & Installation	68,271.76	
Modular Furniture (Cubicles)	67,734.31	
Audio Visual	135,377.47	
Furniture & Furnishings	79,212.82	
	<u>517,972.03</u>	517,972.03
Total per spreadsheet		<u>7,216,168.26</u>
Landscaping	176,000.00	176,000.00
Grand Total		<u><u>7,392,168.26</u></u>

EXHIBIT B-4

10/25/2013 15:34
debp

SARPY COUNTY
G/L ACCOUNT DETAIL

Cap. Proj CH

PG 1
glactinq

Org: 03598005 Object: 350230
COURT HOUSE REMODELING

0100-01-35-98000-01-00-00-5-550230-

YEAR	PER	JOURNAL	EFF	DATE	SRC	T	PO/REF2	REFERENCE	AMOUNT	P	CHECK NO	WARRANT	VDR NAME/ITEM	DRSC	COMMENTS	
2012	12	000758		06/21/2012	API	1		7108								
2012	12	000397		06/13/2012	GEN	1		D PEOPLES	14,000.00	Y	81117	06262012	ALL PURPOSE UTILITIES, IN	CWP PROJECT NO. 08		
2012	11	000852		06/07/2012	API	1		6764	686.00	Y						
2012	11	000723		05/31/2012	API	1		6644	3,920.00	Y	80137	06122012	ADVANCED ENGINEERING SYST	CH AIR HANDLING UN		
2012	11	000373		05/15/2012	GEN	1		D PEOPLES	47,681.00	Y	79972	06052012	J & R MECHANICAL CONTRACT	JAIL WATERHEATER		
2012	11	000217		05/10/2012	API	1		6512	1,470.00	Y						
2012	10	000472		04/19/2012	API	1		6270	720.00	Y	79403	05152012	A.S.P. ENTERPRISES, INC	UNDERLAYMENT FOR R		
2012	09	000954		04/05/2012	API	1		6145	240.00	Y	78863	04242012	B2E ENVIRONMENTAL, INC.	ASBESTOS SURVEY		
2012	07	000357		01/12/2012	API	1		5192	1,764.00	Y	78455	04102012	ADVANCED ENGINEERING SYST	AIR HANDLER REFURB		
2012	07	000357		01/12/2012	API	1		5192	337.87	Y	75729	10172012	CARLSON WEST POVONDRA	WEST ANNEX ROOF RE		
2012	06	001020		01/05/2012	API	1		5018	108.65	Y	75729	10172012	CARLSON WEST POVONDRA	WEST ANNEX ROOF RE		
2012	06	000577		12/15/2011	API	1		4882	1,768.47	Y	75487	01102012	HEIMBS EXCAVATING & UTILI	CRUSHER RUN FOR TW		
2012	05	000809		12/08/2011	API	1		4756	7,950.00	Y	75216	12202011	WEATHERCRAFT ENTERPRISES	WEST ANNEX ROOF RE		
2012	05	000707		12/01/2011	API	1		4662	450.00	Y	74901	12132011	B2E ENVIRONMENTAL, INC.	WEST ANNEX ROOF RE		
2012	05	000571		11/22/2011	API	1		4638	2,350.00	Y	74705	12062011	MCGILL ASBESTOS	TESTING FOR ABESTO		
2012	05	000415		11/17/2011	API	1		4561	3,270.00	Y	74496	11292011	VICO MECHANICAL INC	ABESTOS ABATEMENT		
2012	05	000205		11/09/2011	API	1		4468	12,848.40	Y	74351	11222011	WEATHERCRAFT ENTERPRISES	DEMO EXISTING WATE		
2012	04	000639		10/27/2011	API	1		4294	459.00	Y	73915	11152011	CARLSON WEST POVONDRA	WEST ANNEX ROOF RE		
2012	03	000309		09/15/2011	API	1		3870	58,701.60	Y	73658	11012011	WEATHERCRAFT ENTERPRISES	WEST ANNEX ROOF RE		
2012	02	000621		08/25/2011	API	1		3631	990.05	Y	72098	09202011	CITY OF PAPIILLION - CITY	WEST ANNEX ROOF		
2012	02	000425		08/18/2011	API	1		3482	90.60	Y	71520	08302011	CARLSON WEST POVONDRA	PERMIT FEE FOR WES		
2012	02	000213		08/11/2011	API	1		3427	950.00	Y	71311	08232011	B2E ENVIRONMENTAL, INC.	EAST ANNEX ROOF RE		
2012	01	000682		07/28/2011	API	1		3301	5,960.63	Y	71096	08162011	CARLSON WEST POVONDRA	ASBESTOS SURVEY SE		
2012	01	000314		07/13/2011	API	1		3175	74.20	Y	70744	08022011	CARLSON WEST POVONDRA	WEST ANNEX ROOF RE		
2012	01	000308		07/13/2011	API	1		3168	2,612.08	Y	70319	07192011	AOI CONSTRUCTION	EAST ANNEX INTERIO		
2012	01	000308		07/13/2011	API	1		3168	1,956.10	Y	70330	07192011	CARLSON WEST POVONDRA	EAST ANNEX ROOF RE		
2012	01	000127		07/07/2011	API	1		3113	509.86	Y	70330	07122011	CARLSON WEST POVONDRA	EAST ANNEX ROOF RE		
2012	01	000121		07/07/2011	API	1		3107	117.03	Y	70100	07122011	STONEBROOK ROOFING INC	EAST ANNEX ROOF		
Total Amount:									235,718.54							

