



NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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STATE OF NEBRASKA
OFFICE OF THE AUDITOR OF PUBLIC ACCOUNTS

February 22, 2013

The office of the Auditor of Public Accounts of the State of Nebraska is in receipt of the bond issuance documents for City of Holdrege, Nebraska, Revenue Bond (Phelps Memorial Health Center Project Series 2012). These documents have been filed pursuant to the requirements of Neb. Rev. Stat. § 10-140 (Reissue 2007).

(SEAL)

Alicia Feist

Alicia Feist, Bond Registrar

by JSH

To:

Auditor of Public Accounts
Capitol Building, Suite 2303
P.O. Box 98917
Lincoln, NE 68509

From:

Gilmore & Bell, P.C.
Wells Fargo Center
1248 "O" Street, Suite 710
Lincoln, NE 68508

**FILING INFORMATION****Name of Issuer:**

City of Holdrege, Nebraska

Title or Designation of Bonds:

\$5,000,000
City of Holdrege, Nebraska
Revenue Bond
(Phelps Memorial Health Center Project)
Series 2012
(the "Bond")

Date of Bond:

November 15, 2012

Principal Amount of Bond Initially Issued:

The principal amount of the Bond is not to exceed \$5,000,000. The principal amount of the Bond shall bear interest (computed on the basis of a 360-day year and actual days elapsed) at an annual rate equal to two and thirty-one one hundredths percent (2.31%). The interest rate shall be adjusted on December 1, 2017 and December 1, 2022 to an annual rate equal to the Five-Year LIBOR SWAP rate in effect on such dates plus 1.39%; provided, however, that in no event shall any such adjustment of the interest rate on this Bond exceed 1.50%, and provided further that in no event shall the annual interest rate on this Bond be adjusted to an annual interest rate lower than the initial annual interest rate on this Bond.

The interest only accrued on the outstanding principal amount of this Bond is payable on the first day of each month, beginning January 1, 2013 and continuing through August 1, 2014. Beginning September 1, 2014 and continuing on the first date of each month thereafter through the Maturity Date, the principal of and interest on this Bond is payable in equal monthly payments in such amount as shall be required to fully pay the principal of and interest on this Bond on the Maturity Date based on the interest rate then in effect.

Principal and Interest Payable at:

First National Bank of Omaha, Omaha, Nebraska

Principal Purpose for Which Bond Was Issued:

The Bond is being issued to make a loan to Phelps Memorial Health Center (the “**Borrower**”) for the purpose of (a) paying the costs of constructing, equipping and furnishing improvements to the healthcare facilities of Phelps Memorial Health Center and (b) paying the costs of issuing the Bond.

Attachments:

Costs of Issuance

Form 8038

ATTACHMENT 1

COST OF BOND ISSUANCE

<u>Cost Item</u>	<u>Paid From Bond Proceeds</u>	<u>Paid From Other Issuer Funds</u>
1. Underwriting Fee (including expenses, management fee and underwriter's discount) Name: Not applicable.	\$ -0-	\$ -0-
2. Bond Counsel Fee Name: Gilmore & Bell, P.C.	\$ -0-	\$ -0-
3. Issuer Counsel Fee Name: Gilmore & Bell, P.C.	\$ -0-	\$ -0-
4. Borrower's Counsel Fee Name: McGrath North Mullin & Kratz, P.C., L.L.O.	\$ -0-	\$ -0-
5. Placement Agent Fee Name: Not applicable.	\$ -0-	\$ -0-
6. Rating Agency Fee Name: Not applicable	\$ -0-	\$ -0-
7. Bond Insurance/Credit Enhancement Fee Name: Not applicable	\$ -0-	\$ -0-
8. Trustee Fees (e.g., opening trustee fee, escrow agent fee, paying agent fee) Name: Not applicable.	\$ -0-	\$ -0-
9. Other costs (e.g., printing, regulatory fees, title insurance and other professional fees.)	\$ -0-	\$ -0-
Total (1 through 9)	<u>\$ -0-</u>	<u>\$ -0-</u>

Form **8038**(Rev. April 2011)
Department of the Treasury
Internal Revenue Service**Information Return for Tax-Exempt
Private Activity Bond Issues**
(Under Internal Revenue Code section 149(e))
▶ See separate instructions.

