

VIRGINIA: AT THE CONTINUATION MEETING OF THE DINWIDDIE COUNTY BOARD OF SUPERVISORS HELD IN THE MULTI-PURPOSE ROOM OF THE PAMPLIN ADMINISTRATION BUILDING IN DINWIDDIE COUNTY, VIRGINIA, ON THE 27TH DAY OF APRIL, 2004, AT 6:00 P.M.

PRESENT:	DONALD L. HARAWAY –CHAIRMAN	ELECTION DISTRICT #2
	HARRISON A. MOODY - VICE CHAIR	ELECTION DISTRICT #1
	ROBERT L. BOWMAN IV	ELECTION DISTRICT #3
	DORETHA E. MOODY	ELECTION DISTRICT #4
	MICHAEL W. STONE	ELECTION DISTRICT #5

=====

Mr. Donald L. Haraway, Chairman, called the continuation meeting to order at 6:21 P.M.

IN RE: REFUNDING SERIES 1997-A & 1997-B LEASE REVENUE BONDS – RESOLUTION

The County Administrator commented the IDA members and Board were here to discuss and adopt the Resolution for the refunding of the Lease Revenue Bonds Series 1997-A (School Facilities) and 1997- B (Courts Facilities).

Mr. Dan Siegel, County Attorney, presented the IDA members with a copy of the Resolution their Attorney, Mr. Sam Johnson, had reviewed and modified. Mr. Charles Johnson, Chairman IDA, stated the Authority members would not be in favor of adopting the Resolution until their attorney approved it.

Mr. Haraway requested that the County Attorney discuss the high points of the Resolution for the Board members. Mr. Siegel briefly discussed the Resolution and pointed out to the Board that the closing for the loan with SunTrust Bank was set for May 5, 2004.

Mr. Johnson commented the IDA would not object to adopting the Resolution with the stipulation that their Attorney approved of the Resolution.

Upon motion of Mr. Moody, Seconded by Mr. Bowman, Mr. Bowman, Ms. Moody, Mr. Stone, Mr. Moody, Mr. Haraway, voting "Aye", the following Resolution was adopted.

**RESOLUTION OF THE BOARD OF SUPERVISORS
OF DINWIDDIE COUNTY, VIRGINIA**

WHEREAS, the Board of Supervisors of Dinwiddie County, Virginia (the "Board of Supervisors") has been advised by Davenport & Company, LLC (the "Financial Advisor") that due to current market conditions in the municipal bond financial marketplace, significant cash savings could be realized by Dinwiddie County, Virginia (the "County") by advance refunding all of the outstanding revenue bonds in an amount of \$4,710,000 for the Series A Bonds (the "Series A Bonds") and \$3,195,000 for the Series B Bonds (the "Series B Bonds", together with the Series A Bonds, the "1997 Refunded Bonds") issued by the Industrial Development Authority of Dinwiddie County, Virginia (the "Authority") which Series A Bonds were used to finance a portion of the completion of the acquisition, construction and equipping of certain of the County's School facilities (Midway Elementary School, Dinwiddie County Middle School and Dinwiddie County High School) (collectively, the "School Project") located on real property ("School Real Estate") owned by the Dinwiddie County School Board (the "School Board") and which Series B Bonds were used to finance the completion of the costs of the acquisition, construction and equipping of the County's courts complex and related facilities located on real property owned by the County (the "County Real Estate"). (The "Courts Complex Project", together with the School Project, the "Projects"); and

WHEREAS, the Board of Supervisors had previously directed the Financial Advisor to prepare a Request for Proposals (the "RFP") to obtain financing plans to refund the Authority's 1997 Refunded Bonds and after reviewing the responses to the RFP that reflect significant debt service savings to the County, the Financial Advisor along with the County's Bond Counsel, Sands Anderson Marks & Miller ("Bond Counsel") recommended that the County select the proposal from SunTrust Bank (the "Bank") for a 10 year fixed rate financing with a rate reset for the remaining life of such bonds and proceed with the financing therein to refund a portion of the Authority's 1997 Refunded Bonds with a new issue of the Authority's lease revenue refunding bonds in an amount not to exceed \$8,200,000 (the "Series 2004 Bonds") composed of two series: Series A (School Refunding) in an amount estimated at \$4,855,000 (the "Series A School Refunding Bond") and Series B (Courts Complex Refunding) in an amount estimated at \$3,279,000 (the "Series B Courts Complex Refunding Bond"); and

