

FLUVANNA COUNTY BOARD OF SUPERVISORS
REGULAR MEETING MINUTES
Circuit Courtroom
Fluvanna Courts Building
February 16th, 2011
7:00 p.m.

MEMBERS PRESENT: John Y. Gooch, Chairman
Shaun V. Kenney, Vice-Chairman
Joe Chesser
Donald W. Weaver
Mozell H. Booker
Chris S. Fairchild

MEMBERS ABSENT: None

ALSO PRESENT: Jay Scudder, County Administrator
Fred Payne, County Attorney
Renee Hoover, Finance Director
John Robins, Public Works Director
Mary L. Weaver, Clerk, Board of Supervisors

CALL TO ORDER/PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE

Chairman Gooch called the regular meeting of February 16th, 2011 to order at 7:00 p.m. in the Circuit Courtroom of the New Courts Building in Palmyra, Virginia; and the Pledge of Allegiance was recited, after which Chairman Gooch called for a moment of silence.

REPORTS

Mr. Jay Scudder, County Administrator, reported on the following topics:

- ***Ipads instead of Board Packets*** – reviewed with the Board the convenience and cost savings to the county if we used Ipads to create the board packets electronically. Mr. Rodriguez demonstrated how it would work.
- ***Roundabout for Rt 15 & Rt 53*** – interviewed three candidates and have chosen McCormick Taylor as the developer.

PUBLIC COMMENTS #1

Chairman Gooch opened the floor for the first round of public comments.

The following citizen addressed the Board:

- Jerry Patchen, Palmyra District – addressed the Board in reference to the 5-year financial forecast. Would like the Board to seriously consider a moratorium on CIP spending, and impose on ourselves a referendum for any big ticket spending.
- Minor Eager, Palmyra District – addressed the Board in reference to the 5-year financial forecast. Requested the Board take a careful look at the reassessment, and cut the budget this year by six million.
- Sam Patterson, Palmyra District – addressed the Board in reference to the budget.
- Elizabeth Franklin, Columbia District – addressed the Board in reference to the 5 year financial forecast, and would like the Board to consider the Financial Chapter in the Comprehensive Plan.
- Carolyn Carden, Columbia District – requested the Board consider who elected them and speak in their interest.

With no one else wishing to speak, Chairman Gooch closed the first round of public comments.

CONSENT AGENDA

The following items were approved under the consent agenda:

MOTION:

Mr. Kenney moved to approve the consent agenda, which consisted of:

- Minutes of January 19th, 2011
- Minutes of February 2nd, 2011

Mr. Chesser seconded. The motion carried with a vote of 6-0. AYES: Gooch, Weaver, Booker, Kenney, Fairchild and Chesser. NAYS: None. ABSENT: None.

ACCOUNTS PAYABLE

None

PUBLIC HEARING

An Ordinance to Amend Chapter 2, Article 7 of the Fluvanna County Code, Sections 2-7-2 and 2-7-3, Concerning the Adoption and Use of the County's Official Seal

Mr. Fred Payne, County Attorney, addressed the Board regarding this item.

Chairman Gooch opened the public hearing.

With no one wishing to speak, Chairman Gooch closed the public hearing.

After some discussion of the history of the County Seal and the purpose of this amendment, the following motion was made:

MOTION:

Mr. Kenney moved to adopt the amendment to the ordinance entitled "An Ordinance to Amend the Fluvanna County Code by the Addition, in Chapter 2, of an Article 7, Sections 2-7-2 and 2-7-3, Concerning the Adoption and Use of the County's Official Seal". Mrs. Booker seconded. The motion carried with a vote of 6-0. AYES: Chesser, Gooch, Kenney, Booker, Weaver and Fairchild. NAYS: None. ABSENT: None.

PRESENTATIONS:

None

ACTION MATTERS

Resolution to VPSA for Available Refund Savings

Ms. Renee Hoover, Director of Finance, addressed the Board regarding this item.

