

\$19,300,000
The Board of Education of The County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

Date of Closing: May 22, 2013

BOND TRANSCRIPT

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Resolution and Order

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
Public School Refunding Bonds, 2013 Series A

RESOLUTION AND ORDER

RESOLUTION AND ORDER OF THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (WEST VIRGINIA), AUTHORIZING THE REFUNDING OF THE BOARD OF EDUCATION OF THE COUNTY OF WOOD PUBLIC SCHOOL BONDS, SERIES 2005 OUTSTANDING IN THE AGGREGATE PRINCIPAL AMOUNT OF \$21,810,000 AND THE ISSUANCE FOR SUCH PURPOSE OF NOT TO EXCEED \$22,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF THE BOARD OF EDUCATION OF THE COUNTY OF WOOD, PUBLIC SCHOOL REFUNDING BONDS, 2013 SERIES A; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, AN ESCROW AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT, A TAX AND NON-ARBITRAGE CERTIFICATE AND OTHER INSTRUMENTS RELATING TO THE BONDS IN SUCH FORMS AS SHALL BE APPROVED BY THE PRESIDENT OR SECRETARY OF THE BOARD OR THE SUPERINTENDENT OF THE DISTRICT; PROVIDING FOR THE APPOINTMENT OF A REGISTRAR, A PAYING AGENT, AN ESCROW AGENT AND A VERIFICATION AGENT; PROVIDING FOR THE DISPOSITION OF THE PROCEEDS OF THE BONDS AND FUNDS ON DEPOSIT WITH THE WEST VIRGINIA MUNICIPAL BOND COMMISSION; AND MAKING OTHER PROVISIONS AS TO THE BONDS AND THE REFUNDING.

WHEREAS, by a Resolution and Order Directing Issuance of Bonds adopted and entered on November 30, 2004 (the "Prior Resolution"), and pursuant to a special election held November 2, 2004 (the "2005 Referendum"), The Board of Education of the County of Wood (the "Board") authorized and directed the issuance of its \$35,000,000 in aggregate principal amount of The Board of Education of the County of Wood Public School Bonds, Series 2005, dated March 1, 2005, currently outstanding in the aggregate principal amount of \$21,810,000 (the "Prior Bonds");

WHEREAS, Chapter 13, Article 2 of the West Virginia Code of 1931, as amended (the "Refunding Act"), authorizes, in the manner and subject to the limitations and conditions contained in the Refunding Act, the issuance and sale of refunding bonds by the Board to provide for the payment of the Prior Bonds in advance of the maturity thereof through the deposit with the West Virginia Municipal Bond Commission (the "Commission") of moneys or specified governmental obligations sufficient to pay, when and as due, all principal of and interest on the Prior Bonds, including the redemption price thereof;

WHEREAS, it has been proposed that the Wood County School District (the "School District" or the "District") advance refund the Prior Bonds (the "Refunding") pursuant to the Refunding Act, through the issuance of its not to exceed \$22,000,000 in aggregate principal amount of The Board of Education of the County of Wood Public School Refunding Bonds, 2013 Series A (the "Refunding Bonds"), as in this Resolution and Order (the "Resolution") provided;

WHEREAS, the Board has on deposit with the Commission funds from taxes levied and collected with respect to the Prior Bonds ("Surplus Funds");

WHEREAS, the Surplus Funds, if any, remaining on deposit with the Commission after the Refunding, less an amount to be retained in the debt service account for the Refunding Bonds, will be utilized by the District as determined by future action of this Board;

WHEREAS, Piper Jaffray & Co. (the "Underwriter") will enter into a Bond Purchase Agreement (the "Bond Purchase Agreement") with the Board relating to the purchase of the entirety of the Refunding Bonds by the Underwriter;

WHEREAS, a Preliminary Official Statement relating to the offering and sale of the Refunding Bonds and will be prepared by counsel for the Underwriter in form and substance acceptable to the Board, as hereinafter provided;

WHEREAS, the Board has determined that it is in the best interests of the School District and the citizens and residents thereof that the Refunding be accomplished and that the Refunding Bonds be sold to the Underwriter pursuant to the Bond Purchase Agreement the final terms of which will be approved by either the President or Secretary of the Board or the Superintendent of the District, acting together or individually (each, an "Authorized Officer"), such approval to be evidenced by the execution by an Authorized Officer of a Certificate of Determinations (the "Certificate of Determinations"), substantially in the form attached hereto as **EXHIBIT A – FORM OF CERTIFICATE OF DETERMINATIONS** and incorporated herein by reference;

WHEREAS, the Refunding, the issuance of the Refunding Bonds under the specific terms and conditions provided in the Certificate of Determinations, the withdrawal of the Surplus Funds from the Commission and the use thereof as hereinafter provided are all in the best interests of the residents of the School District and the administration and operation of the School District; and

WHEREAS, it is in the best interest of this Board to grant to an Authorized Officer the power and authority to establish the final terms and provisions of the Bonds as evidenced by the Certificate of Determinations, to execute the Bonds, to execute and deliver the Official Statement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Escrow Agreement, the Tax and Non-Arbitrage Certificate, to select a bond insurer, if any, a verification agent and other participants, each as hereinafter defined;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE BOARD OF EDUCATION OF THE COUNTY OF WOOD, AS FOLLOWS:

1. There is hereby authorized and directed the redemption and refunding of the Prior Bonds.

2. For the purpose of providing for the Refunding, the Board, acting for and on behalf of the School District, hereby authorizes and orders the issuance of the Refunding Bonds in the aggregate

principal amount not to exceed \$22,000,000. The Refunding Bonds shall be designated "The Board of Education of the County of Wood Public School Refunding Bonds, 2013 Series A." The Refunding Bonds shall be dated such date or dates, shall be issued in one or more series, not to exceed \$22,000,000 in aggregate principal amount, shall mature on such date or dates not later than May 1, 2020, shall mature in such principal amounts on such date or dates, shall bear interest at such rate or rates of interest not to exceed five and one half percent (5.5%) per annum, payable on such date or dates and shall have such redemption provisions and other terms all as set forth in the Certificate of Determinations.

3. The principal amounts, maturity dates and interest rates on the Refunding Bonds shall not increase the total indebtedness authorized by the 2005 Referendum. The amount of debt service payable on the Refunding Bonds in each year shall be equal to or less than the amount of taxes expected to be available therefor, and such facts shall be certified by the Chairman of the Commission as a condition to issuance and delivery of the Refunding Bonds.

4. The Refunding Bonds shall be issued in fully registered form without coupons, in the denominations of \$5,000 or integral multiples thereof for any year of maturity, shall be numbered from R-1 consecutively upward in order of maturity and shall be substantially in the form set forth in **EXHIBIT B - BOND FORM**, with such variations as are approved by those officers executing such Refunding Bonds on behalf of the Board, such execution by such officers to constitute conclusive evidence of such approval. The Refunding Bonds shall be signed by and on behalf of the Board by its President and be countersigned by its Secretary, which signatures may be either manual or facsimile signatures, and the seal of the Board or a facsimile thereof shall be affixed to or imprinted thereon, provided that the authentication of the Refunding Bonds shall be manually signed by the Registrar (as defined herein).

5. The Refunding Bonds shall be registered upon issuance to Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). In the event the Board determines that it is in the best interest of the beneficial owners of the Refunding Bonds that they obtain Bond certificates, the Board may notify DTC and the Registrar, whereupon DTC will notify its participants, of the availability through DTC of Bond certificates. In such event, the Registrar shall cause to be issued, transferred and exchanged Bond certificates as requested by DTC as Bondholder in appropriate amounts. DTC may determine to discontinue providing its service with respect to the Refunding Bonds at any time by giving notice to the Board or the Registrar and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Board and the Registrar shall be obligated to deliver Bond certificates as described in a resolution supplemental hereto. In the event the Bond certificates are issued, the provisions of this Resolution and Order shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such Bond certificates. Whenever DTC requests the Board and the Registrar to do so, the Registrar and the Board will cooperate with DTC in taking appropriate action after reasonable notice (a) to make available one or more separate certificates evidencing the Refunding Bonds to any participant having the Refunding Bonds credited to its DTC account or (b) to arrange for another securities depository to maintain custody of certificates evidencing the Refunding Bonds. An Authorized Officer is hereby authorized and directed to execute and deliver to DTC a Blanket Letter of Representations in the form approved by an Authorized Officer on behalf of the Board and the Board is authorized to comply with all requirements of DTC.

6. The West Virginia Municipal Bond Commission, Charleston, West Virginia, is hereby appointed paying agent for the Refunding Bonds (the "Paying Agent") and Escrow Agent under the Escrow Agreement (the "Escrow Agent") and WesBanco Bank, Inc., Wheeling, West Virginia, is hereby appointed Registrar for the Refunding Bonds (the "Registrar"), and any previous notification to such effect is hereby ratified, approved and confirmed. The Paying Agent and Registrar shall signify their

acceptance of the duties and obligations imposed upon them by executing and delivering to the Board a written acceptance thereof. The Paying Agent and Registrar shall be entitled to payment and reimbursement for reasonable fees for their services rendered and all advances, counsel fees and other expenses reasonably and necessarily incurred by the Paying Agent and Registrar in connection with such services. Notwithstanding the foregoing, the expense of transfer of registration or exchange of the Refunding Bonds shall be paid by the registered owner of any Refunding Bond.

7. The Refunding Bonds shall be transferable only upon the books kept for that purpose by the Registrar by an authorized representative of the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by an authorized representative of the registered owner or his duly authorized attorney. The Refunding Bonds may also be exchanged at the option and expense of the registered owner thereof at the office of the Registrar. Upon exchange or transfer of any Refunding Bond, there shall be issued, at the option of the registered owner or the transferee, another fully registered Refunding Bond or Bonds, in such authorized denomination or denominations as may be requested, of the aggregate principal amount equal to the amount of the exchanged or transferred Refunding Bond.

8. The interest on any Refunding Bond shall be payable by check or draft mailed by the Paying Agent to the Registered Owner thereof as of the applicable Record Date (the fifteenth calendar day next preceding an interest payment date set forth in the Certificate of Determinations) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the Paying Agent by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Board maintained by the Registrar, or, at the option of any Registered Owner of at least \$1,000,000 in aggregate principal amount of Refunding Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Registrar at least 5 days prior to such Record Date. Principal and premium, if any, shall be paid when due upon presentation and surrender of a Refunding Bond for payment at the office of the Paying Agent, in Charleston, West Virginia. The Board and the Registrar shall not be required to issue or transfer any Bonds during a period beginning with the close of business on the Record Date next preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date.

9. The Refunding Bonds shall be sold to the Underwriter. The Bond Purchase Agreement, in the form approved by an Authorized Officer on behalf of the Board pursuant to the Certificate of Determinations is hereby authorized and approved. An Authorized Officer shall execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by an Authorized Officer. Execution of the Bond Purchase Agreement by an Authorized Officer shall be conclusive evidence of any approval required by this Section.

10. The Escrow Agreement by and between the Board and the Commission, as Escrow Agent, to be dated the date of issuance of the Refunding Bonds (the "Closing Date"), in the form approved by an Authorized Officer on behalf of the Board pursuant to the Certificate of Determinations is hereby authorized, ratified and approved. An Authorized Officer shall execute and deliver the Escrow Agreement with such changes, insertions and omissions as may be approved by an Authorized Officer. Execution of the Escrow Agreement by an Authorized Officer shall be conclusive evidence of any approval required by this Section. The Board hereby directs the Escrow Agent to purchase from the United States Treasury, for the benefit of the Board, the investment securities identified in the Escrow Agreement, at the prices so stated, for deposit in the Escrow Fund established under the Escrow Agreement.

11. The Continuing Disclosure Agreement of the Board to be dated the Closing Date, in the form approved by an Authorized Officer on behalf of the Board pursuant to the Certificate of Determinations, and the execution and delivery by an Authorized Officer and/or Authorized Officers thereof shall be and the same are hereby authorized, approved and directed. An Authorized Officer and/or Authorized Officers shall execute and deliver the Continuing Disclosure Agreement with such changes, insertions and omissions as may be approved by an Authorized Officer and/or Authorized Officers. Execution of the Continuing Disclosure Agreement by an Authorized Officer and/or Authorized Officers shall be conclusive evidence of any approval required by this Section.

12. The Underwriter will cause to be prepared by its counsel a disclosure document in the form of a preliminary official statement for the Refunding Bonds (the "Preliminary Official Statement"), in substantially the form attached hereto and incorporated herein by reference as **EXHIBIT C – Preliminary Official Statement**, and which is hereby authorized and approved with such such changes, insertions and omissions as may be approved by an Authorized Officer on behalf of the Board, and the distribution of counterparts or copies thereof by the Underwriter are hereby approved. The Board authorizes the Underwriter to use and distribute, or authorize the use and distribution of, that Preliminary Official Statement. The Board authorizes the Authorized Officer to prepare or cause to be prepared, and to make or authorize modifications, completions or changes of or supplements to, a final official statement for the Refunding Bonds (the "Final Official Statement" and, together with the Preliminary Official Statement, the "Official Statement") and to use and distribute, or authorize the use and distribution of, the Official Statement and any supplements in connection with the issuance of the Refunding Bonds. The Board further authorizes and directs the Authorized Officer to determine, and to certify or otherwise represent, in conjunction with the Agent when the Preliminary Official Statement is to be "deemed final" (except for permitted omissions) and when the Final Official Statement is a "final official statement" for purposes of Securities and Exchange Commission Rule 15c2-12 (the "SEC Rule") and to sign the Final Official Statement, together with certificates, statements or other documents, in connection with the finality, accuracy and completeness of the Official Statement. The signing by the Authorized Officer of the Final Official Statement will constitute conclusive evidence of the approval of those changes to the Final Official Statement. The certificate of the Board relating to compliance with SEC Rule 15c2-12 and the execution and delivery thereof by an Authorized Officer is hereby ratified and approved.

13. If a verification agent is required for the purpose of verifying yield and the sufficiency of the Escrow Fund, such verification agent shall be named and appointed pursuant to the Certificate of Determinations.

14. The firm of Piper Jaffray & Co., Charleston, West Virginia, is hereby appointed by the Board as the Underwriter for the issuance of the Refunding Bonds. The firm of Spilman Thomas & Battle, PLLC, Charleston, West Virginia, is hereby appointed by the Board to serve as Bond Counsel to the Board with respect to the Refunding Bonds.

15. The Board finds and determines that the amount of the Refunding Bonds, together with all other bonded indebtedness of the Board (excluding the Prior Bonds), does not exceed in the aggregate five percent (5%) of the value of the taxable property in the Wood County School District, as shown by the last assessment thereof and ascertained in accordance with Section 8, Article X of the Constitution of West Virginia; that the Refunding Bonds shall be payable from a direct annual tax levied and collected on all taxable property in the Wood County School District in the ratio as between the several classes or types of such taxable property specified in Section 1, Article X of the Constitution, sufficient to pay annually the principal of and the interest on the Refunding Bonds falling due in each year, such tax levies to be laid separate and apart from, and in addition to, the maximum rates provided for tax levies by school districts on the several classes of property in Section 1, Article X of the

Constitution, but in the same proportions as such maximum rates are levied on the several classes of property, such taxes to be levied and collected by the same officers, at the same time and in the same manner as the general taxes of the Board; and that there is no outstanding indebtedness of the Board created prior to October 1, 1938. In laying such levy sufficient to pay the principal of and interest on the Refunding Bonds, the Board shall allow for exonerations and delinquencies, considering the levy amount rendered to it by the Commission.

16. The Board hereby covenants and agrees that it will not permit at any time or times any of the proceeds of the Refunding Bonds or any other funds of the Board to be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Refunding Bonds or Prior Bonds to be an "arbitrage bond" as defined in Section 148 of the Code, and the regulations promulgated pursuant thereto. An Authorized Officer is authorized and directed to execute and deliver such further instruments or agreements as shall be required to provide further assurances of the Board's compliance with this covenant, including, but not limited to a Tax Certificate or similar certificate or agreement.

17. The Board will notify, by letter, the Executive Director of the Commission of its intention to accomplish the proposed Refunding and request the withdrawal of the Surplus Funds. The Surplus Funds shall be withdrawn from the Surplus Collections Account established with the Commission for the Prior Bonds, or such series of the Prior Bonds as shall be refunded pursuant to the issuance of the Refunding Bonds, on the Closing Date and shall thereafter be released from any pledge thereof in favor of the Prior Bonds. The Board shall determine, in consultation with the Commission, Bond Counsel and the Underwriter, such portion of the Surplus Funds, if any, that shall: (i) be applied to reduce the principal amount of the Refunding Bonds; (ii) remain on deposit for a period of time with the Commission in a segregated account created by the Commission for that purpose with availability to apply the same to the payment of debt service on the Refunding Bonds, but with no pledge of the same for such purpose; (iii) be deposited into the Debt Service Account for the Refunding Bonds; and/or (iv) be released on the Closing Date to the Board for application by the Board to the projects approved by the voters in the 2005 Referendum. Such matters shall be determined and directed by a supplemental resolution of the Board.

18. Proceeds of the Refunding Bonds shall be applied as approved by an Authorized Officer on behalf of the Board as set forth in the Certificate of Determinations.

19. An Authorized Officer and all other officers of the Board are hereby authorized and directed to execute and deliver such other documents and certificates required or desirable in connection with the Refunding, including, if needed, subscription forms for the purchase of United States Government Securities, State and Local Government Series and any forms or documents necessary to qualify the Refunding Bonds for sale under the "Blue Sky Laws" of any state, to the end that the Refunding Bonds may be delivered at the earliest practicable date to the Underwriter.

20. Notwithstanding the provisions of any order, ordinance or resolution of the Board heretofore adopted or entered, the Board hereby authorizes proceeds of the Refunding Bonds, together with any Surplus Funds and tax revenues earmarked for payment of debt service on the Refunding Bonds (excluding any amounts in the Escrow Fund), to be deposited with the Commission and invested by the Commission in the West Virginia "Consolidated Investment Fund."

21. The Board hereby finds and determines that legal provision has been made for the imposition, levy and collection of, and the Board hereby covenants to levy and collect, a direct annual tax in excess of all other taxes, on all taxable property in the School District sufficient to pay the principal of and the interest on the Refunding Bonds, as and when payable, and all other outstanding general obligation bonds heretofore issued by the Board.

22. The President of the Board is hereby authorized and directed to execute and deliver to the Executive Director of the Commission, as soon as possible, a request to certify the amount of taxes expected to be available for the payment of the debt service on the Refunding Bonds in each year, as required by the Refunding Act.

23. An Authorized Officer and all other officers and employees of the Board are hereby authorized, empowered and directed to do any and all things proper and necessary to cause the Refunding Bonds to be duly and properly issued by the Board and delivered to the Underwriter as herein authorized and to otherwise facilitate the transaction contemplated by this Resolution and Order and the Bond Purchase Agreement, including but not limited to consulting with or applying to rating agencies to obtain a rating on the Refunding Bonds and the paying of any fee in connection therewith and consulting with or applying to insurance agencies for bond insurance for the Refunding Bonds, and no further authority shall be necessary to authorize any such officers or employees to give such further assurance and do such further acts as may be legally required.

24. This Resolution and Order shall take effect immediately upon its adoption.

[Remainder of Page Intentionally Blank]

Adopted and entered of record this 9th day of April, 2013.

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD, WEST VIRGINIA

By: Sperry W. Yeater
Its: President

CERTIFICATION

Certified a true, correct and complete copy of a Resolution and Order duly adopted and enacted by The Board of Education of the County of Wood at a regular meeting of the Board held on April 9, 2013, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this 22nd day of May, 2013.

By: 
Secretary

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

The undersigned, [President or Secretary of The Board of Education of the County of Wood, West Virginia (the "Board")][Superintendent of the Wood County School District], in accordance with a Resolution and Order adopted by the Board on April __, 2013 (the "Order"), with respect to the \$_____ The Board Of Education of the County of Wood, Public School Refunding Bonds, 2013 Series A (the "Bonds"), hereby finds and determines as follows:

1. [She][He] is an Authorized Officer within the meaning of the Order.
2. The Bonds shall be dated _____, 2013.
3. The Bonds shall be issued in the aggregate principal amount of \$_____ .
4. Such principal amount does not exceed \$22,000,000, being the maximum principal amount authorized by the Order.
5. The Bonds shall mature in the amounts and on the dates and shall be subject to mandatory sinking fund redemption in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.
6. The Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein, which rates do not exceed five and one-half percent (5.5%) per annum. Interest shall be payable on the Bonds semiannually on each May 1 and November 1, beginning on November 1, 2013 and in each year until maturity.
7. The Bonds shall not be subject to optional redemption prior to maturity.
8. The Bonds shall be sold to Piper Jaffray & Co., Charleston, West Virginia (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Board, at an aggregate purchase price of \$_____ (representing par value, less an underwriting discount of \$_____ [plus a net original issue premium of \$_____ or less an original issue discount of \$_____]), plus accrued interest of \$_____ on the Bonds from _____, 2013 to _____, 2013 (the "Closing Date").
9. The proceeds of the Bonds and the funds on deposit with the West Virginia Municipal Bond Commission (the "Bond Commission") as the paying agent for the Board's outstanding Public School Bonds, Series 2005, dated March 1, 2005, issued in the original aggregate principal amount of \$35,000,000 (the "Prior Bonds") shall be applied as set forth on Schedule 2 attached hereto and incorporated herein.
10. The form of the Bond Purchase Agreement which is attached hereto as Exhibit 1 is hereby approved, with such amendments as may be approved by an Authorized Officer (as defined in the Order), the execution and delivery thereof by an Authorized Officer being conclusive evidence of the approval of any such amendments. The Authorized Officers are hereby authorized to execute and deliver the Bond Purchase Agreement in connection with the issuance of the Bonds.

11. The form of the Escrow Agreement which is attached hereto as Exhibit 2 is hereby approved, with such amendments as may be approved by an Authorized Officer, the execution and delivery thereof by an Authorized Officer being conclusive evidence of the approval of any such amendments. The Authorized Officers are hereby authorized to execute and deliver the Escrow Agreement in connection with the issuance of the Bonds.

12. The form of the Continuing Disclosure Agreement which is attached hereto as Exhibit 3 is hereby approved, with such amendments as may be approved by an Authorized Officer, the execution and delivery thereof by an Authorized Officer being conclusive evidence of the approval of any such amendments. The Authorized Officers are hereby authorized to execute and deliver the Escrow Agreement in connection with the issuance of the Bonds.

13. The form of the Tax and Non-Arbitrage Certificate which is attached hereto as Exhibit 4 is hereby approved, with such amendments as may be approved by an Authorized Officer, the execution and delivery thereof by an Authorized Officer being conclusive evidence of the approval of any such amendments. The Authorized Officers are hereby authorized to execute and deliver the Tax and Non-Arbitrage Certificate in connection with the issuance of the Bonds.

14. The Preliminary Official Statement of the Board dated _____, 2013, is hereby ratified and deemed final within the meaning of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, with such changes, omissions, insertions and revisions as the Authorized Officer shall deem advisable. Such signature to evidence approval thereof.

15. The firm of _____ is hereby appointed as the Verification Agent for the Bonds, for the purpose of verifying yield and the sufficiency of the Escrow Fund for the refunding of the Prior Bonds.

[16. ("Bond Insurer") has offered Bond Insurance for the Bonds pursuant to the terms of a commitment letter dated _____, 2013 (the "Commitment"). The Bond Insurer is approved and the Commitment for the Bond Insurance is accepted.]

The undersigned hereby certifies that the foregoing terms and conditions of the Bonds are within the limitations prescribed by the Order, and the Bonds may be issued with such terms and conditions as authorized by the Order.

WITNESS my signature this day of _____, 2013.

THE BOARD OF EDUCATION OF THE COUNTY OF
WOOD, WEST VIRGINIA

By: _____

Its: _____

Schedule 1

Maturities

Mandatory Redemption.

Optional Redemption.

Schedule 2

Application of Bond Proceeds and Funds on Deposit with Bond Commission.

EXHIBIT 1 TO CERTIFICATE OF DETERMINATIONS

[Form of Bond Purchase Agreement]

EXHIBIT 2 TO CERTIFICATE OF DETERMINATIONS

[Form of Escrow Agreement]

EXHIBIT 3 TO CERTIFICATE OF DETERMINATIONS

[Form of Continuing Disclosure Agreement]

EXHIBIT 4 TO CERTIFICATE OF DETERMINATIONS

[Form of Tax and Non-Arbitrage Certificate]

EXHIBIT B

BOND FORM

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-1

\$ _____

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS,
2013 SERIES A

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>BOND DATE</u> | <u>CUSIP</u> |
|----------------------|----------------------|------------------|--------------|
| _____ % | _____ | _____ | _____ |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (West Virginia), a public corporation created and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, upon presentation and surrender hereof, the Principal Amount specified above and to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2013 (each an "Interest Payment Date"), until maturity. WesBanco Bank, Inc., Wheeling, West Virginia, has been designated to act in the capacity of registrar and transfer agent for the Bonds (the "Registrar"), and the West Virginia Municipal Bond Commission, Charleston, West Virginia, has been appointed by the Issuer to serve in the capacity of paying agent for the Bonds (the "Paying Agent").

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the Paying Agent to the Registered Owner hereof as of the applicable Record Date (each April 15 and October 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the Paying Agent by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by the Registrar, or, at the option of any Registered Owner of at least \$1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Registrar at least 5 days prior to such Record Date. Principal shall be paid when due upon presentation and surrender of this Bond for payment at the office of the Paying Agent, in Charleston, West Virginia. The Issuer and the Registrar shall not be required to issue or transfer any Bonds during a period beginning with the close of business on the Record Date next preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date.

This Bond is one of a series of bonds of the Issuer designated as "Public School Refunding Bonds, 2013 Series A" (the "Bonds"), issued by the Issuer in the aggregate principal amount of \$_____. The Bonds are in fully registered form, without coupons, and are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 13, Article 2 of the West Virginia Code of 1931, as amended (the "Act") and a Resolution and Order (the "Order") duly adopted by the Issuer on April __, 2013, for the purpose of advance refunding the Issuer's Public School Bonds, Series 2005, currently outstanding in the aggregate principal amount of \$21,810,000 (the "Prior Bonds"). The terms and provisions of the Order are hereby incorporated by reference as if set forth fully herein.

This Bond may be transferred or exchanged by the Registered Owner hereof upon surrender of this Bond to the Registrar at its principal corporate trust office, accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner of this Bond or his attorney-in-fact or legal representative. The Registrar shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same maturity and form for the aggregate denominations of the same maturity and for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. The Issuer, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner thereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Issuer, the Registrar and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the Registered Owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the Issuer upon the Bond as paid.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Order, against any member, officer or employee, past, present, or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

The Bonds shall not be subject to optional redemption prior to maturity.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the laws of the State of West Virginia to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of West Virginia, including the Act, and that legal provision has been made by the Issuer for the levy and collection of a direct annual tax sufficient in amount to meet the payment of the interest and principal hereof, which shall have precedence over all other taxes for any purpose whatever, except bond issues heretofore or hereafter authorized and issued under the five percent limitation provided by the Better Schools Amendment of the Constitution of West Virginia, and said tax is levied outside the limits fixed by Section 1, Article X of the Constitution of the State of West Virginia in the manner provided by Sections 8 and 10, Article X of the State Constitution; that said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Issuer, does not exceed any statutory or constitutional limitation thereon.

For payment of both principal and interest hereof the full faith and credit and resources of the Issuer are hereby irrevocably pledged within the limitations prescribed by the Constitution and statutes of the State of West Virginia.

The Issuer has covenanted in the Order that it shall include in its budget the amount of the debt service for each fiscal year of the Issuer in which principal and/or interest on the Bonds is payable, that it shall appropriate from its revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due, the principal of and interest on the Bonds.

Subject to the registration requirements set forth herein, this Bond, under the provisions of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

The Issuer has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices, if any, as a convenience to bondholders. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice.

This Bond shall not be entitled to any benefit under the Order nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Registrar.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF WOOD has caused this Bond to be duly signed in its name and on its behalf by its President and countersigned by its Secretary and has caused its corporate seal to be hereto affixed in the manner provided in the Order, all as of _____, 2013.

THE BOARD OF EDUCATION OF THE COUNTY
OF WOOD, WEST VIRGINIA

(SEAL)

By: _____
President

By: _____
Secretary

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Resolution and Order and has been duly registered in the name of the Registered Owner set forth above on the date set forth below.

Dated: _____, 2013.

WESBANCO BANK, INC.,
as Registrar

By: _____

Its: _____

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____
the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books kept for
registration of the within Bond of the said Issuer with full power of substitution in the premises.

Signature of Assignor

Dated: _____, _____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

EXHIBIT C

PRELIMINARY OFFICIAL STATEMENT

(See Tab 21)

\$19,300,000
The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned Marie L. Prezioso, Senior Vice President of Piper Jaffray & Co. (the "Purchaser"), for and on behalf of the Purchaser, and Tim Yeater, President of The Board of Education of the County of Wood (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On May 22, 2013, in New York, New York, the Purchaser received the entire original issue of \$19,300,000 in aggregate principal amount of The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013 (the "Bonds"). The Bonds, as so received on original issuance, are dated May 22, 2013, are numbered, mature on May 1 of the years, bear interest at the rates and are in the respective denominations set forth in **EXHIBIT A** attached hereto and incorporated herein by reference, and are all fully registered in the name of "CEDE & CO."

2. At the time of such receipt of the Bonds upon original issuance, they had been signed by Tim Yeater as President of the Issuer, by his manual signature, and countersigned by Patrick Law, Secretary of the Issuer, by his manual signature, and the seal of the Issuer had been affixed upon such Bonds and the Bonds had been manually authenticated by WesBanco Bank, Inc. as Registrar.

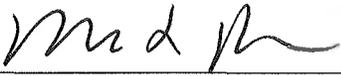
3. The Issuer has received and hereby acknowledges receipt from the Purchaser as the original purchaser of the Bonds, of the proceeds of the Bonds, as follows:

| | |
|-----------------------------------|----------------------------|
| Par Amount of Bonds..... | \$19,300,000.00 |
| Plus: Original Issue Premium..... | \$ 2,009,673.25 |
| Less: Underwriter's Discount..... | \$ 131,500.00 |
| TOTAL..... | <u>\$21,178,173.25</u> |

Payment for the Bonds was made in Federal Funds in the amount of \$21,178,173.25, on the date hereof.

WITNESS our respective signatures this 22nd day of May, 2013.

PIPER JAFFRAY & CO.

By: 
Its: Senior Vice President

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD

By: 
Its: President

EXHIBIT A

\$19,300,000

The Board of Education of The County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

**MATURITIES, AMOUNTS, INTEREST RATES
YIELD AND PRICE**

SERIES 2013 BONDS

| Maturity | CUSIP ID | Principal Amount (\$) | Interest Rate | Yield | Price | Premium (\$) |
|-----------------|-----------------|----------------------------------|--------------------------|--------------|--------------|-------------------------|
| 5/1/2014 | 978335EV5 | 2,505,000 | 2.00% | 0.35% | 101.549 | 38,802.45 |
| 5/1/2015 | 978335EW3 | 2,525,000 | 2.00% | 0.49% | 102.914 | 73,578.50 |
| 5/1/2016 | 978335EX1 | 2,600,000 | 4.00% | 0.68% | 109.652 | 250,952.00 |
| 5/1/2017 | 978335EY9 | 2,725,000 | 4.00% | 0.87% | 112.101 | 329,752.25 |
| 5/1/2018 | 978335FC6 | 850,000 | 1.50% | 1.10% | 101.918 | 16,303.00 |
| 5/1/2018 | 978335EZ6 | 2,000,000 | 5.00% | 1.10% | 118.707 | 374,140.00 |
| 5/1/2019 | 978335FA0 | 2,980,000 | 4.00% | 1.37% | 114.957 | 445,718.60 |
| 5/1/2020 | 978335FB8 | 3,115,000 | 4.00% | 1.64% | 115.423 | 480,426.45 |
| | | 19,300,000 | | | | 2,009,673.25 |

\$19,300,000
The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

WesBanco Bank, Inc.,
as Registrar
Wheeling, West Virginia

Ladies and Gentlemen:

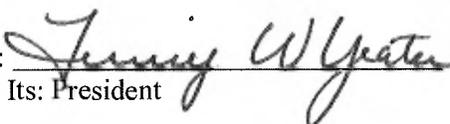
There are delivered to you herewith (or have previously been delivered to you) as Registrar for the above-captioned Bonds:

1. Bonds Nos. R-1 to R-8, inclusive, constituting the entire original issue of The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013, dated May 22, 2013, in the aggregate principal amount of \$19,300,000 (the "Bonds"), all as set forth in **EXHIBIT A**, attached hereto and made a part hereof, signed by the President and countersigned by the Secretary of The Board of Education of The County of Wood (the "Issuer") and bearing the official seal of the Issuer. The Bonds are authorized to be issued under and pursuant to a Resolution and Order adopted by the Issuer on April 9, 2013 (the "Resolution").
2. A copy, duly certified by the Secretary, of the Resolution.
3. A signed, unqualified approving opinion of nationally recognized bond counsel designated by the Issuer and acceptable to the Purchaser.