** END OF REPORT - Generated by Debby Peoples **

RPY COUNTY

EXHIBIT B-5

G/L ACCOUNT DETAIL

Org: 2599122 Object: 522505
 CONTRACTUAL SERVICES

2599-06-12-69240 01-00 00 2 522505

YEAR	PER	JOURNAL	EFF DATE	ISSC	T	RO/REF	REFERENCE	AMOUNT	P	CHECK NO	WARRANT	VGR NAME/ITEM DESC	COMMENTS
2011	12	000296	06/09/2011	APT	1		2796						
2011	09	000271	03/10/2011	API	1		1662						
2011	05	000728	11/23/2010	API	1		576	182.90	Y	69273	06142011	ESA CONSULTING GROUP INC	PROF SERVICES FOR 2009 DR
2011	05	000539	11/18/2010	API	1		441	1,000.00	Y	66009	03152011	ESA CONSULTING GROUP INC	ORAIN STENCILING PROJECT
2011	05	000110	11/04/2010	API	1		272	1,200.00	Y	62653	11302010	ESA CONSULTING GROUP INC	STENCILING PROGRAM
2011	04	000562	10/21/2010	API	1		132	19,232.00	Y	62384	11232010	ALL PURPOSE UTILITIES, IN	2010 GRANT LEC LANDSCAPIN
2011	04	000562	10/21/2010	API	1		69	72,900.00	Y	62036	11092010	THE WETZ COMPANY LLC	STADIUM DENTENTION PONDS
2011	04	000349	10/14/2010	API	1		69	5,245.55	Y	61469	102610	FELSBURG, HOLT & ULLEVIG	2008 GRANT - PROF SERVICE
2011	04	000349	10/14/2010	API	1		69	1,643.34	Y	61469	102610	FELSBURG, HOLT & ULLEVIG	2008 GRANT - PROF SERVICE
2011	04	000349	10/14/2010	API	1		69	2,888.00	Y	60986	10192010	ALL PURPOSE UTILITIES, IN	2008 GRANT - ORIG PD FROM
2011	04	000349	10/14/2010	API	1		69	28,038.00	Y	60986	10192010	ALL PURPOSE UTILITIES, IN	2008 FY GRANT-ORIG PD FROM
2011	04	000349	10/14/2010	API	1		69	14,842.00	Y	60986	10192010	ALL PURPOSE UTILITIES, IN	2009 FY-ORIG PAID FROM BO
2011	04	000349	10/14/2010	API	1		69	90,871.00	Y	60986	10192010	ALL PURPOSE UTILITIES, IN	2009 FY GRANT - LEC LANDS
2011	04	000349	10/14/2010	API	1		69	20,129.00	Y	60986	10192010	ALL PURPOSE UTILITIES, IN	2010 GRANT LEC LANDS

Total Amount: 260,651.39

176,000

** END OF REPORT - Generated by Debby Peoples **

SUD MGF Grant

2-1-11

AIA Document G704™ - 2000

Certificate of Substantial Completion

PROJECT:
(Name and address)
Sary County Law Enforcement Center
84th & Platteview Road
Papillion, NE