MOTION:

Mr. Kenney moved to adopt the attached resolution for the County to claim a refunding savings of \$12,620.02 from VPSA, and authorize the County Administrator to execute any documents necessary for a refunding savings from VPSA, as reviewed by the County Attorney and Bond Counsel. Mr. Weaver seconded. The motion carried with a vote of 6-0. AYES: Gooch, Weaver, Fairchild, Chesser, Booker and Kenney. NAYS: None. ABSENT: None.

Pet Sheltering Grant

Mr. Jay Scudder, County Administrator, addressed the Board regarding this opportunity to apply for a grant for emergency pet sheltering supplies. This grant would require the County to partnership with Charlottesville/Albemarle.

MOTION:

Mr. Weaver moved that the Board of Supervisors approve Fluvanna County Animal Response Team, to apply for a Pet Sheltering Grant with Charlottesville/Albemarle Emergency management, for emergency pet sheltering to develop regional equipment reserves. Mr. Kenney seconded. The motion carried with a vote of 6-0. AYES: Gooch, Weaver, Fairchild, Chesser, Booker and Kenney. NAYS: None. ABSENT: None.

Kents Store Firehouse Construction Project Update

Mr. John Robins, Public Works Director, reviewed with the Board the progress of the Kents Store Firehouse along with a request to update the budget difference on this project. Mr. Robins explained what caused the difference.

MOTION:

Mr. Kenney moved to supplement the construction budget for the Kents Store firehouse Project, by moving \$94,035.73 from the capital reserve account, 302 94153 3175, to the construction contract expense line for the Kents Store Firehouse, known as account 302 94145 3176. Mr. Chesser seconded. The motion carried with a vote of 6-0. AYES: Gooch, Weaver, Fairchild, Chesser, Booker and Kenney. NAYS: None. ABSENT: None.

NEW BUSINESS

5 Year Financial Forecast

Ms. Renee Hoover, Finance Director, introduced Mr. Steve Jacobs of Robinson, Farmer, Cox Associates, who presented to the Board a Financial Forecast for the period of FY2011 – FY2016. The forecast presented is based on historical trends and future requirements, the potential results of operations for the forecast period. This report was prepared for the County of Fluvanna, for the purpose of providing some insights into the potential intermediate term effects of planned general government operations, capital projects and anticipated new debt service requirements relating to alternate levels of capital project financing, and should not be used for any other purpose.

Discussion: After the presentation, the Board discussed what their options would be. Mr. Kenney stated the Board needs to decide whether they are looking at a sustainable rate, or year by year. Ms. Booker asked staff to provide them with some different scenarios that would help guide their thinking. Chairman Gooch would like to know if they went with a three-year sustainable rate "where

would the money go; how much would be put in savings?" Mr. Weaver requested some background information on the school salaries and comparison to other counties. There are some hard decisions to be made.

OLD BUSINESS

The Board asked what the time frame is for the 911 Telecommunications compliance. Mr. Weaver requested staff to give them a timeline on the completion of this compliance.

PUBLIC COMMENTS #2

Chairman Gooch opened the floor for the second round of public comments.

The following citizens addressed the Board:

- Mr. Keith Smith, Columbia District, addressed the board in reference to supporting the Envoy of Fork Union project.

With no one else wishing to speak, Chairman Gooch closed the second segment of public comments.

CLOSED MEETING

MOTION TO ENTER INTO A CLOSED MEETING:

At 9:32 p.m., Mr. Weaver moved the Fluvanna County Board of Supervisors enter into a closed meeting, pursuant to the provisions of Section 2.2-3711 of the Code of Virginia, 1950, as amended, for the purpose of discussing legal matters. Mr. Kenney seconded. The motion carried by a vote of 4-0. AYES: Chesser, Gooch, Kenney, Booker, Fairchild and Weaver. NAYS: None. ABSENT: None

MOTION TO EXIT A CLOSED MEETING & RECONVENE IN OPEN SESSION:

At 11:04 p.m., Mr. Weaver moved the closed meeting be adjourned and the Fluvanna County Board of Supervisors, convene again in open session. Mr. Kenney seconded. The motion carried by a vote of 6-0. AYES: Chesser, Gooch, Kenney, Booker, Fairchild and Weaver. NAYS: None. ABSENT: None

MOTION:

At 11:04 p.m. the following resolution was adopted by the Fluvanna County Board of Supervisors following a closed meeting held Wednesday, February 16th, 2011 on motion of Mr. Weaver, seconded by Mr. Kenney and carried by the following vote of 6-0. AYES: Chesser, Gooch, Kenney, Booker, Fairchild and Weaver. NAYS: None. ABSENT: None

“BE IT RESOLVED to the best of my knowledge (i) only public business matters lawfully exempted from open meeting requirements under Section 2.2-3711-A of the Code of Virginia, 1950, as amended, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting.”