You are hereby requested and authorized to authenticate, register and deliver the Bonds to CEDE & CO., as nominee of Depository Trust Company, on behalf of Piper Jaffray & Co., as the Purchaser thereof.

Dated this 22nd day of May, 2013.

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD

By: 
Its: President

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-1

Specimen

\$2,505,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS,
SERIES 2013

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>BOND DATE</u> | <u>CUSIP</u> |
|----------------------|----------------------|------------------|--------------|
| 2.00% | May 1, 2014 | May 22, 2013 | 978335EV5 |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO MILLION FIVE HUNDRED FIVE THOUSAND AND 00/100 DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (West Virginia), a public corporation created and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, upon presentation and surrender hereof, the Principal Amount specified above and to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2013 (each an "Interest Payment Date"), until maturity. WesBanco Bank, Inc., Wheeling, West Virginia, has been designated to act in the capacity of registrar and transfer agent for the Bonds (the "Registrar"), and the West Virginia Municipal Bond Commission, Charleston, West Virginia, has been appointed by the Issuer to serve in the capacity of paying agent for the Bonds (the "Paying Agent").

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the Paying Agent to the Registered Owner hereof as of the applicable Record Date (each April 15 and October 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the Paying Agent by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by the Registrar, or, at the option of any Registered Owner of at least \$500,000 in

aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Registrar at least 5 days prior to such Record Date. Principal shall be paid when due upon presentation and surrender of this Bond for payment at the office of the Paying Agent, in Charleston, West Virginia. The Issuer and the Registrar shall not be required to issue or transfer any Bonds during a period beginning with the close of business on the Record Date next preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date.

This Bond is one of a series of bonds of the Issuer designated as "Public School Refunding Bonds, Series 2013" (the "Bonds"), issued by the Issuer in the aggregate principal amount of \$19,300,000. The Bonds are in fully registered form, without coupons, and are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 13, Article 2 of the West Virginia Code of 1931, as amended (the "Act") and a Resolution and Order (the "Order") duly adopted by the Issuer on April 9, 2013 for the purpose of advance refunding the Issuer's Public School Bonds, Series 2005, currently outstanding in the aggregate principal amount of \$19,505,000 (the "Prior Bonds"). The terms and provisions of the Order are hereby incorporated by reference as if set forth fully herein.

This Bond may be transferred or exchanged by the Registered Owner hereof upon surrender of this Bond to the Registrar at its principal corporate trust office, accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner of this Bond or his attorney-in-fact or legal representative. The Registrar shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same maturity and form for the aggregate denominations of the same maturity and for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. The Issuer, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner thereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Issuer, the Registrar and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the Registered Owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the Issuer upon the Bond as paid.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Order, against any member, officer or employee, past, present, or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the laws of the State of West Virginia to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of West Virginia, including the Act, and that legal provision has been made by the Issuer for the levy and collection of a direct annual tax sufficient in amount to meet the payment of the interest and principal hereof, which shall have precedence over all other taxes for any purpose whatever, except bond issues heretofore or hereafter authorized and issued under the five percent limitation provided by the Better Schools Amendment of the Constitution of West Virginia, and said tax is levied outside the limits fixed by Section 1, Article X of the Constitution of the State of West Virginia

in the manner provided by Sections 8 and 10, Article X of the State Constitution; that said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Issuer, does not exceed any statutory or constitutional limitation thereon.

For payment of both principal and interest hereof the full faith and credit and resources of the Issuer are hereby irrevocably pledged within the limitations prescribed by the Constitution and statutes of the State of West Virginia.

The Issuer has covenanted in the Order that it shall include in its budget the amount of the debt service for each fiscal year of the Issuer in which principal and/or interest on the Bonds is payable, that it shall appropriate from its revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due, the principal of and interest on the Bonds.

Subject to the registration requirements set forth herein, this Bond, under the provisions of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

The Issuer has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices, if any, as a convenience to bondholders. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice.

This Bond shall not be entitled to any benefit under the Order nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Registrar.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF WOOD has caused this Bond to be duly signed in its name and on its behalf by its President and countersigned by its Secretary and has caused its corporate seal to be hereto affixed in the manner provided in the Order, all as of May 22, 2013.

THE BOARD OF EDUCATION OF THE COUNTY
OF WOOD, WEST VIRGINIA

(SEAL)

By: *[Signature]*
Its: President

By: *[Signature]*
Its: Secretary

4793415
11414.3

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Resolution and Order and has been duly registered in the name of the Registered Owner set forth above on the date set forth below.

Dated: May 22, 2013.

WESBANCO BANK, INC.,
as Registrar

By:

Its:

Janet L. Helder
SP
Vice President

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____
the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books kept for
registration of the within Bond of the said Issuer with full power of substitution in the premises.

Signature of Assignor

Dated: _____, _____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-2

Specimen

\$2,525,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS,
SERIES 2013

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>BOND DATE</u> | <u>CUSIP</u> |
|----------------------|----------------------|------------------|--------------|
| 2.00% | May 1, 2015 | May 22, 2013 | 978335EW3 |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO MILLION FIVE HUNDRED TWENTY FIVE THOUSAND AND 00/100 DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (West Virginia), a public corporation created and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, upon presentation and surrender hereof, the Principal Amount specified above and to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2013 (each an "Interest Payment Date"), until maturity. WesBanco Bank, Inc., Wheeling, West Virginia, has been designated to act in the capacity of registrar and transfer agent for the Bonds (the "Registrar"), and the West Virginia Municipal Bond Commission, Charleston, West Virginia, has been appointed by the Issuer to serve in the capacity of paying agent for the Bonds (the "Paying Agent").

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the Paying Agent to the Registered Owner hereof as of the applicable Record Date (each April 15 and October 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the Paying Agent by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by the Registrar, or, at the option of any Registered Owner of at least \$500,000 in

aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Registrar at least 5 days prior to such Record Date. Principal shall be paid when due upon presentation and surrender of this Bond for payment at the office of the Paying Agent, in Charleston, West Virginia. The Issuer and the Registrar shall not be required to issue or transfer any Bonds during a period beginning with the close of business on the Record Date next preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date.

This Bond is one of a series of bonds of the Issuer designated as "Public School Refunding Bonds, Series 2013" (the "Bonds"), issued by the Issuer in the aggregate principal amount of \$19,300,000. The Bonds are in fully registered form, without coupons, and are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 13, Article 2 of the West Virginia Code of 1931, as amended (the "Act") and a Resolution and Order (the "Order") duly adopted by the Issuer on April 9, 2013 for the purpose of advance refunding the Issuer's Public School Bonds, Series 2005, currently outstanding in the aggregate principal amount of \$19,505,000 (the "Prior Bonds"). The terms and provisions of the Order are hereby incorporated by reference as if set forth fully herein.

This Bond may be transferred or exchanged by the Registered Owner hereof upon surrender of this Bond to the Registrar at its principal corporate trust office, accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner of this Bond or his attorney-in-fact or legal representative. The Registrar shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same maturity and form for the aggregate denominations of the same maturity and for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. The Issuer, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner thereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Issuer, the Registrar and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the Registered Owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the Issuer upon the Bond as paid.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Order, against any member, officer or employee, past, present, or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the laws of the State of West Virginia to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of West Virginia, including the Act, and that legal provision has been made by the Issuer for the levy and collection of a direct annual tax sufficient in amount to meet the payment of the interest and principal hereof, which shall have precedence over all other taxes for any purpose whatever, except bond issues heretofore or hereafter authorized and issued under the five percent limitation provided by the Better Schools Amendment of the Constitution of West Virginia, and said tax is levied outside the limits fixed by Section 1, Article X of the Constitution of the State of West Virginia

in the manner provided by Sections 8 and 10, Article X of the State Constitution; that said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Issuer, does not exceed any statutory or constitutional limitation thereon.

For payment of both principal and interest hereof the full faith and credit and resources of the Issuer are hereby irrevocably pledged within the limitations prescribed by the Constitution and statutes of the State of West Virginia.

The Issuer has covenanted in the Order that it shall include in its budget the amount of the debt service for each fiscal year of the Issuer in which principal and/or interest on the Bonds is payable, that it shall appropriate from its revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due, the principal of and interest on the Bonds.

Subject to the registration requirements set forth herein, this Bond, under the provisions of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

The Issuer has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices, if any, as a convenience to bondholders. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice.

This Bond shall not be entitled to any benefit under the Order nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Registrar.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF WOOD has caused this Bond to be duly signed in its name and on its behalf by its President and countersigned by its Secretary and has caused its corporate seal to be hereto affixed in the manner provided in the Order, all as of May 22, 2013.

THE BOARD OF EDUCATION OF THE COUNTY
OF WOOD, WEST VIRGINIA

(SEAL)

By: Tracy W Yeater
Its: President
Specimen

By: J.P. Lee
Its: Secretary

4793415
11414.3

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Resolution and Order and has been duly registered in the name of the Registered Owner set forth above on the date set forth below.

Dated: May 22, 2013.

WESBANCO BANK, INC.,
as Registrar

By:

Its:

Janet L. Shuman
Specimen
Vice President

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____
the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books kept for
registration of the within Bond of the said Issuer with full power of substitution in the premises.

Signature of Assignor

Dated: _____, _____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-3

Specimen

\$2,600,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS,
SERIES 2013

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>BOND DATE</u> | <u>CUSIP</u> |
|----------------------|----------------------|------------------|--------------|
| 4.00% | May 1, 2016 | May 22, 2013 | 978335EX1 |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO MILLION SIX HUNDRED THOUSAND AND 00/100 DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (West Virginia), a public corporation created and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, upon presentation and surrender hereof, the Principal Amount specified above and to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2013 (each an "Interest Payment Date"), until maturity. WesBanco Bank, Inc., Wheeling, West Virginia, has been designated to act in the capacity of registrar and transfer agent for the Bonds (the "Registrar"), and the West Virginia Municipal Bond Commission, Charleston, West Virginia, has been appointed by the Issuer to serve in the capacity of paying agent for the Bonds (the "Paying Agent").

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the Paying Agent to the Registered Owner hereof as of the applicable Record Date (each April 15 and October 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the Paying Agent by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by the Registrar, or, at the option of any Registered Owner of at least \$500,000 in

aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Registrar at least 5 days prior to such Record Date. Principal shall be paid when due upon presentation and surrender of this Bond for payment at the office of the Paying Agent, in Charleston, West Virginia. The Issuer and the Registrar shall not be required to issue or transfer any Bonds during a period beginning with the close of business on the Record Date next preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date.

This Bond is one of a series of bonds of the Issuer designated as "Public School Refunding Bonds, Series 2013" (the "Bonds"), issued by the Issuer in the aggregate principal amount of \$19,300,000. The Bonds are in fully registered form, without coupons, and are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 13, Article 2 of the West Virginia Code of 1931, as amended (the "Act") and a Resolution and Order (the "Order") duly adopted by the Issuer on April 9, 2013 for the purpose of advance refunding the Issuer's Public School Bonds, Series 2005, currently outstanding in the aggregate principal amount of \$19,505,000 (the "Prior Bonds"). The terms and provisions of the Order are hereby incorporated by reference as if set forth fully herein.

This Bond may be transferred or exchanged by the Registered Owner hereof upon surrender of this Bond to the Registrar at its principal corporate trust office, accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner of this Bond or his attorney-in-fact or legal representative. The Registrar shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same maturity and form for the aggregate denominations of the same maturity and for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. The Issuer, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner thereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Issuer, the Registrar and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the Registered Owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the Issuer upon the Bond as paid.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Order, against any member, officer or employee, past, present, or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the laws of the State of West Virginia to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of West Virginia, including the Act, and that legal provision has been made by the Issuer for the levy and collection of a direct annual tax sufficient in amount to meet the payment of the interest and principal hereof, which shall have precedence over all other taxes for any purpose whatever, except bond issues heretofore or hereafter authorized and issued under the five percent limitation provided by the Better Schools Amendment of the Constitution of West Virginia, and said tax is levied outside the limits fixed by Section 1, Article X of the Constitution of the State of West Virginia

in the manner provided by Sections 8 and 10, Article X of the State Constitution; that said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Issuer, does not exceed any statutory or constitutional limitation thereon.

For payment of both principal and interest hereof the full faith and credit and resources of the Issuer are hereby irrevocably pledged within the limitations prescribed by the Constitution and statutes of the State of West Virginia.

The Issuer has covenanted in the Order that it shall include in its budget the amount of the debt service for each fiscal year of the Issuer in which principal and/or interest on the Bonds is payable, that it shall appropriate from its revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due, the principal of and interest on the Bonds.

Subject to the registration requirements set forth herein, this Bond, under the provisions of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

The Issuer has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices, if any, as a convenience to bondholders. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice.

This Bond shall not be entitled to any benefit under the Order nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Registrar.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF WOOD has caused this Bond to be duly signed in its name and on its behalf by its President and countersigned by its Secretary and has caused its corporate seal to be hereto affixed in the manner provided in the Order, all as of May 22, 2013.

THE BOARD OF EDUCATION OF THE COUNTY
OF WOOD, WEST VIRGINIA

(SEAL)

By: *Jimmy W. Yeater*
Its: President

Specimen

By: *J. P. Law*
Its: Secretary

4793415
11414.3

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Resolution and Order and has been duly registered in the name of the Registered Owner set forth above on the date set forth below.

Dated: May 22, 2013.

WESBANCO BANK, INC.,
as Registrar

By: *Janet Y. Shuman*
Its: *Vice President*

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____
the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books kept for
registration of the within Bond of the said Issuer with full power of substitution in the premises.

Signature of Assignor

Dated: _____, _____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Specimen

No. R-4

\$2,725,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS,
SERIES 2013

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>BOND DATE</u> | <u>CUSIP</u> |
|----------------------|----------------------|------------------|--------------|
| 4.00% | May 1, 2017 | May 22, 2013 | 978335EY9 |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO MILLION SEVEN HUNDRED TWENTY FIVE THOUSAND AND 00/100 DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (West Virginia), a public corporation created and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, upon presentation and surrender hereof, the Principal Amount specified above and to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2013 (each an "Interest Payment Date"), until maturity. WesBanco Bank, Inc., Wheeling, West Virginia, has been designated to act in the capacity of registrar and transfer agent for the Bonds (the "Registrar"), and the West Virginia Municipal Bond Commission, Charleston, West Virginia, has been appointed by the Issuer to serve in the capacity of paying agent for the Bonds (the "Paying Agent").

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the Paying Agent to the Registered Owner hereof as of the applicable Record Date (each April 15 and October 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the Paying Agent by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by the Registrar, or, at the option of any Registered Owner of at least \$500,000 in

aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Registrar at least 5 days prior to such Record Date. Principal shall be paid when due upon presentation and surrender of this Bond for payment at the office of the Paying Agent, in Charleston, West Virginia. The Issuer and the Registrar shall not be required to issue or transfer any Bonds during a period beginning with the close of business on the Record Date next preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date.

This Bond is one of a series of bonds of the Issuer designated as "Public School Refunding Bonds, Series 2013" (the "Bonds"), issued by the Issuer in the aggregate principal amount of \$19,300,000. The Bonds are in fully registered form, without coupons, and are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 13, Article 2 of the West Virginia Code of 1931, as amended (the "Act") and a Resolution and Order (the "Order") duly adopted by the Issuer on April 9, 2013 for the purpose of advance refunding the Issuer's Public School Bonds, Series 2005, currently outstanding in the aggregate principal amount of \$19,505,000 (the "Prior Bonds"). The terms and provisions of the Order are hereby incorporated by reference as if set forth fully herein.

This Bond may be transferred or exchanged by the Registered Owner hereof upon surrender of this Bond to the Registrar at its principal corporate trust office, accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner of this Bond or his attorney-in-fact or legal representative. The Registrar shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same maturity and form for the aggregate denominations of the same maturity and for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. The Issuer, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner thereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Issuer, the Registrar and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the Registered Owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the Issuer upon the Bond as paid.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Order, against any member, officer or employee, past, present, or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the laws of the State of West Virginia to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of West Virginia, including the Act, and that legal provision has been made by the Issuer for the levy and collection of a direct annual tax sufficient in amount to meet the payment of the interest and principal hereof, which shall have precedence over all other taxes for any purpose whatever, except bond issues heretofore or hereafter authorized and issued under the five percent limitation provided by the Better Schools Amendment of the Constitution of West Virginia, and said tax is levied outside the limits fixed by Section 1, Article X of the Constitution of the State of West Virginia

in the manner provided by Sections 8 and 10, Article X of the State Constitution; that said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Issuer, does not exceed any statutory or constitutional limitation thereon.

For payment of both principal and interest hereof the full faith and credit and resources of the Issuer are hereby irrevocably pledged within the limitations prescribed by the Constitution and statutes of the State of West Virginia.

The Issuer has covenanted in the Order that it shall include in its budget the amount of the debt service for each fiscal year of the Issuer in which principal and/or interest on the Bonds is payable, that it shall appropriate from its revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due, the principal of and interest on the Bonds.

Subject to the registration requirements set forth herein, this Bond, under the provisions of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

The Issuer has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices, if any, as a convenience to bondholders. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice.

This Bond shall not be entitled to any benefit under the Order nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Registrar.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF WOOD has caused this Bond to be duly signed in its name and on its behalf by its President and countersigned by its Secretary and has caused its corporate seal to be hereto affixed in the manner provided in the Order, all as of May 22, 2013.

THE BOARD OF EDUCATION OF THE COUNTY
OF WOOD, WEST VIRGINIA

(SEAL)

By: Frederic W. Yeater
Its: President
Specimen

By: A. P. Lewis
Its: Secretary

4793415
11414.3

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Resolution and Order and has been duly registered in the name of the Registered Owner set forth above on the date set forth below.

Dated: May 22, 2013.

WESBANCO BANK, INC.,
as Registrar

By:

Its:

Scott A. Allen
Specimen
Vice President

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____
the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books kept for
registration of the within Bond of the said Issuer with full power of substitution in the premises.

Signature of Assignor

Dated: _____, _____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-5

Specimen

\$850,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS,
SERIES 2013

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>BOND DATE</u> | <u>CUSIP</u> |
|----------------------|----------------------|------------------|--------------|
| 1.50% | May 1, 2018 | May 22, 2013 | 978335FC6 |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: EIGHT HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (West Virginia), a public corporation created and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, upon presentation and surrender hereof, the Principal Amount specified above and to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2013 (each an "Interest Payment Date"), until maturity. WesBanco Bank, Inc., Wheeling, West Virginia, has been designated to act in the capacity of registrar and transfer agent for the Bonds (the "Registrar"), and the West Virginia Municipal Bond Commission, Charleston, West Virginia, has been appointed by the Issuer to serve in the capacity of paying agent for the Bonds (the "Paying Agent").

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the Paying Agent to the Registered Owner hereof as of the applicable Record Date (each April 15 and October 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the Paying Agent by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by the Registrar, or, at the option of any Registered Owner of at least \$500,000 in

aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Registrar at least 5 days prior to such Record Date. Principal shall be paid when due upon presentation and surrender of this Bond for payment at the office of the Paying Agent, in Charleston, West Virginia. The Issuer and the Registrar shall not be required to issue or transfer any Bonds during a period beginning with the close of business on the Record Date next preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date.

This Bond is one of a series of bonds of the Issuer designated as "Public School Refunding Bonds, Series 2013" (the "Bonds"), issued by the Issuer in the aggregate principal amount of \$19,300,000. The Bonds are in fully registered form, without coupons, and are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 13, Article 2 of the West Virginia Code of 1931, as amended (the "Act") and a Resolution and Order (the "Order") duly adopted by the Issuer on April 9, 2013 for the purpose of advance refunding the Issuer's Public School Bonds, Series 2005, currently outstanding in the aggregate principal amount of \$19,505,000 (the "Prior Bonds"). The terms and provisions of the Order are hereby incorporated by reference as if set forth fully herein.

This Bond may be transferred or exchanged by the Registered Owner hereof upon surrender of this Bond to the Registrar at its principal corporate trust office, accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner of this Bond or his attorney-in-fact or legal representative. The Registrar shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same maturity and form for the aggregate denominations of the same maturity and for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. The Issuer, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner thereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Issuer, the Registrar and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the Registered Owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the Issuer upon the Bond as paid.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Order, against any member, officer or employee, past, present, or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the laws of the State of West Virginia to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of West Virginia, including the Act, and that legal provision has been made by the Issuer for the levy and collection of a direct annual tax sufficient in amount to meet the payment of the interest and principal hereof, which shall have precedence over all other taxes for any purpose whatever, except bond issues heretofore or hereafter authorized and issued under the five percent limitation provided by the Better Schools Amendment of the Constitution of West Virginia, and said tax is levied outside the limits fixed by Section 1, Article X of the Constitution of the State of West Virginia

in the manner provided by Sections 8 and 10, Article X of the State Constitution; that said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Issuer, does not exceed any statutory or constitutional limitation thereon.

For payment of both principal and interest hereof the full faith and credit and resources of the Issuer are hereby irrevocably pledged within the limitations prescribed by the Constitution and statutes of the State of West Virginia.

The Issuer has covenanted in the Order that it shall include in its budget the amount of the debt service for each fiscal year of the Issuer in which principal and/or interest on the Bonds is payable, that it shall appropriate from its revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due, the principal of and interest on the Bonds.

Subject to the registration requirements set forth herein, this Bond, under the provisions of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

The Issuer has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices, if any, as a convenience to bondholders. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice.

This Bond shall not be entitled to any benefit under the Order nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Registrar.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF WOOD has caused this Bond to be duly signed in its name and on its behalf by its President and countersigned by its Secretary and has caused its corporate seal to be hereto affixed in the manner provided in the Order, all as of May 22, 2013.

THE BOARD OF EDUCATION OF THE COUNTY
OF WOOD, WEST VIRGINIA

(SEAL)

By: *Leroy W. Yeater*
Its: President

Specimen

By: *J. P. Law*
Its: Secretary

4793415
11414.3

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Resolution and Order and has been duly registered in the name of the Registered Owner set forth above on the date set forth below.

Dated: May 22, 2013.

WESBANCO BANK, INC.,
as Registrar

By:

Its:

Janet Y. Allen
Specimen
Vice President

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____
the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books kept for
registration of the within Bond of the said Issuer with full power of substitution in the premises.

Signature of Assignor

Dated: _____, _____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-6

\$2,000,000

Specimen

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS,
SERIES 2013

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>BOND DATE</u> | <u>CUSIP</u> |
|----------------------|----------------------|------------------|--------------|
| 5.00% | May 1, 2018 | May 22, 2013 | 978335EZ6 |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO MILLION AND 00/100 DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (West Virginia), a public corporation created and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, upon presentation and surrender hereof, the Principal Amount specified above and to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2013 (each an "Interest Payment Date"), until maturity. WesBanco Bank, Inc., Wheeling, West Virginia, has been designated to act in the capacity of registrar and transfer agent for the Bonds (the "Registrar"), and the West Virginia Municipal Bond Commission, Charleston, West Virginia, has been appointed by the Issuer to serve in the capacity of paying agent for the Bonds (the "Paying Agent").

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the Paying Agent to the Registered Owner hereof as of the applicable Record Date (each April 15 and October 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the Paying Agent by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by the Registrar, or, at the option of any Registered Owner of at least \$500,000 in

aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Registrar at least 5 days prior to such Record Date. Principal shall be paid when due upon presentation and surrender of this Bond for payment at the office of the Paying Agent, in Charleston, West Virginia. The Issuer and the Registrar shall not be required to issue or transfer any Bonds during a period beginning with the close of business on the Record Date next preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date.

This Bond is one of a series of bonds of the Issuer designated as "Public School Refunding Bonds, Series 2013" (the "Bonds"), issued by the Issuer in the aggregate principal amount of \$19,300,000. The Bonds are in fully registered form, without coupons, and are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 13, Article 2 of the West Virginia Code of 1931, as amended (the "Act") and a Resolution and Order (the "Order") duly adopted by the Issuer on April 9, 2013 for the purpose of advance refunding the Issuer's Public School Bonds, Series 2005, currently outstanding in the aggregate principal amount of \$19,505,000 (the "Prior Bonds"). The terms and provisions of the Order are hereby incorporated by reference as if set forth fully herein.

This Bond may be transferred or exchanged by the Registered Owner hereof upon surrender of this Bond to the Registrar at its principal corporate trust office, accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner of this Bond or his attorney-in-fact or legal representative. The Registrar shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same maturity and form for the aggregate denominations of the same maturity and for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. The Issuer, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner thereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Issuer, the Registrar and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the Registered Owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the Issuer upon the Bond as paid.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Order, against any member, officer or employee, past, present, or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the laws of the State of West Virginia to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of West Virginia, including the Act, and that legal provision has been made by the Issuer for the levy and collection of a direct annual tax sufficient in amount to meet the payment of the interest and principal hereof, which shall have precedence over all other taxes for any purpose whatever, except bond issues heretofore or hereafter authorized and issued under the five percent limitation provided by the Better Schools Amendment of the Constitution of West Virginia, and said tax is levied outside the limits fixed by Section 1, Article X of the Constitution of the State of West Virginia

in the manner provided by Sections 8 and 10, Article X of the State Constitution; that said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Issuer, does not exceed any statutory or constitutional limitation thereon.

For payment of both principal and interest hereof the full faith and credit and resources of the Issuer are hereby irrevocably pledged within the limitations prescribed by the Constitution and statutes of the State of West Virginia.

The Issuer has covenanted in the Order that it shall include in its budget the amount of the debt service for each fiscal year of the Issuer in which principal and/or interest on the Bonds is payable, that it shall appropriate from its revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due, the principal of and interest on the Bonds.

Subject to the registration requirements set forth herein, this Bond, under the provisions of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

The Issuer has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices, if any, as a convenience to bondholders. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice.

This Bond shall not be entitled to any benefit under the Order nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Registrar.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF WOOD has caused this Bond to be duly signed in its name and on its behalf by its President and countersigned by its Secretary and has caused its corporate seal to be hereto affixed in the manner provided in the Order, all as of May 22, 2013.

THE BOARD OF EDUCATION OF THE COUNTY
OF WOOD, WEST VIRGINIA

(SEAL)

By: Tracy W Yeater
Its: President
Specimen

By: D.P. Lane
Its: Secretary

4793415
11414.3

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Resolution and Order and has been duly registered in the name of the Registered Owner set forth above on the date set forth below.

Dated: May 22, 2013.

WESBANCO BANK, INC.,
as Registrar

By:

Its:

Janet Specimen
SPB
Specimen
Vice President

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____
the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books kept for
registration of the within Bond of the said Issuer with full power of substitution in the premises.

Signature of Assignor

Dated: _____, _____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Specimen

No. R-7

\$2,980,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS,
SERIES 2013

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>BOND DATE</u> | <u>CUSIP</u> |
|----------------------|----------------------|------------------|--------------|
| 4.00% | May 1, 2019 | May 22, 2013 | 978335FA0 |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: TWO MILLION NINE HUNDRED EIGHTY THOUSAND AND 00/100 DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (West Virginia), a public corporation created and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, upon presentation and surrender hereof, the Principal Amount specified above and to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2013 (each an "Interest Payment Date"), until maturity. WesBanco Bank, Inc., Wheeling, West Virginia, has been designated to act in the capacity of registrar and transfer agent for the Bonds (the "Registrar"), and the West Virginia Municipal Bond Commission, Charleston, West Virginia, has been appointed by the Issuer to serve in the capacity of paying agent for the Bonds (the "Paying Agent").

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the Paying Agent to the Registered Owner hereof as of the applicable Record Date (each April 15 and October 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the Paying Agent by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by the Registrar, or, at the option of any Registered Owner of at least \$500,000 in

aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Registrar at least 5 days prior to such Record Date. Principal shall be paid when due upon presentation and surrender of this Bond for payment at the office of the Paying Agent, in Charleston, West Virginia. The Issuer and the Registrar shall not be required to issue or transfer any Bonds during a period beginning with the close of business on the Record Date next preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date.

This Bond is one of a series of bonds of the Issuer designated as "Public School Refunding Bonds, Series 2013" (the "Bonds"), issued by the Issuer in the aggregate principal amount of \$19,300,000. The Bonds are in fully registered form, without coupons, and are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 13, Article 2 of the West Virginia Code of 1931, as amended (the "Act") and a Resolution and Order (the "Order") duly adopted by the Issuer on April 9, 2013 for the purpose of advance refunding the Issuer's Public School Bonds, Series 2005, currently outstanding in the aggregate principal amount of \$19,505,000 (the "Prior Bonds"). The terms and provisions of the Order are hereby incorporated by reference as if set forth fully herein.

This Bond may be transferred or exchanged by the Registered Owner hereof upon surrender of this Bond to the Registrar at its principal corporate trust office, accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner of this Bond or his attorney-in-fact or legal representative. The Registrar shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same maturity and form for the aggregate denominations of the same maturity and for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. The Issuer, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner thereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Issuer, the Registrar and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the Registered Owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the Issuer upon the Bond as paid.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Order, against any member, officer or employee, past, present, or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the laws of the State of West Virginia to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of West Virginia, including the Act, and that legal provision has been made by the Issuer for the levy and collection of a direct annual tax sufficient in amount to meet the payment of the interest and principal hereof, which shall have precedence over all other taxes for any purpose whatever, except bond issues heretofore or hereafter authorized and issued under the five percent limitation provided by the Better Schools Amendment of the Constitution of West Virginia, and said tax is levied outside the limits fixed by Section 1, Article X of the Constitution of the State of West Virginia

in the manner provided by Sections 8 and 10, Article X of the State Constitution; that said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Issuer, does not exceed any statutory or constitutional limitation thereon.

For payment of both principal and interest hereof the full faith and credit and resources of the Issuer are hereby irrevocably pledged within the limitations prescribed by the Constitution and statutes of the State of West Virginia.

The Issuer has covenanted in the Order that it shall include in its budget the amount of the debt service for each fiscal year of the Issuer in which principal and/or interest on the Bonds is payable, that it shall appropriate from its revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due, the principal of and interest on the Bonds.

Subject to the registration requirements set forth herein, this Bond, under the provisions of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

The Issuer has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices, if any, as a convenience to bondholders. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice.

This Bond shall not be entitled to any benefit under the Order nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Registrar.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF WOOD has caused this Bond to be duly signed in its name and on its behalf by its President and countersigned by its Secretary and has caused its corporate seal to be hereto affixed in the manner provided in the Order, all as of May 22, 2013.

