



MINUTES

BEDFORD COUNTY BOARD OF SUPERVISORS

PUBLIC HEARING ON THE BUDGET AND TAX RATES

BEDFORD SCIENCE AND TECHNOLOGY CENTER

APRIL 8, 2013

7:30 P.M. **PUBLIC HEARING** – Bedford Science and Technology Center

- a. Call to Order
- b. Moment of Silence
- c. Pledge of Allegiance

(1) APPROVAL OF AGENDA

(2) INTRODUCTORY REMARKS BY CHAIRMAN ARRINGTON

(3) PUBLIC HEARINGS

- a. Tax Rate Ordinance - Tax Year 2013
- b. Proposed Bedford County Budget FY 2013-2014
- c. Proposed School Bond Financings

(4) ADJOURNMENT

Board of Supervisors: Steve Arrington, Chairman – District 5; Bill Thomasson, District 1; Curry Martin, District 2; Roger Cheek, District 3; Annie Pollard, District 6; Tammy Parker, District 7

Absent: John Sharp, Vice-Chairman, District 4

Staff Present: Mark Reeter, Frank J. Rogers, Carl Boggess, Susan Crawford, and Brigitte Petersen

Chairman Arrington called the meeting to order and welcomed everyone in attendance; a moment of silence was held and the Pledge of Allegiance was said.

(1) APPROVAL OF THE AGENDA

Supervisor Pollard made a motion to approve the agenda; motion passed by acclamation.

(2) INTRODUCTION

Chairman Arrington made introductory remarks and outlined the procedure on how the public hearings would be conducted. He clarified that while there are three separate public hearings, if a citizen is signed up to speak on the budget, they may also speak on the tax rate at the same time without waiting for the next public hearing to be called.

(3) PUBLIC HEARINGS

(3a) Chairman Arrington opened the public hearing on the proposed Tax Rate Ordinance for Tax Year 2013. Mr. Frank Rogers, Deputy County Administrator, called the speakers in the order their speaker forms were received:

Mr. Delano Campbell, of Coleman Falls, addressed the Board with his concerns regarding trash from the City of Lynchburg filling Bedford's landfills. Mr. Campbell stated he had been an employee of Bedford County Solid Waste and had worked at one of the convenience sites, where he saw trash from outside Bedford frequently brought in. He said that no one is enforcing the rules that state only a county citizen can use the landfill, and claimed he was fired when he complained about this issue. He said he was also fired because he complained about his request to turn the heat on at his convenience site.

Ms. Nancy Cottingham, of Bedford, addressed the Board regarding funding for mental health services. Ms. Cottingham stated she is an employee of Horizon Behavioral Health, and works with County staff to provide public behavioral health care for persons struggling with mental illness, substance abuse and developmental disabilities. She said they have provided these services for citizens in the Region 2000 area for over 40 years. Her agency offers clinical and prevention services through over 30 programs at 22 service locations, as well as in homes, schools, emergency rooms, detention centers and jails. She thanked Supervisors Arrington, Parker, and Pollard, and Mr. Reeter for attending the grand opening of their newly relocated Bedford office. Ms. Cottingham briefly outlined the services and cost savings provided to the community by Horizon. She thanked the Board for their contribution of \$104,386.00, and stated that due to the reversion, they are requesting an additional \$9,014.00 from the County to cover the portion of funding previously received from the City.

Ms. Cheryl Sprouse, of Forest, addressed the Board as a representative of the Bedford County Teachers Association. Ms. Sprouse stated that teaching is a calling, stating it requires passion and caring for students. She said teaching changes lives, and touches many people. She stated teachers are expected to do a great many things with few resources, and increasingly are dealing with children who bring a variety of challenges with them to the classroom in situations that force them into the roles of parent, psychologist and police. She said education is the foundation of our democracy and the path to opportunity. Teaching is difficult, complicated and frustrating, and to make it work it takes everyone's help. Ms. Sprouse stated that it is essential that the teaching profession be supported, respected and compensated. She said many people have been led to believe that public schools are failing, but this is not the case and in Virginia they are doing outstanding work every day. She outlined the difficult circumstances teachers are working under, and requested that the Board support the teachers request for fair compensation.