EXTEND MEETING

MOTION:

Mr. Weaver moved to ratify the Board's actions, taken in closed session, to extend the meeting for not more than 30 minutes after 11:00pm. Mr. Kenney seconded. The motion carried with a vote of 6-0. AYES: Chesser, Gooch, Kenney, Booker, Fairchild and Weaver. NAYS: None. ABSENT: None

ADJOURN

MOTION:

At 11:06 p.m., Mr. Kenney moved to adjourn the meeting of Wednesday, February 16th, 2011. Mr. Fairchild seconded. The motion carried with a vote of 6-0. AYES: Chesser, Gooch, Kenney, Booker, Weaver and Fairchild. NAYS: None. ABSENT: None

John Y. Gooch, Chairman

**AN ORDINANCE TO AMEND THE FLUVANNA COUNTY CODE BY THE
AMENDMENT OF CHAPTER 2, ARTICLE 7, SECTIONS 2-7-2 AND 2-7-3,
CONCERNING THE USE OF THE COUNTY'S OFFICIAL SEAL**

Be it ordained by the Fluvanna County Board of Supervisors, pursuant to Virginia Code Section 15.2-1402, that the County Code be, and is hereby, amended, in Chapter 2, Article 7, Sections 2-7-2 and 2-7-3, as follows:

Article 7. Official County Seal

Sec 2-7-2. Seal Deemed Property of the County; Unauthorized Use Prohibited.

The seal of Fluvanna County shall be deemed the property of the County; and no persons shall exhibit, display, or in any manner utilize the seal or any facsimile or representation of the seal of Fluvanna County for nongovernmental purposes unless such use is specifically authorized by law.

Sec. 2-7-3. Violation and Penalty.

Any person violating the provisions of this section shall be punished by a fine of not more than \$100, or by imprisonment for not more than 30 days or both.

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT IN CONNECTION WITH THE ISSUANCE BY THE VIRGINIA PUBLIC SCHOOL AUTHORITY OF ITS SCHOOL FINANCING BONDS (1997 RESOLUTION) REFUNDING SERIES 2003 D, A PORTION OF THE PROCEEDS OF WHICH REFUNDED THE COUNTY OF FLUVANNA GENERAL OBLIGATION SCHOOL BONDS, REFUNDING SERIES 1994 A; AND AUTHORIZING ANY OTHER ACTIONS NECESSARY TO ACHIEVE THE OBJECTIVES CONTEMPLATED HEREBY

WHEREAS, the Virginia Public School Authority (the “Authority”) pursuant to (i) a bond resolution adopted on August 13, 1987, as amended and supplemented (the “1987 Resolution”) and (ii) a bond resolution adopted on October 23, 1997, as amended, restated and supplemented (the “1997 Resolution”) issued bonds (respectively, the “1987 Resolution Bonds” and the “1997 Resolution Bonds”) for the purpose of purchasing general obligation school bonds of certain cities and counties within the Commonwealth of Virginia;

WHEREAS, the Authority used a portion of the proceeds of certain 1987 Resolution Bonds to purchase certain duly authorized and issued general obligation school bonds of the County of Fluvanna, Virginia (the “County”) designated the County of Fluvanna General Obligation School Bond, Series of 1988 A (“Prior Local School Bonds”);

WHEREAS, the Authority has issued under the 1987 Resolution a series of 1987 Resolution Bonds designated as “School Financing Bonds (1987 Resolution) 1993 Refunding Series B” (the “Series 1993 B Bonds”);