THE BOARD OF EDUCATION OF THE COUNTY
OF WOOD, WEST VIRGINIA

(SEAL)

By: *Jimmy G. Gentry*
Its: President

By: *J. V. Lewis*
Its: Secretary

4793415
11414.3

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Resolution and Order and has been duly registered in the name of the Registered Owner set forth above on the date set forth below.

Dated: May 22, 2013.

WESBANCO BANK, INC.,
as Registrar

By:

Its:

Just Specimen
Jacob...
Vice President

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____
the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books kept for
registration of the within Bond of the said Issuer with full power of substitution in the premises.

Signature of Assignor

Dated: _____, _____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

No. R-8

\$3,115,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS,
SERIES 2013

| <u>INTEREST RATE</u> | <u>MATURITY DATE</u> | <u>BOND DATE</u> | <u>CUSIP</u> |
|----------------------|----------------------|------------------|--------------|
| 4.00% | May 1, 2020 | May 22, 2013 | 978335FB8 |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION ONE HUNDRED FIFTEEN THOUSAND AND 00/100 DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (West Virginia), a public corporation created and existing under the laws of the State of West Virginia (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner specified above, or registered assigns (the "Registered Owner"), on the Maturity Date specified above, upon presentation and surrender hereof, the Principal Amount specified above and to pay interest on said Principal Amount from the Interest Payment Date (as hereinafter defined) preceding the date of authentication hereof or, if authenticated after the Record Date (as hereinafter defined) but prior to the applicable Interest Payment Date or on said Interest Payment Date, from said Interest Payment Date or, if no interest has been paid, from the Bond Date specified above, at the Interest Rate per annum specified above, semiannually, on May 1 and November 1 in each year, beginning November 1, 2013 (each an "Interest Payment Date"), until maturity. WesBanco Bank, Inc., Wheeling, West Virginia, has been designated to act in the capacity of registrar and transfer agent for the Bonds (the "Registrar"), and the West Virginia Municipal Bond Commission, Charleston, West Virginia, has been appointed by the Issuer to serve in the capacity of paying agent for the Bonds (the "Paying Agent").

Interest accruing on this Bond on and prior to the Maturity Date hereof shall be payable by check or draft mailed by the Paying Agent to the Registered Owner hereof as of the applicable Record Date (each April 15 and October 15) or, in the event of a default in the payment of Bonds, that special record date to be fixed by the Paying Agent by notice given to the Registered Owners not less than 10 days prior to said special record date at the address of such Registered Owner as it appears on the registration books of the Issuer maintained by the Registrar, or, at the option of any Registered Owner of at least \$500,000 in

aggregate principal amount of Bonds, by wire transfer in immediately available funds to a domestic bank account specified in writing by the Registered Owner to the Registrar at least 5 days prior to such Record Date. Principal shall be paid when due upon presentation and surrender of this Bond for payment at the office of the Paying Agent, in Charleston, West Virginia. The Issuer and the Registrar shall not be required to issue or transfer any Bonds during a period beginning with the close of business on the Record Date next preceding any Interest Payment Date and ending at the close of business on such Interest Payment Date.

This Bond is one of a series of bonds of the Issuer designated as "Public School Refunding Bonds, Series 2013" (the "Bonds"), issued by the Issuer in the aggregate principal amount of \$19,300,000. The Bonds are in fully registered form, without coupons, and are issued under the authority of and in full compliance with the Constitution and statutes of the State of West Virginia, including particularly, Chapter 13, Article 2 of the West Virginia Code of 1931, as amended (the "Act") and a Resolution and Order (the "Order") duly adopted by the Issuer on April 9, 2013 for the purpose of advance refunding the Issuer's Public School Bonds, Series 2005, currently outstanding in the aggregate principal amount of \$19,505,000 (the "Prior Bonds"). The terms and provisions of the Order are hereby incorporated by reference as if set forth fully herein.

This Bond may be transferred or exchanged by the Registered Owner hereof upon surrender of this Bond to the Registrar at its principal corporate trust office, accompanied by a written instrument or instruments of transfer in form, with instructions, and with guaranty of signature satisfactory to the Registrar, duly executed by the Registered Owner of this Bond or his attorney-in-fact or legal representative. The Registrar shall enter any transfer of ownership of this Bond in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered bond or bonds of authorized denominations of the same maturity and form for the aggregate denominations of the same maturity and for the aggregate amount which the transferee is entitled to receive at the earliest practicable time. The Issuer, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner thereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Issuer, the Registrar and the Paying Agent shall not be affected by any notice to the contrary. All payments made to the Registered Owner of a Bond, as herein provided, shall be valid and effectual to satisfy in full and discharge the liability of the Issuer upon the Bond as paid.

No recourse shall be had for the payment of the principal of or interest on this Bond, or for any claim based hereon or on the Order, against any member, officer or employee, past, present, or future, of the Issuer or of any successor body, as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Bond.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the laws of the State of West Virginia to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Bond or in the creation of the debt of which this Bond is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of West Virginia, including the Act, and that legal provision has been made by the Issuer for the levy and collection of a direct annual tax sufficient in amount to meet the payment of the interest and principal hereof, which shall have precedence over all other taxes for any purpose whatever, except bond issues heretofore or hereafter authorized and issued under the five percent limitation provided by the Better Schools Amendment of the Constitution of West Virginia, and said tax is levied outside the limits fixed by Section 1, Article X of the Constitution of the State of West Virginia

in the manner provided by Sections 8 and 10, Article X of the State Constitution; that said levies do not exceed any constitutional or statutory limitations; and that the amount of this Bond, together with all other indebtedness of the Issuer, does not exceed any statutory or constitutional limitation thereon.

For payment of both principal and interest hereof the full faith and credit and resources of the Issuer are hereby irrevocably pledged within the limitations prescribed by the Constitution and statutes of the State of West Virginia.

The Issuer has covenanted in the Order that it shall include in its budget the amount of the debt service for each fiscal year of the Issuer in which principal and/or interest on the Bonds is payable, that it shall appropriate from its revenues any such sums for the payment of such debt service and that it shall duly and punctually cause to be paid when due, the principal of and interest on the Bonds.

Subject to the registration requirements set forth herein, this Bond, under the provisions of the Act is, and has all the qualities and incidents of, a negotiable instrument under the Uniform Commercial Code of the State of West Virginia.

The Issuer has caused CUSIP numbers to be printed on the Bonds, and has directed the Paying Agent to use such numbers in notices, if any, as a convenience to bondholders. No representation is made as to the accuracy of such numbers either as printed on the Bonds or as contained in any notice.

This Bond shall not be entitled to any benefit under the Order nor shall it be valid, obligatory or enforceable for any purpose until this Bond shall have been authenticated by the Registrar.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF WOOD has caused this Bond to be duly signed in its name and on its behalf by its President and countersigned by its Secretary and has caused its corporate seal to be hereto affixed in the manner provided in the Order, all as of May 22, 2013.

THE BOARD OF EDUCATION OF THE COUNTY
OF WOOD, WEST VIRGINIA

(SEAL)

By: Tracy W. Yeater
Its: President

By: J. P. Lewis
Its: Secretary

4793415
11414.3

CERTIFICATE OF AUTHENTICATION
AND REGISTRATION

This Bond is one of the Bonds described in the within-mentioned Resolution and Order and has been duly registered in the name of the Registered Owner set forth above on the date set forth below.

Dated: May 22, 2013.

WESBANCO BANK, INC.,
as Registrar

By: J. A. Spelman
Its: Vice President

ASSIGNMENT

Social Security or Other Identifying Number of Assignee _____

FOR VALUE RECEIVED the undersigned sells, assigns, and transfers unto _____
the within Bond and does hereby irrevocably constitute and appoint
_____, Attorney to transfer the said Bond on the books kept for
registration of the within Bond of the said Issuer with full power of substitution in the premises.

Signature of Assignor

Dated: _____, _____.

SIGNATURE GUARANTEED:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The Assignor's signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

CERTIFICATE OF DETERMINATIONS

The undersigned, President of The Board of Education of the County of Wood, West Virginia (the "Board"), in accordance with a Resolution and Order adopted by the Board on April 9, 2013 (the "Order"), hereby finds and determines as follows:

1. The Board in the Order designated the Bonds as The Board Of Education of the County of Wood, Public School Refunding Bonds, 2013 Series A, which are hereby redesignated as the "\$19,300,000 The Board Of Education of the County of Wood, Public School Refunding Bonds, Series 2013" (the "Bonds").

2. He is an Authorized Officer within the meaning of the Order.

3. The Bonds shall be dated May 22, 2013.

4. The Bonds shall be issued in the aggregate principal amount of \$19,300,000.

5. Such principal amount does not exceed \$22,000,000, being the maximum principal amount authorized by the Order.

6. The Bonds shall mature in the amounts and on the dates set forth on Schedule 1 attached hereto and incorporated herein.

7. The Bonds shall bear interest at the rates and produce the yields set forth on Schedule 1 attached hereto and incorporated herein, which rates do not exceed five and one-half percent (5.5%) per annum. Interest shall be payable on the Bonds semiannually on each May 1 and November 1, beginning on November 1, 2013 and in each year until maturity.

8. The Bonds shall not be subject to redemption prior to maturity.

9. The Bonds shall be sold to Piper Jaffray & Co., Charleston, West Virginia (the "Underwriter"), pursuant to the terms of the Bond Purchase Agreement by and between the Underwriter and the Board, at an aggregate purchase price of \$21,178,173.25 (representing par value, less an underwriting discount of \$131,500.00 plus original issue premium of \$2,009,673.25).

10. The proceeds of the Bonds and the funds on deposit with the West Virginia Municipal Bond Commission (the "Bond Commission") as the paying agent for the Board's outstanding Public School Bonds, Series 2005, dated March 1, 2005, issued in the original aggregate principal amount of \$35,000,000 (the "Prior Bonds") shall be applied as set forth on Schedule 2 attached hereto and incorporated herein.

11. The form of the Bond Purchase Agreement which is attached hereto as Exhibit 1 is hereby approved, with such amendments as may be approved by an Authorized Officer (as defined in the Order), the execution and delivery thereof by an Authorized Officer being conclusive evidence of the approval of any such amendments. The Authorized Officers are hereby authorized to execute and deliver the Bond Purchase Agreement in connection with the issuance of the Bonds.

12. The form of the Escrow Agreement which is attached hereto as Exhibit 2 is hereby approved, with such amendments as may be approved by an Authorized Officer, the execution and delivery thereof by an Authorized Officer being conclusive evidence of the approval of any such

amendments. The Authorized Officers are hereby authorized to execute and deliver the Escrow Agreement in connection with the issuance of the Bonds.

13. The form of the Continuing Disclosure Agreement which is attached hereto as Exhibit 3 is hereby approved, with such amendments as may be approved by an Authorized Officer, the execution and delivery thereof by an Authorized Officer being conclusive evidence of the approval of any such amendments. The Authorized Officers are hereby authorized to execute and deliver the Escrow Agreement in connection with the issuance of the Bonds.

14. The form of the Tax and Non-Arbitrage Certificate which is attached hereto as Exhibit 4 is hereby approved, with such amendments as may be approved by an Authorized Officer, the execution and delivery thereof by an Authorized Officer being conclusive evidence of the approval of any such amendments. The Authorized Officers are hereby authorized to execute and deliver the Tax and Non-Arbitrage Certificate in connection with the issuance of the Bonds.

15. The Preliminary Official Statement of the Board dated May 1, 2013, is hereby ratified and deemed final within the meaning of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, with such changes, omissions, insertions and revisions as the Authorized Officer shall deem advisable. Such signature to evidence approval thereof.

16. The firm of Causey Demgen & Moore P.C. is hereby appointed as the Verification Agent for the Bonds, for the purpose of verifying yield and the sufficiency of the Escrow Fund for the refunding of the Prior Bonds.

The undersigned hereby certifies that the foregoing terms and conditions of the Bonds are within the limitations prescribed by the Order, and the Bonds may be issued with such terms and conditions as authorized by the Order.

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WITNESS my signature this 8th day of May, 2013.

THE BOARD OF EDUCATION OF THE COUNTY OF
WOOD, WEST VIRGINIA

By: Tracy W. Gator
Its: President

Schedule 1

\$19,300,000

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, 2013 Series A

MATURITIES, AMOUNTS, RATES AND YIELDS

| Maturity | Principal Amount (\$) | Interest Rate | Yield | Price | Premium (\$) |
|-----------------|----------------------------------|--------------------------|--------------|--------------|-------------------------|
| 5/1/2014 | 2,505,000 | 2.00% | 0.35% | 101.549 | 38,802.45 |
| 5/1/2015 | 2,525,000 | 2.00% | 0.49% | 102.914 | 73,578.50 |
| 5/1/2016 | 2,600,000 | 4.00% | 0.68% | 109.652 | 250,952.00 |
| 5/1/2017 | 2,725,000 | 4.00% | 0.87% | 112.101 | 329,752.25 |
| 5/1/2018 | 850,000 | 1.50% | 1.10% | 101.918 | 16,303.00 |
| 5/1/2018 | 2,000,000 | 5.00% | 1.10% | 118.707 | 374,140.00 |
| 5/1/2019 | 2,980,000 | 4.00% | 1.37% | 114.957 | 445,718.60 |
| 5/1/2020 | 3,115,000 | 4.00% | 1.64% | 115.423 | 480,426.45 |
| | 19,300,000 | | | | 2,009,673.25 |

Schedule 2

Application of Bond Proceeds and Funds on Deposit with Bond Commission.

The proceeds received from the sale of the Bonds shall be deposited with the Bond Commission and the Board. The Bond Commission and the Board shall allocate the deposit as follows:

(1) The Board shall deposit into the Escrow Fund from bond proceeds the sum of \$21,082,134.59.

(2) The Board shall deposit from bond proceeds the sum of \$96,038.66 into the Costs of Issuance Fund established with the Registrar, which shall thereafter be disbursed by the Board (in accordance with applicable law) for payment of Costs of Issuance of the Bonds.

EXHIBIT 1 TO CERTIFICATE OF DETERMINATIONS

[Form of Bond Purchase Agreement]

(See Tab 19)

EXHIBIT 2 TO CERTIFICATE OF DETERMINATIONS

[Form of Escrow Agreement]

(See Tab 16a)

EXHIBIT 3 TO CERTIFICATE OF DETERMINATIONS

[Form of Continuing Disclosure Agreement]

(See Tab 20)

EXHIBIT 4 TO CERTIFICATE OF DETERMINATIONS

[Form of Tax and Non-Arbitrage Certificate]

(See Tab 7)

\$19,300,000
The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

GENERAL CERTIFICATE OF THE BOARD OF EDUCATION
OF THE COUNTY OF WOOD ON:

1. TERMS
2. NO LITIGATION
3. SALE OF BONDS; SIGNATURES
4. DELIVERY AND PAYMENT
5. CERTIFICATION OF BOND DOCUMENTS
6. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS
7. MEETINGS, ETC.
8. INCUMBENCY AND OFFICIAL NAME
9. DEPOSIT OF FUNDS IN ESCROW FUND AND DEFEASANCE OF PRIOR BONDS
10. DESIGNATION OF REGISTRAR, PAYING AGENT AND ESCROW AGENT
11. CERTIFICATIONS PURSUANT TO PARAGRAPH 14(c)(5) OF THE BOND PURCHASE AGREEMENT
12. SPECIMEN BOND
13. CONTINUING DISCLOSURE AGREEMENT

The undersigned PRESIDENT and the undersigned SECRETARY of The Board of Education of the County of Wood (the "Issuer"), a public corporation of the State of West Virginia (the "State"), HEREBY CERTIFY, for and on behalf of the Issuer, to Piper Jaffray & Co., as original purchaser (the "Purchaser") from the Issuer of the above-captioned bond issue, Spilman Thomas & Battle, PLLC, as bond counsel to the Issuer, and other interested parties as follows, jointly unless otherwise stated, all capitalized terms not otherwise defined herein to have the meanings given in the Resolution, herein defined:

1. TERMS: Except as otherwise provided, all capitalized words and terms used in this General Certificate and not otherwise defined herein shall have the same meanings as in the Resolution and Order of the Issuer adopted April 9, 2013 (the "Resolution").

2. NO LITIGATION: No controversy or litigation of any nature is now pending or threatened, restraining, enjoining or affecting in any manner the issuance, sale and delivery of the Bonds or the collection of the ad valorem tax levies or the pledge thereof to the payment of the principal of and interest on the Bonds, nor in any manner questioning the proceedings and authority by which the Issuer authorized the issuance, sale and delivery of the Bonds nor in any manner affecting the validity or enforceability of the Bonds, the Resolution, the Escrow Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Preliminary Official Statement, the Official Statement or any other agreement or instrument relating thereto (collectively, the "Bond Documents"), the sale of the Bonds, the Refunding of the Prior Bonds, herein defined, the creation of the Escrow Fund or any provisions made or authorized for the payment of the Bonds; nor in any manner questioning the valid existence of the Issuer or the authority or titles of the President, Secretary and the members of the Board and other officials of the Issuer to their respective offices; nor in any manner questioning any proceeding, procedure, action or thing followed, taken or done in connection with the authorization, sale and delivery of the Bonds; nor

wherein an adverse judgment or ruling could have a material adverse impact on the financial condition of the Issuer or adversely affect the power of the Issuer to levy, collect and enforce the collection of taxes or other revenues for the payment of the Bonds.

3. SALE OF BONDS; SIGNATURES: The Bonds were sold to the Purchaser upon a negotiated basis at a price equal to the par amount of \$19,300,000.00, plus an original issue premium in the amount of \$2,009,673.25, less an underwriting discount of \$131,500.00 (total purchase price of \$21,178,173.25 (the "Purchase Price")). As of the date hereof, the Bonds were duly signed by the manual signature of the President and countersigned by the manual signature of the Secretary, and the official seal of the Issuer, which seal is impressed upon this Certificate, was affixed thereto.

4. DELIVERY AND PAYMENT: The undersigned President did, on the date hereof, deliver to the Purchaser, through The Depository Trust Company, in New York, New York, the entire issue of the Bonds, in denominations equal to the principal amounts maturing May 1, in each of the years 2014 to 2020, and numbered R-1 to R-8, inclusive.

At the time of delivery of the Bonds, there was paid to the Issuer the total agreed Purchase Price therefore as follows:

| | |
|------------------------------------|----------------------------|
| Par Amount | \$19,300,000.00 |
| Plus: Original Issue Premium | \$ 2,009,673.25 |
| Less: Underwriter's Discount..... | \$ 131,500.00 |
| TOTAL RECEIVED..... | <u>\$21,178,173.25</u> |

5. CERTIFICATION OF BOND DOCUMENTS: There are delivered herewith true and correct copies of the following documents, all which remain in full force and effect and have not been amended, modified, supplemented or repealed unless changed by the terms of other documents listed below:

Resolution and Order

Cross-Receipt for Bonds and Bond Proceeds

Direction to Authenticate and Deliver Bonds

Certificate of Determinations

Tax and Non-Arbitrage Certificate of the Issuer

Rule 15c2-12 Certificate

Letter of Instructions to West Virginia Municipal Bond Commission

Joint Certificate of Issuer and Escrow Agent on Sufficiency of Escrow Fund
And Discharge of Lien of Prior Bonds

Escrow Agreement

Letter of Instruction to Registrar Regarding Defeasance and Redemption Notices

Bond Purchase Agreement

Continuing Disclosure Agreement

Preliminary Official Statement

Official Statement

S&P Rating Letter

DTC Blanket Letter of Representations

Minutes on Adoption of Parameters Resolution and Order

IRS Information Return (Form 8038-G)

Verification Agent's Report Regarding Sufficiency of Escrow Fund and Debt Service Savings

6. NO ADVERSE FINANCIAL CHANGE; INDEBTEDNESS: There has been no adverse change in the financial condition of the Issuer since June 30, 2012. On the date hereof, the Issuer has defeased the lien of the Prior Bonds on the ad valorem property taxes of the Wood County School District. Accordingly, as of the date hereof, the Wood County School District has no outstanding obligations which have a lien on such tax revenues prior to or on a parity with that of the Bonds. Thus, as of the date hereof, there is not any indebtedness or obligation of the Issuer outstanding and unpaid or for which full and irrevocable provision for payment has not been made which has priority over or ranks on a parity with the Bonds as to the sources of and security for payment.

7. MEETINGS, ETC.: All actions, resolutions, orders and agreements taken by and entered into by or on behalf of the Issuer in any way connected with the issuance of the Bonds or the refunding of the Prior Bonds were authorized or adopted at meetings of the Board of the Issuer duly and regularly called and held pursuant to all applicable statutes, including Chapter 6, Article 9A of the Official West Virginia Code of 1931, as amended, and a quorum of duly elected, qualified and acting members of the Issuer was present and acting at all times during all such meetings.

8. INCUMBENCY AND OFFICIAL NAME: The proper corporate title of the Issuer is "The Board of Education of the County of Wood" and it is a public corporation of the State of West Virginia, in Wood County of said state. The governing body of the Issuer consists of five members. The names and dates of commencement and termination of current terms of office of the members of the Issuer are as follows:

| | <u>Name and Office</u> | <u>Date of Commencement of Office</u> | <u>Date of Termination of Office</u> |
|-----------------------|-----------------------------|---------------------------------------|--------------------------------------|
| Tim Yeater | - President and Member | 07/01/2012 | 06/30/2016 |
| Jim Fox | - Vice President and Member | 07/01/2010 | 06/30/2014 |
| Lawrence G. Hasbargen | - Member | 07/01/2012 | 06/30/2016 |
| John E. Marlow | - Member | 07/01/2012 | 06/30/2016 |
| Tad Wilson | - Member | 07/01/2010 | 06/30/2014 |

The duly appointed and acting Superintendent of Schools and Board Secretary is Patrick Law. The duly appointed and acting special project counsel to the Board with respect to the issuance of the Bonds is Spilman Thomas & Battle, PLLC, Charleston, West Virginia.

9. DEPOSIT OF FUNDS IN ESCROW FUND AND DEFEASANCE OF PRIOR BONDS: The funds on deposit in the Escrow Fund established by the Escrow Agreement by and between the Issuer and the West Virginia Municipal Bond Commission, as Escrow Agent, dated as of May 22, 2013, have been deposited as provided in the Escrow Agreement and the amount of such deposited funds is sufficient to pay the principal of and the interest on the Prior Bonds on the respective maturities and interest payment dates thereof and, on May 22, 2013, to pay the redemption price of the Bonds. Accordingly, the Prior Bonds have been discharged and the lien of the Resolution authorizing the Prior Bonds has been discharged as of the date hereof.

10. DESIGNATION OF REGISTRAR, PAYING AGENT AND ESCROW AGENT: The Issuer hereby confirms the appointment of WesBanco Bank, Inc., Wheeling, West Virginia, as Registrar and The West Virginia Municipal Bond Commission as Paying Agent and Escrow Agent.

11. CERTIFICATIONS PURSUANT TO PARAGRAPH 14(c)(v) OF THE BOND PURCHASE AGREEMENT: In addition to the foregoing, the undersigned hereby certify, as follows:

(A) the Issuer has duly performed all of its obligations to be performed at or prior to the date hereof in which the Bonds are exchanged for their Purchase Price (the "Closing") and that each of its representations and warranties contained herein are true as of Closing, (B) it has authorized, by all necessary action the execution, delivery, receipt and due performance of the Bonds, the Continuing Disclosure Agreement, the Resolution, the Escrow Agreement and all other Issuer Documents (as defined in the Bond Purchase Agreement) as may be required to be executed, delivered and received by the Issuer in order to carry out, give effect to and consummate the transactions contemplated by the Bond Purchase Agreement and by the Official Statement, (C) to the Issuer's knowledge, no litigation is pending or threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds or the Resolution, (D) the execution, delivery, receipt and due performance of the Bonds, the Issuer Documents and the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and the Issuer's compliance with the provisions thereof will not conflict with or constitute on the part of the Issuer a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the Issuer is subject or by which it may be bound, (E) to the best of our knowledge, no event affecting the Issuer has occurred since the date of the Official Statement that should be disclosed in the Official Statement to make the statements and information therein not misleading in any material respect for the purposes for which it is to be used and (F) the Issuer is obligated by such Continuing Disclosure Agreement and is in full compliance with all of its prior written continuing disclosure undertakings entered into pursuant to the provisions of Rule 15c2-12(b)(5), excepting only such matters as may be described in the Continuing Disclosure section of the Official Statement.

12. SPECIMEN BOND: Delivered concurrently herewith is a true and accurate specimen of the Bonds.

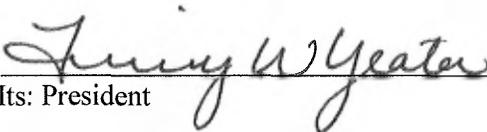
13. CONTINUING DISCLOSURE AGREEMENT: The Board is obligated by the Continuing Disclosure Agreement to comply with the continuing disclosure requirements of Rule 15c2-12(b)(5). The Board is in compliance with its previous continuing disclosure agreements with the exception of those matters described in the Continuing Disclosure section of the Official Statement.

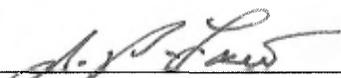
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WITNESS our signatures on this 22nd day of May, 2013.

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD

[SEAL]

By: 
Its: President

By: 
Its: Secretary

4793530
11414.3

\$19,300,000
The Board of Education of the County of Wood
(West Virginia)
Public School Refunding Bonds, Series 2013

TAX AND NON-ARBITRAGE CERTIFICATE

The undersigned, PRESIDENT and the undersigned SUPERINTENDENT and SECRETARY of The Board of Education of the County of Wood, West Virginia (the "Issuer"), being officials of the Issuer duly charged with the responsibility for the issuance of the \$19,300,000 Public School Refunding Bonds, Series 2013, of the Issuer, dated May 22, 2013 (the "Bonds"), hereby certify as follows, jointly, unless otherwise stated, and all capitalized terms used herein and not otherwise defined to have the meanings ascribed thereto in the Resolution and Order adopted by the Issuer on April 9, 2013 (as supplemented, amended or otherwise modified, the "Resolution"), pursuant to which the Bonds are issued:

A. DEFINITIONS. Capitalized terms used herein which are not otherwise defined herein shall have the meanings set forth in Appendix I hereto or in this Tax and Non-Arbitrage Certificate (this "Tax Certificate"), or, where not so defined, in the Resolution.

B. GENERAL

1. This Tax Certificate is being executed and delivered pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder (the "Code"). We are officers of the Issuer charged with the responsibility of issuing the Bonds. We are familiar with the facts, circumstances and estimates herein certified and are duly authorized to execute and deliver this certificate on behalf of the Issuer.

2. This Tax Certificate may be relied upon as the certificate of the Issuer.

3. The Issuer has not been notified by the IRS of any listing or proposed listing of it as an issuer the certification of which may not be relied upon by holders of their respective obligations or that there is any disqualification thereof by the IRS because a certification made by it contains a material misrepresentation.

4. This Tax Certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on May 22, 2013, the date on which the Bonds are to be physically delivered in exchange for the issue price thereof, and to the best of our knowledge and belief, the expectations of the Issuer set forth herein are reasonable.

5. The Issuer has covenanted in the Resolution that it will not permit at any time or times any of the proceeds of the Bonds or any funds of the Issuer to be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any of the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code.

6. The Issuer is a governmental unit and has general taxing powers; no Bonds are private activity bonds; 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely within the jurisdiction of the Issuer).

7. The Bonds were sold and delivered on May 22, 2013, to Piper Jaffray & Co., Charleston, West Virginia (the “Underwriter”), for a purchase price of \$21,178,173.25 (representing the Issue Price of \$21,309,673.25 less an underwriting discount in the amount of \$131,500.00).

8. The Bonds are being delivered simultaneously with the delivery of this Tax Certificate and are issued for the purposes of providing moneys necessary (i) to advance refund the Issuer’s Public School Bonds, Series 2005, dated March 1, 2005, issued in the original aggregate principal amount of \$35,000,000 (the “Prior Bonds”) to their first redemption date, being May 1, 2015 and (ii) to pay Costs of Issuance of the Bonds and related costs. The purpose of the refunding is to achieve present value debt service savings and to make available to the Issuer accumulated tax levy moneys and earnings thereon relating to the Prior Bonds (“Surplus Funds”), which will be released to the Issuer as described in Section C(3).

9. The Prior Bonds were issued for the purposes of (i) providing funds to pay costs of constructing new public school facilities in the Wood County School District (the “District”), and to pay costs of capital improvements, repairs and improvements to existing public school facilities in the District, which improvements and facilities, together with the location thereof, are described in the bond election order adopted by the Issuer on May 25, 2004 (the “Bond Election Order”), in connection with the issuance of the Prior Bonds and (ii) paying Costs of Issuance of the Prior Bonds, and the Proceeds of the Prior Bonds were applied for such purposes.

10. The face amount of the Bonds is \$19,300,000. The sources and uses of proceeds of the Bonds are as follows:

Sources

| | |
|-------------------------------------|-------------------------------|
| Par Amount of the Bonds | \$19,300,000.00 |
| Original Issue Premium on the Bonds | \$2,009,673.25 |
| TOTAL | <u>\$21,309,673.25</u> |

Uses

| | |
|------------------------|-------------------------------|
| Deposit to Escrow Fund | \$21,082,134.59 |
| Underwriter’s Discount | \$131,500.00 |
| Costs of Issuance | \$96,038.66 |
| TOTAL | <u>\$21,309,673.25</u> |

11. The Underwriter has stated, in its certificate, a copy of which is attached hereto as **EXHIBIT A - UNDERWRITER’S CERTIFICATE** (the “Underwriter’s Certificate”) that all of the Bonds have been purchased directly by it at the initial offering prices set forth in the Official Statement relating to the Bonds, dated May 8, 2013. The computation of the yield on the Bonds has been determined by the Underwriter using the present value method in accordance with Section 1.148-4 of the Regulations using a 360-day year, compounding interest semiannually. The yield on the Bonds, as so computed, has been determined by the Underwriter and verified by Causey Demgen & Moore P.C., as verification agent, to be 1.1789%, based on a “purchase price” equal to the Issue Price for the Bonds. As stated in the Underwriter’s Certificate, the Underwriter has calculated the weighted average maturity of the Bonds to be 4.1856 years and the remaining weighted average maturity of the Prior Bonds to be 4.1273 years.

C. THE REFUNDING

1. The Issuer has entered into an Escrow Agreement (the “Escrow Agreement”), dated May 22, 2013, by and between the Issuer and the Bond Commission, as Escrow Agent. The Issuer and the Escrow

Agent will cause Bond proceeds in the amount of \$21,082,134.59, to be deposited in the Escrow Fund, and thereupon \$21,082,134.00 to be applied to the purchase of the SLGS from the Bureau of Public Debt of the United States Treasury Department and to hold the remaining \$0.59 as cash, uninvested, in the Escrow Fund. The yield on the Escrow Fund will not exceed the yield on the Bonds.

2. Proceeds of the Bonds in an amount not to exceed \$96,038.66 shall be deposited in the Costs of Issuance Account established with WesBanco Bank, Inc. and be applied to payment of Costs of Issuance of the Bonds. If on August 22, 2013 funds remain in such account, WesBanco Bank, Inc. shall transfer such funds to the Bond Commission to be applied by the Bond Commission to the payment of interest on the Bonds on the next ensuing interest payment date.

D. THE BONDS

1. The principal amounts, interest rates, yields, purchase price and CUSIP numbers with respect to the Bonds are set forth in **EXHIBIT B** attached hereto.

2. Using the initial offering price of the Bonds as the "purchase price," the yield on the Bonds has been computed by the Underwriter to be 1.1789% (the "Bond Yield").