PROJECT NUMBER: 08139/
CONTRACT FOR: General Construction
CONTRACT DATE: October 20, 2009

OWNER:
ARCHITECT:
CONTRACTOR:
FIELD:
OTHER:

TO OWNER:
(Name and address)
Sary County Board of
Commissioners
1210 Golden Gate Dr.
Papillion, NE

TO CONTRACTOR:
(Name and address)
All Purpose Utilities, Inc.
7010 S 66th Street
La Vista, Nebraska

PROJECT OR PORTION OF THE PROJECT DESIGNATED FOR PARTIAL OCCUPANCY OR USE SHALL INCLUDE:

The Work performed under this Contract has been reviewed and found, to the Architect's best knowledge, information and belief, to be substantially complete. Substantial Completion is the stage in the progress of the Work when the Work or designated portion is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use. The date of Substantial Completion of the Project or portion designated above is the date of issuance established by this Certificate, which is also the date of commencement of applicable warranties required by the Contract Documents, except as stated below:

Warranty	Date of Commencement
One (1) Year	4/26/11
Seeding	7/15/11

Carlson West Povondra
Architects

ARCHITECT

Bevin Povondra
BY

9/13/2011
DATE OF ISSUANCE

A list of items to be completed or corrected is attached hereto. The failure to include any items on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents. Unless otherwise agreed to in writing, the date of commencement of warranties for items on the attached list will be the date of issuance of the final Certificate of Payment or the date of final payment.

Cost estimate of Work that is incomplete or defective: \$0.00

The Contractor will complete or correct the Work on the list of items attached hereto within Zero (0) days from the above date of Substantial Completion.

All Purpose Utilities, Inc.

CONTRACTOR

BY

10-28-11
DATE

The Owner accepts the Work or designated portion as substantially complete and will assume full possession at (time) on (date).

Sary County Board of
Commissioners

OWNER

BY

DATE

EXHIBIT D

SAMPLE ANNUAL COMPLIANCE CHECKLIST

Name of tax-exempt bonds ("Bonds") financing Financed Asset:	The County of Sarpy, Nebraska Limited Tax Refunding Building Bonds Series 2014
Issue Date of Bonds:	April 15, 2014
Placed in service date of Project Facility:	
Name of Bond Compliance Officer:	
Period covered by request ("Annual Period"):	

Item	Question	Response
1 Ownership	Was the entire Project Facility owned by the County during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "No," was an Opinion of Bond Counsel obtained prior to the transfer? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2 Leases & Other Rights to Possession	During the Annual Period, was any part of the Project Facility leased at any time pursuant to a lease or similar agreement for more than 50 days?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the lease or other arrangement? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
3 Management or Service Agreements	During the Annual Period, has the management of all or any part of the operations of the Financed Asset (e.g., food service) been assumed by or transferred to another entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the management agreement? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No
4 Arbitrage & Rebate	Were Gross Proceeds of the Bonds invested and spent for any purpose, other than as described in Section 4.5 of the Federal Tax Certificate (<i>i.e.</i> , to pay bond issuance costs within 6 months of the Issue Date, to redeem the Series 2009 Bonds on December 8, 2009, or to pay debt service on the Bonds on and before December 15, 2014)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Has the County set aside money in any fund or account in excess of an amount needed to pay debt service on the Bonds within the next 12 months (<i>i.e.</i> , is more than one year of debt service pre-funded)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If "Yes" to either, contact Bond Counsel to review and determine if any rebate or yield-reduction payments are required and include description of resolution in the Tax-Exempt Bond File.	
5 Continuing Disclosure Filings	Did the County file its annual report (including audited financial statements and any other financial information and operating data required for the Bonds) with the MSRB on EMMA?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If No, file the appropriate failure to file notice required for the Bonds with the MSRB on EMMA. In addition, contact Bond Counsel and file the deficient material with the MSRB on EMMA and include a description of the reason for the delay in the Tax-Exempt Bond File.	
6 Material Event Filings	Did any of the following events occur with respect to the Bonds? <input type="checkbox"/> principal and interest payment delinquencies; <input type="checkbox"/> non-payment related defaults, if material; <input type="checkbox"/> unscheduled draws on debt service reserves reflecting financial difficulties; <input type="checkbox"/> unscheduled draws on credit enhancements reflecting financial difficulties; <input type="checkbox"/> substitution of credit or liquidity providers, or their failure to perform;	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
	<ul style="list-style-type: none"> <input type="checkbox"/> adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; <input type="checkbox"/> modifications to rights of bondholders, if material; <input type="checkbox"/> bond calls, if material, and tender offers; <input type="checkbox"/> defeasances; <input type="checkbox"/> release, substitution, or sale of property securing repayment of the Bonds, if material; <input type="checkbox"/> rating changes; <input type="checkbox"/> bankruptcy, insolvency, receivership or similar event of the obligated person; <input type="checkbox"/> the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and <input type="checkbox"/> appointment of a successor or additional trustee or the change of name of the trustee, if material. 	
	<p>If "Yes," was Bond Counsel contacted and notice of the material event filed with the MSRB on EMMA?</p> <p>If No, contact Bond Counsel immediately and prepare and file any required notice with the MSRB on EMMA.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No