WHEREAS, the Authority refunded certain 1987 Resolution Bonds with a portion of the proceeds of its Series 1993 B Bonds and, in connection therewith, the County exchanged its Prior Local School Bonds with a duly authorized and issued general obligation school bond designated the County of Fluvanna General Obligation School Bond, Refunding Series 1994 A (the “Local School Bonds”);

WHEREAS, the Authority refunded its Series 1993 B Bonds (“Refunded Bonds”) with a portion of the proceeds of its Virginia Public School Authority School Financing Bonds (1997 Resolution) Refunding Series 2003 D (the “Refunding Bonds”) issued pursuant to the 1997 Resolution;

WHEREAS, the Authority in refunding the Refunded Bonds has pledged the Local School Bonds for the benefit of the holders of bonds issued under its 1997 Resolution;

WHEREAS, the Authority is required to assist the underwriters (the “Underwriters”) of the Refunding Bonds with their duty to comply with Securities and Exchange Commission (“SEC”) Rule 15c2-12 (the “Rule”);

WHEREAS, the Authority has requested the County to execute a Continuing Disclosure Agreement in order for the Authority to assist the Underwriters in complying with the Rule, and;

WHEREAS, the Board of Supervisors of the County of Fluvanna, Virginia considers it to be advisable for the County to fulfill the request of the Authority to execute a Continuing Disclosure Agreement;

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

1. Continuing Disclosure Agreement.

The Chairman of the Board of Supervisors, the County Administrator and such officer or officers as they may designate are hereby authorized to enter into a Continuing Disclosure Agreement in substantially the form attached as Appendix A hereto, containing such covenants as may be necessary in order for compliance with the provisions of the Rule, and any other documents the Authority deems necessary to comply with the SEC rules and any Internal Revenue Service rules and regulations regarding maintaining the tax-exempt status of the bonds.

2. Use of Proceeds Certificate.

The Chairman of the Board of Supervisors, the County Administrator and such officer or officers as they may designate are hereby authorized to enter into a Use of Proceeds Certificate in substantially the form attached as Appendix B hereto, containing such covenants as may be necessary in order for compliance with any Internal Revenue Service rules and regulations regarding maintaining the tax-exempt status of the bonds.

3. Further Actions.

The members of the Board and all officers, employees and agents of the County are hereby authorized to take such action as they or any one of them may consider necessary or desirable in connection with the execution and delivery of the Continuing

Disclosure Agreement and the Use of Proceeds Certificate and maintaining the tax-exempt status of the bonds, and any such action previously taken is hereby ratified and confirmed.

4. Effective Date.

This resolution shall take effect immediately.

* * * *

The undersigned Clerk of the Board of Supervisors of the County of Fluvanna, 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 _____, 2011 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 duly held and complied with all requirements of law.

A Copy, teste:

_____, Clerk
Board of Supervisors
Fluvanna County, Virginia

CONTINUING DISCLOSURE AGREEMENT

[This Continuing Disclosure Agreement will impose obligations on the Local Issuer if and only if the Local Issuer is or has become and remains a “Material Obligated Person”, as defined below]

This Continuing Disclosure Agreement (the “Disclosure Agreement”) is executed and delivered by the undersigned local issuer (the “Local Issuer”) in connection with the issuance by the Virginia Public School Authority (the “Authority”) of \$286,670,000 aggregate principal amount of its School Financing Bonds (1997 Resolution) Refunding Series 2003 D (the “Series 2003 D Bonds”) pursuant to the provisions of a bond resolution (the “1997 Resolution”) adopted on October 23, 1997, as amended and restated. The Series 2003 D Bonds and all other parity bonds heretofore or hereafter issued under the 1997 Resolution are collectively called the “Bonds”. A portion of the proceeds of the Series 2003 D Bonds are being used by the Authority to provide funds to refund in advance of their maturity certain bonds of the Authority. The proceeds of the refunded bonds were used to purchase general obligation school bonds (the “Transferred Local School Bonds”) issued by certain Virginia counties and cities (the “Transferred Local School Bond Issuers”) that have used the proceeds thereof for capital projects for public schools.

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Local Issuer for the benefit of the holders of the Series 2003 D Bonds and in order to assist the Participating Underwriters (defined below) in complying with the Rule (defined below). The Local Issuer acknowledges that it is undertaking primary responsibility for any reports, notices or disclosures that may be required under this Agreement.