3. A Debt Service Account for the Bonds is established by the Bond Commission. Moneys deposited to the Debt Service Account, including subsequent deposits thereto, will be spent within a 13-month period beginning on the date of deposit and will be depleted at least once a year, except for a reasonable carryover amount not in excess of 1/12 of the annual debt service with respect to the Bonds or as otherwise required by law. The Bonds all bear interest at a fixed interest rate. The Debt Service Account is designed to achieve a proper matching of the Issuer's revenues and debt service on the Bonds within each Bond Year. All moneys held in the Debt Service Account will be used to pay debt service on the Bonds. All Sale Proceeds of the Bonds deposited in the Debt Service Account (if any) will constitute accrued interest on the Bonds and will be applied to pay interest on the Bonds on the first interest payment date, being November 1, 2013. To the extent that the Debt Service Account qualifies as a Bona Fide Debt Service Fund, all moneys in the Debt Service Account will be invested without restriction as to yield and are not subject to rebate.

4. No Reserve Account or similar fund is established with respect to the Bonds.

5. Other than the Debt Service Account and the Surplus Collections Account there are no other funds or accounts of the Issuer which (i) are reasonably expected to be used to pay Debt Service on the Bonds or which are pledged as collateral to secure repayment of Debt Service on the Bonds and (ii) for which there is a reasonable assurance that amounts therein will be available to pay Debt Service on the Bonds.

6. All amounts deposited into the Debt Service Account (other than Sale Proceeds of the Bonds that constitute accrued interest on the Bonds) will constitute Replacement Proceeds to the extent that those funds are allocable to the Bonds under Section 1.148-6 of the Regulations and will not be invested at a Yield that exceeds the yield on the Bonds unless such moneys, or a part of such moneys, qualify as a Bona Fide Debt Service Fund. There is no accrued interest on the Bonds.

E. SURPLUS TAX COLLECTIONS

1. On the Closing Date, the Issuer will withdraw \$2,419,089.82 (less any fees to be withheld by the Bond Commission) of the tax levy receipts and any earnings thereon on deposit with the Bond Commission in the Surplus Collection Account for the Prior Bonds and deposit such funds with a commercial bank eligible to receive such deposits. The Issuer shall apply such funds solely to costs of capital improvements, repairs or replacements for those school facilities described in the Bond Election Order.

2. \$809,900.00 from the tax levy receipts and any earnings thereon on deposit with the Bond Commission in the Surplus Collection Accounts for the Prior Bonds will, on the Closing Date, be transferred by the Escrow Agent to a newly created Surplus Collections Account for the Bonds and thereafter held and applied by the Escrow Agent pursuant to the regulations and policies of the Bond Commission as the paying agent for the Bonds.

3. The Surplus Collections Account for the Bonds is established by the Bond Commission pursuant to the regulations and policies of the Bond Commission. Tax levy receipts and earnings thereon in excess of the amounts necessary to pay principal of and interest on the Bonds shall be transferred from the Debt Service Account and accumulated in the Surplus Collections Account for the Bonds. Moneys in the Surplus Collections Account shall be used to pay debt service on the Bonds in the event that tax levies for any particular period are insufficient therefor. All moneys in the Surplus Collections Account will be invested at a yield not to exceed the Bond Yield.

F. REBATE

1. Undertakings. The Issuer has covenanted to comply with certain requirements of the Code. The Issuer acknowledges that the United States Department of the Treasury has issued Regulations with respect to these undertakings, including the proper method for computing whether any rebate amount is due the United States under Section 148(f) of the Code (i.e., Sections 1.148-0 through 1.148-11, 1.149(d)-1, 1.149(g)-1, 1.150-1 and 1.150-2 of the Regulations). The Issuer covenants that it will undertake to determine (or have determined on its behalf) what is required with respect to the rebate provisions contained in Section 148(f) of the Code from time to time and will undertake to comply with any requirements that may be applicable to the Bonds. The Issuer will undertake the methodology described in this Section E of this Tax Certificate, except to the extent inconsistent with any requirements of present or future law, regulations or future guidance issued by the United States Department of the Treasury or if the Issuer receives an opinion of Bond Counsel.

2. Rebate Fund. The Issuer hereby creates a special fund designated the “*Rebate Fund*” to be held by a commercial bank separate and apart from all other funds and accounts of the Issuer.

3. Recordkeeping. Detailed records with respect to each and every Nonpurpose Investment attributable to Gross Proceeds (within the meaning of Section 1.148-1(b) of the Regulations) of the Bonds must be maintained by the Issuer, including (i) purchase date, (ii) purchase price, (iii) any accrued interest paid, (iv) face amount, (v) coupon rate, (vi) date of interest payments, (vii) disposition price, (viii) any accrued interest received, (ix) disposition date and (x) broker’s fees. Such detailed record keeping is required for the calculation of the rebate amount (within the meaning of Section 1.148-3 of the Regulations) which, in part, will require a determination of the difference between the actual aggregate earnings of all Nonpurpose Investments and the amount of such earnings assuming a rate of return equal to the yield on the Bonds.

4. Rebate Amount Calculation and Payment.

(a) The Issuer represents, warrants and covenants that it will prepare or cause to be prepared a calculation of the rebate amount with respect to the Bonds consistent with the rules described in this Section 4. The Issuer will prepare or cause to be prepared a calculation of the rebate amount (i) within fifty-five (55) days after the close of the fifth Bond Year and each fifth Bond Year thereafter so long as any Bonds remain unpaid, and (ii) within fifty-five (55) days after the first date on which there are no unpaid Bonds. Not later than fifty-five (55) days after the end of the fifth Bond Year and each fifth Bond Year thereafter so long as any Bond remains unpaid, and within fifty-five (55) days after the last Bond is paid, the Issuer shall deposit in the Rebate Fund an amount so that the balance held by the Issuer in the Rebate Fund shall be equal to the rebate amount.

- (b) For purposes of calculating the rebate amount (i) the aggregate amount earned with respect to a Nonpurpose Investment shall be determined by assuming that the Nonpurpose Investment was acquired for an amount equal to its value at the time it becomes a Nonpurpose Investment, and (ii) the aggregate amount earned with respect to any Nonpurpose Investment shall include any unrealized gain or loss with respect to the Nonpurpose Investment on the first date when there are no unpaid Bonds or when the investment ceases to be a Nonpurpose Investment.
- (c) The Issuer shall pay to the United States Department of the Treasury out of designated funds (i) not later than sixty (60) days after the end of each fifth Bond Year, a payment equal to at least ninety percent (90%) of the rebate amount with respect to the Bonds, calculated as of the end of such fifth Bond Year, and (ii) not later than sixty (60) days after the first date when there are no unpaid Bonds, an amount equal to one hundred percent (100%) of the rebate amount (determined as of the first date when there are no unpaid Bonds) plus any actual or imputed earnings on such rebate amount, all as set forth in Sections 1.148-1 through 1.148-11 of the Regulations and as determined by or on behalf of the Issuer.
- (d) Each payment required to be made pursuant hereto and relating to the Bonds shall be filed with the Internal Revenue Service Center, Ogden, UT 84201-0027, on or before the date such payment is due and shall be accompanied by Form 8038-T. The Issuer must retain records of the calculations required by this Section 4.4 until six (6) years after the retirement of the last obligation of the Bonds.

5. Valuation of Investments.

- (a) General Rule. Except as otherwise provided in this Section 5, for all purposes of Section 148 of the Code, the value of an investment allocated to the Bonds (including a payment or receipt on the investment) on a date must be determined using one of the following valuation methods:
 - (i) Outstanding Principal Amount Method. A plain par investment (as defined in Section 1.148-1(b) of the Regulations) may be valued at its outstanding stated principal amount, plus any accrued unpaid interest on that date.
 - (ii) Present Value Method. An investment whose yield is fixed and determinable on the issue date (a “*fixed rate investment*”) may be valued at its present value on that date. Present value of an investment is computed under the economic accrual method, using the same compounding interval and financial conventions used to compute the yield on the Bonds (*i.e.*, 360-day year basis with interest compounded semiannually). The present value of an investment on a date is equal to the present value of all unconditionally payable receipts to be received from and payments to be paid for the investment after that date, using the yield on the investment as the discount rate.
 - (iii) Fair Market Value Method. An investment may be valued at its fair market value on that date. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the nonpurpose investment becomes binding (*i.e.*, the trade date rather than the settlement date). Except as otherwise provided in Subsections 5(e), (f) and (g) hereof, an investment that is not of a type traded on an established securities market, within the meaning of Section 1273 of the Code, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

- (b) Mandatory Valuation of Certain Investments at Fair Market Value. Except as provided in Subsections 5(c) and (d), an investment must be valued at fair market value on the date that it is first allocated to the Bonds or first ceases to be allocated to the Bonds as a consequence of a deemed acquisition or deemed disposition.
- (c) Mandatory Valuation of Yield Restricted Investments at Present Value. Any yield-restricted investment must be valued at present value.
- (d) Transferred Proceeds Allocations, Universal Cap Allocations and Commingled Funds. Notwithstanding Subsection 5(b) hereof, an investment need not be valued at fair market value if it is allocated to the Bonds or ceases to be allocated to the Bonds as a result of the transferred proceeds allocation rule under Section 1.148-9(b) of the Regulations or the universal cap rule under Section 1.148-6(b)(2) of the Regulations. In addition, investments in a commingled fund (other than a bona fide debt service fund) need not be valued at fair market value unless it is a commingled fund described in Section 1.148-6(e)(5)(iii) of the Regulations.
- (e) Certificates of Deposit. The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal will be treated as its fair market value on the purchase date if:
 - (i) the yield on the certificate of deposit is not less than the yield on reasonably comparable direct obligations of the United States; and
 - (ii) the yield on the certificate of deposit is not less than the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.
- (f) Guaranteed Investment Contracts. The purchase price of a guaranteed investment contract will be treated as its fair market value on the purchase date if:
 - (i) the Issuer has made (or had made on its behalf) a bona fide solicitation for a specified guaranteed investment contract and received at least three (3) bona fide bids from providers that have no material financial interest in the Bonds;
 - (ii) the Issuer purchased (or had purchased on its behalf) the highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees);
 - (iii) the yield on the guaranteed investment contract (determined net of broker's fees) is not less than the yield then available from the provider on reasonably comparable guaranteed investment contract, if any, offered to other persons from a source of funds other than gross proceeds of tax-exempt bonds. For purposes of computing the yield on a guaranteed investment contract acquired through a broker, any compensation received by such broker whether payable by or on behalf of the obligor or obligee of such investment contract may be taken into account in determining the cost of such guaranteed investment contract (as provided in Section 1.148-5(e)(2)(iii) of the Regulations) to the extent that the amount of compensation does not exceed the lesser of \$30,000 (as indexed pursuant to Section 1.148-5(e)(2)(iii)(B)(3) of the Regulations) or 0.2% of the computational base (as defined in Section 1.148-5(e)(2)(iii)(B)(2) of the Regulations), provided that in no event shall the Issuer treat as qualified administrative costs more than \$85,000 (as indexed pursuant to Section 1.148-5(e)(2)(iii)(B)(3) of the Regulations) in broker's commissions or similar fees with respect to all guaranteed

investment contracts and investments for yield restricted defeasance escrows purchased with the gross proceeds of the issue.

- (iv) the determination of the terms of the guaranteed investment contract took into account as a significant factor the Issuer's reasonably expected drawdown schedule for the amounts to be invested, exclusive of amounts deposited in debt service funds and reasonably required reserve or replacement funds;
- (v) the terms of the guaranteed investment contract, including collateral security requirements, are reasonable; and
- (vi) the provider of the guaranteed investment contract certified the administrative costs that it paid (or expects to pay) to third parties in connection with the guaranteed investment contract.

(g) United States Treasury Obligations. The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

6. Segregation of Proceeds. In order to perform the calculations required by the Code, it is necessary to track separately all of the Gross Proceeds. To that end, the Issuer hereby agrees to establish separate funds, accounts or subaccounts or take other accounting measures in order to account fully for all Gross Proceeds.

7. Filing Requirements. The Issuer shall file or cause to be filed such reports or other documents with the IRS as may be required by the Code from time to time (e.g., Form 8038-G and Form 8038-T).

8. Rebate Analyst.

- (a) A Rebate Analyst shall be appointed to perform the rebate calculations, as required herein.
- (b) The Issuer may rely conclusively upon and shall be fully protected from all liability in relying upon the opinions, calculations, determinations, directions and advice of the Rebate Analyst. The charges and fees for such Rebate Analyst shall be paid by the Issuer upon presentation of an invoice for services rendered in connection therewith.

9. Failure to Pay Rebate Amounts. In the event the Issuer fails to pay at the proper time and in the proper amounts, any Rebate Amount, it will pay the rebate amount plus interest within 180 days after discovery of such failure as set forth in Section 1.148-3(h)(3) of the Regulations. Notwithstanding the foregoing, in the event the Issuer fails to pay at the proper time and in the proper amount any Rebate Payment or correction amount, it hereby covenants and agrees to pay any penalty required by the IRS in lieu of a declaration of taxability on the Bonds.

G. MISCELLANEOUS

1. The amount designated as "Cost of Issuance" of the Bonds consists only of costs which are directly related to and necessary for the issuance of the Bonds and refunding of the Prior Bonds.

2. The Issuer shall file Form 8038-G in a timely fashion with the Internal Revenue Service Center, Ogden, Utah 84201. The information set forth in **EXHIBIT C - IRS FORM 8038-G**, attached hereto, is true and correct, and may be relied upon by Bond counsel in its preparation of IRS Form 8038-G.

3. No portion of the payments of principal or interest will be made, financed or secured by, directly or indirectly, by payments or property used in any trade or business of any person other than the Issuer. The Issuer will not permit any portion of the payment of the principal or interest on the Bonds to be secured, directly or indirectly, by (i) interests in property or (ii) payments in respect of such property, which property is used or to be used in any trade or business of any person other than the Issuer. The Issuer will not permit any portion of the payment of the principal or interest on the Bonds to be derived, directly or indirectly by payments (whether or not to the Issuer) in respect of property or borrowed money, used or to be used in any trade or business of any persons other than the Issuer.

4. None of the proceeds of the Bonds will be used (directly or indirectly) in any trade or business carried on by, or will be used to make or finance loans to, any person who is not a governmental unit.

5. The original proceeds of the Bonds will not exceed the amount necessary for the purpose of the issue, except to the extent any such proceeds are required for rebate to the United States.

6. The Issuer shall use the proceeds of the Bonds solely to accomplish the refunding of the Prior Bonds.

7. The Issuer shall not permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in a manner which would result in the exclusion of the Bonds from treatment afforded by Section 103(a) of the Code by reason of classification of the Bonds as "private activity bonds" within the meaning of the Code. The Issuer will take all actions necessary to comply with the Code and the Treasury Regulations promulgated or to be promulgated thereunder.

8. The Bonds are not, and will not be, in whole or part, directly or indirectly, federally guaranteed within the meaning of Section 149(b) of the Code.

9. The Issuer has not entered and will not enter into any transaction to reduce the yield on an investment of the Gross Proceeds of the Bonds so as to cause the amount to be rebated to the United States Treasury to be less than it would have been had the transaction been at arm's length and the yield on the Bonds not been relevant to either party to the transaction, and that all investments of Gross Proceeds will be made on an arm's length, Fair Market Value basis.

10. On each Valuation Date, the Issuer agrees to value the Universal Cap and the Nonpurpose Investments allocable to the Bonds thereunder in accordance with the Regulations. Notwithstanding anything herein to the contrary, the failure to perform the determination of Nonpurpose Investments allocable to the Bonds as of a Valuation Date shall not be considered a violation of this provision if the application of the Universal Cap would not result in a reduction or reallocation of Gross Proceeds of an issue.

11. No portion of the proceeds of the Bonds will be used directly or indirectly to replace funds of the Issuer or other related governmental agency that have been used directly or indirectly to acquire securities or obligations which may reasonably be expected, on the date hereof, to produce a yield materially higher than the yield on the Bonds.

12. In connection with the Bonds, there has not been created or established, and the Issuer does not expect that there will be created or established, any sinking fund, pledged fund or similar fund (other than as specifically identified in this Tax Certificate), including without limitation any arrangement under which money, securities, or obligations are pledged directly or indirectly to secure the Bonds or any contract securing the Bonds or any arrangement providing for compensating or minimum balances to be maintained by the Issuer or related governmental agencies with any registered owner of the Bonds.

13. The Bonds are not and will not be part of a transaction or series of transactions that (i) attempt to circumvent the provisions of Section 148 of the Code, or any successor thereto, and the Regulations promulgated thereunder which enable the Issuer to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage or (ii) increase the burden on the market for tax-exempt obligations in any manner, including, without limitation, by selling obligations that would not otherwise be sold or selling a larger amount of obligations, or issuing them sooner, or allowing them to remain outstanding longer, than would otherwise be necessary.

14. No other obligations are being issued by the Issuer or any related entity at substantially the same time and sold pursuant to a common plan of financing and which will be paid out of substantially the same source of funds (or which will have substantially the same claim to be paid out of substantially the same source of funds) as the Bonds or which will be paid directly or indirectly from proceeds of the sale of the Bonds.

15. Gross Proceeds of the Bonds, other than gross proceeds that are allocable to:

- (a) the payment of principal of and, interest on the Prior Bonds;
- (b) the payment of any pre-issuance accrued interest on the Bonds (there is no accrued interest on the Bonds);
- (c) the payment of the Costs of Issuance of the Bonds;
- (d) the payment of administrative costs allocable to repaying the Prior Bonds, or carrying and repaying the Bonds, or the reasonable investments of Proceeds of the Bonds;
- (e) Transferred proceeds allocable to expenditures for governmental purpose of the Prior Bonds;
- (f) amounts deposited in the Debt Service Account (including investment earnings thereon) to pay debt service on the Bonds; and
- (g) qualified guarantee fees (within the meaning of the Regulations) for the Bonds or the Prior Bonds;

will not exceed 1% of the Sale Proceeds from the Bonds.

16. The issuance of the Bonds will not involve the use of a “device” or an “abusive transaction” within the meaning of Section 149(d)(4) of the Code and the Regulations thereunder.

17. The Issuer covenants to comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be and continue to be excludable from gross income for federal income tax purposes.

18. The Issuer will rebate to the United States the amount, if any, required by the Code and to take all steps necessary to make such rebates. In the event the Issuer fails to make such rebates as required, the Issuer shall pay any and all penalties and other amounts from lawfully available sources, and obtain a waiver from the IRS, if necessary, and take all other actions required of it in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes.

19. The Issuer shall comply with all yield restrictions on Bond proceeds as set forth in the Code.

20. The Issuer covenants and agrees to comply with the rebate requirements of the Code if not exempted therefrom, and with all other requirements of the Code necessary, proper or desirable to maintain the tax-exempt status of the Bonds and the interest thereon. In addition, the Issuer covenants to comply with all Regulations from time to time in effect and applicable to the Bonds as may be necessary in order to fully comply with Section 148(f) of the Code, and covenants to take such actions, and refrain from taking such actions, as may be necessary to fully comply with such Section 148(f) of the Code and such Regulations, regardless of whether such actions may be contrary to any of the provisions of the Resolution.

21. The Bonds are a fixed yield issue. No interest or other amount payable on any of the Bonds (other than in the event of an unanticipated contingency) is determined by reference to (or by reference to an index that reflects) market interest rates or stock or commodity prices after the date of issue.

22. Under section 1.148-2(b) of the Regulations, an officer of the Issuer must certify the issuer's expectations as of the issue date. In accordance therewith, the undersigned PRESIDENT and the undersigned SUPERINTENDENT and SECRETARY of the Issuer hereby in good faith certify that the representations and covenants set forth in this Tax Certificate constitute the reasonable expectations of the Issuer as of the Issue Date. Accordingly, the representations and covenants set forth herein are intended and may be relied upon as the certification described in section 1.148-2(b) of the Regulations and are being delivered as part of the record of proceedings in connection with the issuance of the Bonds.

23. To the best of our knowledge, information and belief there are no other facts, estimates and circumstances which would materially change the expectations herein expressed.

24. Spilman Thomas & Battle, PLLC, is entitled to rely upon the representations, expectations, covenants, certifications and statements contained herein in rendering its opinions regarding the tax-exempt status of interest on the Bonds.

25. Notwithstanding any other provision hereof, any provision of this Tax Certificate shall be amended at any time and such amendment shall be complied with, upon receipt by the Issuer of an opinion of Bond Counsel that such amendment is necessary or permissible under the then current Code and Regulations and is either necessary to or will not adversely affect the excludability of interest on the Bonds from gross income of the recipients thereof for federal income tax purposes.

26. To the best of our knowledge, information and belief, the foregoing expectations are reasonable.

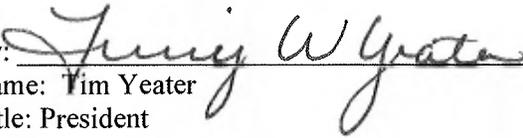
27. If any provision of this Tax Certificate (including all accompanying certificates) shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

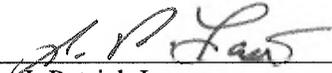
28. The terms, provisions, covenants and conditions of this Tax Certificate shall bind and inure to the benefit of the successors and assigns of the Issuer.

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WITNESS our signatures on this May 22, 2013.

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD

By: 
Name: Tim Yeater
Title: President

By: 
Name: Dr. J. Patrick Law
Title: Superintendent and Secretary

APPENDIX I

DEFINITIONS

“**Bona Fide Debt Service Fund**” shall mean a fund which may include proceeds of an issue, that:

- (a) Is used primarily to achieve a proper matching of revenues with principal and interest payments within each Bond Year; and
- (b) Is depleted at least once each Bond Year, except for a reasonable carryover amount not to exceed the greater of:
 - (i) the earnings on the fund for the immediately preceding bond year; or
 - (ii) one-twelfth (1/12th) of the principal and interest payments on the issue for the immediately preceding Bond Year.

“**Bond Commission**” means the West Virginia Municipal Bond Commission or any other agency of the State of West Virginia that succeeds to the functions of the Bond Commission.

“**Bond Year**” means the one-year periods during the term of the Bonds beginning on the first day of May of any calendar year and ending on the last day of April of the succeeding calendar year, provided, that the first Bond Year shall begin on the Date of Issue of the Bonds and end on April 30, 2014.

“**Bond Yield**” means the yield on the Bonds, calculated in accordance with the provisions of Section 1.148-4 of the Regulations.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Computation Date**” means each Installment Computation Date and the Final Computation Date.

“**Computation Date Credit**” means \$1,000.00. Only one Computation Date Credit for each Computation Date is permitted for the Bonds.

“**Costs of Issuance**” means all costs incurred in connection with the Bonds. Examples of costs of issuance include (but are not limited to):

- (a) Underwriter’s Discount;
- (b) counsel fees (including Bond Counsel, Underwriter’s Counsel, Disclosure Counsel, Issuer’s Counsel, and any other specialized counsel fees incurred in connection with the issuance of the Bonds);
- (c) financial advisor and placement agent fees incurred in connection with the issuance of the Bonds;
- (d) paying agent, disbursement agent and registrar and authenticating agent fees related to issuance of the Bonds;
- (e) accountant fees related to verification of yield and other matters in connection with issuance of the Bonds;

- (f) printing costs (for the Bonds and of preliminary and final offering materials); and
- (g) costs incurred in connection with any required public approval process (e.g., publication costs for public notices generally and costs of the public hearing or voter referendum).

“**Date of Issue**” means May 22, 2013.

“**Debt Service Account**” means the fund described in Section D(3) hereof.

“**Discharged**” means with respect to any Bond, the date on which all amounts due with respect to such Bond are actually and unconditionally due if cash is available at the place of payment and no interest accrues with respect to the Bond after such date.

“**Fair Market Value**” of an Investment means as follows:

- (a) In General. Except as otherwise provided below, the Fair Market Value of an Investment is the price at which a willing buyer would purchase the Investment from a willing seller in a bona fide arm’s length transaction. The Fair Market Value of an Investment that is purchased directly from the United States Treasury is its purchase price.
- (b) Investment Contracts. The purchase price of a guaranteed investment contract is treated as its Fair Market Value on the purchase date if -
 - (i) The Issuer makes a bona fide solicitation for a specified guaranteed investment contract and receives at least three (3) bona fide bids from providers that have no material financial interest in the issue (e.g. as underwriters or brokers);
 - (ii) The Issuer purchases the highest yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker’s fees);
 - (iii) The yield on the guaranteed investment contract (determined net of broker’s fees) is not less than the yield then available from the provider on reasonably comparable guaranteed investment contracts, if any, offered to persons from a source of funds other than gross proceeds of tax exempt bonds;
 - (iv) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the Issuer’s reasonably expected draw down schedule for the amounts to be invested, exclusive of amounts deposited in debt service funds and reasonably required reserve or replacement funds;
 - (v) The terms of the guaranteed investment contract, including collateral security requirements, are reasonable; and
 - (vi) The obligor on the guaranteed investment contract certifies the administrative costs that it is paying (or expects to pay) to third parties in connection with the guaranteed investment contract.
- (c) Certificates of Deposit. The Fair Market Value of a certificate of deposit is its purchase price if it has a fixed rate of interest, a fixed payment schedule, and a substantial penalty for early withdrawal and the yield on the certificate of deposit is not less than (1) the yield on comparable direct obligations of the United States, and (2) the highest yield published or

posted by the provider to be currently available on reasonably comparable certificates of deposit.

“Final Computation Date” means the date on which the last Bond is Discharged.

“Future Value” means the amount determined by using the following formula:

$$FV = PV(1+i)^n$$

where:

FV = The future value of the nonpurpose receipt or payment at the end of the interval. Each interval ends on the last day of a compounding interval. The compounding interval is the same compounding interval used in computing the Bond Yield.

PV = The future value of the nonpurpose receipt or payment at the beginning of the interval, or the amount thereof if the computation is for the first interval. The first interval begins on the date the nonpurpose receipt or payment is actually or constructively received or paid (or otherwise is taken into account). The amount of every nonpurpose receipt and payment with respect to an issue that is taken into account at the beginning of the first interval may be rounded to the nearest whole dollar. The preceding sentence shall not apply to receipts and payments with respect to investments in a restricted escrow within the meaning of Section 1.148-8(g) of the Regulations.

i = The Bond Yield during the interval (expressed as a decimal) divided by the number of compounding intervals in a year.

ⁿ = A fraction, the numerator of which is the length of the interval and the denominator of which is the length of a whole compounding interval.

“Gross Proceeds” means Proceeds and Replacement Proceeds of the Bonds within the meaning of the Regulations.

“Installment Computation Date” means the last day of the fifth Bond Year and each succeeding fifth Bond Year.

“Investment” means any security, obligation, annuity contract or investment type property as defined in section 148(b) of the Code.

“Investment Proceeds” means any amounts actually or constructively received from investing Proceeds of an issue of bonds.

“IRS” means the Internal Revenue Service.

“Issue Price” means \$21,309,673.25, being the initial offering price to the public at which price a substantial amount of the Bonds is sold, plus interest accrued thereon from the date thereof to the date of delivery thereof. For this purpose, ten percent (10%) is a substantial amount, and the term “the public” does not include bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers. The Issue Price generally is the first price at which the Bonds are sold to the public, and the issue price will not change if part of the issue is subsequently sold at a different price. The Issue Price of bonds that are not substantially identical is determined separately. The Issue Price of a bond issue for which a bona fide

public offering is made is determined as of the sale date based on reasonable expectations regarding the initial public offering price. The Issue Price of the Bonds may not exceed their fair market value as of the sale date. The “issue price” of the Bonds for purposes of IRS Form 8038-G, based upon the price paid to the Issuer, is \$21,309,673.25.

“**Net Sale Proceeds**” means Sale Proceeds less the amount of those proceeds invested in a reasonably required reserve or replacement fund under section 148(d) of the Code and as part of a minor portion under section 148(e) of the Code.

“**Nonpurpose Investment**” means any Investment that is not acquired to carry out the governmental purpose of an issue.

“**Payment**” means a payment as defined in section 1.148-3(d) of the Regulations for purposes of computing the rebate amount, and a payment as defined in section 1.148-5(b) of the Regulations for purposes of computing the yield on an investment.

“**Present Value**” means the amount determined by using the following formula:

$$PV = \frac{FV}{(1+i)^n}$$

where i equals the discount rate divided by the number of compounding intervals in a year and n equals the sum of (i) the number of whole compounding intervals for the period ending on the date as of which the Future Value is determined and (ii) a fraction the numerator of which is the length of any short compounding interval during such period and the denominator of which is the length of a whole compounding interval.

“**Present Value of an Investment**” shall mean the value of an investment computed under the economic accrual method; using the same compounding interval and financial conventions used to compute the yield on the Bonds. On any valuation date, the Present Value of an Investment is equal to the Present Value of all unconditionally payable receipts to be received from the payments to be paid for the investment after that date, using the Yield on the Investment as the discount rate.

“**Prior Bonds**” means the Issuer’s Public School Bonds, Series 2005, dated March 1, 2005, issued in the original aggregate principal amount of \$35,000,000.

“**Proceeds**” means Sale Proceeds, Investment Proceeds and Transferred Proceeds of an issue of bonds. Proceeds do not include amounts that are actually or constructively received that with respect to an investment that is acquired for the governmental purpose of an issue that are properly allocable to the immaterially higher yield under section 1.148-2(d) of the Regulations or section 143(g) of the Code or to qualified administrative cost recoverable under section 1.148-5(e).

“**Rebate Amount**” means, in respect of the Bonds, the amount determined pursuant to the Code and Regulations in accordance with section E hereof. Generally, under the Regulations, the rebate amount, as of any date, equals the excess of the Future Value of all Receipts with respect to Nonpurpose Investments allocated to the Gross Proceeds of the Bonds over the Future Value of all the Payments with respect to such Nonpurpose Investments computed in accordance with the Regulations.

“**Rebate Analyst**” means the entity or person chosen by the Issuer in accordance with Section E(8) hereof to determine the Rebate Amounts.

“**Rebate Fund**” means the fund created by the Issuer herein by that name.

“Rebate Payment Date” means the date following a Computation Date on which the Rebate Amount is mailed or otherwise filed with the IRS. The Rebate Payment Date cannot be a date which is more than 60 days after a Computation Date.

“Receipt” means a receipt as defined in section 1.148-3(d) of the Regulations for purposes of computing the Rebate Amount, and a receipt as defined in section 1.148-5(b) for purposes of computing Yield on an Investment.

“Regulation” or **“Regulations”** means the temporary, proposed or final Income Tax Regulations promulgated by the Department of the Treasury that are applicable to the Bonds.

“Replacement Proceeds” means amounts that are treated as replacement proceeds of an issue of bonds under section 1.148-1(c) of the Regulations. Generally, amounts are Replacement Proceeds of an issue if the amounts have a sufficiently direct nexus to the governmental purpose of the issue to conclude that the amounts would have been used for that governmental purpose if the proceeds of the issue were not used or to be used for that governmental purpose. Replacement Proceeds include, but are not limited to, sinking funds or pledged funds to the extent that those funds are held by or derived from a substantial beneficiary of the issue (which, for this purpose includes the issuer and any related party to the issuer).

“Sale Proceeds” means amounts actually or constructively received from the sale of an issue of bonds (including amounts used to pay underwriter’s discount and compensation and accrued interest other than pre-issuance accrued interest).

“SLGS” means United States Treasury Obligations, State and Local Government Series.

“Surplus Collections Account” means an account established with the Bond Commission in which tax levy receipts and earnings thereon in excess of the amounts necessary to pay principal of and interest on bonds shall be deposited.

“Tax-Exempt Bond” means any tax-exempt bond within the meaning of section 103 of the Code and section 1.150-1 of the Regulations that is not investment property within the meaning of section 148(b)(3) of the Code.

“Transferred Proceeds” means Proceeds of a prior issue of bonds that have ceased to be allocated to that prior issue and are treated as Proceeds of a refunding issue under section 1.148-9 of the Regulations.

“Transferred Proceeds of the Bonds” means amounts that have ceased to be allocated to the Prior Bonds and are treated as Transferred Proceeds of the Bonds.

“Underwriter” means Piper Jaffray & Co., Charleston, West Virginia.