OMB No. 1545-0720

Part I Reporting Authority

1 Issuer's name City of Holdrege, Nebraska		Check if Amended Return <input type="checkbox"/>	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) Lauren W. Wismer, Gilmore & Bell, P.C., Bond Counsel		2 Issuer's employer identification number 47-6006232	
4 Number and street (or P.O. box if mail is not delivered to street address) 1248 O Street		3b Telephone number of other person shown on 3a 402-474-5000	
Room/suite 710		5 Report number (For IRS Use Only) 1	
6 City, town, or post office, state, and ZIP code Lincoln, NE 68508		7 Date of issue (MM/DD/YYYY) 12/12/2012	
8 Name of issue Revenue Bond (Phelps Memorial Health Center Project), Series 2012		9 CUSIP number None	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information Robert Rager, City Administrator		10b Telephone number of officer or other employee shown on 10a 308-995-8681	

Part II Type of Issue (Enter the issue price.)

		Issue Price
11 Exempt facility bond:		
a	Airport (sections 142(a)(1) and 142(c))	11a
b	Docks and wharves (sections 142(a)(2) and 142(c))	11b
c	Water furnishing facilities (sections 142(a)(4) and 142(e))	11c
d	Sewage facilities (section 142(a)(5))	11d
e	Solid waste disposal facilities (section 142(a)(6))	11e
f	Qualified residential rental projects (sections 142(a)(7) and 142(d)) (see instructions)	11f
	Meeting 20-50 test (section 142(d)(1)(A)) <input type="checkbox"/>	
	Meeting 40-60 test (section 142(d)(1)(B)) <input type="checkbox"/>	
	Meeting 25-60 test (NYC only) (section 142(d)(6)) <input type="checkbox"/>	
	Has an election been made for deep rent skewing (section 142(d)(4)(B))? <input type="checkbox"/> Yes <input type="checkbox"/> No	
g	Facilities for the local furnishing of electric energy or gas (sections 142(a)(8) and 142(f))	11g
h	Facilities allowed under a transitional rule of the Tax Reform Act of 1986 (see instructions)	11h
	Facility type _____	
	1986 Act section _____	
i	Qualified enterprise zone facility bonds (section 1394) (see instructions)	11i
j	Qualified empowerment zone facility bonds (section 1394(f)) (see instructions)	11j
k	District of Columbia Enterprise Zone facility bonds (section 1400A)	11k
l	Qualified public educational facility bonds (sections 142(a)(13) and 142(k))	11l
m	Qualified green building and sustainable design projects (sections 142(a)(14) and 142(l))	11m
n	Qualified highway or surface freight transfer facilities (sections 142(a)(15) and 142(m))	11n
o	Other (see instructions) _____	
p	Qualified New York Liberty Zone bonds (section 1400L(d)) _____	11p
q	Other (see instructions) _____	11q
12a	Qualified mortgage bond (section 143(a))	12a
b	Other (see instructions) _____	12b
13	Qualified veterans' mortgage bond (section 143(b)) (see instructions) ▶	13
	Check the box if you elect to rebate arbitrage profits to the United States <input type="checkbox"/>	
14	Qualified small issue bond (section 144(a)) (see instructions) ▶	14
	Check the box for \$10 million small issue exemption <input type="checkbox"/>	
15	Qualified student loan bond (section 144(b))	15
16	Qualified redevelopment bond (section 144(c))	16
17	Qualified hospital bond (section 145(c)) (attach schedule—see instructions)	17 5,000,000
18	Qualified 501(c)(3) nonhospital bond (section 145(b)) (attach schedule—see instructions)	18
	Check box if 95% or more of net proceeds will be used only for capital expenditures <input type="checkbox"/>	
19	Nongovernmental output property bond (treated as private activity bond) (section 141(d))	19
20a	Other (see instructions) _____	
b	New York Liberty Zone advance refunding bond (section 1400L(e)) (see instructions) _____	20b
c	Other. Describe (see instructions) ▶ _____	20c

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 49973K

Form **8038** (Rev. 4-2011)

Part III Description of Bonds (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	12/01/2027	\$ 5,000,000	\$ 5,000,000	7.712 years	VR %

Part IV Uses of Proceeds of Issue (including underwriters' discount)

	Amount
22 Proceeds used for accrued interest	22 0
23 Issue price of entire issue (enter amount from line 21, column (b))	23 5,000,000
24 Proceeds used for bond issuance costs (including underwriters' discount)	24 51,000
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 issue (complete Part VI)	27 0
28 Proceeds used to advance refund prior issue (complete Part VI)	28 0
29 Add lines 24 through 28	29 51,000
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30 4,949,000

Part V Description of Property Financed by Nonrefunding Proceeds

Caution: The total of lines 31a through e below must equal line 30 above. Do not complete for qualified student loan bonds, qualified mortgage bonds, or qualified veterans' mortgage bonds.