SECTION 2. Definitions. In addition to the definitions set forth in the 1997 Resolution, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Local Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Dissemination Agent” shall mean the Local Issuer, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by such Local Issuer and which has filed with such Local Issuer a written acceptance of such designation.

“Filing Date” shall have the meaning given to such term in Section 3(a) hereof.

“Fiscal Year” shall mean the twelve-month period at the end of which financial position and results of operations are determined. Currently, the Local Issuer’s Fiscal Year begins July 1 and continues through June 30 of the next calendar year.

“holder” shall mean, for purposes of this Disclosure Agreement, any person who is a record owner or beneficial owner of a Series 2003 D Bond.

“Listed Events” shall mean any of the events listed in subsection 5(b)(5)(i)(C) of the Rule.

“local school bonds” shall mean any of the Local School Bonds and any other bonds of the Local Issuer pledged as security for Bonds issued under the Authority’s 1997 Resolution.

“Material Obligated Person” (or “MOP”) shall mean the Local Issuer if it has local school bonds outstanding in an aggregate principal amount that exceeds 10% of the aggregate principal amount of all outstanding Bonds of the Authority.

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Agreement.

“Participating Underwriter” shall mean any of the original underwriters of the Authority’s Series 2003 D Bonds required to comply with the Rule in connection with the offering of such Bonds.

“Rule” shall mean 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 3. Provision of Annual Reports.

(a) The Local Issuer shall, or shall cause the Dissemination Agent to, provide the MSRB, in the electronic format prescribed by the MSRB, an Annual Report which is consistent with the

requirements of Section 4 of this Disclosure Agreement. Such Annual Report shall be filed on a date (the "Filing Date") that is not later than 12 months after the end of any Fiscal Year (commencing with its Fiscal Year ending June 30, 2005) as of the end of which such Local Issuer was a MOP, unless as of the Filing Date the Local Issuer is no longer a MOP.¹ Not later than ten (10) days prior to the Filing Date, the Local Issuer shall provide the Annual Report to the Dissemination Agent (if applicable) and shall provide copies to the Authority. In each case, the Annual Report (i) may be submitted as a single document or as separate documents comprising a package, (ii) may cross-reference other information as provided in Section 4 of this Disclosure Agreement and (iii) shall include the Local Issuer's audited financial statements prepared in accordance with applicable State law or, if audited financial statements are not available, such unaudited financial statements as may be required by the Rule. In any event, audited financial statements of such Local Issuer must be submitted, if and when available, together with or separately from the Annual Report.

(b) If the Local Issuer is unable to provide an Annual Report to the MSRB by the date required in subsection (a), the Local Issuer shall send a notice to the MSRB in substantially the form attached hereto as Exhibit A.

SECTION 4. Content of Annual Reports. Except as otherwise agreed, any Annual Report required to be filed hereunder shall contain or incorporate by reference, at a minimum, annual financial information relating to the Local Issuer, including operating data,

- (i) updating such information relating to the Local Issuer as shall have been included or cross-referenced in the final Official Statement of the Authority describing the Authority's Series 2003 D Bonds or
 - (ii) if there is no such information described in clause (i), updating such information relating to the Local Issuer as shall have been included or cross-referenced in any comparable disclosure document of the Local Issuer relating to its tax-supported obligations or
- (iii) if there is no such information described in clause (i) or (ii) above, initially setting forth and then updating the information referred to in Exhibit B as it relates to the Local Issuer, all with a view toward assisting Participating Underwriters in complying with the Rule.

Any or all of such information may be incorporated by reference from other documents, including official statements of securities issues with respect to which the Local Issuer is an "obligated person" (within the meaning of the Rule), which have been filed with the MSRB or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Local Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Listed Events. Whenever the Local Issuer is a Material Obligated Person required to file Annual Reports pursuant to Section 3(a) hereof and obtains knowledge of the occurrence of a Listed Event, and if such Local Issuer has determined that knowledge of the occurrence of a Listed Event with respect to its local school bonds would be material, such Local Issuer shall promptly file a notice of such occurrence with the MSRB, with a copy to the Authority.