“Universal Cap” means the maximum value of Nonpurpose Investments which may be allocated to the Bonds under section 1.148-6 of the Regulations and is determined by reference to the Value of all outstanding Bonds of the issue. For purposes of this determination Nonpurpose Investments include cash, Tax-Exempt Bonds (i.e., any tax-exempt bond that is not investment property under section 148(b)(3) of the Code), qualified mortgage loans, and qualified student loans.

“Valuation Date” means the date on which the value of the Universal Cap and the Nonpurpose Investments allocable to the Bonds thereunder must be determined under section 1.148-6 of the Regulations. In general, beginning with the first Bond Year beginning after the second year anniversary of the Issue Date, the first day of each Bond Year constitutes a Valuation Date. In addition, the Regulations provide with respect

to a refunded issue (e.g., the Prior Bonds) and a refunding issue (i.e., the Bonds) each date on which proceeds of the refunded issue would become transferred proceeds of the refunding issue, e.g., each date on which principal of the refunded issue is paid with proceeds of the refunding bonds, constitutes a Valuation Date.

“Value of a Bond” means the value of a bond determined under section 1.148-4(e) of the Regulations. Under those Regulations, value generally means:

- (a) In the case of a plain par bond (within the meaning of section 1.148-1(b) of the Regulations), its outstanding stated principal amount, plus accrued unpaid interest or in the case of a plain par bond actually redeemed, or that is treated as redeemed, its stated redemption price on the redemption date plus accrued unpaid interest; and
- (b) In the case of a bond other than a plain par bond, the value on a date of such a bond is generally its Present Value on that date, using the yield on the issue of which the bonds are a part as the discount factor. In determining the Present Value of a variable rate bond, the initial interest rate on the bond established by the index or other rate setting mechanism is used to determine the interest payments on that bond.

“Value of an Investment” means the value of an investment determined under section 1.148-5(d) of the Regulations. Under those Regulations, value as of any date generally means, for any fixed rate investment (within the meaning of section 1.148-1(b) of the Regulations) or Yield Restricted Investment, Present Value on that date, and for any plain par investment (within the meaning of section 1.148-1(b) of the Regulations), the outstanding stated principal amount, plus accrued unpaid interest, as of that date.

“Yield” or **“yield”** means the yield computed under section 1.148-4 of the Regulations for the Bonds, and the yield computed under Section 1.148-5 of the Regulations for an Investment.

“Yield Restricted Investments” means any Investments which either (1) bear a yield that is no greater than the Bond Yield, or (2) are investments in one or more Tax-Exempt Bonds.

EXHIBIT A

UNDERWRITER'S CERTIFICATE

[See Bond Transcript Document No. 11]

EXHIBIT B

**MATURITIES, AMOUNTS, INTEREST RATES
YIELD AND PRICE**

2013 Bonds

| Maturity | CUSIP ID | Principal Amount (\$) | Interest Rate | Yield | Price | Premium (\$) |
|-----------------|-----------------|----------------------------------|--------------------------|--------------|--------------|-------------------------|
| 5/1/2014 | 978335EV5 | 2,505,000 | 2.00% | 0.35% | 101.549 | 38,802.45 |
| 5/1/2015 | 978335EW3 | 2,525,000 | 2.00% | 0.49% | 102.914 | 73,578.50 |
| 5/1/2016 | 978335EX1 | 2,600,000 | 4.00% | 0.68% | 109.652 | 250,952.00 |
| 5/1/2017 | 978335EY9 | 2,725,000 | 4.00% | 0.87% | 112.101 | 329,752.25 |
| 5/1/2018 | 978335FC6 | 850,000 | 1.50% | 1.10% | 101.918 | 16,303.00 |
| 5/1/2018 | 978335EZ6 | 2,000,000 | 5.00% | 1.10% | 118.707 | 374,140.00 |
| 5/1/2019 | 978335FA0 | 2,980,000 | 4.00% | 1.37% | 114.957 | 445,718.60 |
| 5/1/2020 | 978335FB8 | 3,115,000 | 4.00% | 1.64% | 115.423 | 480,426.45 |
| | | 19,300,000 | | | | 2,009,673.25 |

EXHIBIT C

IRS FORM 8038-G

[See Bond Transcript Document No. 32]



EARL RAY TOMBLIN
Governor

MARK MATKOVICH
Acting Tax Commissioner
Chair

JOHN D. PERDUE
State Treasurer

GLEN B. GAINER III
State Auditor

WEST VIRGINIA
MUNICIPAL BOND COMMISSION

Suite 1117
900 Pennsylvania Avenue
Charleston, West Virginia 25302
(304) 558-3971
FAX (304) 558-1280

LARRY CHAPMAN
Member

JOHN ROACH
Member

SARA L. ROGERS
Executive Director

\$19,300,000 THE BOARD OF EDUCATION OF
THE COUNTY OF WOOD (WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS, SERIES 2013

CERTIFICATE OF THE CHAIRMAN OF THE WV MUNICIPAL BOND COMMISSION

I, the undersigned, Mark Matkovich, hereby certify as follows:

1. I am the duly appointed Acting State Tax Commissioner, and ex officio the Chairman of the West Virginia Municipal Bond Commission.
2. This certificate is delivered in response to a letter request, dated May 9, 2013, from the Wood County Board of Education, West Virginia, and pursuant to Chapter 13, Article 2, Section 1, of the Code of West Virginia, 1931, as amended.
3. According to the information provided to the Commission, on or about May 22, 2013, the Wood County Board of Education will issue its Series 2013 Public School Refunding Bonds, dated May 22, 2013, in the principal amount of \$19,300,000, with interest rates of 1.50 to 5.00%. This issue will refund its Series 2005 Public School Bonds, dated March 1, 2005, with remaining principal outstanding of \$19,505,000 and interest rates of 4.00 to 4.25%.
4. The amount of taxes expected to be available in each year for the purpose of paying debt service on the Series 2013 Refunding Bonds, and the projected debt service of those bonds are as follows:

| Tax Year Beginning <u>July 1</u> | Taxes <u>Available</u> | Projected Debt <u>Service</u> |
|-------------------------------------|---------------------------|----------------------------------|
| 2013 | 3,965,053 | 3,136,057.92 |
| 2014 | 3,965,053 | 3,145,050.00 |
| 2015 | 3,965,053 | 3,169,550.00 |
| 2016 | 3,965,053 | 3,190,550.00 |
| 2017 | 3,965,053 | 3,206,550.00 |
| 2018 | 3,965,053 | 3,223,800.00 |
| 2019 | 3,965,053 | <u>3,239,600.00</u> |
| | | \$22,311,157.92 |

5. The total debt service on the Series 2013 Refunding Bonds will be \$22,311,157.92 or \$597,254.58 less than the remaining debt service on the Series 2005 Bonds. The debt service due each year on the Series 2013 Refunding Bonds does not exceed the taxes expected to be available for the payment of the same, and the total debt service does not exceed the total remaining authorized levy of \$31,254,305.03.

WITNESS my signature this 20 day of May, 2013.



Acting State Tax Commissioner and ex officio,
Chairman, WV Municipal Bond Commission


WOOD COUNTY
SCHOOLS

May 9, 2013

\$19,300,000

The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

Charles O. Lorensen
Chairman
West Virginia Municipal Bond Commission
1207 Quarrier Street, Suite 401
Charleston, West Virginia 25301

Dear Mr. Lorensen:

As evidenced by and in accordance with the attached Resolution and Order (the "Resolution"), the Board of Education of the County of Wood (the "Board") intends to issue the above-referenced bonds (the "Refunding Bonds") for the purpose of refunding the Board's Public School Bonds, Series 2005, dated March 1, 2005 (the "Prior Bonds"). The Prior Bonds had financed the construction of new public school facilities and the improvement of existing public school facilities in the Wood County School District (the "District") pursuant to the authority of a special bond election held on November 2, 2004 (the "2005 Bond Referendum"). In accordance with Section 1, Article 2, Chapter 13, of the West Virginia Code of 1931, as amended (the "Refunding Act"), the Board hereby requests that you certify the amount of taxes expected to be available in each year for the payment of debt service on the Refunding Bonds. In accordance with the Refunding Act, the amount of taxes expected to be available in each year shall be based upon the rates of levy stipulated in the order (the "Order") directing the 2005 Bond Referendum and upon the most recent assessed valuation of the affected property prior to such election.

The average rates of levy stipulated in the Order, for each \$100 valuation, were as follows:

Upon Class I property, approximately5.52 cents
Upon Class II property, approximately11.04 cents
Upon Class III property, approximately22.08 cents
Upon Class IV property, approximately22.08 cents

The assessed valuation of the affected property contained in the Order was as follows:

| | |
|-------------------|-------------------------------|
| Class I..... | \$ 2,901,280 |
| Class II..... | 1,207,615,220 |
| Class III..... | 700,901,159 |
| Class IV..... | 704,794,279 |
| TOTAL..... | <u>\$2,616,211,938</u> |

May 9, 2013

\$19,300,000

The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

Charles O. Lorensen
Chairman
West Virginia Municipal Bond Commission
1207 Quarrier Street, Suite 401
Charleston, West Virginia 25301

Dear Mr. Lorensen:

As evidenced by and in accordance with the attached Resolution and Order (the "Resolution"), the Board of Education of the County of Wood (the "Board") intends to issue the above-referenced bonds (the "Refunding Bonds") for the purpose of refunding the Board's Public School Bonds, Series 2005, dated March 1, 2005 (the "Prior Bonds"). The Prior Bonds had financed the construction of new public school facilities and the improvement of existing public school facilities in the Wood County School District (the "District") pursuant to the authority of a special bond election held on November 2, 2004 (the "2005 Bond Referendum"). In accordance with Section 1, Article 2, Chapter 13, of the West Virginia Code of 1931, as amended (the "Refunding Act"), the Board hereby requests that you certify the amount of taxes expected to be available in each year for the payment of debt service on the Refunding Bonds. In accordance with the Refunding Act, the amount of taxes expected to be available in each year shall be based upon the rates of levy stipulated in the order (the "Order") directing the 2005 Bond Referendum and upon the most recent assessed valuation of the affected property prior to such election.

The average rates of levy stipulated in the Order, for each \$100 valuation, were as follows:

Upon Class I property, approximately5.52 cents
Upon Class II property, approximately11.04 cents
Upon Class III property, approximately22.08 cents
Upon Class IV property, approximately22.08 cents

The assessed valuation of the affected property contained in the Order was as follows:

| | |
|-------------------|-------------------------------|
| Class I..... | \$ 2,901,280 |
| Class II..... | 1,207,615,220 |
| Class III..... | 700,901,159 |
| Class IV..... | 704,794,279 |
| TOTAL..... | <u>\$2,616,211,938</u> |

The Prior Bonds will be paid with the proceeds of the Refunding Bonds. Thus, after the refunding there will be no Prior Bonds issued and outstanding but not refunded or otherwise legally defeased. The debt service requirements on the Refunding Bonds are set forth in **Schedule A**, attached hereto. The Board has no bonds outstanding aside from the Refunding Bonds.

[Remainder of Page Intentionally Left Blank]

Respectfully yours,

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD

By: 
Superintendent

cc: Mr. Brian C. Helmick, Esq.
Ms. Marie Prezioso

SCHEDULE A

\$19,300,000

The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| Period Ending | Series 2013 Principal | Series 2013 Interest | Semi-Annual Total | Annual Total |
|------------------|--------------------------|-------------------------|----------------------|---------------------|
| 11/01/2013 | | 295,982.92 | 295,982.92 | |
| 05/01/2014 | 2,505,000.00 | 335,075.00 | 2,840,075.00 | 3,136,057.92 |
| 11/01/2014 | | 310,025.00 | 310,025.00 | |
| 05/01/2015 | 2,525,000.00 | 310,025.00 | 2,835,025.00 | 3,145,050.00 |
| 11/01/2015 | | 284,775.00 | 284,775.00 | |
| 05/01/2016 | 2,600,000.00 | 284,775.00 | 2,884,775.00 | 3,169,550.00 |
| 11/01/2016 | | 232,775.00 | 232,775.00 | |
| 05/01/2017 | 2,725,000.00 | 232,775.00 | 2,957,775.00 | 3,190,550.00 |
| 11/01/2017 | | 178,275.00 | 178,275.00 | |
| 05/01/2018 | 2,850,000.00 | 178,275.00 | 3,028,275.00 | 3,206,550.00 |
| 11/01/2018 | | 121,900.00 | 121,900.00 | |
| 05/01/2019 | 2,980,000.00 | 121,900.00 | 121,900.00 | 3,101,900.00 |
| 11/01/2019 | | 62,300.00 | 62,300.00 | |
| 05/1/2020 | <u>3,115,000.00</u> | <u>62,300.00</u> | <u>3,177,300.00</u> | <u>3,239,600.00</u> |
| TOTAL | 19,300,000.00 | 3,011,157.92 | 22,311,157.92 | 22,311,157.92 |

\$19,300,000
The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

CERTIFICATE OF REGISTRAR

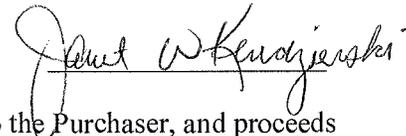
The undersigned ROBERT T. CUPP, JR., SR. VICE PRESIDENT of WesBanco Bank, Inc., Wheeling, West Virginia (the "Bank"), as Registrar for the above-captioned Bonds (the "Bonds"), hereby certifies as follows, all capitalized terms used herein to have the meanings set forth in the Resolution and Order of The Board of Education of the County of Wood (West Virginia) (the "Issuer") adopted April 9, 2013 (the "Resolution"):

1. The Bank is a state banking corporation, duly organized and validly existing and in good standing under the laws of the State of West Virginia, may lawfully conduct business in West Virginia, and is lawfully empowered, pursuant to such laws, to accept the duties and obligations contemplated and as provided under the Resolution and to serve in the capacity of Registrar under the Resolution.

2. The Bank has duly authorized, by all necessary action, the authentication of the Bonds and the execution and delivery of this Certificate and the acceptance of all duties and obligations of Registrar under the Resolution, and any and all other documents and agreements as may be required to be executed, delivered and received by the Bank in order to carry out, give effect to, and consummate the transactions contemplated thereby.

3. The person indicated in paragraph 4 below was at the time of the authentication of the Bonds, and is now, a duly elected, qualified and acting incumbent in his or her office; and, pursuant to authorization from the Board of Directors of the Bank, either of such persons, in his or her official capacity, was and is authorized to authenticate the Bonds for and on behalf of the Bank.

4. Appearing opposite the name and title of the person indicated below is a true and correct specimen of his or her signature.

| <u>Name</u> | <u>Title</u> | <u>Signature</u> |
|----------------------|---|---|
| Janet L. Shelburne | Vice President and Senior Trust Officer |  |
| Janet W. Kendzierski | Corporate Trust Officer |  |

5. The Bonds have been duly authenticated and delivered to the Purchaser, and proceeds of the Bonds have been deposited as required by the Resolution.

6. Attached hereto as EXHIBIT A is a correct listing of the Bond numbers, maturity dates, principal amounts, interest rates, yields and CUSIP numbers of the Bonds.

IN WITNESS WHEREOF, WesBanco Bank, Inc. has caused this Certificate to be executed by a duly authorized officer, this 22nd day of May, 2013.

WESBANCO BANK, INC., as Registrar

By: *Richard F. Capps, Jr.*
Its: *SG Vice President*

EXHIBIT A

\$19,300,000

The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

**MATURITIES, AMOUNTS, INTEREST RATES
YIELD AND PRICE**

SERIES 2013 BONDS

| Maturity | CUSIP ID | Principal Amount (\$) | Interest Rate | Yield | Price | Premium (\$) |
|-----------------|-----------------|----------------------------------|--------------------------|--------------|--------------|-------------------------|
| 5/1/2014 | 978335EV5 | 2,505,000 | 2.00% | 0.35% | 101.549 | 38,802.45 |
| 5/1/2015 | 978335EW3 | 2,525,000 | 2.00% | 0.49% | 102.914 | 73,578.50 |
| 5/1/2016 | 978335EX1 | 2,600,000 | 4.00% | 0.68% | 109.652 | 250,952.00 |
| 5/1/2017 | 978335EY9 | 2,725,000 | 4.00% | 0.87% | 112.101 | 329,752.25 |
| 5/1/2018 | 978335FC6 | 850,000 | 1.50% | 1.10% | 101.918 | 16,303.00 |
| 5/1/2018 | 978335EZ6 | 2,000,000 | 5.00% | 1.10% | 118.707 | 374,140.00 |
| 5/1/2019 | 978335FA0 | 2,980,000 | 4.00% | 1.37% | 114.957 | 445,718.60 |
| 5/1/2020 | 978335FB8 | 3,115,000 | 4.00% | 1.64% | 115.423 | 480,426.45 |
| | | 19,300,000 | | | | 2,009,673.25 |

**WESBANCO BANK, INC.
CERTIFICATE OF RESOLUTION**

I, LINDA M. WOODFIN, do hereby certify that I am the Secretary of WesBanco Bank, Inc., and that as such, I have access to the Minute Book of said corporation.

I do further certify that the following is a true and correct copy of a Resolution duly approved at a meeting of the Board of Directors of said corporation at a regular meeting held on the 18th day of April 2013, at which meeting a majority of the members were present and participating, and that said action has not been amended or rescinded, but is still in full force and effect:

RESOLVED, that the Board of Directors of WesBanco Bank, Inc. hereby authorizes any one of the following individuals, Jonathan D. Dargusch, Robert T. Cupp, Sr. Janet L. Shelburne, and Janet W. Kendzierski to accept and to execute documents on behalf of WesBanco Bank, Inc. in order to serve as Trustee, Registrar, Paying Agent and/or any other related capacity.

WITNESS my hand this 22nd day of April 2013.



Linda M. Woodfin
Secretary



\$19,300,000
The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

CERTIFICATE OF PAYING AGENT AND ESCROW AGENT

The undersigned SARA ROGERS, Executive Director of the WEST VIRGINIA MUNICIPAL BOND COMMISSION (the "Bond Commission"), hereby certifies as follows:

1. I am the duly appointed Executive Director of the Bond Commission.
2. The Bond Commission has the authority to act as (i) the Paying Agent and has duly authorized, by all necessary action, the acceptance of all duties of the Paying Agent for the above-captioned Bonds (the "Bonds") under the Resolution and Order, adopted April 9, 2013, pursuant to which they were issued, and (ii) the Escrow Agent and has duly authorized, by all necessary action, the acceptance of all duties of the Escrow Agent for the Bonds and has the requisite powers to carry out its duties under the Escrow Agreement dated May 22, 2013, between The Board of Education of the County of Wood (West Virginia) (the "Issuer") and the Bond Commission (the "Escrow Agreement").
3. As Executive Director, I am duly authorized to execute and deliver on behalf of the Bond Commission the Escrow Agreement.
4. By such execution and delivery of the Escrow Agreement and this Certificate, the Bond Commission evidenced its acceptance of, and hereby accepts the duties and obligations of Paying Agent for the Bonds and Escrow Agent as set forth in the Escrow Agreement. The Escrow Agreement has been duly and validly authorized, executed and delivered by the Paying Agent and assuming due authorization, execution and delivery thereof by the Issuer, the Escrow Agreement constitutes a valid and legally binding obligation of the Escrow Agent, enforceable in accordance with its terms.
5. Pursuant to the Escrow Agreement, as of this day there is on deposit in the Escrow Fund established pursuant to the Escrow Agreement, United States Treasury Obligations, State and Local Government Series in the amount of \$21,082,134.00 and the sum of \$0.59, which will remain uninvested in the Escrow Fund, to pay the interest which shall be due and payable on the Issuer's Public School Bonds, Series 2005 (the "Series 2005 Bonds"), which shall be payable on each November 1 and May 1 and to pay the maturing principal and redemption price of the Series 2005 Bonds until redemption on May 1, 2015, all as set forth in the Escrow Agreement.

WITNESS my signature this 22nd day of May, 2013.

WEST VIRGINIA MUNICIPAL BOND
COMMISSION

By: _____

Sara Rogers
Executive Director

\$19,300,000
The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

UNDERWRITER'S CERTIFICATE

The undersigned Marie L. Prezioso, Senior Vice President, Piper Jaffray & Co. (the "Underwriter"), for and on behalf of the Underwriter, as purchasers of the above-captioned Bonds (the "Bonds"), hereby certifies that:

1. At least 10% of each maturity of the Bonds have been the subject of an initial offering to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers), made pursuant to the Bond Purchase Agreement (the "Bond Purchase Agreement"), dated May 8, 2013, between The Board of Education of the County of Wood, West Virginia (the "Issuer") and the Underwriter, at initial offering prices no higher than, or yields no lower than, those shown on the cover of the Official Statement dated May 8, 2013, relating to the Bonds. We have made a bona fide public offering of all of the Bonds at the initial offering prices shown on the cover of the Official Statement. At the time we agreed to purchase the Bonds, based upon our assessment of the then prevailing market conditions, we had no reason to believe any of the Bonds would be initially sold to the public (excluding such bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices greater than the prices or yields less than the yields, shown on the cover of the Official Statement.

2. The weighted average maturity of the Bonds is 4.1856 years.

3. The remaining weighted average maturity of the bonds being advanced refunded with the proceeds of the Bonds is 4.1273 years.

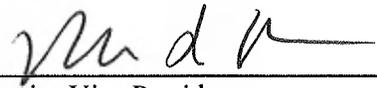
4. As calculated by the Underwriter and as verified by Causey Demgen & Moore P.C., as verification agent, the yield on the Bonds is 1.1789%. The computations provided in sections 2 and 3 above are provided for informational purposes and are based on our understanding of the applicable law. We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by bond counsel.

5. This certificate may be relied upon by the Issuer with respect to its Tax and Non-Arbitrage Certificate relating to the Bonds and by Spilman Thomas & Battle, PLLC, Bond Counsel, in rendering their tax opinion with respect to the Bonds; provided, however, that nothing herein represents our interpretation of any laws, and in particular, regulations under section 148 of the Internal Revenue Code.

6. The undersigned is only certifying as to facts in existence on the date hereof.

WITNESS my signature this 22nd day of May, 2013.

PIPER JAFFRAY & CO.

By: 
Its: Senior Vice President

RULE 15c2-12 CERTIFICATE
OF THE BOARD OF EDUCATION OF THE COUNTY OF WOOD

The undersigned hereby certify and represent to Piper Jaffray & Co. (the "Underwriter"), that he is the duly appointed and acting President of The Board of Education of the County of Wood (the "Board"), authorized to execute and deliver this Certificate and further certify on behalf of the Board to the Underwriter as follows:

(1) This Certificate is delivered to enable the Underwriter to comply with Rule 15c2-12, as amended, under the Securities Exchange Act of 1934, as amended (the "Rule"), in connection with the offering and sale of The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013 (the "Bonds").

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated the date hereof, setting forth information concerning the Bonds and the Board (the "Preliminary Official Statement").

(3) As used herein, "Permitted Omissions" shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms depending on such matters, all with respect to the Bonds and any underlying obligations.

(4) The information with respect to the Board included in the Preliminary Official Statement is final within the meaning of the Rule, except for Permitted Omissions, and is accurate and complete in all material respects except for Permitted Omissions.

(5) If, at any time prior to the execution of the final Bond Purchase Agreement, any event occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Board shall promptly notify the Underwriter thereof.

(6) The section of the Preliminary Official Statement entitled Continuing Disclosure describes the agreement the Board expects to make for the benefit of the Bondholders in the Ordinance, as defined by the Preliminary Official Statement, by which the Board will undertake to provide ongoing disclosure in accordance with Section (b)(5)(I) of the Rule.

IN WITNESS WHEREOF, I have hereunto set my hands as of this 1st day
of May, 2013.

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD

By: Jimmy W Yeater
Its: President


WOOD COUNTY
SCHOOLS
May 14, 2013

\$19,300,000

The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

Ms. Sara Rogers
Executive Director
West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25302

Dear Ms. Rogers:

As Superintendent for The Board of Education of the County of Wood (the "Issuer"), I wish to advise you that on May 22, 2013 (the "Settlement Date"), the Issuer will deliver the above-captioned refunding bonds (the "Refunding Bonds") to the purchaser thereof. Proceeds of the Refunding Bonds will be used to *advance refund* and legally defease the Issuer's Public School Bonds, Series 2005, dated March 1, 2005 (the "Prior Bonds"). On the Settlement Date, the Issuer will be required to fund an Escrow Fund (the "Escrow Fund"), pursuant to an Escrow Agreement dated as of the Settlement Date (the "Escrow Agreement"), by and between the Issuer and the West Virginia Municipal Bond Commission (the "Bond Commission"), as Escrow Agent.

On the Settlement Date, Piper Jaffray & Co., as purchaser of the Refunding Bonds (the "Purchaser"), will cause to be wired in immediately available funds, to:

| | |
|-----------------|---|
| To: | BB&T WV 250 East Second Avenue Williamson, WV 25661 |
| Account Name: | State of West Virginia |
| Account #: | 5270517317 |
| ABA#: | 051503394 |
| Contact Person: | Sara Rogers, Executive Director 304/558-3971 |
| Bank Contact: | Michael Holtsclow (304.348.7078) |

on behalf of the Issuer, a portion of the sale proceeds of the Refunding Bonds in the amount of **\$21,082,134.59**, which amount should be deposited in the Escrow Fund established under the Escrow Agreement.

From the moneys deposited into the Escrow Fund (total of **\$21,082,134.59**), you are hereby authorized and directed to purchase United States Treasury Obligations, State and Local Government Series (the "Investments"). The purchase price of the Investments is **\$21,082,134.00**. The balance of moneys remaining in the Escrow Fund (**\$0.59**) shall be kept in the Escrow Fund as uninvested cash. We understand that the Purchaser will execute the order for the Investment on behalf of the Bond Commission but that the Bond Commission will be the owner of the Investment.

Of the funds on deposit with the Bond Commission on the Settlement Date in the Debt Service Account established for the Prior Bonds (as of May 13, 2013, \$1,781,289.53 was on deposit in the Series 2005 Bonds Debt Service Account) **\$809,900.00** is to be transferred by the Bond Commission on the Settlement Date to the Surplus Collections Account for the Refunding Bonds, and **\$971,389.53** (less any fees payable to the Bond Commission, estimated to be \$6,000) is to be transferred by the Bond Commission on the Settlement Date, or as soon thereafter as possible, to the Issuer and applied solely by the Issuer to payment of costs of capital improvements, repairs or replacements for school facilities in Wood County School District, which were specified in the bond referendum approved by the voters of Wood County, West Virginia, on November 2, 2004. All funds on deposit with the Bond Commission on the Settlement Date in the Surplus Collection Accounts for the Prior Bonds (as of April 30, 2013, \$1,447,700.29 was on deposit in the Series 2005 Surplus Collections Account) shall be transferred on the Settlement Date, or as soon thereafter as may be practical, to the Issuer and applied solely by the Issuer to payment of costs of capital improvements, repairs or replacements for school facilities in Wood County School District, which were specified in the bond referendum approved by the voters of Wood County, West Virginia, on November 2, 2004. All funds received by the Bond Commission from the date hereof through June 30, 2013 for taxes levied for fiscal year 2013 shall be deposited by the Bond Commission into the Debt Service Account established for the Refunding Bonds and used to pay principal of and interest on the Refunding Bonds.

For fiscal year 2014, the Board levied taxes for \$3,218,050 to pay debt service on the Prior Bonds. Debt service on the Refunding Bonds for fiscal year 2014 is \$3,136,057.92. Based on 105% of the Fiscal Year 2014 Debt Service (\$3,292,860.82), the surplus account balance of \$809,900 plus the remaining taxes to be collected for fiscal year 2013 is sufficient to cover the \$74,810.82 difference.

Should you have any questions, please let me know.

Very truly yours,



Dr. J. Patrick Law
Superintendent

cc: Ms. Marie Prezioso
Mr. Brian C. Helmick, Esq.

\$19,300,000
The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

JOINT CERTIFICATE OF ISSUER AND ESCROW AGENT

The undersigned TIM YEATER, President of the Board of Education of the County of Wood, a public corporation of the State of West Virginia (the "Issuer"), and the undersigned SARA ROGERS, Executive Director of the West Virginia Municipal Bond Commission (the "Escrow Agent"), hereby jointly certify as follows in connection with the above-captioned Bond issue:

1. We have executed the Escrow Agreement between the Issuer and the Escrow Agent, dated May 22, 2013 (the "Escrow Agreement"), on behalf of the Issuer and the Escrow Agent, respectively.

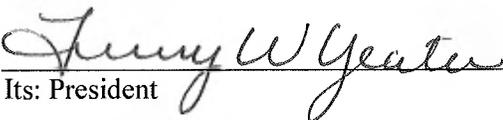
2. The Escrow Agent has the authority to act as Escrow Agent for and in connection with the Prior Bonds, as defined in the Escrow Agreement, and has the requisite powers to carry out its duties under the Escrow Agreement, and the Escrow Agreement has been duly and validly authorized, executed and delivered by the Escrow Agent, and assuming due authorization, execution and delivery thereof by the Issuer, the Escrow Agreement constitutes a valid and legally binding obligation of the Escrow Agent, enforceable in accordance with its terms.

3. The funds on deposit in the Escrow Fund established by the Escrow Agreement have been deposited as provided in the Escrow Agreement.

4. Based upon the amount of Bond proceeds deposited into the Escrow Fund, together with the expected earnings on the investment of such Bond proceeds, and in reliance on the verification report of Causey Demgen & Moore P.C., the deposited funds together with the anticipated earnings thereon are shown to be in amounts sufficient to fully pay the Series 2005 Bonds, including payment of the interest on the Series 2005 Bonds as the same becomes due and payable each November 1 and May 1, to pay the maturing principal of the Series 2005 Bonds on May 1, 2014 and May 1, 2015 and to pay the redemption price including applicable premium of the Series 2005 Bonds on May 1, 2015, and the lien of the Series 2005 Bonds and the ordinances, orders and resolutions pursuant to which the Series 2005 Bonds were issued have been discharged.

WITNESS our signatures this 22nd day of May, 2013.

THE BOARD OF EDUCATION OF THE COUNTY
OF WOOD

By: 
Its: President

WEST VIRGINIA MUNICIPAL BOND
COMMISSION

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

By:

Its: Executive Director

NOTICE OF DEFEASANCE

\$35,000,000

**The Board of Education of the County of Wood (West Virginia)
Public School Bonds, Series 2005
Dated March 1, 2005**

| Dated Date | Maturity Date | Principal Amount | Redemption Amount | CUSIP* | Bond Certificate No. | Rate |
|------------|---------------|------------------|-------------------|-----------|----------------------|--------|
| 3/1/2005 | 5/1/2014 | \$ 2,415,000 | \$ 2,415,000 | 978335EN3 | R-9 | 4.000% |
| 3/1/2005 | 5/1/2015 | \$ 2,525,000 | \$ 2,525,000 | 978335EP8 | R-10 | 4.000% |
| 3/1/2005 | 5/1/2016 | \$ 2,650,000 | \$ 2,676,500 | 978335EQ6 | R-11 | 4.000% |
| 3/1/2005 | 5/1/2017 | \$ 2,775,000 | \$ 2,802,750 | 978335ER4 | R-12 | 4.000% |
| 3/1/2005 | 5/1/2018 | \$ 2,905,000 | \$ 2,934,050 | 978335ES2 | R-13 | 4.250% |
| 3/1/2005 | 5/1/2019 | \$ 3,045,000 | \$ 3,075,450 | 978335ET0 | R-14 | 4.250% |
| 3/1/2005 | 5/1/2020 | \$ 3,190,000 | \$ 3,221,900 | 978335EU7 | R-15 | 4.250% |
| | | \$19,505,000.00 | \$19,650,650.00 | | | |

TO ALL REGISTERED OWNERS OF THE ABOVE CAPTIONED BONDS:

NOTICE IS HEREBY GIVEN that all Public School Bonds, Series 2005, issued by The Board of Education of the County of Wood, West Virginia, on behalf of the Wood County School District, originally issued in the aggregate principal amount of \$35,000,000 and outstanding on the date hereof in the aggregate principal amount of \$19,505,000, have been *advanced refunded* to their next redemption date, being **May 1, 2015**, and are deemed to have been paid in accordance with the provisions of Chapter 13, Article 2 of the West Virginia Code of 1931, as amended, and the lien on the ad valorem property taxes in said School District on behalf of such bonds has been defeased. Sufficient United States Treasury Obligations, State and Local Government Series have been purchased and, together with certain cash amounts that may remain uninvested, are irrevocably credited to the West Virginia Municipal Bond Commission, as escrow agent, to pay the principal of and premium and interest on such Bonds as the same become due and payable to and including May 1, 2015, and on such date, to redeem the then outstanding Bonds in full in accordance with the redemption provisions thereof.