Mr. Andy Dooley, of Thaxton, addressed the Board with his concern that the advertised tax rate is not sufficient to support the needs of Bedford County. He asked the Board if real estate assessment values continue to drop and the tax rate is not increased, where will the difference in revenue be made up? He asked if they would have to cut education, services to citizens or eliminate jobs? Mr. Dooley stated that he hoped the Board would not consider cutting law enforcement, fire and rescue or education. He asked them to do what was right and consider raising the tax rate to support these services. He asked the Board to do what's right for the future, and consider the importance of economic development and tourism.

Ms. Jamie Banister, of Goode, stated that she is a parent and very involved with the schools. She said she has seen on a daily basis how dedicated the teachers are to the children. Ms. Banister voiced her support for fair compensation for teachers. She noted that after the children have gone home for the day, the teachers are still working and also take work home. She said that the teachers do truly care about the children, and commented how patient and undercompensated they are. She stated that she feels the teachers need a raise of at least 3%, as well as covering increases in insurance, retirement, etc. Ms. Banister said that she appreciates the fact that the Board is accountable to many for the way the County's fund are managed, as well as keeping taxes from going up, but she asked as a parent, resident and taxpayer in the County that any of the proposed budget cuts not be taken from the teachers.

Ms. Karen Nuzzo, of Bedford, stated that she is a school teacher, a taxpayer and a parent, and she wanted to express to the Board how important education is. Ms. Nuzzo stated that education is the single largest line item in the proposed budget, and is incredibly important to this community and every community across the country. She said education has been short-changed for a long time, and teachers have been making do as best they can. Ms. Nuzzo said it is time to step up and fund education in the way that it needs to be funded. She said we don't know what the future of education will look like in five years, and we're thinking on our feet every day to prepare our children for a future that hasn't been imagined. This takes resources; computers less than 5-10 years old, equipped classrooms, heating systems that work. Ms. Nuzzo said they need schools that work for both our teachers and our students, and this takes money. She said the teachers know how hard times have been because they've been in the trenches, too, but they are asking the Board to look deep and remember that every time school budgets are cut they are short-changing our children's futures. Ms. Nuzzo concluded that she humbly asked the Board to fund the schools as fully as possible.

Mr. Billy Hackworth, of Bedford, addressed the Board with his concerns regarding how the Sheriff's department is spending some of its funding on projects he feels are not related to law enforcement. Mr. Hackworth questioned the validity of the story portrayed in the film "Finding Faith", which the Sheriff's department has been involved with, and voiced his opinion that this was a waste of funds. He cited several other instances where he felt the department exercised questionable judgment and asked the Board to consider redirecting some of the Sheriff's funding toward other departments.

Mr. Glen Smith, of Bedford, stated that he is a retired teacher of the Bedford County Public Schools. Mr. Smith encouraged the Board to follow Sheriff Brown's recommendation to put School Resource Officers in every school. He said he understands that this will cost a lot of money, but when we set priorities in the County it's pretty hard to think of a priority any higher than the welfare of the children. He noted that he understands there are other options that have been suggested, such as training and arming school staff. He feels these staff members are educators and that job should not entail having to carry a gun and be a law enforcement figure at the school. Mr. Smith said we need a well trained law enforcement person in every school who is not only skillful with a weapon, but also capable of making a split-second decision of just how to react to a danger. Mr. Smith concluded by urging the Board to raise the taxes if need be to take care of this situation. He stated that he is not an advocate of raising taxes and is about to transition to a fixed income himself, but in this case he feels it is justified.

Mr. Robert Holmes, of Forest, stated that he was addressing the Board this evening as a parent who no longer has a child in school, or a friend or relative working in the school system. He said he is a concerned citizen and the president of the Bedford PTA County Council. (He also thanked the Board for funding the EMS crew in Forest for 24 hours a day, and said it is greatly appreciated.) Mr. Holmes stated he felt the School Board has presented a fair, reasonable and necessary budget. Mr. Holmes said that if the Board thinks the money is theirs and that they are good to the citizens, they are wrong. Mr. Holmes commented that we do have the lowest tax rate in the area, and he has already heard speakers this evening that have said they don't mind if their taxes are raised if it is necessary. He said he knows most of the Board ran as fiscal conservatives and he appreciates that, as he is also conservative. However, there are needs and opportunities that can be served by raising the taxes. Mr. Holmes suggested that one of the reasons that many business don't come to Bedford is that we spend the least amount of money per student of any jurisdiction in this state. He said that the \$2.5 million additional funds the School Division is asking for is reasonable, and he asked the Board to fulfill their request.