SECTION 6. Termination of Reporting Obligation. The Local Issuer's obligations under this Disclosure Agreement shall terminate upon the earlier to occur of the legal defeasance or final retirement of all the Transferred Local School Bonds.

SECTION 7. Dissemination Agent. The Local Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Local Issuer shall advise the Authority of any such appointment or discharge. If at any time there is not any other designated Dissemination Agent, the Local Issuer shall be the Dissemination Agent.

SECTION 8. Amendment. Notwithstanding any other provision of this Disclosure Agreement, the Local Issuer may amend this Disclosure Agreement, if such amendment has been approved in writing by the Authority and is supported by an opinion of independent counsel, acceptable to the Authority, with expertise in federal securities laws, to the effect that such amendment is permitted or required by the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Local Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Local Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure

¹ The Authority will advise the Local Issuer within 60 days of the end of each Fiscal Year if such Local Issuer was a Material Obligated Person as of the end of such Fiscal Year. Upon written request, the Authority will also advise the Local Issuer as to its status as a MOP as of any other date.

Agreement, such Local Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. Any person referred to in Section 11 (other than the Local Issuer) may take such action as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Local Issuer to file its Annual Report or to give notice of a Listed Event. The Authority may, and the holders of not less than a majority in aggregate principal amount of Bonds outstanding may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to challenge the adequacy of any information provided pursuant to this Disclosure Agreement, or to enforce any other obligation of the Local Issuer hereunder. A default under this Disclosure Agreement shall not be deemed an event of default under the applicable resolution or bonds of the Local Issuer, and the sole remedy under this Disclosure Agreement in the event of any failure of the Local Issuer to comply herewith shall be an action to compel performance. Nothing in this provision shall be

deemed to restrict the rights or remedies of any holder pursuant to the Securities Exchange Act of 1934, the rules and regulations promulgated thereunder, or other applicable laws.

SECTION 11. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Authority, the Local Issuer, the Participating Underwriters, and holders from time to time of the Authority's Bonds, and shall create no rights in any other person or entity.

SECTION 12. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: _____, 2011

COUNTY OF FLUVANNA

By _____
Name:
Title:

EXHIBIT A

**NOTICE OF FAILURE TO FILE ANNUAL REPORT
[AUDITED FINANCIAL STATEMENTS]**

**Re: VIRGINIA PUBLIC SCHOOL AUTHORITY
SCHOOL FINANCING BONDS (1997 Resolution)
Refunding Series 2003 D**

CUSIP Numbers: 92817F R57 -92817F V52

Dated: December 11, 2003

Name of Local Issuer: County of Fluvanna

NOTICE IS HEREBY GIVEN that the County of Fluvanna has not provided an Annual Report as required by Section 3(a) of the Continuing Disclosure Agreement, which was entered into in connection with the above-named bonds issued pursuant to that certain Series Resolution adopted on November 13, 2003, by the Board of Commissioners of the Virginia Public School Authority, the proceeds of which were used to refund certain School Bonds of the County of Fluvanna. [The County of Fluvanna anticipates that the Annual Report will be filed by _____.] The County of Fluvanna is a material "obligated person" within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, with respect to the above-named bonds of the Authority.

Dated: _____

COUNTY OF FLUVANNA

By _____

CONTENT OF ANNUAL REPORT

Description of the Local Issuer. A description of the Local Issuer including a summary of its form of government, budgetary processes and its management and officers.

Debt. A description of the terms of the Local Issuer's outstanding tax-supported and other debt including a historical summary of outstanding tax-supported debt; a summary of authorized but unissued tax-supported debt; a summary of legal debt margin; a summary of overlapping debt; and a summary of annual debt service on outstanding tax-supported debt as of the end of the preceding fiscal year. The Annual Report should also include (to the extent not shown in the latest audited financial statements) a description of contingent obligations as well as pension plans administered by the Local Issuer and any unfunded pension liabilities.

Financial Data. Financial information respecting the Local Issuer including a description of revenues and expenditures for its major funds and a summary of its tax policy, structure and collections as of the end of the preceding fiscal year.

Capital Improvement Plan. A summary of the Local Issuer's capital improvement plan.