THE BOARD OF EDUCATION
OF THE COUNTY OF WOOD

By: WESBANCO BANK, INC., Registrar

Dated: May 22, 2013

ESCROW AGREEMENT

This ESCROW AGREEMENT, made and entered into as of May 22, 2013, by and between THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (WEST VIRGINIA) (the "Issuer"), the WEST VIRGINIA MUNICIPAL BOND COMMISSION, as Escrow Agent (the "Commission" or the "Escrow Agent"), and WESBANCO BANK, INC., as Registrar (the "Registrar").

WITNESSETH THAT:

WHEREAS, on March 1, 2005, the Issuer issued its Public School Bonds, Series 2005, in the original aggregate principal amount of \$35,000,000, of which \$19,505,000, is presently outstanding (the "Prior Bonds");

WHEREAS, the Issuer has determined to issue its Public School Refunding Bonds, Series 2013 (the "Refunding Bonds"), pursuant to a Resolution and Order adopted and entered on April 9, 2013 (the "Order"), and contemporaneously therewith, legally defease the Prior Bonds by advance refunding of the Prior Bonds and applying a portion of the proceeds of the Refunding Bonds to the purchase of United States government obligations which shall be deposited in the Escrow Fund to be held by the Escrow Trustee as herein described;

WHEREAS, the Commission, as Escrow Agent, will apply a portion of the proceeds of the Refunding Bonds deposited with it in the amount of \$21,082,134.00 to the purchase of the United States government obligations (the "Government Obligations") identified in the Verification Report, dated May 22, 2013, of Causey Demgen & Moore P.C. (the "Verification Agent"), attached hereto as EXHIBIT A - VERIFICATION REPORT (the "Verification Report"), which Government Obligations, upon receipt thereof by the Escrow Agent, shall be deposited into the Escrow Fund herein described;

WHEREAS, the Government Obligations placed in the Escrow Fund on the date hereof (the "Closing Date") are in such amount as to insure the payment of the accruing interest on the Prior Bonds each November 1 and May 1, commencing November 1, 2013, and the principal of the Prior Bonds accruing each May 1 to and including May 1, 2015 (the "Redemption Date") and to pay the redemption price of the Prior Bonds, which shall equal \$14,710,650.00 (the "Redemption Price") on the Redemption Date;

WHEREAS, the Issuer has found it desirable to appoint the Commission as Escrow Agent and the Commission has agreed to such appointment for the purposes of holding title, as agent for the Issuer, to the "Government Obligations," disbursing to the registered owner of the Prior Bonds the amounts necessary to pay the accruing interest on the Prior Bonds each May 1 and November 1, commencing November 1, 2013 to and including the Redemption Date, together with the amounts necessary to pay the maturing principal of the Prior Bonds each May 1, commencing May 1, 2014, to and including the Redemption Date, and to pay the Redemption Price to the registered owner of the Prior Bonds on the Redemption Date; and

WHEREAS, all capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Order;

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and in order further to secure payment of the Prior Bonds, as heretofore provided, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives, successors and assigns, as follows:

1. Creation of Escrow Fund. There is hereby created and established with the Escrow Agent, to be maintained in a separate and discrete deposit account, an irrevocable trust fund to be known as the "Escrow Fund," to be held in the custody of the Escrow Agent, separate and apart from all other funds of the Issuer and the Escrow Agent. The deposit of the Government Obligations in the Escrow Fund shall constitute an irrevocable deposit of said Government Obligations in trust for the payment of the principal of and interest on the Prior Bonds on the due dates thereof and to pay the Redemption Price of the Prior Bonds on the Redemption Date, all in accordance with paragraph 4 hereof.

2. Creation of Special Surplus Account. In addition to the Escrow Fund, there is hereby created and established with the Commission a special account separate and apart from the Escrow Fund, hereby designated the "Special Surplus Account."

3. Deposits to Escrow Fund. Concurrently with the delivery of the Refunding Bonds, the Issuer and the Escrow Agent shall cause \$21,082,134.59 to be deposited in the Escrow Fund, and the Escrow Agent will thereupon immediately use \$21,082,134.00 of such funds to purchase the Government Obligations. According to the Verification Report, the maturity Government Obligations will be sufficient to insure the payment of the accruing interest on the Prior Bonds each November 1 and May 1, commencing November 1, 2013, and the principal of the Prior Bonds accruing each May 1 to and including the Redemption Date and to pay the Redemption Price of the Prior Bonds on the Redemption Date and the Escrow Agent covenants to apply the proceeds of the Government Obligations as they mature to such payments. The securities in the Escrow Fund shall be applied solely as the Verification Agent has certified in its Verification Report, attached hereto as EXHIBIT A, so that the Government Obligations in the Escrow Fund will be sufficient to make the payments as herein required.

4. Application of Escrow Fund. The Escrow Agent, without further authorization from the Issuer, shall apply proceeds of the Government Obligations as they mature directly to the payment to the Registered Owner of the Prior Bonds of accrued interest on the Prior Bonds on each November 1 and May 1, commencing November 1, 2013, to the payment to the Registered Owner of the Prior Bonds of the maturing principal of the Prior Bonds each May 1, commencing May 1, 2014 to and including the Redemption Date and to pay to the Registered Owner of the Prior Bonds the Redemption Price of the Prior Bonds on the Redemption Date.

The Government Obligations, in the Escrow Fund shall, and the Escrow Agent agrees such Government Obligations will, be used solely for the purpose as above described and the deposit of such Government Obligations into the Escrow Fund shall be irrevocable, and the Escrow Agent agrees it will not surrender or otherwise attempt to redeem or otherwise negotiate

the Government Obligations in the Escrow Fund. Subject to the foregoing requirements for the use of the Escrow Fund and the moneys and investments therein, the Issuer covenants and agrees that the Escrow Agent shall have full and complete control and authority over and with respect to the Escrow Funds therein and that the Issuer shall not exercise any control or authority over and with respect to the Escrow Fund and the Government Obligations therein.

5. Notice of Redemption of Prior Bonds. The Issuer authorizes and directs the Registrar to give the notice required by the redemption provisions of the Prior Bonds dated March 1, 2005 (the "Prior Resolution"), that the Prior Bonds are to be redeemed on the Redemption Date and further directs the Registrar to give notice to each owner or partial owner of said Prior Bonds by mailing a copy of a Notice of Redemption not less than 30 days nor more than 60 days prior to the Redemption Date in the form as set forth in EXHIBIT B – NOTICE OF REDEMPTION, attached hereto and incorporated herein pursuant to redemption provisions of the Prior Bonds and by posting on the MSRB Electronic Municipal Market Access ("EMMA"). The Issuer will pay all costs incurred by the Registrar in giving those notices.

6. Deposit to 2013 Surplus Account. Concurrently with the delivery of the Refunding Bonds all funds on deposit in the 2005 Debt Service Account and the 2005 Surplus Collections Account shall be transferred as follows: (i) \$809,900.00 in the 2005 Debt Service Account shall be deposited into the Surplus Collections Account for the Refunding Bonds; and (ii) \$971,389.53 in the 2005 Debt Service Account plus \$1,447,700.29 in the 2005 Surplus Collections Account, less any fees to the Escrow Agent, shall be paid to the Issuer to pay costs of projects which were approved by the voters in the Wood County School District pursuant to the bond election which was held for the Prior Bonds on November 2, 2004. Additional 2013 levies, if any, collected by the Escrow Agent shall be deposited to the Debt Service Account for the Refunding Bonds to pay principal of and interest on the Refunding Bonds coming due on November 1, 2013 and thereafter.

7. Lien of Prior Bonds. The holders of the Prior Bonds shall have an express lien on all moneys and securities in the Escrow Fund until paid out, used and applied in accordance with this Agreement. The holders of the Refunding Bonds shall have no lien on the moneys and securities in the Escrow Fund.

8. Termination of this Escrow Agreement. This Escrow Agreement shall terminate when the Prior Bonds have been discharged and canceled in accordance with the provisions hereof. If any Prior Bonds are not presented for payment when due and payable, the nonpayment thereof shall not prevent the termination of this Escrow Agreement; funds for the payment of any nonpresented Prior Bonds hereby shall, upon termination of this Escrow Agreement, be held by the Escrow Agent in accordance with the terms hereof. Any money held in the Escrow Fund at termination and not required for the payment of the principal of and interest on any of the Prior Bonds shall be paid or transferred to the Issuer, or to a third party at the Issuer's written direction, pursuant to the terms hereof.

9. Escrow Agent's Fees. The Issuer agrees to pay the Escrow Agent's reasonable and customary administrative fees and to reimburse the Escrow Agent for its reasonable and customary out-of-pocket expenses and reasonable fees of counsel incurred in connection with the discharge by the Escrow Agent of its duties and responsibilities under this

Escrow Agreement. The Escrow Agent expressly waives any lien upon or claim against the moneys and investments in the Escrow Fund. Under no circumstances shall the Escrow Agent have a lien on the Escrow Fund for any charges, fees or expenses, and under no circumstances shall the Escrow Agent make any claim against the Escrow Fund for any charges, fees or expenses.

10. Beneficiaries of This Escrow Agreement. This Escrow Agreement shall inure to the benefit of and shall be binding upon the Issuer and the Escrow Agent and their respective successors and assigns, subject to the provisions of this Escrow Agreement. In addition, this Escrow Agreement shall constitute a third party beneficiary contract for the benefit of the registered owners of the Prior Bonds. Said third party beneficiaries shall be entitled to enforce performance and observance by the Issuer and the Escrow Agent of the respective agreements and covenants herein contained as fully and completely as if such third party beneficiaries were parties hereto. In the event the Escrow Agent is unwilling or unable to continue to serve as Escrow Agent, a successor Escrow Agent may be appointed by the Issuer which shall be any national banking association or any state bank within the State of West Virginia which is an institution insured by the Federal Deposit Insurance Corporation and which has trust powers. Any bank into which such successor Escrow Agent may be merged or with which it may be consolidated or any bank resulting from any merger or consolidation to which it shall be a party or any bank to which it may sell or transfer all or substantially all of its corporate trust business shall, unless the Issuer disapproves in writing, be the successor Escrow Agent without the execution of any document or the performance of any further act. In the event the Issuer disapproves of the successor Escrow Agent resulting from any of the events described above, the Issuer shall immediately appoint any state bank or national banking association within the State of West Virginia which is an institution insured by the Federal Deposit Insurance Corporation and which has trust powers to be the successor Escrow Agent, whereupon such successor Escrow Agent shall immediately succeed to the respective agreements and covenants hereunder.

11. Insufficient Moneys in the Escrow Fund. The Escrow Agent shall immediately notify the Issuer by registered, first-class mail, postage prepaid, if, for any reason, the funds or accounts created pursuant to this Escrow Agreement will be insufficient to pay the principal of and interest on the Prior Bonds as required by the first paragraph of Section 4 hereof. The Issuer shall promptly remit from legally available funds the amount of such insufficiency to the Escrow Agent.

12. Examination of Records; Obligations and Responsibilities of Escrow Agent.

(a) The Issuer shall have the right, at any time, to examine all of the Escrow Agent's records regarding the status of the funds or accounts created pursuant to this Escrow Agreement, and the redemptions and withdrawals therefrom with respect to the funds or accounts created pursuant to this Escrow Agreement. After the Prior Bonds have been paid in full, the Issuer shall obtain all records and files relating to this Escrow Agreement from the Escrow Agent. The Issuer shall keep all of such records and files available for inspection for six (6) years from such date the Prior Bonds have been paid in full.

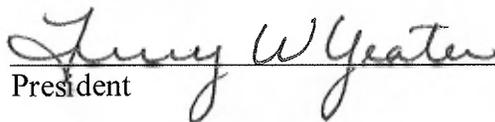
The Escrow Agent: West Virginia Municipal Bond Commission
900 Pennsylvania Avenue
Suite 1117
Charleston, West Virginia 25302
ATTN: Executive Director

The Registrar: WesBanco Bank, Inc.
1 Bank Plaza
Wheeling, West Virginia 26003
ATTN: Corporate Trust

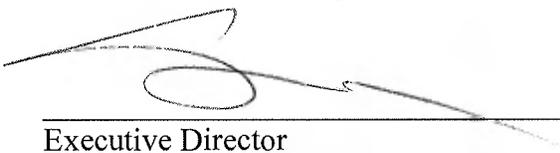
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IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Agreement to be executed by their duly authorized officers as of the date first above written.

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD

By: 
Its: President

WEST VIRGINIA MUNICIPAL BOND
COMMISSION, as Escrow Agent

By: 
Its: Executive Director

WESBANCO BANK, INC., as Registrar

By: _____
Its: _____

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

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD

By: _____
Its: President

WEST VIRGINIA MUNICIPAL BOND
COMMISSION, as Escrow Agent

By: _____
Its: Executive Director

WESBANCO BANK, INC., as Registrar

By: *Janet A. Shults*
Its: *Vice President*

EXHIBIT A - VERIFICATION REPORT

(SEE TAB 18)

EXHIBIT B

NOTICE OF REDEMPTION TO BE SENT NO LATER THAN
30 DAYS BUT NO MORE THAN 60 DAYS PRIOR TO MAY 1, 2015

\$35,000,000
THE BOARD OF EDUCATION OF THE COUNTY OF WOOD
(WEST VIRGINIA)
PUBLIC SCHOOL BONDS, SERIES 2005

DATED: March 1, 2005

STATED BONDS TO BE DEFEASED PURSUANT TO AN
ADVANCED REFUNDING ARE AS FOLLOWS:

| Maturity (May 1) | Original Principal Amount | Redemption Amount 101% | CUSIP Nos.¹ | Interest Rate | Bond Nos. |
|-----------------------------|--|-----------------------------------|-------------------------------|----------------------|------------------|
| 2016 | \$2,650,000 | \$2,676,500 | 978335EQ6 | 4.00% | R-11 |
| 2017 | \$2,775,000 | \$2,802,750 | 978335ER4 | 4.00% | R-12 |
| 2018 | \$2,905,000 | \$2,934,050 | 978335ES2 | 4.25% | R-13 |
| 2019 | \$3,045,000 | \$3,075,450 | 978335ET0 | 4.25% | R-14 |
| 2020 | \$3,190,000 | \$3,221,900 | 978335EU7 | 4.25% | R-15 |
| TOTALS | \$14,565,000 | \$14,710,650 | | | |

NOTICE IS HEREBY GIVEN by The Board of Education of the County of Wood (West Virginia) (the "Board") pursuant to the redemption provisions of the above-referenced bonds (the "2005 Bonds") maturing on and in the principal amounts as stated above, as follows:

The Board issued its Public School Refunding Bonds, Series 2013 (the "2013 Bonds") on May 22, 2013 to provide funds, together with other available funds, to advance refund the principal amount outstanding of the 2005 Bonds, with a premium of 101%, plus accrued interest to the date of redemption (the "Redemption Price") on **May 1, 2015** (the "Redemption Date") which date is the first call date on which the Board can optionally redeem any portion of the 2005 Bonds prior to maturity.

A portion of the moneys from the issuance of the 2013 Bonds was deposited with the West Virginia Municipal Bond Commission (the "Commission"), as escrow agent (the "Escrow Agent") under the Escrow Agreement for the 2013 Bonds, by and among the Board, the

¹ No representation is made as to the accuracy or correctness of the CUSIP numbers printed herein or on the 2005 Bonds.

Agent”) under the Escrow Agreement for the 2013 Bonds, by and among the Board, the Commission, and WesBanco Bank, Inc., as Registrar (the “Escrow Agreement”), together with other funds deposited therein, in an amount sufficient to pay the Redemption Price of the 2005 Bonds on the Redemption Date.

Each of the Bonds referred to above is to be surrendered to the West Virginia Municipal Bond Commission, Charleston, West Virginia, as paying agent and escrow agent for the Bonds (the “Paying Agent”), for payment of the Redemption Price thereof and interest accrued thereon to the Redemption Date, by presenting the Bonds to the office of the Paying Agent below:

West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, WV 25302
Attn: Sara Rogers, Executive Director
(304) 558-3971

BY WESBANCO BANK, INC., REGISTRAR, Wheeling, West Virginia

Notice Date: _____

NOTICE:Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Interest and Dividend Tax Compliance Act of 1983 unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.

*The Issuer and the Registrar shall not be responsible for the use of the CUSIP numbers selected, nor is any representation made as to its correctness of such CUSIP numbers in this notice or as printed on any Bond. It is included solely for the convenience of the holders.

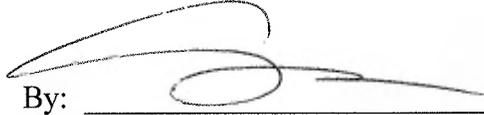
\$19,300,000
The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

CERTIFICATE OF DISCHARGE OF 2005 BONDS

The undersigned authorized officer of the West Virginia Municipal Bond Commission (the "Commission"), as paying agent for the 2005 Bonds (as defined herein) and as escrow agent, hereby acknowledges receipt of (a) an amount equal to all principal, interest, premium, and other sums payable on The Board of Education of the County of Wood (West Virginia) Public School Bonds, Series 2005 (the "2005 Bonds") necessary to defease and discharge the 2005 Bonds pursuant to the Report of the Verification Agent dated May 22, 2013, and (b) satisfaction of all other conditions precedent to the discharge of the 2005 Bonds under the 2005 Bonds.

Dated this 22nd day of May, 2013.

WEST VIRGINIA MUNICIPAL BOND
COMMISSION

By:  _____

Name: Sara Rogers
Title: Executive Director



SPILMAN THOMAS & BATTLE, PLLC

ATTORNEYS AT LAW

May 16, 2013

Defeasance and Redemption of
The Board of Education of the County of Wood
(West Virginia) Public School Bonds, Series 2005
Dated: March 1, 2005

WesBanco Bank, Inc.
Wheeling, West Virginia

Dear Sir or Madam:

As bond counsel for The Board of Education of the County of Wood (the "Issuer"), we wish to advise you that on May 22, 2013 (the "Closing Date"), the Issuer will deliver its Public School Refunding Bonds, Series 2013 (the "Bonds") to Piper Jaffray & Co. (the "Purchaser"). Proceeds of the Bonds will be used to advance refund the Issuer's Public School Bonds, Series 2005, dated March 1, 2005, originally issued in the aggregate principal amount of \$35,000,000 (the "Refunded Bonds"). WesBanco Bank, Inc. is the Registrar for the Refunded Bonds (the "Registrar").

On the Closing Date, the Issuer will fund an Escrow Fund, pursuant to an Escrow Agreement, dated May 22, 2013, among the Issuer, the West Virginia Municipal Bond Commission (the "Commission"), as Escrow Agent, and the Registrar (the "Escrow Agreement"). The Escrow Fund will be funded with United States Treasury Obligations, State and Local Government Series ("SLGS") and uninvested cash, purchased or otherwise obtained from the proceeds of the Bonds. The amounts deposited in the Escrow Fund will be applied in accordance with the Escrow Agreement. According to the verification report of Causey Demgen & Moore P.C., the receipts from the SLGS to be purchased and retained in the Escrow Fund, together with any uninvested cash balances, will be sufficient to pay the principal of and interest on the Refunded Bonds to and including their first redemption date, being May 1, 2015, and on such date, to redeem the remaining Refunded Bonds at a redemption price of 101% of the par amount.

As Registrar for the Refunded Bonds, you are hereby authorized and directed to mail defeasance notices substantially in the form attached hereto, at the times, to the addressees and otherwise in accordance with provisions of the Refunded Bonds on May 22, 2013 to notice the advanced refunding of the Refunded Bonds. Redemption Notices will be as set forth in the Escrow Agreement. Please send your invoice for such services to me and I will promptly forward it to the Issuer for payment.

WesBanco Bank, Inc.
May 16, 2013
Page Two

If you have any questions regarding the foregoing, please feel free to call me.

Very truly yours,



Brian C. Helmick

Enclosure

cc: Ms. Marie Prezioso
Ms. Connie Roberts

ATTACHMENT 1

NOTICE OF DEFEASANCE

\$35,000,000

The Board of Education of the County of Wood (West Virginia)
Public School Bonds, Series 2005
Dated March 1, 2005

| Dated Date | Maturity Date | Principal Amount | Redemption Amount | CUSIP* | Bond Certificate No. | Rate |
|------------|---------------|------------------|-------------------|-----------|----------------------|--------|
| 3/1/2005 | 5/1/2014 | \$ 2,415,000 | \$ 2,415,000 | 978335EN3 | R-9 | 4.000% |
| 3/1/2005 | 5/1/2015 | \$ 2,525,000 | \$ 2,525,000 | 978335EP8 | R-10 | 4.000% |
| 3/1/2005 | 5/1/2016 | \$ 2,650,000 | \$ 2,676,500 | 978335EQ6 | R-11 | 4.000% |
| 3/1/2005 | 5/1/2017 | \$ 2,775,000 | \$ 2,802,750 | 978335ER4 | R-12 | 4.000% |
| 3/1/2005 | 5/1/2018 | \$ 2,905,000 | \$ 2,934,050 | 978335ES2 | R-13 | 4.250% |
| 3/1/2005 | 5/1/2019 | \$ 3,045,000 | \$ 3,075,450 | 978335ET0 | R-14 | 4.250% |
| 3/1/2005 | 5/1/2020 | \$ 3,190,000 | \$ 3,221,900 | 978335EU7 | R-15 | 4.250% |
| | | \$19,505,000.00 | \$19,650,650.00 | | | |

TO ALL REGISTERED OWNERS OF THE ABOVE CAPTIONED BONDS:

NOTICE IS HEREBY GIVEN that all Public School Bonds, Series 2005, issued by The Board of Education of the County of Wood, West Virginia, on behalf of the Wood County School District, originally issued in the aggregate principal amount of \$35,000,000 and outstanding on the date hereof in the aggregate principal amount of \$19,505,000, have been *advanced refunded* to their next redemption date, being **May 1, 2015**, and are deemed to have been paid in accordance with the provisions of Chapter 13, Article 2 of the West Virginia Code of 1931, as amended, and the lien on the ad valorem property taxes in said School District on behalf of such bonds has been defeased. Sufficient United States Treasury Obligations, State and Local Government Series have been purchased and, together with certain cash amounts that may remain uninvested, are irrevocably credited to the West Virginia Municipal Bond Commission, as escrow agent, to pay the principal of and premium and interest on such Bonds as the same become due and payable to and including May 1, 2015, and on such date, to redeem the then outstanding Bonds in full in accordance with the redemption provisions thereof.

THE BOARD OF EDUCATION
OF THE COUNTY OF WOOD

By: WESBANCO BANK, INC., Registrar

Dated: May 22, 2013

**THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD (WEST VIRGINIA)**

**VERIFICATION REPORT FOR THE
PUBLIC SCHOOL REFUNDING BONDS
SERIES 2013**

CAUSEY DEMGEN & MOORE P.C.

Certified Public Accountants and Consultants

1125 Seventeenth Street - Suite 1450
Denver, Colorado 80202-2025
Telephone: (303) 296-2229
Facsimile: (303) 296-3731
www.causeycpas.com

May 22, 2013

The Board of Education of the County of
Wood
1210 13th Street
Parkersburg, West Virginia 26101

Spilman Thomas & Battle, PLLC
300 Kanawha Boulevard East
Charleston, West Virginia 25321

Piper Jaffray & Co.
405 Capitol Street, Suite 613
Charleston, West Virginia 25301

We have completed our engagement to verify the mathematical accuracy of (a) the computations relating to the adequacy of cash plus U.S. Treasury Securities to be held in escrow to pay the debt service requirements of the Public School Bonds, Series 2005 (herein referred to as the "Refunded Bonds") issued by The Board of Education of the County of Wood (West Virginia) (herein referred to as the "Issuer") and (b) the computations supporting the conclusion of Bond Counsel that the Public School Refunding Bonds, Series 2013 (herein referred to as the "Refunding Bonds") to be issued by the Issuer are not "arbitrage bonds" under Section 148 of the Internal Revenue Code of 1986, as amended. We express no opinion as to the attainability of the assumptions underlying the computations or the tax-exempt status of the Refunding Bonds. Our verification was performed solely on the information contained in certain schedules of proposed transactions provided by Piper Jaffray & Co. (herein referred to as the "Underwriter"). In the course of our engagement to verify the mathematical accuracy of the computations in the schedules provided to us, we prepared Exhibits A through D attached hereto and made a part hereof.

The scope of our engagement consisted of performing the procedures described herein. These procedures were performed in a manner that we deem to be appropriate.

The accompanying exhibits of proposed transactions were prepared on the basis of assumptions underlying the computations and in accordance with the procedures described herein. We did not independently confirm the information used with outside parties.

OUR UNDERSTANDING OF THE TRANSACTION

The Refunding Bonds are to be issued on May 22, 2013 to advance refund the Refunded Bonds. A portion of the proceeds of the Refunding Bonds will be used to purchase U.S. Treasury Securities and to provide cash that will be placed into an escrow account to advance refund the Refunded Bonds.

The Escrow Agent will pay the debt service requirements of the Refunded Bonds on each scheduled payment date through and including May 1, 2015 and will redeem those Refunded Bonds maturing

CAUSEY

The Board of Education of the
County of Wood
May 22, 2013
Page 2

on May 1, 2016 and thereafter, at a redemption price equal to 101% of par, on May 1, 2015, which is the first optional redemption date for these bonds.

ESCROW ACCOUNT TRANSACTIONS

We verified the mathematical accuracy of the accompanying calculations of the escrow account transactions proposed to advance refund the Refunded Bonds.

The presently outstanding debt service requirements of the Refunded Bonds will be satisfied by the purchase of U.S. Treasury Securities (as described in Exhibit A-2) plus \$0.59 in cash. The securities and cash will be placed in an irrevocable escrow account and held therein until the Refunded Bonds are redeemed as previously described.

We read a copy of the Official Statement for the Refunded Bonds insofar as these obligations are described with respect to principal outstanding, interest rates, maturity dates, and redemption provisions. We assumed this document to be accurate and all debt service payments on the Refunded Bonds to be current as of May 22, 2013. We compared the above information set forth in this Official Statement with the related information contained in the schedules provided to us and found the information to be consistent.

We compared the subscribed interest rates of the U.S. Treasury Securities (State and Local Government Series) to be purchased and placed in escrow with the maximum allowable interest rates as published in the SLGS Daily Rate Table by the Bureau of the Public Debt for May 8, 2013 and found the subscribed rates to be less than or equal to the maximum allowable rates that were in effect on the subscription date for each applicable maturity date.

Based on the procedures and information set forth above, the computations provided to us and represented in Exhibits A through B, which indicate that the cash and securities proposed to be placed in escrow by the Issuer will produce the amounts necessary to provide for the timely payment of the proposed debt payment schedule on the Refunded Bonds, are mathematically correct.

YIELD ON THE REFUNDING BONDS

We verified the mathematical accuracy of the accompanying computations of the yield on the Refunding Bonds as of May 22, 2013. For purposes of this calculation, yield is defined as the rate of interest which, using the assumptions and procedures set forth herein, discounts the payments to be made on the Refunding Bonds to an amount equal to the target purchase price of the Refunding Bonds. The computations were made using a 360-day year with interest compounded semi-annually and treated \$2,009,673.25 as the original issue premium (which results in a target purchase price of \$21,309,673.25).

The Board of Education of the
County of Wood
May 22, 2013
Page 3

Based upon the procedures and information set forth above, the computations provided to us and represented in Exhibits C and C-1, which indicate that the yield on the Refunding Bonds is 1.17890%, are mathematically correct.

YIELD ON THE INVESTMENT IN THE ESCROWED OBLIGATIONS PURCHASED WITH REFUNDING BOND PROCEEDS

We verified the mathematical accuracy of the accompanying computation of the yield on the investment in the escrowed U.S. Treasury Securities purchased with Refunding Bond proceeds based on an assumed settlement date of May 22, 2013 and a purchase price of \$21,082,134.00. For purposes of this calculation, yield is defined as the rate of interest which, using the assumptions and procedures set forth herein, discounts the cash receipts from the escrowed securities to an amount equal to the purchase price of the escrowed securities. The computations were made using a 360-day year with interest compounded semi-annually and were based on the dates the funds are to be received in the escrow account, and assume that all cash balances are not reinvested.

Based upon the procedures and information set forth above, the computations provided to us and represented in Exhibit D, which indicate that the yield on the escrowed securities purchased with Refunding Bond proceeds is 0.20861% (which is less than the yield on the Refunding Bonds), are mathematically correct.

USE OF THIS REPORT

It is understood that this report is solely for the information of and assistance to the addressees hereof in connection with the issuance of the Refunding Bonds and is not to be used, relied upon, circulated, quoted or otherwise referred to for any other purpose without our written consent, except that (i) reference may be made to the report in the Official Statement for the Refunding Bonds in the section captioned "Verification of Mathematical Computations," (ii) reference may be made to the report in the purchase contract or in any closing documents pertaining to the issuance of the Refunding Bonds, (iii) the report may be used in its entirety as an exhibit to the escrow agreement for the Refunded Bonds, (iv) the report may be included in the transcripts pertaining to the issuance of the Refunding Bonds, (v) the report may be relied upon by Bond Counsel in connection with its opinions concerning the Refunded Bonds and the Refunding Bonds, (vi) the report may be relied upon by any rating agency or bond insurer that shall have rated or insured or that will rate or insure the Refunded Bonds or the Refunding Bonds, and (vii) the report may be relied upon by the Escrow Agent for the Refunded Bonds.

* * * * *

The scope of our engagement is deemed by the addressees hereto to be sufficient to assist such parties in evaluating the mathematical accuracy of the various computations cited above. The sufficiency of this scope is solely the responsibility of the specified users of this report and should not be taken to supplant any additional inquiries or procedures that the users would undertake in their consideration of the issuance of the bonds related to the transaction described herein. We

The Board of Education of the
County of Wood
May 22, 2013
Page 4

make no representation regarding the sufficiency of the scope of this engagement. This report should not be used by any party who does not agree to the scope set forth herein and who does not take responsibility for the sufficiency and appropriateness of such scope for their purposes.

We have no obligation to update this report because of events, circumstances, or transactions occurring subsequent to the date of this report.

Very truly yours,

Causey Damyan + Moore P.C.