Ms. Shelley Hendry, of Bedford, thanked the Board for their service, commenting that they are not paid or appreciated for the decisions that they make. Ms. Hendry said she has elected to home school her children and she doesn't cost the taxpayers any money, but she cares about her neighbors children who do attend public school. She said neither the Board nor the teachers are responsible for the education of children in this County; their parents are responsible. Ms. Hendry commended the teachers for the service they provide, even though they are under-paid and under-supported. She said there needs to be more focus on the responsibility of parents, funds from private sources and the role of volunteerism as part of our education system. She stated that as a performing artist, she would be honored and delighted to perform in this community and let the money go to the public school system. Ms. Holmes said this was not to increase the power of government by holding the Board and the teachers responsible, but by looking to the private sectors and communities, as well as the parents themselves, to be required to contribute in either service or through additional funds. Government can only shrink as personal responsibility increases. She said we need additional sources of income that do not come from taxes, but rather from the personal efforts of citizens of Bedford County.

Mr. Brad Creasey, Fire Chief for the City of Bedford, reminded the Board that he had approached the Board in November 2012 with a request for funding to replace apparatus. He said he cannot find funding for his request in the budget proposal for FY2013-14. Chief Creasey stated the Bedford Volunteer Fire Department and the County Board of Supervisors have a long working relationship, but in

order for our firefighters to continue to serve the community in a safe, efficient and effective manner, our volunteers who risk their lives every day deserve safe, reliable and modern equipment. He stated there is \$1.1 million that is un-appropriated or untargeted in this year's CIP; he asked that these funds be appropriated for his request.

Mr. Tony Claytor, of Bedford, said he is all for teachers getting raises but it shouldn't be across the board – it should be based on a pass/fail ratio in their classrooms. Mr. Claytor said he has learned that some teachers had only 60-70% of their class pass; a teacher that does that doesn't need a raise. He said we need give raises according to how well their students perform. Mr. Claytor stated he also understands the Fire and Rescue Chief wants to take over a portion of the Group Home property; he said \$2.4 million is still owed on that property. He recommended putting Fire and Rescue instead at the Old Montvale School building, which is sitting empty, and selling the Group Homes. He said we could use those profits to fund the Fire and Rescue department's equipment requests, etc. Mr. Claytor stated that, as far as School Resource Officers go, when he went to school students kept guns in their trucks on the gun racks because they hunted before and after school, and carried knives with them all the time; they didn't have all the problems the schools are seeing now. He said SROs aren't needed all the time when School Administration can call them whenever they need an officer. Mr. Claytor said all the excess cars that County staff uses to drive back and forth to work need to be removed, unless they are on emergency calls. He said if the County Garage keeps the cars up the way they are supposed to, the cars should run 200,000 miles before they need to be replaced. We can save money and don't have to raise taxes if we spend our money more wisely.

Ms. Ann Chafin, addressed the Board by stating that she is a parent, a grandparent and a teacher with Bedford County for 15 years. She noted that she has also been a resident and taxpayer in Bedford County for 27 years. Ms. Chafin said she has never once had a problem with the Board raising her taxes, even long before she began teaching in this County. She said we need to be careful when we set a standard in this County that says "no taxes will be raised again" and be proud of it. She thinks we need to look at what is the most important investment that each one of us has, including the Board members. They have children, grandchildren, etc., that were educated in public schools and she knows the Board is grateful. She asked the Board to please show teachers their gratitude by allowing the School Board to have the funding that they have requested to enable the teachers to be the outstanding educators that they are and will continue to be. She invited the Supervisors to spend a day with her in her classroom. She said she loves teaching, loves her kids and loves her school.

There being no one else signed up to speak, Chairman Arrington closed the public hearing on the tax rate ordinance.