WHEREAS, in order for the Authority to issue and sell the Series 2004 Bonds, the Board of Supervisors must adopt a resolution providing its moral obligation in support of such Series 2004 Bonds as may be necessary to issue the same; and

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

1. The following plan for refunding the 1997 Refunded Bonds as described in the preambles above is hereby approved. The Authority will be requested to issue the Series 2004 Bonds in the maximum amount of up to \$8,200,000 and to use the proceeds therefrom to fully defease and refund the 1997 Refunded Bonds. The Projects will be re-leased to the Authority under a Third Amended Ground Lease, dated as of May 1, 2004 (the "Third Amended Ground Lease") and the Authority will re-lease the Projects to the County pursuant to a Third Amended Financing Lease, dated as of May 1, 2004 (the "Third Amended Financing Lease"). The Authority will also enter into a Third Supplemental Indenture of Trust, dated as of May 1, 2004 (the "Third Supplemental Indenture") with SunTrust Bank (the "Trustee"), pursuant to which the Series 2004 Bonds will be issued, which Third Supplemental Indenture is to be acknowledged and consented to by the County. The Authority will also enter into a Third Amended Assignment of Rents and Leases, dated as of May 1, 2004 (the "Third Amended Assignment Agreement") whereby the Authority's rights under the Third Amended Financing Lease will be assigned to the Trustee, which Third Amended Assignment Agreement is to be acknowledged and consented to by the County. The Authority will be requested to re-lease the Projects to the County for the term of the Series 2004 Bonds at rents sufficient to pay interest on, premium, if any, and principal of the Series 2004 Bonds, all pursuant to the Third Amended Financing Lease. The Authority and the County will also enter into a Third Amended Option Agreement, dated as of May 1, 2004 (the "Third Amended Option Agreement") providing the County with the option to purchase the School Project and the Courts Complex Project. The obligation of the Authority to pay principal and interest on the Series 2004 Bonds will be limited to rent payments received from the County. The obligation of the County to pay rent will be subject to the Board of Supervisors making annual appropriations for such purpose. The Series 2004 Bonds will be secured by an assignment of the Third Amended Financing Lease to the Trustee for the benefit of the Bank or its designee as Bondholder (the "Bondholder"). If the County exercises its right not to appropriate money for rent payments, the Trustee for the benefit of the Bondholder may terminate the Third Amended Financing Lease or otherwise take possession of the Projects, subject to the terms of the Third Amended Financing Lease, the Third Amended Assignment Agreement, the Third Amended Ground Lease, and the Third Supplemental Indenture. The Authority, the County and the Bondholder will enter into a Bond Purchase Agreement (the "Bond

Purchase Agreement”), dated as of May 1, 2004, for the purchase of the Series 2004 Bonds. The Authority and the County will also enter into an Escrow Agreement (**the “Escrow Agreement”**), dated as of May 1, 2004, with SunTrust Bank, the Trustee as an escrow agent (**the “Escrow Agent”**), wherein the proceeds from the Series 2004 Bonds will be used to purchase U.S. Treasury Securities, State and Local Government Series (“SLGs”) to advance refund the 1997 Refunded Bonds.