EXHIBIT A

**THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD (WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS
SERIES 2013**

**ESCROW ACCOUNT CASH FLOW
AS OF MAY 22, 2013**

| Date | Total Cash Receipts From U.S. Treasury Securities (Exhibit A-1) | Cash Disbursements From Escrow (Exhibit B) | Cash Balance |
|-------------|--|---|-------------------------|
| Beginning | | | |
| Balance: | | | \$0.59 |
| 01-Nov-13 | \$401,525.20 | \$401,525.00 | 0.79 |
| 01-May-14 | 2,816,524.97 | 2,816,525.00 | 0.76 |
| 01-Nov-14 | 353,224.74 | 353,225.00 | 0.50 |
| 01-May-15 | 17,588,874.50 | 17,588,875.00 | 0.00 |
| | <u>\$21,160,149.41</u> | <u>\$21,160,150.00</u> | |

**THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD (WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS
SERIES 2013**

**CASH RECEIPTS FROM THE ESCROWED SECURITIES
AS OF MAY 22, 2013**

| | \$384,097.00 | \$2,794,841.00 | \$333,648.00 | \$17,569,548.00 | |
|----------------|---------------------|-----------------------|---------------------|------------------------|------------------------|
| | 0.050000% | 0.080000% | 0.150000% | 0.220000% | Total |
| Payment | SLGS (1) | SLGS (1) | SLGS (2) | SLGS (2) | Cash |
| Date | 01-Nov-13 | 01-May-14 | 01-Nov-14 | 01-May-15 | Receipts |
| 01-Nov-13 | \$384,182.76 | | \$221.68 | \$17,120.76 | \$401,525.20 |
| 01-May-14 | | \$2,796,948.23 | 250.24 | 19,326.50 | 2,816,524.97 |
| 01-Nov-14 | | | 333,898.24 | 19,326.50 | 353,224.74 |
| 01-May-15 | | | | 17,588,874.50 | 17,588,874.50 |
| | <u>\$384,182.76</u> | <u>\$2,796,948.23</u> | <u>\$334,370.16</u> | <u>\$17,644,648.26</u> | <u>\$21,160,149.41</u> |

(1) U.S. Treasury Certificate of Indebtedness (State and Local Government Series).

(2) U.S. Treasury Note or Bond (State and Local Government Series).

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD (WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS
SERIES 2013

DESCRIPTION OF THE ESCROWED SECURITIES
AS OF MAY 22, 2013

| Type | Settlement Date | Maturity Date | Par Amount | Coupon Rate | Price | Total Cost |
|------|-----------------|---------------|------------------------|-------------|-------------|------------------------|
| SLGS | 22-May-13 | 01-Nov-13 | \$384,097.00 | 0.050% | 100.000000% | \$384,097.00 |
| SLGS | 22-May-13 | 01-May-14 | 2,794,841.00 | 0.080% | 100.000000% | 2,794,841.00 |
| SLGS | 22-May-13 | 01-Nov-14 | 333,648.00 | 0.150% | 100.000000% | 333,648.00 |
| SLGS | 22-May-13 | 01-May-15 | 17,569,548.00 | 0.220% | 100.000000% | 17,569,548.00 |
| | | | <u>\$21,082,134.00</u> | | | <u>\$21,082,134.00</u> |

**THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD (WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS
SERIES 2013**

**ESCROW ACCOUNT DISBURSEMENT REQUIREMENTS
FOR THE REFUNDED BONDS
AS OF MAY 22, 2013**

| Payment Date | Rate | Payment For | | | | Total |
|-----------------|---------|-----------------------|------------------------|-----------------------|---------------------|------------------------|
| | | Maturing Principal | Principal Redeemed | Interest | Premium | |
| 01-Nov-13 | | | | \$401,525.00 | | \$401,525.00 |
| 01-May-14 | 4.000% | \$2,415,000.00 | | 401,525.00 | | 2,816,525.00 |
| 01-Nov-14 | | | | 353,225.00 | | 353,225.00 |
| 01-May-15 | Various | 2,525,000.00 | \$14,565,000.00 | 353,225.00 | \$145,650.00 | 17,588,875.00 |
| | | <u>\$4,940,000.00</u> | <u>\$14,565,000.00</u> | <u>\$1,509,500.00</u> | <u>\$145,650.00</u> | <u>\$21,160,150.00</u> |

EXHIBIT B-1

THE BOARD OF EDUCATION OF THE
 COUNTY OF WOOD (WEST VIRGINIA)
 PUBLIC SCHOOL REFUNDING BONDS
 SERIES 2013

DEBT SERVICE REQUIREMENTS FOR THE REFUNDED BONDS
 ASSUMING NO OPTIONAL REDEMPTIONS PRIOR TO MATURITY
 AS OF MAY 22, 2013

(FOR INFORMATIONAL PURPOSES ONLY)

| Payment Date | Rate | Payment For | | Total Debt Payment |
|-----------------|--------|------------------------|-----------------------|------------------------|
| | | Principal | Interest | |
| 01-Nov-13 | | | \$401,525.00 | \$401,525.00 |
| 01-May-14 | 4.000% | \$2,415,000.00 | 401,525.00 | 2,816,525.00 |
| 01-Nov-14 | | | 353,225.00 | 353,225.00 |
| 01-May-15 | 4.000% | 2,525,000.00 | 353,225.00 | 2,878,225.00 |
| 01-Nov-15 | | | 302,725.00 | 302,725.00 |
| 01-May-16 | 4.000% | 2,650,000.00 | 302,725.00 | 2,952,725.00 |
| 01-Nov-16 | | | 249,725.00 | 249,725.00 |
| 01-May-17 | 4.000% | 2,775,000.00 | 249,725.00 | 3,024,725.00 |
| 01-Nov-17 | | | 194,225.00 | 194,225.00 |
| 01-May-18 | 4.250% | 2,905,000.00 | 194,225.00 | 3,099,225.00 |
| 01-Nov-18 | | | 132,493.75 | 132,493.75 |
| 01-May-19 | 4.250% | 3,045,000.00 | 132,493.75 | 3,177,493.75 |
| 01-Nov-19 | | | 67,787.50 | 67,787.50 |
| 01-May-20 | 4.250% | 3,190,000.00 | 67,787.50 | 3,257,787.50 |
| | | <u>\$19,505,000.00</u> | <u>\$3,403,412.50</u> | <u>\$22,908,412.50</u> |

EXHIBIT C

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD (WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS
SERIES 2013

YIELD ON THE REFUNDING BONDS
AS OF MAY 22, 2013

| Payment Date | Total Debt Payment (Exhibit C-1) | Present Value at May 22, 2013 Using a Semi-Annually Compounded Yield of 1.17890% |
|-----------------|--|--|
| 01-Nov-13 | \$295,982.92 | \$294,450.29 |
| 01-May-14 | 2,840,075.00 | 2,808,812.11 |
| 01-Nov-14 | 310,025.00 | 304,815.57 |
| 01-May-15 | 2,835,025.00 | 2,771,053.21 |
| 01-Nov-15 | 284,775.00 | 276,717.98 |
| 01-May-16 | 2,884,775.00 | 2,786,730.76 |
| 01-Nov-16 | 232,775.00 | 223,546.02 |
| 01-May-17 | 2,957,775.00 | 2,823,860.86 |
| 01-Nov-17 | 178,275.00 | 169,206.15 |
| 01-May-18 | 3,028,275.00 | 2,857,383.71 |
| 01-Nov-18 | 121,900.00 | 114,346.93 |
| 01-May-19 | 3,101,900.00 | 2,892,651.66 |
| 01-Nov-19 | 62,300.00 | 57,756.91 |
| 01-May-20 | 3,177,300.00 | 2,928,341.09 |
| | <u>\$22,311,157.92</u> | <u>\$21,309,673.25</u> |

Dated Date: 22-May-13
Delivery Date: 22-May-13

The above aggregate present value of the future
payments equals the following:

| | |
|---------------------------|------------------------|
| Par Value of the Issue | \$19,300,000.00 |
| Original Issue Premium | <u>2,009,673.25</u> |
| Proceeds on Delivery Date | <u>\$21,309,673.25</u> |

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD (WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS
SERIES 2013

REFUNDING BOND DEBT SERVICE REQUIREMENTS AND PRODUCTION
AS OF MAY 22, 2013

| Payment Date | Rate | Rate | Payment For | | | Total Debt Payment | Reoffering Price | Reoffering Price | Original Issue Premium/ (Discount) | Total Production |
|-----------------|--------|--------|------------------------|-----------------------|-----------------------|------------------------|---------------------|-----------------------|--|---------------------|
| | | | Principal | Principal | Interest | | | | | |
| 01-Nov-13 | | | | | \$295,982.92 | \$295,982.92 | | | | |
| 01-May-14 | 2.000% | | \$2,505,000.00 | | 335,075.00 | 2,840,075.00 | 101.549% | \$38,802.45 | \$2,543,802.45 | |
| 01-Nov-14 | | | | | 310,025.00 | 310,025.00 | | | | |
| 01-May-15 | 2.000% | | 2,525,000.00 | | 310,025.00 | 2,835,025.00 | 102.914% | 73,578.50 | 2,598,578.50 | |
| 01-Nov-15 | | | | | 284,775.00 | 284,775.00 | | | | |
| 01-May-16 | 4.000% | | 2,600,000.00 | | 284,775.00 | 2,884,775.00 | 109.652% | 250,952.00 | 2,850,952.00 | |
| 01-Nov-16 | | | | | 232,775.00 | 232,775.00 | | | | |
| 01-May-17 | 4.000% | | 2,725,000.00 | | 232,775.00 | 2,957,775.00 | 112.101% | 329,752.25 | 3,054,752.25 | |
| 01-Nov-17 | | | | | 178,275.00 | 178,275.00 | | | | |
| 01-May-18 | 1.500% | 5.000% | 850,000.00 | \$2,000,000.00 | 178,275.00 | 3,028,275.00 | 101.918% | 118.707% | 390,443.00 | 3,240,443.00 |
| 01-Nov-18 | | | | | 121,900.00 | 121,900.00 | | | | |
| 01-May-19 | 4.000% | | 2,980,000.00 | | 121,900.00 | 3,101,900.00 | 114.957% | 445,718.60 | 3,425,718.60 | |
| 01-Nov-19 | | | | | 62,300.00 | 62,300.00 | | | | |
| 01-May-20 | 4.000% | | 3,115,000.00 | | 62,300.00 | 3,177,300.00 | 115.423% | 480,426.45 | 3,595,426.45 | |
| | | | <u>\$17,300,000.00</u> | <u>\$2,000,000.00</u> | <u>\$3,011,157.92</u> | <u>\$22,311,157.92</u> | | <u>\$2,009,673.25</u> | <u>\$21,309,673.25</u> | |

EXHIBIT D

**THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD (WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS
SERIES 2013**

**YIELD ON THE ESCROWED SECURITIES
AS OF MAY 22, 2013**

| Date | Total Cash Receipts From U.S. Treasury Securities (Exhibit A) | Present Value at May 22, 2013 Using a Semi-Annually Compounded Yield of 0.20861% |
|-------------|--|---|
| 01-Nov-13 | \$401,525.20 | \$401,155.62 |
| 01-May-14 | 2,816,524.97 | 2,811,000.59 |
| 01-Nov-14 | 353,224.74 | 352,164.60 |
| 01-May-15 | 17,588,874.50 | 17,517,813.19 |
| | <u>\$21,160,149.41</u> | <u>\$21,082,134.00</u> |

Total Cost of Securities \$21,082,134.00

EXHIBIT E

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD (WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS
SERIES 2013

ESTIMATED SOURCES AND USES OF FUNDS
AS OF MAY 22, 2013

Sources of Funds:

| | |
|------------------------|------------------------|
| Par Value of Bonds | \$19,300,000.00 |
| Original Issue Premium | 2,009,673.25 |
| Total Sources of Funds | <u>\$21,309,673.25</u> |

Uses of Funds:

| | |
|---------------------------------------|------------------------|
| Beginning Escrow Account Cash Balance | \$0.59 |
| Cost of the Escrowed Securities | 21,082,134.00 |
| Underwriter's Discount | 131,500.00 |
| Issuance Costs | 96,038.66 |
| Total Uses of Funds | <u>\$21,309,673.25</u> |

\$19,300,000
**The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013**

BOND PURCHASE AGREEMENT

May 8, 2013

Wood County Board of Education
1210 Thirteenth Street
Parkersburg, West Virginia, 26101

Ladies and Gentlemen:

Piper Jaffray & Co. (the "Underwriter") hereby offers to enter into this Bond Purchase Agreement with The Board of Education of the County of Wood, West Virginia (the "Issuer") for the purchase by the Underwriter and the sale by the Issuer of its above-referenced Bonds (the "Bonds"). This offer is made subject to acceptance thereof by the Issuer prior to 3:00 p.m., prevailing time in New York, New York, on the date hereof (the "Acceptance Deadline"), and upon such acceptance, evidenced by the signature of a duly authorized officer of the Issuer, this Bond Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriter.

1. Defined Terms. Terms used herein and not otherwise defined shall have the meanings set forth in the Resolution.

Acceptance Deadline: The date set forth in first paragraph, being the date and time by which the Issuer must accept this Agreement.

Accountants: Sullivan Webb, PLLC, who has conducted and prepared the audited financial statements of the Issuer included in the Preliminary Official Statement and the Official Statement.

Act: Chapter 13, Article 2 of the Code of West Virginia, 1931, as amended.

Agreement: This Bond Purchase Agreement dated the Effective Date, including **Schedule I** attached hereto.

Bond Act: Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended.

Bond Counsel: Spilman Thomas & Battle, PLLC, Charleston, West Virginia.

Closing Date: May 22, 2013, being the date of the issuance and delivery of the Securities.

Continuing Disclosure Agreement: The Continuing Disclosure Agreement, dated as of the Closing Date, by and between the Issuer and WesBanco Bank, Inc., as disclosure agent, with respect to the Securities in accordance with Rule 15c2-12.

Creditors' Rights Laws: Limitations on enforceability as may result from bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally from time to time in effect and from the application of general principles of equity and from public policy limitations on the exercise of any rights to indemnification and contribution.

Disclosure Counsel: Dan A. Marshall, Esquire.

DTC: The Depository Trust Company.

Effective Date and Time: May 22, 2013, 4:00 p.m. (eastern prevailing time) is the date and time on which this Agreement is effective.

End of the Underwriting Period: The later of (i) the Closing Date or (ii) when the Underwriter no longer retains an unsold balance of the Securities.

Escrow Agent: The Escrow Agent for the Prior Bonds pursuant to the Escrow Agreement, which shall be The West Virginia Municipal Bond Commission, Charleston, West Virginia.

Escrow Agreement: The Escrow Agreement for the Prior Bonds, dated on or about May 22, 2013, by the between the Issuer and the Escrow Agent.

Escrow Fund: The Escrow Fund for the Prior Bonds which is established with the Escrow Agent pursuant to the Escrow Agreement.

Exchange Act: The Securities Exchange Act of 1934, as amended.

Excluded Sections: For purposes of the representations and warranties of the Issuer set forth in Section 8(k) the "Excluded Sections" of the Preliminary Official Statement and the Official Statement shall be: (i) the section describing DTC and its book-entry-only procedures, (ii) the section captioned "Tax Matters", (iii) the section captioned "Verification Agent", (iv) the section captioned "Underwriting", (v) the material included in Appendix C captioned "Proposed Form of Legal Opinion", (viii) the material included in Appendix D captioned "Book Entry Only System".

Issuer: The Board of Education of the County of Wood, West Virginia.

Issuer Documents: All financing documents to which the Issuer is a party relating to the issuance of and security for the Securities, as such documents are amended and supplemented to the Closing Date, including, but not limited to:

- (i) this Agreement,

(ii) the Resolution,
(iii) the Continuing Disclosure Agreement,
(iv) the Escrow Agreement,
(v) the Tax and Non-Arbitrage Certificate of the Issuer and
(vi) other applicable financing or operative documents to which the Issuer is a party,
as such documents are amended and supplemented to the Closing Date.

Issuer's Counsel: Spilinan Thomas & Battle, PLLC, West Virginia.

MSRB: Municipal Securities Rulemaking Board.

Municipal Advisor: The term as defined in §15B(e)(4) of the Exchange Act and the rules and regulations of the SEC and MSRB adopted thereunder.

Official Statement: Official Statement dated May 8, 2013, relating to the Securities, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Paying Agent: The West Virginia Municipal Bond Commission which is acting as paying agent for the Securities.

Preliminary Official Statement: Preliminary Official Statement dated May 1, 2013 relating to the Securities, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Prior Bonds: The Issuer's Public School Bonds, Series 2005, dated March 1, 2005, issued in the original aggregate principal amount of \$35,000,000.

Primary Offering Disclosure Period: The period commencing with the first submission to an Underwriter of an order for the purchase of the Securities or the purchase of such Securities from the Issuer, whichever first occurs, and ending 25 days after the final delivery by the Issuer or its agent of all Securities to or through the underwriting syndicate.

Purchase Price: The amount specified in Section 4 as the Purchase Price to be paid by the Underwriter at the Closing for the purchase of the Securities on the Closing Date.

Registrar: WesBanco Bank, Inc., Wheeling, West Virginia, which has been appointed as Registrar for the Securities pursuant to the Resolution.

Rule 15c2-12: Rule 15c2-12 promulgated by the SEC under the Exchange Act (17 CFR § 240.15c2-12).

Resolution: The Resolution and Order adopted by the Issuer, dated April 9, 2013.

SEC: Securities and Exchange Commission of the United States.

Securities: The Bonds identified in the first paragraph of this Agreement, as more specifically described in **Schedule I**.

Securities Act: The Securities Act of 1933, as amended.

State: West Virginia.

Trust Indenture Act: Trust Indenture Act of 1939, as amended.

Underwriter: The firm identified as such in the first paragraph of this Agreement.

Underwriter's Counsel: White Law Offices, PLLC, South Charleston, West Virginia.

2. Offer to Purchase the Securities; Execution of Terms and Acceptance. Upon the terms and conditions and upon the basis of the representations and warranties herein set forth, the Underwriter hereby offers to purchase from the Issuer all (but not less than all) of the Securities, as more particularly described in **Schedule I**. This offer is subject to acceptance by the Issuer by the Acceptance Deadline and, if not so accepted, will be subject to withdrawal by the Underwriter by written notice delivered to the Issuer at any time prior to acceptance. The Issuer shall accept this Agreement by its execution hereof. Upon such execution, the Agreement will be binding upon the Underwriter and the Issuer. This Agreement is effective as of the Effective Date and Time.

3. Purchase of the Securities. The Underwriter shall purchase from the Issuer, and the Issuer shall sell to the Underwriter, all (but not less than all) of the Securities on the Closing Date at the aggregate Purchase Price set forth below, plus accrued interest, if any. The Securities shall bear interest at the rates per annum, mature on the dates, be sold to the public at the prices and be subject to mandatory sinking fund redemption prior to maturity and to such other terms and provisions, all as set forth in **Schedule I**. The Securities otherwise shall be as described in the Official Statement, the Resolution and the Issuer Documents. The Underwriter's agreement to purchase the Securities from the Issuer shall be the joint and several obligation of the Underwriter and is made in reliance upon the Issuer's representations, covenants and warranties and on the terms and conditions set forth in this Agreement.

The Issuer acknowledges and agrees that: (i) the primary role of the Underwriter is to
Issuer and the Underwriter, (ii) the Underwriter has financial and other interests that differ from those of the Issuer, (iii) the Underwriter is not acting as a Municipal Advisor, financial advisor or fiduciary to the Issuer or any other person or entity and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters), (iv) the only obligations of the Underwriter to the Issuer with respect to the transaction contemplated hereby are expressly as set forth in this Agreement and (v) the Issuer

has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

4. Purchase Price. The Purchase Price of the Securities is \$21,178,173.25 (representing the principal amount of the Securities of \$19,300,000, less an Underwriter's discount of \$131,500, and plus an original issue premium of \$2,009,673.25). The Purchase Price, less the cost of issuance which is payable to the Cost of Issuance Account to be held by the Registrar, shall be payable on the Closing Date by the Underwriter by wire transfer in immediately available funds to the order of Branch Banking and Trust Company, as Depository Bank (the "Depository Bank"), for the account of the West Virginia Municipal Bond Commission, as Escrow Agent. In accordance with Section 18 of this Agreement Error! Reference source not found., the Underwriter also will be reimbursed for those out of pocket expenses described therein.

5. Public Offering. The Underwriter agrees to make a bona fide initial public offering of all the Securities in compliance with federal and state securities laws, at a price not in excess of the initial offering price set forth in the Official Statement. The Underwriter may change the initial offering price or prices as they deem necessary in connection with the offering of the Securities without any requirement of prior notice, and may offer and sell the Securities to certain institutions at prices lower than those stated in the Official Statement. Upon the request of Bond Counsel, the Underwriter shall execute and deliver prior to the Closing an issue price certificate or similar certificate in form and substance reasonably satisfactory to Bond Counsel and the Underwriter.

6. Good Faith Deposit. No Good Faith Deposit will be delivered.

7. Official Statement.

- (a) The Issuer hereby consents to and ratifies the use and distribution by the Underwriter of the Preliminary Official Statement in connection with the public offering of the Securities by the Underwriter, and further confirms the authority of the Underwriter to use, and consents to the use of, the final Official Statement with respect to the Securities in connection with the public offering and sale of the Securities. The Issuer hereby represents and warrants that the Preliminary Official Statement previously furnished to the Underwriters was "deemed final" by the Issuer as of its date for purposes of Rule 15c2-12, except for permitted omissions.
- (b) The Issuer hereby consents to and ratifies the use and distribution by the Underwriter of the Official Statement in connection with the public offering and sale of the Securities by the Underwriter.
- (c) The Issuer, at its cost, shall provide, or cause to be provided, to the Underwriter within seven business days after the date of this Agreement (or within such shorter period as may be approved by the Underwriter or required by applicable rule) such number of copies of a final Official Statement as reasonably requested by the Underwriter, but in sufficient quantity to permit the Underwriter to comply with

paragraph (b)(4) of Rule 15c2-12, and Rule G-32 and any other applicable rules of the SEC and the MSRB.

- (d) The Issuer authorizes the Underwriter to file, to the extent required by any applicable SEC or MSRB rule, and the Underwriter agrees to so file, the Official Statement with the MSRB or its designee. If an amended Official Statement is prepared during the “primary offering disclosure period,” and if required by any applicable SEC or MSRB rule, the Underwriter also shall make the required filings of the amended Official Statement. The Issuer shall provide the Underwriter with the information necessary to complete MSRB Form G-32 for all filings to be made under this Section 7.
- (e) The Preliminary Official Statement and the Official Statement may be delivered in printed and a “designated electronic format” as defined in the MSRB’s Rule G-32 and as may be agreed by the Issuer and the Underwriter. If the Official Statement has been prepared in electronic form, the Issuer hereby confirms that it does not object to distribution of the Official Statement in electronic form.
- (f) The Issuer shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter. The Issuer covenants to notify the Underwriter promptly if, on or prior to the 25th day after the End of the Underwriting Period, (or such other period as may be agreed to by the Issuer and the Underwriter) any event shall occur, or information comes to the attention of the Issuer, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and if in the opinion of the Underwriter such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriter, at the Issuer’s expense, such number of copies of the supplement or amendment to the Official Statement, in (i) a “designated electronic format” consistent with the requirements of the MSRB’s Rule G-32 and (ii) a printed format in form and substance mutually agreed upon by the Issuer and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing Date, the Issuer also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

8. Representations and Warranties of Issuer. The Issuer hereby agrees with, and makes the following representations and warranties to, the Underwriter, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

- (a) The Issuer is duly created and existing under the constitution and laws of the State and has full legal right, power and authority under the constitution and laws of the State, including the Act, to adopt the Resolution, to execute and deliver the Issuer

Documents and the Official Statement, to issue, sell and deliver the Securities as provided herein, and to carry out and to consummate the transactions contemplated by the Resolution, the Issuer Documents and the Official Statement.

- (b) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved (A) the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement for use by the Underwriter in connection with the public offering of the Securities, (B) the issuance and sale of the Securities upon the terms set forth herein and as contemplated by the Resolution, the Issuer Documents and the Official Statement and (C) the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the Securities, the Resolution and the Issuer Documents.
- (c) The Securities will be issued in conformity with and shall be entitled to the benefit and security of the Resolution and the Issuer Documents. When delivered to and paid for by the Underwriter in accordance with the terms of this Agreement, the Securities will have been duly authorized, executed, authenticated, issued and delivered and will constitute valid and binding general obligations of the Issuer payable from the ad valorem taxes levied upon all taxable property within the Wood County School District (the "District") and moneys pledged therefor under the Resolution and will be entitled to the benefit of the Resolution.
- (d) This Agreement constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms; the other Issuer Documents, when duly executed and delivered, will constitute the legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms; and the Securities, when issued, authenticated and delivered in accordance with the Issuer Documents and sold to the Underwriter as provided herein, will be the legal, valid and binding obligations of the Issuer enforceable in accordance with their terms; in all cases, except as the enforceability of this Agreement, the other Issuer Documents and the Securities may be limited by application of Creditors' Rights Laws.
- (e) The Issuer is not in breach of or default in any material respect under (if applicable) its enabling legislation or under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is or any of its property or assets are otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the Issuer under any of the foregoing.
- (f) The Issuer shall on or before the Closing have entered into the Escrow Agreement pursuant to which the Escrow Fund shall be created. The Escrow Fund is to be held by the Escrow Agent in trust to advance refund the Prior Bonds. The Issuer shall

establish a Costs of Issuance Account with the Registrar from which costs of issuance of the Bonds shall be paid.

- (g) The Escrow Fund is to be invested as described in the Escrow Agreement. The cash deposited in the Escrow Fund, and the income to be derived from the investment thereof shall be sufficient to refund the Prior Bonds and the liens of the resolution authorizing such bonds, all in accordance with the provisions of the Act;
- (h) All financial statements of the Issuer included as a part of the Preliminary Official Statement and the Official Statement (the "Financial Statements"), fairly present the financial condition of the Issuer as of the respective dates and have been prepared when so indicated in accordance with generally accepted accounting principles consistently applied and since the respective most recent dates as of which information is given in the Preliminary Official Statement or the Official Statement, there has not been any material change in the long-term debt of the Issuer or any material adverse change in the general affairs, management, financial position, or results of the Issuer and no material transactions or obligations other than in the ordinary course of business have been entered into with respect to the Issuer, except as reflected in or contemplated by the Official Statement.
- (i) The adoption, execution and delivery of the Securities, Resolution and the Issuer Documents, and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets are otherwise subject, and such adoption, execution, delivery or compliance will not result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature upon the assets of the Issuer, except as provided by the Securities, the Resolution and the Issuer Documents.
- (j) All authorizations, approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect, the issuance of the Securities or the due performance by the Issuer of its obligations under the Resolution, the Issuer Documents and the Securities have been duly obtained or will be obtained prior to the Closing, except that the Issuer makes no representations with respect to (A) such authorizations, approvals, consents and orders, if any, as may be required under federal or state securities laws of any jurisdiction in connection with the offering and sale of the Securities and (B) authorizations, approvals, consents and orders that are required to be obtained or renewed periodically, such as budgets, licenses and permits.
- (k) The Preliminary Official Statement as of its date did not, and the Official Statement as of its date does not, and as of the Closing Date will not, contain any untrue

statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, the Issuer makes no statement as to the Excluded Sections of the Preliminary Official Statement or the Official Statement.

- (l) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, agency, public board or body, pending or, to the knowledge of the Issuer, threatened against the Issuer: (A) affecting the existence of the Issuer or the titles of its officers to their respective offices, (B) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Securities or the taxation of property in the District for the repayment of the Securities or the making of any other required deposits with respect to the Securities, (C) in any way contesting or affecting the validity or enforceability of, or the power or authority of the Issuer to issue, adopt or to enter into (as applicable), the Securities, the Resolution or the Issuer Documents, (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, (E) except as disclosed in the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to impose taxes upon real and personal property in the District for the repayment of the Securities or (F) contesting the status of the interest on the Securities as excludable from gross income for federal income tax purposes or as exempt from any applicable state tax, in each case as described in the Official Statement.
- (m) The Issuer has received all licenses, permits or other regulatory approvals required, if any, for the imposition of real and personal property taxes upon property situate in the District and the Issuer is not in material default, and no event has occurred which would constitute or result in a material default, under any such licenses, permits or approvals.
- (n) The Issuer has entered or will enter into the Continuing Disclosure Agreement and, unless otherwise described in the Official Statement or set forth below, the Issuer has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.
- (o) The Resolution, the Issuer Documents and the Securities conform to the description thereof contained in the Official Statement.

The Issuer has the legal authority to apply proceeds of the Securities for the purposes contemplated by the Resolution and the Issuer Documents, including for the payment or reimbursement of incidental expenses in connection with the marketing, issuance and delivery of the Securities to the extent required by this Agreement and in compliance with applicable law.

9. Covenants of the Issuer. The Issuer hereby covenants with the Underwriter that:

- (a) Prior to the Closing Date, except as otherwise contemplated by the Official Statement, the Issuer shall not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the assets, properties, funds or interests of the Issuer.
- (b) The Issuer shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without prior written notice to the Underwriter.
- (c) The Issuer shall promptly advise the Underwriter by written notice of any matter arising or discovered after the date of this Agreement and prior to the Closing Date that if existing or known at the date hereof would render any of the representations or warranties set forth herein to be untrue or misleading or might adversely affect the correctness or completeness of any statement of a material fact regarding the Issuer contained in the Official Statement; or any developments that affect the accuracy and completeness of the key representations (within the meaning of Rule 15c2-12) regarding the Issuer contained in the Official Statement.
- (d) The Issuer will undertake, pursuant to the Continuing Disclosure Agreement, to provide annual reports and notices of certain events in compliance with Rule 15c2-12. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.
- (e) The Issuer shall cooperate with the Underwriter in the qualification of the Securities for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions, to the extent applicable, as the Underwriter may request; provided that the Issuer shall not be required to qualify as a foreign corporation in, or submit to the general jurisdiction of, any other state or to file any general or special consents to service of process under the laws of any jurisdiction.
- (f) Unless the Securities are being issued as taxable Securities, the Issuer shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable state tax, of the interest on the Securities.

10. Representations and Warranties of the Underwriter. The Underwriter hereby agrees with, and makes the following representations and warranties to, the Issuer, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

- (a) The Underwriter is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and authorized to do business in the State.
- (b) This Agreement has been duly authorized, executed and delivered by the Underwriter and, assuming the due authorization, execution and delivery by the Issuer, is the legal, valid and binding obligation of the Underwriter enforceable in accordance with its

terms, except as the enforceability of this Agreement may be limited by application of Creditors' Rights Laws.

- (c) The Underwriter represents that it is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

11. Third-Party Credit Enhancement or Support. No third-party credit enhancement or support facility will be provided with respect to the Securities.

12. Ratings. On the Closing Date, the Securities shall be rated "AA" by Standard & Poor's based upon the participation of the Issuer in the West Virginia Municipal Bond Program.

13. Closing.

- (a) The delivery of and payment for the Securities shall be the "Closing" for the Securities and shall occur at or prior to 1:00 p.m., New York City time, on the Closing Date, or at such other time or on such other date as may be mutually agreed by the Underwriters and the Issuer.

- (b) The Issuer and the Underwriter agree that there shall be a preliminary closing held at the offices of Bond Counsel in Charleston, West Virginia, prior to the Closing Date, or at such other time or place as the Issuer and the Underwriter shall agree.

- (c) At the Closing, the Issuer shall deliver or cause to be delivered the Securities to the Registrar as DTC's FAST closing agent on behalf of the Underwriter, as further described in paragraph (d)(e) below. The Securities shall be delivered in definitive form, duly executed by the President and Secretary of the Issuer and authenticated by the Registrar, together with the other documents identified in Section 14. Subject to satisfaction of the conditions contained in this Agreement, the Underwriter will accept delivery of the Securities as described above and pay the Purchase Price, plus accrued interest, if any, on the Securities from their dated date to, but not including, the Closing Date, in immediately available funds, payable to the order of the Depository Bank or as otherwise directed by the Issuer.

- (d) Delivery of the definitive Securities shall be made to the Registrar as DTC's FAST agent with respect to DTC's book-entry-only system in New York, New York, or at such other location as may be designated by the Underwriter prior to the Closing. The Securities will be delivered as fully-registered bonds, bearing CUSIP numbers, with a single bond for each maturity of each series of the Securities (or, if so provided in **Schedule I**, for each separate interest rate within a maturity), and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Securities. Unless otherwise requested by the Underwriter, the Securities will be delivered under DTC's FAST delivery system.