Bond Compliance Officer: _____

Date Completed: _____

Item 11

STATE OF NEBRASKA

)

SS

TREASURER'S RECEIPT

COUNTY OF SARPY

)

I, the undersigned Treasurer of The County of Sarpy, Nebraska, (the "County") do hereby certify that I have confirmed with Union Bank and Trust Company, as paying agent and registrar for the County's Limited Tax Refunding Building Bonds, Series 2014, date of original issue - April 15, 2014 (the "Bonds"), that they have received on behalf of the County from Ameritas Investment Corp. the sum of \$5,030,408.85 representing 98.829% of the principal amount of \$5,090,000 of the Bonds plus \$-0-, representing interest accrued on the bonds from April 15, 2014, to this date.

IN WITNESS WHEREOF, I have hereunto set my hand official this 15th day of April, 2014.



Treasurer of Sarpy County
on behalf of The County of Sarpy, in the State of Nebraska

[SEAL]



per *Ralene Klostermeyer*
UNION BANK

CERTIFICATE SHOWING COMPLIANCE
WITH REQUIREMENTS
OF THE PUBLIC MEETINGS LAW

I, Deb Houghtaling, the Clerk of The County of Sarpy, Nebraska (the "County"), hereby certify that all of the subjects included in the foregoing proceedings were contained in the agenda for the respective meetings shown, which agenda were kept continuously current and readily available for public inspection at the office of the County Clerk for each of such meetings; that such subjects were contained in said agenda for at least 24 hours prior to the respective meetings; that at least one copy of all ordinances, resolutions and other reproducible written materials, for which actions were shown in said proceedings, was made available for examination and copying by the members of the public at the meeting or meetings in which such actions were taken; that a current copy of the Nebraska Open Meetings Act was available and accessible to members of the public, posted during the meeting or meetings reflected in the foregoing proceedings in the room in which such meeting or meetings were held and that all in attendance at such meeting or meetings were informed that such copy of the Nebraska Open Meetings act was available for review and were informed of the location of such copy in the room in which such meeting or meetings were being held; that the minutes of the Chairperson and Board of Commissioners of the County, from which the foregoing proceedings have been extracted were, for each meeting shown, in written form and available for public inspection within ten working days and prior to the next convened meeting of said body; that all news media requesting notification of meetings of said body were provided with advance notice of the times and places of such meetings and the subjects to be discussed.



Debra J. Houghtaling
County Clerk

[SEAL]

STATE OF NEBRASKA)
)
COUNTY OF SARPY)

SS.

SIGNATURE AND
NON LITIGATION CERTIFICATE

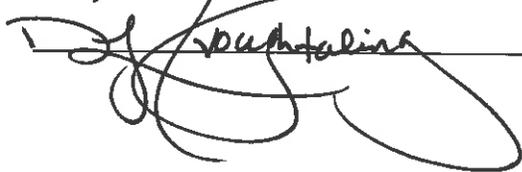
We, the undersigned Chairperson of the Board of Commissioners (the "Board") and the Clerk of The County of Sarpy, in the State of Nebraska (the "County"), indicated by the official title opposite our names hereby certify that we caused facsimiles of our signatures as such officers to be affixed to 6 Limited Tax Refunding Building Bonds, Series 2014, of said County, date of original issue – April 15, 2014 (the "Bonds"), intended to be delivered to evidence the bond issue of said County in the total principal amount of \$5,090,000, as authorized by a resolution passed and approved March 11, 2014, by the Chairperson and Board of Commissioners of said County (the "Resolution"), and said Bonds have been delivered to the office of Union Bank and Trust Company, Lincoln, Nebraska, as Paying Agent and Registrar, for authentication and delivery by such Paying Agent and Registrar of \$5,090,000 of said Bonds to the purchasers thereof, being on the date of execution by facsimile and on this date the duly chosen, qualified and acting Chairperson and Clerk of said County and authorized to execute said Bonds with our facsimile signatures.