2. The Series A School Refunding Bond is hereby approved with an interest rate of 4.29% per annum, fixed for 10 years, amortizing over 14 years, with a rate reset in year 10 and the Series B Courts Complex Refunding Bond is hereby approved with an interest rate of 4.26% per annum, fixed for 10 years, amortizing over 13 years with a rate reset in year 10, both as set forth in the forms of such Series 2004 Bonds presented at this meeting, each with an Optional Put right of the Bondholder in year 10 (**the “Optional Put”**).
3. The Chairman or Vice Chairman of the Board of Supervisors, either of whom may act, is hereby authorized and directed to execute and deliver the Third Amended Ground Lease, the Third Amended Financing Lease, the Third Supplemental Indenture, the Third Amended Assignment Agreement, the Third Amended Option Agreement, the Escrow Agreement and the Bond Purchase Agreement for the purchase of the Series 2004 Bonds by the Bank (**collectively, such documents to be hereinafter referred to as the “Documents”**) and related instruments thereto.
4. The Chairman or Vice-Chairman of the Board of Supervisors, either of whom may act, is hereby authorized and directed to acknowledge and consent to the provisions of the Documents and any other instruments executed by the Authority in connection with an assignment of the Third Amended Financing Lease for the purpose of securing the Series 2004 Bonds, including but not limited to designating and confirming the terms of the Series 2004 Bonds and the purchase of SLGs sufficient to fund the Escrow Agreement in an amount necessary to fully defease and refund the 1997 Refunded Bonds, and to pay principal and interest when due thereon, and premium thereon, through and including on February 1, 2007 (**the “Redemption Date”**).
5. The Projects are hereby declared to be essential to the efficient operation of the County, and the Board of Supervisors anticipates that the Projects will continue to be essential to the operation of the County during the term of the Third Amended Financing Lease. The Board of Supervisors, while recognizing that it is not empowered to make any binding commitment to make appropriations beyond the current fiscal year, hereby states its intent to make annual appropriations in future fiscal years in amounts sufficient to make all payments under the Third Amended Financing Lease and hereby recommends that future Boards of Supervisors do likewise during the term of the Third Amended Financing Lease. The Series B Courts Complex Refunding Bond will be on parity in lien and dignity with the Authority’s outstanding \$5,500,000 Lease Revenue Bonds (Dinwiddie County Courts Facilities Project), Series 1995B and its \$4,500,000 Lease Revenue Refunding Bonds (Dinwiddie County Courthouse Project), Series 1998C (**together, the “Courts Complex Parity Bonds”**). The Series A School Refunding Bond will be on parity in lien and dignity with the Authority’s outstanding \$6,590,000 Lease Revenue Bonds (Dinwiddie County School Completion Project) Series 1998A (**the “School Parity Bonds”**). The Series 2004 Bonds will not be on parity with any debt service reserve fund or bond insurance securing the School Parity Bonds or the Courts Complex Parity Bonds.

6. The Chairman or Vice-Chairman of the Board of Supervisors, the County Administrator, County Attorney, the County Treasurer and all other officers of the County are hereby authorized and directed to work with representatives of the Authority, the County Attorney, the Special Authority Counsel, Bond Counsel, and the Financial Advisor to perform all services and prepare all documentation necessary to issue the Series 2004 Bonds and to refund the 1997 Refunded Bonds.
7. The County covenants that it shall not take or omit to take any action the taking or omission of which will cause the Series 2004 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, including regulations issued pursuant thereto (**the "Code"**), or otherwise cause interest on the Series 2004 Bonds to be includable in the gross income for Federal income tax purposes of the registered owners thereof under existing law. Without limiting the generality of the foregoing, the County shall comply with any provision of law that may require the County at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Series 2004 Bonds.
8. The County covenants that it shall not permit the proceeds of the Series 2004 Bonds to be used in any manner that would result in (a) 10% or more of the proceeds of the Series 2004 Bonds being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Code, provided that no more than 5% of such proceeds may be used in a trade or business unrelated to the County's use of the School Project and the Courts Complex Project, (b) 5% or more of such proceeds being used with respect to any "output facility" (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than as governmental unit, as provided in Section 141(c) of the Code; provided, however, that if the County receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the Series 2004 Bonds from being includable in the gross income for Federal income tax purposes of the registered owners thereof under existing law, the County need not comply with such covenants.
9. The Board of Supervisors hereby consents to Sands, Anderson, Marks & Miller serving as Bond Counsel, Special Counsel to the Authority and as County Attorney and recommends that such firm be appointed by the Authority as such.
10. All other acts of the Chairman or Vice-Chairman of the Board of Supervisors and other officers of the County that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Series 2004 Bonds and refunding of the 1997 Refunded Bonds, are hereby approved and ratified.
11. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.
12. The County hereby agrees, to the extent permitted by law, to indemnify, defend and save harmless the Authority, its officers, directors, employees and agents from and against all liabilities, obligations, claims, damages, penalties, fines, losses, costs and expenses in any way connected with the issuance of the Series 2004 Bonds or the refunding of the 1997 Refunded Bonds.