Demographic, Economic and Supplemental Information. A summary of the Local Issuer's demographic and economic characteristics such as population, income, employment, and public school enrollment and infrastructure data as of the end of the preceding fiscal year. The Annual Report should also include a description of material litigation pending against the Local Issuer.

USE OF PROCEEDS CERTIFICATE

This certificate is provided by the County of Fluvanna (the "County") to the Virginia Public School Authority (the "Issuer") in connection with the distribution by the Issuer to the County of an allocable share of the net savings realized by the Issuer (the "Distribution") through the issuance of its \$286,670,000 School Financing Bonds (1997 Resolution) Refunding Series 2003 D (the "Bonds").

We understand that the proceeds of the Bonds were used to refund portions of the Issuer's \$293,160,000 School Financing Bonds (1987 Resolution) 1993 Refunding Series B, dated May 1, 1993 (the "VPSA Refunding Bonds").

A portion of the proceeds of the VPSA Refunding Bonds was used to refinance the purchase of certain of the County's Bonds (the "Prior County Bonds").

In connection with issuance of the VPSA Refunding Bonds, the County received a Lump Sum Cash Payment, representing its allocable share of the net savings realized by the Issuer, and the Prior County Bonds. In exchange therefor, the County issued a duly authorized County bond dated December 15, 1993 (the "1993 County Bond" and, together with the Prior County Bonds, the "County Bonds"). Concurrently with the issuance of the 1993 County Bond, the County executed a General Certificate (the "General Certificate") that recognized that the 1993 County Bond was issued to refund the Prior County Bonds, the proceeds of which were used to finance certain capital school projects of the County (the "Prior School Projects"), that the Lump Sum Cash Payment would be used to finance certain capital school projects of the County (the "1993 School Projects" and, together with the Prior School Projects, the "Projects") and that the exclusion from gross income of interest on the VPSA Refunding Bonds was based in part on the use of proceeds of the County Bonds and the Projects financed or refinanced by such proceeds by the County. Consequently, the General Certificate contained certain representations and covenants of the County regarding the use of the proceeds of the County Bonds and the Projects.

The County recognizes that the exclusion from gross income of interest on the Bonds is based in part on the representations contained in the General Certificate and contingent on the continuing compliance by the County with the covenants contained in the General Certificate.

Accordingly, the County certifies that it has reviewed the representations set forth in the General Certificate with respect to the Projects (the "UPC Representations") and the use of the Projects and that it has discussed with the School Board of the County (the "School Board") its use of the Projects. Based on such review and discussions, the County hereby certifies that the UPC Representations continue to be true and correct. Such provisions are hereby incorporated by reference into this certificate and shall be treated as representations made by the County as if set forth herein. Furthermore, the County has discussed the UPC Representations with the School Board and neither the County nor the School Board will take any action that is inconsistent with such UPC Representations.

The County further covenants that:

(a) it shall use the Distribution to pay for the cost of public school capital purposes within six months of the date hereof, that such public school capital purposes shall be used in a manner consistent with the UPC Representations (references to school projects shall hereinafter include the public school capital purposes acquired with the Distribution), it reasonably expects that at least eighty-five percent (85%) of the Distribution will be allocated to expenditures for the Project within six months of the date hereof and completion of the Project and the allocation of expenditures thereto will proceed with due diligence;

(b) it shall not sell or otherwise dispose of the Projects prior to the final maturity date of the Bonds of August 1, 2019 except as shall be permitted in the opinion of an attorney or firm of attorneys, acceptable to the Issuer, nationally recognized as experienced with respect to matters pertaining to the exclusion from gross income for federal income tax purposes of interest on obligations of States and political subdivisions;

(c) it shall not knowingly take any action which will, or fail to take any action which failure will, cause the interest on the Bonds to become includable in the gross income of the owners of the Bonds for federal income tax purposes pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder in effect on the date of original issuance of the Bonds; and

(d) in furtherance of its obligations under its County Bonds, it shall obtain the same covenants contained in subparagraph (a), (b) and (c) above from the School Board with respect to the Projects.

COUNTY OF FLUVANNA

By _____

Name:

Title:

_____, 2011