We further certify that no litigation is now pending or threatened to restrain or enjoin the issuance and delivery of the Bonds nor in any manner questioning the proceedings and authority under which the same are made or affecting the validity of the Bonds thereunder or the making of any improvement proposed to be financed or refinanced from the proceeds of the Bonds or the power of the County to provide for the levy and collection of taxes for the payment of the Bonds; that neither the corporate existence or boundaries nor the title of the present officers to their respective offices is being contested.

Done and delivered at Papillion, Nebraska, this 15th day of April, 2014.

SIGNATURE

OFFICIAL TITLE

CHAIRPERSON

COUNTY CLERK



STATE OF NEBRASKA)
)
COUNTY OF SARPY) SS.

I, Deb Houghtaling, the duly qualified and acting County Clerk of The County of Sarpy, in The State of Nebraska, (the "County") hereby officially certify:

That all of the proceedings of the County and of the Chairperson and Board of Commissioners thereof which are set out in the annexed and foregoing transcript have been fully recorded in the journal of the proceedings of the Chairperson and Board of Commissioners of the County, and that I have carefully compared the annexed and foregoing transcript with said journal and with the records and files of the County which are in my official custody and said transcript is a full, true and complete copy of said journal, records and files which are set out therein.

That I have made a diligent search and examination of said journal, records and files which are in my official custody and find and certify that the same contain no proceedings of the County or of the Chairperson and Board of Commissioners thereof had precedent to or referring to the issuance of Limited Tax Refunding Building Bonds, Series 2014, of the principal amount of Five Million Ninety Thousand Dollars (\$5,090,000), date of original issue – April 15, 2014 (the "Bonds"), therein referred to, other than the proceedings set out in said transcript.

That said transcript contains all of the proceedings had or done by said County or the Chairperson and Board of Commissioners of said County previous to the issuance of the Bonds relative thereto.

That all of the resolutions set out in said transcript were duly passed by the Chairperson and Board of Commissioners of said County, and approved by the Chairperson, on the dates shown in said transcript and the copies of said resolutions set out in the transcript are full, true and complete copies of said resolutions as the same appear of record in the resolution book and other records of said County.

That for each of the meetings included in the transcript, the Chairperson and all members of the Board of Commissioners received advance notification of the time, place and agenda for each meeting.

IN WITNESS WHEREOF, I have hereunto set my hand officially and affixed the seal of said County this 15th day of April, 2014.

[SEAL]



Debora J. Houghtaling
COUNTY CLERK

STATE OF NEBRASKA)
)
COUNTY OF SARPY) SS. PURCHASE AGREEMENT CERTIFICATE

I, the undersigned Fiscal Administrator of The County of Sarpy., in the State of Nebraska (the "County") hereby certify that Ameritas Investment Corp. (the "Underwriter"), as purchaser of the County's Limited Tax Refunding Building Bonds, Series 2014, date of original issue – April 15, 2014 (the "Bonds") has fully complied with the terms of the Bond Purchase Agreement dated March 11, 2014 by and between the County and the Underwriter with respect to the Bonds, as amended, (the "Purchase Agreement") as approved by the Chairperson and Board of Commissioners of the County.

I hereby further certify that (A) since the date of the Preliminary Official Statement dated March 6, 2014 with respect to the Bonds 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 such Preliminary Official Statement, and except in the ordinary course of business or as set forth in such 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 authorizing the Bonds or the Official Statement dated March 11, 2014 with respect to the Bonds or the validity or enforceability of the Bonds, the Continuing Disclosure Agreement by and between the County and Union Bank and Trust Company, Lincoln, Nebraska, as Paying Agent and Registrar for the Bonds, or the Purchase Agreement, which are not disclosed in such Official Statement; (C) to the knowledge of the County, the information contained in such 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 the Purchase Agreement and said Continuing Disclosure Agreement; and (E) the representations and warranties of the County set forth in said Purchase Agreement were accurate and complete as of the date of the Purchase Agreement and are accurate and complete as of the date of this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand official this 15th day of April, 2014.