13. The County represents and affirms to the Authority that no representations of any kind as to the School Project, the Courts Complex Project, the 1997 Refunded Bonds or the ability to repay the Series 2004 Bonds has been made by the Authority.

14. This resolution shall take effect immediately.

PASSED AND ADOPTED this 27th day of April, 2004.

Donald L. Haraway, Chairman

ATTEST:

Clerk

The Resolution set forth above was adopted by a majority of the Board of Supervisors in an Open Meeting, during a regular meeting of the Board of Supervisors of the County of Dinwiddie, Virginia held on April 27, 2004 in which a quorum was present at all times, by the following votes:

AYES:

Donald L. Haraway
Harrison A. Moody
Robert L. Bowman, IV
Doretha E. Moody
Michael W. Stone

NAYS:

None

ABSTENTIONS:

None

Clerk

IN RE: RECESS

The Board recessed at 6:59 P.M. and moved to the Board Meeting Room. for the adoption of the budget and tax rates.

IN RE: ADOPTION OF FY2004-2005 BUDGET

The County Administrator requested that the Board allow her to review the amendments to the budget.

AMENDMENTS

1. Data Processing – Supplies – reduced from \$8,000 to \$3000 - this category provides funding for ink cartridges, diskettes, CD's etc. for all departments - – funds in the amount of \$8,500 should be restored for software enhancements, i.e. Microsoft Office or report formatting (see attachment); Web Site Hosting – reduced from \$2500 to \$600 – Web site is free; however, these funds were going to used for website enhancement

2. Sheriff – Investigative supplies – reduced from \$6,000 to \$4,000 – funds should be restored due to need for ongoing investigations; Uniforms – reduced \$5,000 – with the turnover in personnel, the Sheriff may need to ask for these funds to be restored during the year.
3. GIS – Supplies – reduced from \$4,000 to \$900 – funds should be restored for project to continue (*see attachment)
4. Health Insurance – We were asked to determine the amount of funding needed to increase the contribution by the County on family and subscriber/dependent from 20% to 40% - \$14,000
5. Dry Hydrant Program – Mr. Stone requested \$15,000 for this program be added

After the review Mrs. Ralph requested that the amendments be restored to the budget.

The County Administrator then asked if there were any questions on the budget for FY2004-2005.

DINWIDDIE COUNTY, VIRGINIA
BUDGET FOR THE FISCAL YEAR COMMENCING JULY 1, 2004

INCOME ESTIMATES	Fiscal Year Commencing July 1, 2004
GENERAL FUND:	
Revenue from Local Sources:	
General Property Taxes	\$14,904,020
Other Local Taxes	2,997,000
Permits, Privilege & Regulatory Licenses	232,900
Fines and Forfeitures	200,000
Revenue from Use of Money & Property	289,000
Charges for Services	575,386
Miscellaneous Revenue	<u>588,750</u>
TOTAL	\$19,787,056
Revenue from the Commonwealth	6,548,570
Revenue from the Federal Government	
Non-Revenue Receipts	<u>400</u>
TOTAL GENERAL FUND	\$26,336,026
LAW LIBRARY FUND	6,500
SCHOOL TEXTBOOK FUND	279,306
SCHOOL CAFETERIA FUND	1,433,080
SCHOOL FUND:	
Revenue from Local Sources	\$ 35,500
Revenue from the Commonwealth	19,766,642
Revenue from the Federal Government	1,605,557
Transfers from Other Funds	<u>11,672,647</u>
TOTAL SCHOOL FUND	\$33,080,346
VA PUBLIC ASSISTANCE FUND	2,689,194
E911 FUND	277,000
SELF-INSURANCE FUND	-0-