Supervisor Parker made a motion to approve Ordinance #O 0413-38.

WHEREAS, the Code of Virginia requires all Counties to annually adopt a budget; and

WHEREAS, the Board of Supervisors has duly advertised and held a public hearing on the subject of tax rates;

NOW, THEREFORE, BE IT ORDAINED by the Board of Supervisors of the County of Bedford, Virginia, that there be, and is hereby levied, the following tax and tax rates for tax year 2013:

- (1) \$0.50 per one hundred dollars of assessed valuation on all taxable real estate located in this County;
- (2) \$0.50 per one hundred dollars of assessed valuation on the property classified in Section 58.1-3506 A 8, Code of Virginia 1950, as amended;
- (3) 2.35 per one hundred dollars of assessed valuation for classifications of tangible personal property as defined in §§58.1-3503 and 3506 of the Code of Virginia: automobiles, trucks, motorcycles, camping trailers, travel trailers, motor homes and other recreational vehicles, trailers, boats, watercraft and aircrafts.
- (4) \$ 1.70 per one hundred dollars of assessed valuation for certain other classifications of tangible personal property as defined in §58.1-3506 of the Code of Virginia: heavy construction equipment, forest harvesting and silviculture equipment, computer hardware, programmable computer equipment and peripherals.
- (5) \$.00 per \$100.00 of assessed valuation on the property classified in Section 58.1-3506 A 12 of the Code of Virginia: vehicles for the transportation of the physically handicapped.
- (6) \$1.20 per \$100.00 of assessed valuation on the property classified in Sections 58.1-3506 A5, A7, and A18, 58.1-3507 and 58.1-3508 of the Code of Virginia, commonly known as machinery and tools.

Voting yes: Mr. Thomasson, Mr. Martin, Mr. Cheek, Mr. Arrington, Mrs. Pollard and Ms. Parker

Voting no: None

Absent: Mr. Sharp

Motion passed.

(3b) Chairman Arrington opened the public hearing on the proposed Bedford County Budget for FY2013-14.

Mr. John Briscoe, of Thaxton, stated he's been watching the exchanges regarding school funding for 20 years. He said it's usually the same, and there's at least one person that encourages the Board to raise their taxes. Mr. Briscoe said what they are really saying is to raise his taxes, and he is telling the Board that if they raise his taxes, they are fired. He said the State and the country is awash in red ink, unfunded mandates and liabilities, and thanked the Board for holding the line. Mr. Briscoe said the \$2.5 million additional funding mentioned by an earlier speaker was supposed to be one-time funding last year. He said he worked a lot harder and made less money last year; he did not get a raise. He said the school budget is bigger this year than it was last year.

Ms. Jackie Davis, of Thaxton, addressed the Board with a prayer.

There being no one else desiring to speak, the public hearing was closed.

(3c) Chairman Arrington opened the public hearing on the proposed School Bond Refinancings.

There being no one desiring to speak, the public hearing was closed.

Supervisor Thomasson made a motion to approve the resolution authorizing the School Bond Refinancings.

WHEREAS, on June 29, 2006, the Economic Development Authority of the County of Bedford, Virginia issued its Lease Revenue Bonds (County of Bedford, Virginia Public Facilities Project), Series 2006 (the "Series 2006 Bonds") in the original aggregate principal amount of \$44,635,000, a portion of which assisted the County of Bedford, Virginia (the "County") in financing capital projects for public school purposes;

WHEREAS, the Board of Supervisors (the "Board") of the County has determined that it is necessary and expedient to borrow an amount not to exceed \$35,000,000 and to issue its general obligation school bonds to refund all or a portion of the outstanding principal amount of the Series 2006 Bonds, subject to the terms and conditions herein, including a condition that the refunding achieve an aggregate net present value debt service savings of not less than 3% of the refunded principal amount (the "Targeted Savings");

WHEREAS, the Board held a public hearing on April 8, 2013, on the issuance of the Bonds (as defined below) in accordance with the requirements of Section 15.2-2606, Code of Virginia of 1950, as amended (the "Virginia Code");

WHEREAS, the School Board of the County has, by resolution, requested the Board to authorize the issuance of the Bonds (as hereinafter defined) and consented to the issuance of the Bonds;