Fiscal Administrator of The County of Sarpy,
in the State of Nebraska

Item 12

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated April 15, 2014 (the “**Disclosure Undertaking**”), is executed and delivered by **THE COUNTY OF SARPY, IN THE STATE OF NEBRASKA** (the “**Issuer**”).

RECITALS

1. This Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of **\$5,090,000 Limited Tax Refunding Building Bonds, Series 2014** (the “**Bonds**”), pursuant to a resolution adopted March 11, 2014 by the governing body of the Issuer (the “**Resolution**”).

2. The Issuer is entering into this Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the “**Rule**”). The Issuer is the only “**obligated person**” with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the Issuer covenants and agrees 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 Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report filed by the Issuer pursuant to, and as described in, **Section 2** of this Disclosure Undertaking.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (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.

“**Business Day**” means a day other than (a) a Saturday, Sunday, or legal holiday, (b) a day on which banks located in the city in which the designated payment office of the paying agent for the Bonds is located is required or authorized by law to remain closed, or a day on which the Securities Depository or the New York Stock Exchange is closed.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“**Fiscal Year**” means the 12-month period beginning on **July 1** and ending on **June 30** or any other 12-month period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

“**Material Events**” means any of the events listed in **Section 3** of this Disclosure Undertaking.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“Participating Underwriter” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Rule” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Provision of Annual Reports.

(a) Pursuant to the Continuing Disclosure Undertaking, the County shall, not later than eight months after the end of the County’s fiscal year, provide to the Municipal Securities Rulemaking Board (the **“MSRB”**) the following financial information and operating data (the **“Annual Report”**):

(1) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles. If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the fiscal year of the financial information and operating data contained in **APPENDIX A** to the Official Statement in substantially the same format contained in the Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an **“obligated person”** (as defined by the Rule), which have been filed with the MSRB and is available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer 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 Issuer’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

(b) In addition to the foregoing requirements of this Section, the Issuer agrees to provide copies of the most recent Annual Report to any requesting Beneficial Owner or prospective Beneficial Owner, but only after the same has been filed with the MSRB.

Section 3. Reporting of Material Events. No later than 10 business days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds (**“Material Events”**):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;

- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)**, the Issuer shall send a notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this **Section 3**.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agents. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such 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 Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including, without limitation, the Annual Report) prepared by the Issuer pursuant to this Disclosure Undertaking.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Issuer may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Disclosure Undertaking.

If a provision of this Disclosure Undertaking is amended or waived, the Issuer shall describe such amendment or waiver 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 Issuer. 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 under **Section 3**, and (2) the Annual Report 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 7. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the Issuer fails to comply with any provision of this Disclosure Undertaking, any Participating Underwriter or 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 Issuer to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Resolution or the Bonds, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Issuer to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 9. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter, and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Disclosure Undertaking, the Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Disclosure Undertaking shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, 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 12. Governing Law. This Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Nebraska.

IN WITNESS WHEREOF, the Issuer has caused this Disclosure Undertaking to be executed as of the day and year first above written.

**THE COUNTY OF SARPY,
IN THE STATE OF NEBRASKA**

By:  _____
Chairperson

Item 13

SPECIMEN

**REGISTERED
No. R-1**

**REGISTERED
\$850,000**

**UNITED STATES OF AMERICA
STATE OF NEBRASKA
THE COUNTY OF SARPY
LIMITED TAX REFUNDING BUILDING BOND, SERIES 2014**

<u>Dated Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>
April 15, 2014	December 15, 2014	0.25%	80373F KJ5

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$850,000)

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, 2014 (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 business day of the month next preceding the month in which the 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. For the prompt payment of this bond, both principal and interest, as the same become due, the full faith, credit, resources and taxing power of the County are hereby irrevocably pledged.