GENERAL CAPITAL PROJECTS FUND	1,000,000
GRANT FUND	3,222,900
FIRE PROGRAMS FUND	43,000
FORFEITED ASSET SHARING	-0-
MEALS TAX	330,000
SCHOOL CAPITAL PROJECTS	700,000
CSA FUND	785,812
JAIL COMMISSION FUND	5,000
COURTHOUSE MAINTENANCE FUND	18,000
COUNTY DEBT SERVICE	1,451,792
HEAD START FUND	199,789
SCHOOL DEBT SERVICE	2,707,244
GRAND TOTAL – ALL FUNDS	74,564,989
LESS INTERFUND TRANSFERS	<u>18,034,033</u>

TOTAL INCOME	56,530,956
FUND BALANCES, JULY 1	<u>17,856,537</u>

CASH RESOURCES \$74,387,493

=====

CONTEMPLATED EXPENDITURES

GENERAL FUND:	
Board of Supervisors	\$ 76,035
County Administrator	415,937
County Attorney	71,700
Independent Auditor	32,550
Commissioner of the Revenue	290,563
Business License	19,424
General Reassessment	250,000
Land Use	20,860
Treasurer	276,503
Data Processing	133,466
Electoral Board and Officials	95,747
Circuit Court	21,300
County Court	11,180
Special Magistrates	300
Clerk of the Circuit Court	74,614
Commonwealth's Attorney	146,847
Sheriff-Law Enforcement	2,623,012
Victim Witness	50,308
Volunteer Fire Departments	308,975
Ambulance & Rescue Service	50,900
Forestry Service	11,715
Dinwiddie EMS	943,155
Sheriff—Correction & Detention	714,597
Probation Office	4,300
Other Correction & Detention	262,463
Building Inspection	250,124
Animal Control	155,965
Medical Examiner	500
Public Safety/Civil Defense	167,352
Street Lights	35,000
Refuse Disposal	1,329,804
Public Nuisance	5,000
Public Utilities	124,800
Maintenance of Buildings & Grounds	520,532

Water Service	475,000
Health	195,985
Mental Health	60,487
Area Agency on Aging	4,225
Other Social Services	19,604
Community College	5,478
Recreation	263,775
Lake Chesdin	1,500
Regional Library	222,998
Zoning Board	9,950
Planning	280,162
Economic Development	13,600
Other Planning & Community Develop.	72,964
Regional Planning Commission	38,213
GIS Department	46,402
Soil and Water Conservation	15,500
Advancement of Agric & Home Economics	68,664
Internal Services	93,025
Insurance	<u>154,200</u>
Subtotal	11,537,260
Transfers to Other Funds	<u>17,275,969</u>
TOTAL GENERAL FUND	\$28,813,229
HEAD START	\$199,789
LAW LIBRARY FUND	6,500
SCHOOL TEXTBOOK FUND	279,306
SCHOOL FUND	33,080,345
SCHOOL CAFETERIA FUND	1,436,860
VA PUBLIC ASSISTANCE FUND	2,689,194
E911 FUND	657,667
GENERAL CAPITAL PROJECTS	1,000,000
SCHOOL CAPITAL PROJECTS	700,000
GRANT FUND	3,221,725
FIRE PROGRAMS FUND	43,000
FORFEITED ASSET SHARING	-0-
MEALS TAX FUND	400,000
CSA FUND	785,812
JAIL PHONE COMMISSION FUND	5,000
COURTHOUSE MAINTENANCE	18,000
DEBT SERVICE	2,027,068
SCHOOL DEBT SERVICE	2,707,244
=====	
GRAND TOTALS – ALL FUNDS	78,070,739
LESS INTERFUND TRANSFERS	<u>18,034,033</u>
TOTAL EXPENDITURES	60,036,706
FUND BALANCES – JUNE 30	<u>14,350,786</u>
TOTAL REQUIREMENTS	\$74,387,492