WHEREAS, the Bond Sale Agreement (as defined below) shall indicate that \$33,000,000 is the amount of proceeds requested (the "Proceeds Requested") from the Virginia Public School Authority ("VPSA") in connection with the sale of the Bonds;

WHEREAS, VPSA's objective is to pay the County a purchase price for the Bonds which, in VPSA's judgment, reflects the Bonds' market value (the "VPSA Purchase Price Objective"), taking into consideration of such factors as the Targeted Savings, the amortization schedule the County has requested for the Bonds relative to the amortization schedules requested by other localities, the purchase price to be received by VPSA for its bonds and other market conditions relating to the sale of VPSA's bonds; and

WHEREAS, such factors may result in the Bonds having a purchase price other than par and consequently (i) the County may have to issue a principal amount of Bonds that is greater than or less than the Proceeds Requested in order to receive an amount of proceeds that is substantially equal to the Proceeds Requested, or (ii) if the maximum authorized principal amount of the Bonds set forth in section 1 below does not exceed the Proceeds Requested by at least the amount of any discount, the purchase price to be paid to the County, given the VPSA Purchase Price Objective and market conditions, will be less than the Proceeds Requested.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF BEDFORD, VIRGINIA:

1. Authorization of Bonds and Use of Proceeds. The Board hereby determines that it is advisable to contract a debt and issue and sell its general obligation school bonds in an aggregate principal amount not to exceed \$35,000,000 (the "Bonds") for the purpose of refunding a portion of the outstanding principal amount of the Series 2006 Bonds. The Board hereby authorizes the issuance and sale of the Bonds in the form and upon the terms established pursuant to this Resolution.

2. Sale of the Bonds. It is determined to be in the best interest of the County to accept the offer of VPSA to purchase from the County, and to sell to VPSA, the Bonds at a price, determined by VPSA to be fair and accepted by the Chairman of the Board and the County Administrator, or either of them that is substantially equal to the Proceeds Requested, except that the Bonds (i) must achieve at least the Targeted Savings and (ii) may be sold for a purchase price not lower than 95% of the Proceeds Requested if issuing the Bonds in the maximum principal amount authorized by Section 1 of this Resolution is insufficient, given the VPSA Purchase Price Objective and market conditions, to generate an amount of proceeds substantially equal to the Proceeds Requested. The Chairman of the Board, the County Administrator, or either of them and such other officer or officers of the County as

either may designate are hereby authorized and directed to enter into a Bond Sale Agreement, dated as of April 12, 2013, with VPSA providing for the sale of the Bonds to VPSA. The agreement shall be in substantially the form submitted to the Board at this meeting, which form is hereby approved (the "Bond Sale Agreement").

3. Details of the Bonds. The Bonds shall be dated the date of issuance and delivery of the Bonds; shall be designated "General Obligation School Bonds, Series 2013"; shall bear interest from the date of delivery thereof payable semi-annually on each January 15 and July 15 beginning January 15, 2014 (each an "Interest Payment Date"), at the rates established in accordance with Section 4 of this Resolution; and shall mature on July 15 in the years (each a "Principal Payment Date") and in the amounts set forth on Schedule I attached hereto (the "Principal Installments"), subject to the provisions of Section 4 of this Resolution.

4. Interest Rates and Principal Installments. The County Administrator is hereby authorized and directed to accept the interest rates on the Bonds established by VPSA, provided that each interest rate shall be five one-hundredths of one percent (0.05%) over the interest rate to be paid by VPSA for the corresponding principal payment date of the bonds to be issued by VPSA (the "VPSA Bonds"), a portion of the proceeds of which will be used to purchase the Bonds, and provided further that the true interest cost of the Bonds does not exceed six percent (6.00%) per annum. The Interest Payment Dates and the Principal Installments are subject to change at the request of VPSA. The County Administrator is hereby authorized and directed to accept changes in the Interest Payment Dates and the Principal Installments at the request of VPSA, provided that the aggregate principal amount of the Bonds shall not exceed the amount authorized by this Resolution. The execution and delivery of the Bonds as described in Section 8 hereof shall conclusively evidence such interest rates established by VPSA and Interest Payment Dates and the Principal Installments requested by VPSA as having been so accepted as authorized by this Resolution.