This bond is one of an issue of fully registered bonds (the “Bonds”) in the aggregate principal amount of Five Million Ninety Thousand Dollars (\$5,090,000) of even date and like tenor except as to number, denomination, maturity date, interest rate and redemption provisions, authorized by a resolution passed by the Board of Commissioners of the County (the “Resolution”) pursuant to Section 10-142, Reissue Revised Statutes of Nebraska, as amended, for the purpose of (a) providing for the payment and redemption of \$4,875,000 principal amount of the County’s Limited Tax Building Bonds, Series 2009, dated December 8, 2009 issued to pay the costs of constructing, equipping and furnishing a new law enforcement center and related facilities and (b) paying the costs of issuing the Bonds. The Bonds are payable from an annual levy of taxes not to exceed 5.2¢ per \$100 of taxable valuation on all the taxable property located in the County pursuant to Section 23-120(3)(b), Reissue Revised Statutes of Nebraska, as amended, in addition to all other taxes, subject to certain constitutional levy limitations.

SPECIMEN

The Bonds maturing on December 15, 2018 are not subject to redemption prior to their stated maturity. The Bonds maturing on and after December 15, 2019 are subject to redemption at the option of the County prior to the stated maturities thereof at any time on or after the fifth anniversary of the Dated Date 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.

The County has designated the Bonds as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond and precedent to and in the issuance of the bonds refunded hereby did exist, did happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of the County, including this Bond and the bonds refunded hereby, does not exceed any limitation imposed by law. The County covenants to levy an annual tax pursuant to Section 23-120(3)(b), Reissue Revised Statutes of Nebraska, as amended, in addition to all other taxes, in an amount not to exceed 5.2¢ per \$100 upon the taxable value of all the taxable property in the County, subject to the County's constitutional levy limitation, to pay the principal of and interest on the Bonds when and as the same become due.

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.

SPECIMEN

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: [Signature]
County Clerk

By: [Signature]
Chair

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: _____

Item 14



402-991-9450 MAIN
402-991-9455 FAX
GILMOREBELL.COM

GILMORE & BELL PC
450 REGENCY PARKWAY, SUITE 320
OMAHA, NEBRASKA 68114-3777

LINCOLN
WICHITA
KANSAS CITY | ST. LOUIS

April 15, 2014

VIA PRIORITY OVERNIGHT FEDERAL EXPRESS

(Tracking No. 7985 4903 2064)

Department of the Treasury
Internal Revenue Service Center
1973 North Rulon White Boulevard
Ogden, UT 84201

Re: \$5,090,000 County of Sarpy, Nebraska, Limited Tax Refunding Building Bonds, Series 2014

Ladies and Gentlemen:

In accordance with Internal Revenue Code, Section 149(e), we enclose Form 8038-G for filing in connection with the above-referenced bond issue.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in cursive script that reads "Sara Tonjes".

Sara Tonjes
Legal Assistant

/sjt
Enclosure
600602.012

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 <input type="checkbox"/>
1 Issuer's name County of Sarpy, Nebraska		2 Issuer's employer identification number (EIN) 47-6008504
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) Michael G. Rogers, Gilmore & Bell, P.C., Bond Counsel		3b Telephone number of other person shown on 3a 402-981-9450
4 Number and street (or P.O. box if mail is not delivered to street address) 450 Regency Parkway	Room/suite 320	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Omaha, Nebraska 68114		7 Date of issue 04/15/2014
8 Name of issue Limited Tax Refunding Building Bonds, Series 2014		9 CUSIP number 80373F KP1
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Jim Thompson, Chairperson		10b Telephone number of officer or other employee shown on 10a 402-593-4155

Part II Type of Issue (enter the issue price). See the 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 ► <u>County Buildings</u>		18 5,076,219
19 If obligations are TANs or RANs, check only box 19a	► <input type="checkbox"/>	
If obligations are BANs, check only box 19b	► <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box	► <input type="checkbox"/>	

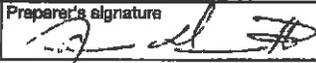
Part III Description of Obligations. Complete for the entire issue for which this form is being filed.					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	12/15/2019	\$ 5,076,219	\$ 5,090,000	3.163 years	0.8328 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)					
22	Proceeds used for accrued interest			22	0
23	Issue price of entire issue (enter amount from line 21, column (b))			23	5,076,219
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	65,672		
25	Proceeds used for credit enhancement	25	0		
26	Proceeds allocated to reasonably required reserve or replacement fund	26	0		
27	Proceeds used to currently refund prior issues	27	0		
28	Proceeds used to advance refund prior issues	28	5,009,487		
29	Total (add lines 24 through 28)			29	5,075,159
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	1,000