Upon motion of Mr. Moody, Seconded by Mr. Bowman, Mr. Bowman, Ms. Moody, Mr. Stone, Mr. Moody, Mr. Haraway, voting "Aye", the FY2004-2005 Budget with the amendments as presented was adopted.

IN RE: ADOPTION OF TAX RATES 2004

The County Administrator read the proposed tax rates for 2004, as follows, and commented there were no changes this year to the tax rates.

TAX RATES - FY 2004

Unit Levy – All Districts --\$100 Assessed Valuations

◆Real Estate	.77
◆Mobile Homes	.77
◆Mineral Lands	.77
◆Public Services	.77
◆Personal Property	4.90
◆Personal Property - Volunteers	.25
◆Machinery & Tools -	3.30
◆Heavy Const. Equip. -	3.30
◆Certified Pollution Control	3.30
◆Airplanes -	.50

Upon motion of Mr. Bowman, Seconded by Ms. Moody, Mr. Bowman, Ms. Moody, Mr. Stone, Mr. Moody, Mr. Haraway, voting "Aye", the above tax rates for FY2004 were adopted.

IN RE: CLOSED SESSION

Mr. Bowman stated I move to close this meeting in order to discuss matters exempt under section:

§2.2-3711 (A)(1) - Personnel - Appointments;

Mr. Moody seconded the motion. Mr. Bowman, Ms. Moody, Mr. Stone, Mr. Moody, Mr. Haraway, voting "Aye", the Board moved into the Closed Meeting at 7:13 P.M.

A vote having been made and approved the meeting reconvened into Open Session in the Board Meeting Room at 8:27 P.M.

IN RE: CERTIFICATION

Whereas, this Board convened in a closed meeting under §2.2-3711 A. 1 Personnel – Appointments;

And whereas, no member has made a statement that there was a departure from the lawful purpose of such closed meeting or the matters identified in the motion were discussed.

Now be it certified, that only those matters as were identified in the motion were heard, discussed or considered in the meeting.

Upon motion of Mr. Stone, Seconded by Ms. Moody, Mr. Bowman, Ms. Moody, Mr. Stone, Mr. Moody, Mr. Haraway, voting "Aye", this Certification Resolution was adopted.

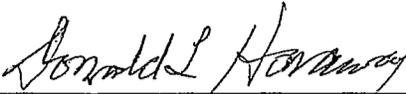
IN RE: RECOMMENDATION OF DONALD L. HARAWAY TO THE NOMINATING COMMITTEE FOR THE CENTRAL VIRGINIA PLANNING AGENCY BOARD OF DIRECTORS TO REPRESENT PLANNING DISTRICT 19

Upon motion of Mr. Bowman, Seconded by Mr. Moody, Mr. Bowman, Ms. Moody, Mr. Stone, Mr. Moody, voting "Aye", Mr. Haraway "Abstaining",

BE IT RESOLVED by the Board of Supervisors of Dinwiddie County, Virginia that Mr. Donald L. Haraway, is hereby recommended to the Nominating Committee of the Central Virginia Health Planning Agency Board of Directors for a Consumer nomination to represent Planning District 19.

IN RE: _____ ADJOURNMENT

Upon Motion of Mr. Moody, Seconded by Mr. Stone, Mr. Bowman, Ms. Moody, Mr. Stone, Mr. Moody, Mr. Haraway voting "Aye", the meeting adjourned at 8:29 P.M.



Donald L. Haraway, Chairman

ATTEST: 
Wendy Weber Ralph
County Administrator

/abr