5. Form of the Bonds. The Bonds shall be initially in the form of a single, temporary typewritten bond substantially in the form attached hereto as Exhibit A.

6. Payment; Paying Agent and Bond Registrar. The following provisions shall apply to the Bonds:

(a) For as long as VPSA is the registered owner of the Bonds, all payments of principal, premium, if any, and interest on the Bonds shall be made in immediately available funds to VPSA at, or before 11:00 a.m. on the applicable Interest Payment Date, Principal Payment Date or date fixed for prepayment or redemption, or if such date is not a business day for Virginia banks or for the Commonwealth of Virginia, then at or before 11:00 a.m. on the business day next succeeding such Interest Payment Date, Principal Payment Date or date fixed for prepayment or redemption.

(b) All overdue payments of principal and, to the extent permitted by law, interest shall bear interest at the applicable interest rate or rates on the Bonds.

(c) U.S. Bank National Association, Richmond, Virginia, is designated as Bond Registrar and Paying Agent for the Bonds.

7. Prepayment or Redemption. The Principal Installments of the Bonds held by VPSA coming due on or before July 15, 2023, and the definitive Bonds for which the Bonds held by VPSA may be exchanged that mature on or before July 15, 2023, are not subject to prepayment or redemption prior to their stated maturities. The Principal Installments of the Bonds held by VPSA coming due after July 15, 2023, and the definitive bonds for which the Bonds held by VPSA may be exchanged that mature after July 15, 2023, are subject to prepayment or redemption at the option of the County prior to their stated maturities in whole or in part, on any date on or after July 15, 2023, upon payment of the prepayment or redemption prices (expressed as percentages of Principal Installments to be prepaid or the principal amount of the Bonds to be redeemed) set forth below plus accrued interest to the date set for prepayment or redemption:

<u>Dates</u>	<u>Prices</u>
July 15, 2023 through July 14, 2024.....	101%
July 15, 2024 through July 14, 2025.....	100.5
July 15, 2025 and thereafter	100;

Provided, however, that the Bonds shall not be subject to prepayment or redemption prior to their stated maturities as described above without first obtaining the written consent of VPSA or the registered owner of the Bonds. Notice of any such prepayment or redemption shall be given by the Bond Registrar to the registered owner by registered mail not more than ninety (90) and not less than sixty (60) days before the date fixed for prepayment or redemption. The County Administrator is authorized to approve such other redemption provisions, including changes to the redemption dates set forth above, as may be requested by VPSA.

8. Execution of the Bonds. The Chairman or Vice Chairman and the Clerk or any Deputy Clerk of the Board are authorized and directed to execute and deliver the Bonds and to affix the seal of the County thereto. The manner of such execution may be by facsimile, provided that if both signatures are by facsimile, the Bonds shall not be valid until authenticated by the manual signature of the Paying Agent.

9. Pledge of Full Faith and Credit. For the prompt payment of the principal of, premium, if any, and the interest on the Bonds as the same shall become due, the full faith and credit of the County are hereby irrevocably pledged, and in each year while any of the Bonds shall be outstanding

there shall be levied and collected in accordance with law an annual ad valorem tax upon all taxable property in the County subject to local taxation sufficient in amount to provide for the payment of the principal of and premium, if any, and the interest on the Bonds as such principal, premium, if any, and interest shall become due, which tax shall be without limitation as to rate or amount and in addition to all other taxes authorized to be levied in the County to the extent other funds of the County are not lawfully available and appropriated for such purpose.

10. Use of Proceeds Certificate and Certificate as to Arbitrage. The Chairman of the Board, the County Administrator and such other officer or officers of the County as either may designate are hereby authorized and directed to execute a Certificate as to Arbitrage and a Use of Proceeds Certificate each setting forth the expected use and investment of the proceeds of the Bonds and containing such covenants as may be necessary in order to show compliance with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable regulations relating to the exclusion from gross income of interest on the Bonds and on the VPSA Bonds. The Board covenants on behalf of the County that (i) the proceeds from the issuance and sale of the Bonds will be invested and expended as set forth in such Certificate as to Arbitrage and such Use of Proceeds Certificate and that the County shall comply with the other covenants and representations contained therein and (ii) the County shall comply with the provisions of the Code so that interest on the Bonds and on the VPSA Bonds will remain excludable from gross income for Federal income tax purposes.