31 Type of Property Financed by Nonrefunding Proceeds:	Amount
a Land	31a 0
b Buildings and structures	31b 4,949,000
c Equipment with recovery period of more than 5 years	31c 0
d Equipment with recovery period of 5 years or less	31d 0
e Other. Describe (see instructions)	31e 0

32 North American Industry Classification System (NAICS) of the projects financed by nonrefunding proceeds.

NAICS Code	Amount of nonrefunding proceeds	NAICS Code	Amount of nonrefunding proceeds
a 622110	\$ 4,949,000	c	\$
b	\$	d	\$

Part VI Description of Refunded Bonds (Complete this part only for refunding bonds.)

33 Enter the remaining weighted average maturity of the bonds to be currently refunded	years
34 Enter the remaining weighted average maturity of the bonds to be advance refunded	years
35 Enter the last date on which the refunded bonds will be called	/ /
36 Enter the date(s) the refunded bonds were issued	

Part VII Miscellaneous

37 Name of governmental unit(s) approving issue (see the instructions) **Public Hearing: 09/04/2012 ; Public Approval: 09/04/2012 (Mayor)**

38 Check the box if you have designated any issue under section 265(b)(3)(B)(i)(III) ☒

39 Check the box if you have elected to pay a penalty in lieu of arbitrage rebate ☐

40a Check the box if you have identified a hedge and enter the following information ☐

b Name of hedge provider

c Type of hedge

d Term of hedge

41 Check the box if the hedge is superintegrated ☐

42a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC)

b Enter the final maturity date of the GIC / /

c Enter the name of the GIC provider

43 Check the box if the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated in accordance with the requirements under the Code and Regulations (see instructions) ☒

44 Check the box if the issuer has established written procedures to monitor the requirements of section 148 ☒

45a Enter the amount of reimbursement if some portion of the proceeds was used to reimburse expenditures

b Enter the date the official intent was adopted / /

46 Check the box if the issue is comprised of qualified redevelopment, qualified small issue, or exempt facilities bonds and provide name and EIN of the primary private user ☐

Name

EIN

Part VIII
Volume Caps

Page 3

47	Amount of state volume cap allocated to the issuer. Attach copy of state certification	47
48	Amount of issue subject to the unified state volume cap	48
49	Amount of issue not subject to the unified state volume cap or other volume limitations:	49
	Of bonds for governmentally owned solid waste facilities, airports, docks, wharves, environmental	
	enhancements of hydroelectric generating facilities, or high-speed intercity rail facilities	
49a	Under a carryforward election. Attach a copy of Form 8328 to this return.	49a
49b	Under transitional rules of the Tax Reform Act of 1986. Enter Act section	49b
49c	Under the exception for current refunding (section 146(f) and section 1313(a) of the Tax Reform Act of 1986)	49c
49d	Amount of issue of qualified veterans' mortgage bonds	49d
50a	Enter the state limit on qualified veterans' mortgage bonds	50a
50b	Amount of section 1394(f) volume cap allocated to issuer. Attach copy of local government certification	50b
51a	Name of empowerment zone	51a
52	Amount of section 142(k)(5) volume cap allocated to issuer. Attach copy of state certification	52

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(s) that I have authorized above.

Preparer Print/Type preparer's name Robert Rager Signature of issuer's authorized representative Robert Rager Date 12/12/12

Use Only Firm's name James Dunne & Bell, P.C. Preparer's signature [Signature] Date 12/12/12 Type or print name and title Robert Rager, City Administrator

Firm's address 2405 Grand Boulevard, Suite 1100, Kansas City, MO 64108 Phone no. 816-221-1000

ATTACHMENT TO IRS FORM 8038:

CITY OF HOLDREGE, NEBRASKA

\$5,000,000

REVENUE BOND

(PHELPS MEMORIAL HEALTH CENTER PROJECT)

SERIES 2012

PART II: Type of Issue

Line 17: Qualified 501(c)(3) Hospital Bond

Organizations Benefiting from 501(c)(3) Qualified Hospital Bonds	Employer Identification Number	Amount of These Bonds Benefiting This Organization
Phelps Memorial Health Center	47-0481628	\$5,000,000