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	3.240 years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	12/08/2014
34	Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)	12/08/2009

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35		
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a		
b	Enter the final maturity date of the GIC ▶ _____			
c	Enter the name of the GIC provider ▶ _____			
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37		
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ <input type="checkbox"/> and enter the following information:			
b	Enter the date of the master pool obligation ▶ _____			
c	Enter the EIN of the issuer of the master pool obligation ▶ _____			
d	Enter the name of the issuer of the master pool obligation ▶ _____			
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(II) (small issuer exception), check box ▶			<input checked="" type="checkbox"/>
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶			<input type="checkbox"/>
41a	If the issuer has identified a hedge, check here ▶ <input type="checkbox"/> and enter the following information:			
b	Name of hedge provider ▶ _____			
c	Type of hedge ▶ _____			
d	Term of hedge ▶ _____			
42	If the issuer has superintegrated the hedge, check box ▶			<input type="checkbox"/>
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶			<input checked="" type="checkbox"/>
44	If the issuer has established written procedures to monitor the requirements of section 148, check box ▶			<input checked="" type="checkbox"/>
45a	If some portion of the proceeds was used to reimburse expenditures, check here ▶ <input type="checkbox"/> and enter the amount of reimbursement ▶ _____			
b	Enter the date the official intent was adopted ▶ _____			

Signature and Consent	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. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.				
	 Signature of issuer's authorized representative		4-8-14 Date	Jim Thompson, Chairperson Type or print name and title	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	James Dummitt		4/4/14		P01062537
	Firm's name ▶ Gilmore & Bell, P.C.	Firm's EIN ▶ 43-1611738		Phone no. 816-221-1000	
Firm's address ▶ 2405 Grand Boulevard, Suite 1100, Kansas City, MO 64108-2521					



April 16, 2014

Dear Customer:

The following is the proof-of-delivery for tracking number **798549032064**.

Delivery Information:

Status:	Delivered	Delivered to:	Shipping/Receiving
Signed for by:	P.MARTINEZ	Delivery location:	1973 NORTH RULON WHITE BLVD OGDEN, UT 84201
Service type:	FedEx Priority Overnight	Delivery date:	Apr 16, 2014 10:21
Special Handling:	Deliver Weekday		

Shipping Information:

Tracking number:	798549032064	Ship date:	Apr 15, 2014
		Weight:	0.5 lbs/0.2 kg

Recipient:
Department of the Treasury
Internal Revenue Service Center
1973 RULON WHITE BLVD
OGDEN, UT 84201 US

Shipper:
Gilmore & Bell, P.C.
Gilmore & Bell, P.C.
450 Regency Parkway
Suite 320
Omaha, NE 68114 US
600602.012_MGR/sjt

Reference

Thank you for choosing FedEx.

Item 15



402-991-9450 MAIN
402-991-9455 FAX
GILMOREBELL.COM

GILMORE & BELL PC
450 REGENCY PARKWAY, SUITE 320
OMAHA, NEBRASKA 68114-3777

LINCOLN
WICHITA
KANSAS CITY | ST. LOUIS

April 15, 2014

The County of Sarpy
Papillion, Nebraska

Ameritas Investment Corp.
Omaha, Nebraska

Re: \$5,090,000 The County of Sarpy, in The State of Nebraska,
Limited Tax Refunding Building Bonds, Series 2014

Ladies and Gentlemen:

We have acted as bond counsel to The County of Sarpy (the "Issuer") in The State of Nebraska, ("State") 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 limited tax obligations of the Issuer, payable as to both principal and interest from ad valorem taxes which may be levied upon all the taxable property within the territorial limits of the Issuer, subject to the 5.2 cent levy limitation set forth in Section 23-120, Neb. R.R.S. 2012, as amended, and also subject to the Issuer's constitutional levy limitation of 50 cents per each \$100 of taxable property within the territorial limits of the Issuer.
3. The interest on the Bonds (a) is excludable from gross income for federal income tax purposes, (b) is exempt from income taxation by the State, and (c) 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 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 that interest thereon

be, or continue to be, excludable from gross income for federal 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 State income tax purposes retroactive to the date of issuance of the Bonds. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds. 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.