11. State Non-Arbitrage Program; Proceeds Agreement. The Board hereby determines that it is in the best interests of the County to authorize and direct the Director of Finance to participate in the State Non-Arbitrage Program in connection with the Bonds. The County Administrator and the Chairman of the Board, or either of them and such officer or officers of the County as either of them may designate, are hereby authorized and directed to execute and deliver a Proceeds Agreement with respect to the deposit and investment of proceeds of the Bonds by and among the County, the other participants in the sale of the VPSA Bonds, VPSA, the investment manager, and the depository substantially in the form on file with the County Administrator, which form is hereby approved.

12. Continuing Disclosure Agreement. The Chairman of the Board, the County Administrator and such other officer or officers of the County as either may designate are hereby authorized and directed to execute a Continuing Disclosure Agreement, as set forth in Appendix F to the Bond Sale Agreement, setting forth the reports and notices to be filed by the County and containing such covenants as may be necessary in order to show compliance with the provisions of the Securities and Exchange Commission Rule 15c2-12, under the Securities Exchange Act of 1934, as amended, and directed to make

all filings required by Section 3 of the Bond Sale Agreement should the County be determined by the VPSA to be a MOP (as defined in the Bond Sale Agreement).

13. Refunding. (a) The Board hereby authorizes and directs the County Administrator and Director of Finance, either of whom may act, to exercise their discretion in determining whether or not to refund all or any portion of the Series 2006 Bonds and in selecting the maturities of the Series 2006 Bonds to be refunded; provided, however, that the Targeted Savings are achieved.

(b) The Board hereby authorizes and directs the County Administrator and Director of Finance, either of whom may act, to cause the Series 2006 Bonds selected for refunding under subparagraph (a) above to be called for optional redemption on its earliest optional redemption date required under applicable federal tax law. The redemption proceedings, including the giving of redemption notices to the holders of the refunded Series 2006 Bonds, shall be done pursuant to the terms of the Series 2006 Bonds.

(c) The County Administrator and Director of Finance, either of whom may act, are each hereby authorized to cause to be prepared and directed to execute and deliver an escrow agreement between the County and an escrow agent to be selected by the County Administrator, to provide for the refunding and defeasance of the Series 2006 Bonds to be refunded.

14. Filing of Resolution. The appropriate officers or agents of the County are hereby authorized and directed to cause a certified copy of this Resolution to be filed with the Circuit Court of the County.

15. Further Actions. The County Administrator, the Chairman of the Board, and all such other officers, employees and agents of the County as either of them may designate are hereby authorized to take such action as the County Administrator or the Chairman of the Board may consider necessary or desirable in connection with the issuance and sale of the Bonds and any such action previously taken is hereby ratified and confirmed.

16. Effective Date. This Resolution shall take effect immediately.

The undersigned Clerk of the Board of Supervisors of the County of Bedford, Virginia, hereby certifies that the foregoing constitutes a true and correct extract from the minutes of a meeting of the Board of Supervisors held on April 8, 2013, and of the whole thereof so far as applicable to the matters referred to in such extract. I hereby further certify that such meeting was a regularly scheduled meeting and that, during the consideration of the foregoing resolution, a quorum was present. The front page of this Resolution accurately records (i) the members of the Board of Supervisors present at the meeting, (ii)

the members who were absent from the meeting, and (iii) the vote of each member, including any abstentions.

WITNESS MY HAND and the seal of the Board of Supervisors of the County of Bedford, Virginia, this 8th day of April, 2013.

Voting yes: Mr. Thomasson, Mr. Martin, Mr. Cheek, Mr. Arrington, Mrs. Pollard and Ms. Parker

Voting no: None

Absent: Mr. Sharp

Motion passed.

Chairman Arrington thanked everyone for their comments and their attendance, and called for a motion to adjourn.

Supervisor Thomasson made a motion to adjourn the meeting; motion passed by acclamation at 8:34 p.m.

Chairman