- (e) After execution by the Issuer and authentication by the Registrar, the Bonds shall be held in safe custody by the Registrar or any authorized agent for the Registrar. The Registrar shall release or authorize the release of the Bonds from safe custody at the Closing upon receipt of payment for the Bonds by the Escrow Agent as aforesaid.

14. Closing Conditions. The obligations of the Underwriter hereunder shall also be subject to the following additional conditions:

- (a) At and as of the Closing Date, (i) the Official Statement, this Agreement and the Issuer Documents shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, (ii) the proceeds of the sale of the Securities shall be deposited and applied as described in the Official Statement, and (iii) the Issuer shall have duly adopted and there shall be in full force and effect such resolutions or orders as, in the opinion of Bond Counsel shall be necessary in connection with the transactions contemplated hereby.
- (b) Receipt of the Securities by the Registrar as DTC's FAST closing agent, which shall have been executed and delivered by the Issuer and authenticated by the Registrar, and receipt of executed copies of the Issuer Documents by the Underwriter at or prior to the Closing.
- (c) On or prior to the Closing Date, the Underwriter shall receive the following documents in such number of counterparts as shall be mutually agreeable to the Underwriter and the Issuer:
 - (i) The unqualified approving opinions, dated as of the Closing Date, of Bond Counsel, in the form attached as Appendix C to the Official Statement accompanied by a supplementary opinion of Bond Counsel, dated as of the Closing Date, substantially in the form attached hereto as Exhibit A;
 - (ii) The opinion of Issuer's Counsel, dated as of the Closing Date and addressed to the Underwriter and the Issuer, substantially in the form attached hereto as Exhibit B;
 - (iii) The opinion of Underwriter's Counsel, dated as of the Closing Date, substantially in the form attached hereto as Exhibit C;
 - (iv) A certificate of the Escrow Agent dated as of the Closing Date, to the effect that (A) the Escrow Agent has the authority to act as Escrow Agent and for and in connection with the Prior Bonds and has requisite powers to carry out its duties under the Escrow Agreement; and (B) the Escrow Agreement has been duly and validly authorized, executed and delivered by the Escrow Agent, and assuming due authorization, execution and delivery thereof by the Issuer and Paying Agent, the Escrow Agreement constitutes a valid and

legally binding obligation of the Escrow Agent, enforceable in accordance with its terms;

- (v) A certificate of the Issuer executed and delivered by the President, the Superintendent or any other duly authorized officer, satisfactory to the Underwriter, dated as of the Closing, to the effect that: (A) the Issuer has duly performed all of its obligations to be performed at or prior to the Closing and that each of its representations and warranties contained herein are true as of Closing, (B) it has authorized, by all necessary action the execution, delivery, receipt and due performance of the Securities, the Continuing Disclosure Agreement, the Resolution, the Escrow Agreement and all other Issuer Documents as may be required to be executed, delivered and received by the Issuer in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement, (C) to the Issuer's knowledge, no litigation is pending or threatened, to restrain or enjoin the issuance or sale of the Securities or in any way affecting any authority for or the validity of the Securities or the Resolution, (D) the execution, delivery, receipt and due performance of the Securities, the Issuer Documents and the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and the Issuer's compliance with the provisions thereof will not conflict with or constitute on the part of the Issuer a breach of or a default under any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease or other instrument to which the Issuer is subject or by which it may be bound, (E) to the best of such officer's knowledge, no event affecting the Issuer has occurred since the date of the Official Statement that should be disclosed in the Official Statement to make the statements and information therein not misleading in any material respect for the purposes for which it is to be used and (F) the Issuer is obligated by such Continuing Disclosure Agreement and is in full compliance with all of its prior written continuing disclosure undertakings entered into pursuant to the provisions of Rule 15c2-12(b)(5), excepting only such matters as may be described in the Continuing Disclosure section of the Official Statement;
- (vi) Verification of the arbitrage yield for the Securities and the sufficiency of the Escrow Fund obtained by refunding the Prior Bonds from Causey Demgen & Moore P.C., independent Certified Public Accountants;
- (vii) Copies of this Agreement and the Escrow Agreement executed by the parties thereto;
- (viii) Executed copies of the Continuing Disclosure Agreement, in form and substance satisfactory to the Underwriter and Underwriter's Counsel;
- (ix) The Resolution, certified by the Secretary under the seal of the Issuer, as having been duly adopted by the Issuer and as being in full force and effect,

with only such amendments, modifications or supplements as may have been agreed to by the Underwriter;

- (x) Evidence of an "AA" rating from Standard & Poor's;
- (xi) The executed opinion of Bond Counsel addressed to the Underwriter, or if such opinion shall not be addressed to the Underwriter, a reliance opinion from Bond Counsel providing that the Underwriter may rely on the Bond Counsel Opinion;
- (xii) An executed copy of Internal Revenue Service Form 8038-G;
- (xiii) Evidence that the Prior Bonds have either been paid in full or defeased, including a defeasance opinion of Bond Counsel (which opinion may be contained in the Bond Counsel Opinion) and a defeasance certificate from the Escrow Agent;
- (xiv) Evidence that the Issuer has adopted a formal post issuance policy sufficient to allow the Issuer to check boxes 43 and 44 on Form 8038-G; and
- (xv) Such additional legal opinions, certificates, proceedings, instruments and other documents as Underwriter's Counsel or Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the Closing Date, of the respective representations of the Issuer herein contained and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Agreement, or if the obligations of the Underwriter to purchase and accept delivery of the Securities shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriter nor the Issuer shall be under further obligation hereunder, except that the respective obligations to pay expenses, as provided herein, shall continue in full force and effect.

15. Issue Price Certificate. The Underwriter shall execute and deliver on the Closing Date an issue price or similar certificate in form and substance reasonably satisfactory to the Issuer, Bond Counsel and the Underwriter.

16. Report of Verification Agent. The Issuer will deliver the report of a Verification Agent on or prior to the Closing Date which verifies the sufficiency of the deposit into the Escrow Fund under the Escrow Agreement in order to advance refund the Prior Bonds.

17. Termination. The Underwriter shall have the right to cancel its obligation to purchase the Securities and to terminate this Agreement by written notice to the Issuer if, between the Effective Date to and including the Closing Date, in the Underwriter's sole and

reasonable judgment any of the following events shall occur (each a "Termination Event"):

- (a) the market price or marketability of the Securities, or the ability of the Underwriter to enforce contracts for the sale of the Securities, shall be materially adversely affected by any of the following events:
 - (i) legislation shall have been enacted by the Congress of the United States or the legislature of the State or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect to federal or state taxation upon interest received on obligations of the general character of the Securities, provided that this paragraph (a) (i) shall not apply if the Securities are being issued as taxable Securities; or
 - (ii) there shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere; or
 - (iii) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or
 - (iv) legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Securities, the Resolution or the Issuer Documents, or any comparable securities of the Issuer, are not exempt from the registration, qualification or other requirements of the Securities Act or the Trust Indenture Act or otherwise, or would be in violation of any provision of the federal securities laws; or

- (v) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the Issuer shall have occurred; or
- (vi) any rating on securities of the Issuer shall have been downgraded or placed on negative watch; or
- (vii) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriters) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Issuer refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Securities or the ability of the Underwriters to enforce contracts for the sale of the Securities; or
- (viii) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or
- (ix) a material disruption in securities settlement, payment or clearance services affecting the Securities shall have occurred; or
- (x) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, Underwriters shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or
- (xi) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Securities, including the underlying obligations as contemplated by this Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Securities, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act.

Upon the occurrence of a Termination Event and the termination of this Agreement by the Underwriters, all obligations of the Issuer and the Underwriters under this Agreement shall terminate, without further liability, except that the Issuer and the Underwriters shall pay their respective expenses as set forth in Section 18 of this Agreement.

18. Payment of Expenses.

- (a) The Underwriter shall be under no obligation to pay, and the Issuer shall pay from available funds or direct the Registrar under the Resolution and the Issuer Documents to pay from the proceeds of the Securities (to the extent permitted under applicable law) or from other funds of the Issuer (to the extent permitted by applicable law), all expenses that are incidental to the performance of the Issuer's obligations under this Agreement, including but not limited to: all expenses in connection with the printing of the Preliminary Official Statement, the Official Statement and any amendment or supplement to either; all expenses in connection with the printing, issuance and delivery of the Securities; the fees and expenses of Bond Counsel, Issuer's Counsel, Disclosure Counsel and Underwriter's Counsel; the fees and expenses of the Issuer's financial advisors, Accountants, any verification consultant and all other consultants; the fees and disbursements of any Paying Agent and any escrow agent, and their respective counsel; all expenses in connection with obtaining a rating or ratings for the Securities; all expenses of the Issuer in connection with the preparation, printing, execution and delivery, and any recording or filing, of the Resolution, any Issuer Document or any other instrument; the Issuer's administrative fees; and all other expenses and costs of the Issuer incident to its obligations in connection with the authorization, issuance, sale and distribution of the Securities. Unless the Issuer and the Underwriter otherwise agree, the Issuer shall pay for all incidental costs (including, but not limited to, transportation, lodging, meals and entertainment of Issuer personnel) incurred by or on behalf of the Issuer in connection with the marketing, issuance and delivery of the Securities.
- (b) The Underwriter shall pay the costs of qualifying the Securities for sale in the various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Securities and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Securities.

19. Blue Sky Qualification. The Issuer agrees to cooperate with the Underwriter and its counsel in any endeavor to qualify the Securities for offering and sale under securities or blue sky laws of such jurisdictions of the United States as the Underwriter may request. The Issuer consents to the use of the Preliminary Official Statement and the Official Statement by the Underwriter in obtaining such qualification. The Issuer shall not be required to register in any jurisdiction.

20. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by certified mail or by delivering the same in writing to the Issuer at the address set forth above. Any notice or other communication to be given to the Underwriter under this Agreement may be given by certified mail or by delivering the same in writing to the Underwriter at the following address:

Piper Jaffray & Co.
405 Capital Street, Suite 613
Charleston, WV 25301

Attn: Manager of West Virginia Public Finance

Such notice addresses may be changed by providing notice to the other party pursuant to the means above described.

21. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of West Virginia. To the extent allowed by law, each of the parties hereto irrevocably waives all right to trial by jury in any action, proceeding or counterclaim arising out of this Agreement or the transactions contemplated hereby. The Underwriter acknowledges that the Issuer cannot subject itself to the jurisdiction of courts other than courts in West Virginia.

22. Miscellaneous. This Agreement is made solely for the benefit of the signatories hereto (including the Underwriter and its successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. Neither the Issuer nor the Underwriter may assign this Agreement. The term "successor" shall not include any holder of any Securities merely by virtue of such holding. All representations, warranties, agreements and indemnities contained in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, and shall survive the delivery of and payment for the Securities and any termination of this Agreement. Section headings have been included in this Agreement as a matter of convenience of reference only and are not to be used in the interpretation of any provisions of this Agreement. If any provision of this Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, because it conflicts with any provisions of any constitution, statute, rule of public policy or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

23. Counterparts. This Agreement may be executed in one or more counterparts with the same force and effect as if all signatures appeared on a single instrument.

24. Signatures. Upon execution by the Issuer and the Underwriter, this Agreement shall be binding upon the Issuer and the Underwriter as of the Effective Date and Time.

[Remainder of Page Intentionally Blank]

Very truly yours,

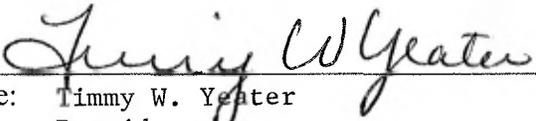
PIPER JAFFRAY & CO.

By: 
Name:
Title: Senior Vice President

ACCEPTED:

ISSUER:

BOARD OF EDUCATION OF THE COUNTY
OF WOOD

By: 
Name: Timmy W. Yeater
Title: President

ACCEPTANCE DATE AND TIME:
May 8, 2013 at 2:30 p.m.

SCHEDULE I

BOND PRICING

\$19,300,000

**The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013**

MATURITIES, AMOUNTS, RATES AND YIELDS

| Maturity | Principal Amount (\$) | Interest Rate | Yield | Price | Premium (\$) |
|-----------------|------------------------------|----------------------|--------------|--------------|---------------------|
| 5/1/2014 | 2,505,000 | 2.00% | 0.35% | 101.549 | 38,802.45 |
| 5/1/2015 | 2,525,000 | 2.00% | 0.49% | 102.914 | 73,578.50 |
| 5/1/2016 | 2,600,000 | 4.00% | 0.68% | 109.652 | 250,952.00 |
| 5/1/2017 | 2,725,000 | 4.00% | 0.87% | 112.101 | 329,752.25 |
| 5/1/2018 | 850,000 | 1.50% | 1.10% | 101.918 | 16,303.00 |
| 5/1/2018 | 2,000,000 | 5.00% | 1.10% | 118.707 | 374,140.00 |
| 5/1/2019 | 2,980,000 | 4.00% | 1.37% | 114.957 | 445,718.60 |
| 5/1/2020 | 3,115,000 | 4.00% | 1.64% | 115.423 | 480,426.45 |
| | 19,300,000 | | | | 2,009,673.25 |

EXHIBIT A

[SUPPLEMENTAL BOND COUNSEL OPINION OF
SPILMAN THOMAS & BATTLE, PLLC]

May 22, 2013

Wood County Board of Education
1210 Thirteenth Street
Parkersburg, West Virginia, 26101

Piper Jaffray & Co.
405 Capital Street, Suite 613
Charleston, WV 25301

Re: \$19,300,000 The Board of Education of the County of Wood (West
Virginia) Public School Refunding Bonds, Series 2013

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance and sale of the above-referenced bonds (the "Bonds") by The Board of Education of the County of Wood, West Virginia (the "Issuer"). In our capacity as Bond Counsel, we are delivering an opinion of even date herewith concerning the legality and tax-exempt status of the Bonds (the "Bond Opinion"). We have examined the documents and instruments as described in the Bond Opinion, the Official Statement, the Escrow Agreement and such other documents and matters as we have deemed necessary or appropriate to render this opinion. Words and terms used in this opinion shall have the meanings ascribed thereto in the Bond Purchase Agreement (the "Purchase Agreement") dated May 8, 2013, between the Issuer and Piper Jaffray & Co. (the "Underwriter"). This opinion is being delivered pursuant to Section 14(c)(i) of the Purchase Agreement.

In our examination, we have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the first paragraph hereof.

We are members of the West Virginia State Bar and do not hereby express any opinion as to matters governed by the laws of any jurisdiction other than the laws of the State of West Virginia and the federal laws of the United States of America.

Based upon the foregoing, we are of opinion that:

(1) The Purchase Agreement has been duly authorized, executed and delivered by the Issuer, and, assuming due authorization, execution and delivery by the other party thereto, is a legal, valid, binding and enforceable obligation of the Issuer (except to the extent that enforceability may be limited by bankruptcy, insolvency or other laws or equitable principles affecting creditors' rights generally and to the exercise of judicial discretion).

(2) The Issuer, under the Act, has full power and authority to adopt the Resolution, enter into the Escrow Agreement and the Purchase Agreement and perform its obligations thereunder.

(3) The Issuer has duly ratified the distribution of the Preliminary Official Statement, the Official Statement has been duly approved, executed and delivered by the Issuer, and the Issuer has authorized the distribution of the Official Statement and the use thereof by the Underwriter in connection with the sale of the Bonds.

(4) The statements and information contained in the Official Statement under the captions or subcaptions "Introduction," "The Bonds," "Tax Matters," "Legal Matters," "Ratings," and "Appendix C" present fair and accurate summary descriptions of the matters described under such captions. We are not passing upon and do not assume any responsibility for the accuracy (except for the aforesaid summary descriptions), completeness or (except for the aforesaid summary descriptions) fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements, and no inquiry was made of other attorneys in our firm not working directly on the issuance of the Bonds who may have information material to the issue. However, we can and do advise you that, during the course of serving as Bond Counsel in connection with the issuance of the Bonds, no information came to the attention of the attorneys in our firm rendering legal services in connection with such issuance that caused us to believe that (i) the Official Statement as of its date (except for any financial, accounting, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any management discussion and analysis or any information relating to DTC, book entry securities and Appendices A, B and D included therein, as to which no view is expressed) contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (ii) the Official Statement as of the date of the Closing (except as aforesaid) contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(5) The Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

(6) Based on the foregoing, we are of the opinion that the Prior Bonds have been legally defeased and the covenants, agreements and other obligations of the Issuer to the holders of the Prior Bonds have been discharged and satisfied, and that such refunding will not

adversely affect the excludability of the interest on the Prior Bonds or the Bonds from gross income for federal income taxation.

This opinion is furnished to you solely for the purposes stated herein and may not be used, quoted, or relied upon by any other person or entity or for any other purpose without our prior written consent. This opinion is limited to the matters set forth herein and the law in effect as of the date hereof. We assume no obligation to supplement our opinion with regard to subsequent changes in law, facts or knowledge.

Very truly yours,

Spilman Thomas & Battle, PLLC

EXHIBIT B

[FORM OF OPINION OF COUNSEL TO ISSUER]

May 22, 2013

Wood County Board of Education
1210 Thirteenth Street
Parkersburg, West Virginia, 26101

Piper Jaffray & Co.
405 Capital Street, Suite 613
Charleston, WV 25301

Re: \$19,300,000 The Board of Education of the County of Wood (West
Virginia) Public School Refunding Bonds, Series 2013

Ladies and Gentlemen:

We have served as counsel to The Board of Education of the County of Wood, West Virginia (the "Issuer") in connection with the sale of the above-referenced bonds (the "Bonds"), which are being delivered and sold pursuant to a Bond Purchase Agreement dated as of May 8, 2013 (the "Purchase Agreement"), between Piper Jaffray & Co. (the "Underwriter") and the Issuer. Any capitalized terms used herein and not defined shall have the meaning ascribed thereto in the Purchase Agreement.

In this connection, we have reviewed and examined certain proceedings and documents with respect to the Bonds, any such records, certificates and other documents as we have considered necessary or appropriate for the purposes of this opinion, including Chapter 13, Article 2 of the Code of West Virginia, 1931, as amended (the "Refunding Act"), the Resolution and Order adopted by the Issuer, dated April 9, 2013 (the "Resolution"), the Escrow Agreement, dated May 22, 2013 (the "Escrow Agreement"), by and between the Issuer and the West Virginia Municipal Bond Commission (the "Commission"), the Continuing Disclosure Agreement, dated May 22, 2013 (the "Continuing Disclosure Agreement"), by and between the Issuer and WesBanco Bank, Inc., as disclosure agent, the Purchase Agreement, the Preliminary Official Statement dated May 1, 2013 and the Final Official Statement dated May 8, 2013, with respect to the issuance and offering of the Bonds (together, the "Official Statement") and a closing certificate of the Issuer (collectively, the "Issuer Documents").

In our examination, we have assumed: (i) the authenticity of all documents submitted to us as originals and the conformity with the originals of all documents submitted to us as copies; (ii) each document submitted to us by an governmental official or agency is accurate, complete and authentic, and all official public records (including the proper indexing and filing) are accurate and complete; (iii) all relevant records of the Issuer, as well as all copies of correspondence, certificates and financial, business and other documents presented to us for examination, are authentic, accurate

and complete; (iv) the conduct of the parties to this transaction has complied with any and all requirements of good faith, fair dealing and conscionability, and the parties to the Issuer Documents have acted in good faith and without notice of any defense against the enforcement of any rights created by, or adverse claim to, any property or security interest transferred or created as a part of the transaction; and (v) no agreements or understandings exist among the parties, written or oral, that would amend, supplement, or qualify the terms of the Issuer Documents. All assumptions made by us in our opinion have been made with your permission and without any independent investigations to determine the existence or absence of facts, and this opinion is based upon these assumptions.

The opinions expressed herein are subject to the qualifications that enforceability may be subject to the effect of (1) applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws affecting creditors' rights, (2) the application of equitable principles, and the exercise of judicial discretion and to public policy if remedies in equity are sought, and (3) limitations on legal remedies against public agencies in the State of West Virginia.

We are members of the West Virginia State Bar and do not hereby express any opinion as to matters governed by the laws of any jurisdiction other than the laws of the State of West Virginia and the federal laws of the United States of America. We do not herein express any opinion on any federal and/or state antitrust or securities laws.

Based on such review and such other considerations of law and fact as we believe to be relevant, we are of the opinion that:

1. The Issuer is a validly existing statutory corporation charged with the supervision and control of the Wood County School District, which is a validly existing political subdivision of the State of West Virginia, and is authorized by the Refunding Act to issue and sell the Bonds. The Issuer is authorized by the laws of the State of West Virginia, as provided by the Refunding Act, to enter into and perform its obligations under the Issuer Documents.

2. The Issuer has full power and authority to consummate all transactions contemplated by the Bonds and the Issuer Documents.

3. The Issuer has duly authorized all action necessary to be taken by it or on its behalf for (i) the execution and delivery of the Issuer Documents; (ii) the approval of the distribution of the Official Statement; (iii) the ratification of the actions of the Issuer and the issuance and delivery of the Bonds upon the terms set forth in the Resolution; and (iv) the carrying out, giving effect to and consummation of the transactions contemplated thereby.

4. The Issuer Documents have been duly and validly authorized, executed and delivered by the Issuer and the same are in full force and effect as of the date hereof and are valid and legally binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, except to the extent the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally and to the exercise of judicial discretion.

5. The Resolution authorizing issuance of the Bonds has been duly adopted and entered at meetings of the Issuer which were called and held pursuant to law and in accordance with all applicable open meeting laws and at which a quorum was present and acting at the time of such adoption.

6. The execution and delivery of the Issuer Documents by the Issuer and the performance of its obligations thereunder do not and will not result in a violation of any provision of, or in default under, the West Virginia statutes organizing and governing the Issuer or, to the best of our knowledge based solely upon representations of the Issuer, any agreement or other instrument to which the Issuer is a party or by which it or its properties are bound.

7. All actions necessary to be taken by the Issuer have been taken, and no additional approval, authorization, consent or other order of the Issuer or any public board or body is legally required to allow the Issuer to enter into and perform its obligations under the Issuer Documents or as described in the Official Statement.

8. To the best of our knowledge there are no legal or governmental actions, proceedings, inquiries or investigations pending or threatened by governmental authorities or to which the Issuer is a party or of which any property of the Issuer is subject, except as described in the Official Statement, which, if determined adversely to the Issuer, would individually or in the aggregate (i) materially and adversely affect the validity or the enforceability of the Bonds, the Escrow Agreement or the Purchase Agreement, (ii) otherwise materially or adversely affect the ability of the Issuer to comply with its obligations under the Issuer Documents or (iii) materially and adversely affect the transactions contemplated by the Official Statement to be engaged in by the Issuer.

9. Based upon our experience as counsel to the Issuer and on our review of the Official Statement, and after inquiry and discussions with representatives of the Issuer, but without having undertaken to verify the same through independent investigation, nothing has come to our attention which would lead us to believe that the statements and information contained in the Official Statement under the captions or subcaptions "Wood County School District," "Litigation in the State Concerning the School Financing System," "Litigation," "Legal Matters," "Appendix B" and "Appendix E" contain any untrue statement of a material fact or omit to state any material fact necessary to make such statements, in light of the circumstances under which they were made, not misleading in any material respect, it being understood, that in rendering such opinion we express no opinion regarding financial, accounting, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any management discussion and analysis or any information relating to The Depository Trust Company and the book entry only system contained in the Official Statement and its Appendices included therein, which we expressly exclude from the scope of this paragraph.

As to questions of fact material to the opinions that we have expressed herein, we have relied upon the representations contained in or made pursuant to the Issuer Documents upon the certificates of officers of the Issuer and appropriate public officials, and no information has come

to our attention which is inconsistent with such certificates. Except to the extent expressly and specifically set forth herein, we have not undertaken to verify the same by independent investigation to determine the existence or absence of such facts, and no inferences as to our knowledge of the existence or absence of such facts shall be drawn from our representation of the Issuer.

The foregoing is subject, in all respects, to the following qualifications and exceptions:

1. The enforceability of the obligations of the parties under the Issuer Documents described above is subject to and may be limited by applicable bankruptcy, fraudulent transfer, insolvency, rehabilitation, reorganization, dissolution, moratorium and similar laws of general application relating to or affecting the rights of creditors.

2. The enforceability of the obligations of the parties under the Issuer Documents described above is subject to and may be limited by general equitable principles, including, but not limited to, equitable principles limiting specific enforcement of certain remedies.

3. With respect to legal conclusions contained herein, and upon which this opinion has been rendered, such legal conclusions are based solely upon the current laws of the State and federal laws, and do not involve the laws of any jurisdiction other than the State or of the United States.

4. We express no opinion as to the compliance of the documents described above with the securities laws of the United States, any state or other jurisdiction.

This opinion is furnished solely for the purposes stated herein. This opinion may not be used, quoted, or relied upon by any other person or entity or for any other purpose without our prior written consent. This opinion is issued as of the date hereof and we assume no obligation to supplement our opinion with regard to subsequent changes in law, fact or knowledge. This opinion may be relied upon by all counsel to this transaction as if specifically addressed to them.

We hereby consent to the references made to us in the Official Statement.

Very truly yours,

Spilman Thomas & Battle, PLLC

EXHIBIT C

FORM OF UNDERWRITER'S COUNSEL OPINION

[Letterhead of White Law Offices, PLLC]

May 22, 2013

Piper Jaffray & Co.
405 Capitol Street, Suite 613
Charleston, WV 25301

Re: \$19,300,000 The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013

Ladies and Gentlemen:

We have acted as counsel to you, Piper Jaffray & Co. (the "Underwriter"), in connection with your purchase of the above-referenced bonds (the "Bonds") pursuant to a Bond Purchase Agreement dated May 8, 2013 (the "Purchase Agreement") between The Board of Education of the County of Wood, West Virginia (the "Issuer") and you. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Purchase Agreement.

In connection with rendering this opinion, we have examined the Official Statement dated May 8, 2013, the Purchase Agreement and Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended and presently in effect (the "Rule").

Based upon the foregoing review, we are of the opinion that the Purchase Agreement has been validly authorized, executed and delivered by the Underwriter and, assuming due authorization, execution and delivery by the Issuer, constitutes a valid and binding agreement, enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting the respective parties, the exercise of judicial discretion or the availability of equitable remedies.

It is also our opinion that the Continuing Disclosure Agreement, which provides for an undertaking for the benefit of the holders, including beneficial holders, of the Bonds to provide certain annual financial information and event notices to repositories at the times and in the manner required by the Rule, satisfies as to form in all material respects the requirements of subparagraph (b)(5) of the Rule in effect as of the date hereof and applicable to Continuing Disclosure Agreements.

In addition, we are of the opinion under existing law that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and that the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. However, to assist you in your investigation concerning the Official Statement, we have reviewed certain documents and have participated in conferences in which the contents of the Official Statement and related matters were discussed. During the course of our work on this matter, no facts have come to the attention of attorneys in our firm rendering legal services in connection with such issuance that cause us to believe that the Official Statement (except for any financial, accounting, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any management discussion and analysis or any information relating to The Depository Trust Company and the book entry only system contained in the Official Statement and its Appendices included therein, which we expressly exclude from the scope of this sentence) contains as of the date hereof any untrue statements of a material fact or omits to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This opinion is solely for the benefit of, and may be relied upon only by, the Underwriter; and it is not to be used, circulated, quoted or otherwise referred to for any other purpose, except that a copy hereof may be included in the transcript of closing documents pertaining to the delivery of the Bonds.

Very truly yours,

Continuing Disclosure Agreement

This Continuing Disclosure Agreement (this "Agreement") dated as of May 22, 2013, is by and between the Board of Education of the County of Wood (the "Board") and WesBanco Bank, Inc., Wheeling, West Virginia, as Disclosure Agent (the "Disclosure Agent"), in connection with the issuance of the \$19,300,000 The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013 (the "Series 2013 Bonds"). Capitalized terms used in this Agreement shall have the respective meanings specified above, in Section 2 hereof or in the Resolution adopted by the Board on April 9, 2013, authorizing issuance of the Series 2013 Bonds (the "Resolution"). The Board agrees as follows:

SECTION 1. Purpose of Agreement. This Agreement is being executed and delivered by the Board and the Disclosure Agent for the benefit of the holders and beneficial owners of the Series 2013 Bonds and in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5).

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

"Annual Financial Information" means the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles ("GAAP")) and operating data with respect to the Board, provided at least annually, of the type included in those sections of the final official statement with respect to the Series 2013 Bonds in Appendix A entitled "Audit Report of Wood County Board of Education for Fiscal Year Ended June 30, 2012," which Annual Financial Information shall include Audited Financial Statements if available on the due date set forth herein, and, if not then available, unaudited financial statements.

"Audited Financial Statements" means the Board's annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants.

"Beneficial Owner" shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2013 Bonds (including persons holding Series 2013 Bonds through nominees, depositories or other intermediaries).

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement dated May 8, 2013, entered into between Piper Jaffray & Co. (the "Underwriter"), and the Board, by which the Underwriter agreed to purchase the Series 2013 Bonds from the Board upon the terms set forth therein.

"Disclosure Agent" shall initially mean WesBanco Bank, Inc., Wheeling, West Virginia, and any later appointed Disclosure Agent or any successor Disclosure Agent designated in writing by the Board and which has filed with the Board a written acceptance of such designation.

"Disclosure Representative" shall mean the Treasurer of the Board.

"EMMA" means the Electronic Municipal Market Access system described in 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board for purposes of the Rule.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Agreement.

"National Repository" shall mean the Municipal Securities Rulemaking Board, Washington, D.C., the sole Nationally Recognized Municipal Securities Information Repository for purposes of the Rule.

“Participating Underwriter” shall mean the original underwriter of the Series 2013 Bonds who are required to comply with the Rule in connection with offering of the Series 2013 Bonds.

“Repository” shall mean each National Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“Series 2013 Bonds” shall mean the \$19,300,000 The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013.

SECTION 3. Provision of Annual Reports.

(a) The Board shall, or shall cause the Disclosure Agent to, not later than 300 days after the end of the Board’s fiscal years (presently June 30), commencing with the reports for the Fiscal Years ending June 30, 2013 (FY 2013), provide to each Repository: Annual Financial Information and Audited Financial Statements, which are consistent with the requirements of Section 4 of this Agreement. The Annual Financial Information and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Agreement. The Board shall provide the Disclosure Agent with a copy of each report filed under this Agreement. If the Board’s fiscal years change, the Board shall give notice of such change in the same manner as for a Listed Event under Section 5(a).

(b) Not later than fifteen (15) Business Days prior to said date, the Board shall provide the Annual Financial Information and Audited Financial Statements to the Disclosure Agent. If the Board is unable to provide to the Repositories the Annual Financial Information and Audited Financial Statements by the date required in subsection (a), the Board shall, or shall cause the Disclosure Agent to, send a notice to the Repositories, in substantially the form attached as Exhibit A.

(c) The Disclosure Agent shall file a report with the Board certifying that the Annual Financial Information and Audited Financial Statements have been provided to EMMA pursuant to the Agreement and the date provided.

(d) All documents provided to EMMA shall be provided in a searchable, electronic format and shall be accompanied by identifying information as prescribed by the Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

SECTION 4. Content of Annual Financial Information and Audited Financial Statements. Within three hundred (300) days of the Board’s fiscal year ends, the Board or Disclosure Agent on its behalf shall submit to EMMA information and data of the Board for the prior fiscal year, including the Audited Financial Statements, prepared in accordance with generally accepted accounting principles in effect from time to time.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Board or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Board shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Board shall give, or cause to be given, notice of the occurrence of any of the following events, in a timely manner not in excess of ten business days after the occurrence of the event, with respect to the Series 2013 Bonds:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2013 Bonds, or other events affecting the tax status of the Series 2013 Bonds;
7. modifications to rights of security holders, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Series 2013 Bond, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership, or similar event of the Board¹;
13. the consummation of a merger, consolidation or acquisition involving the Board, or the sale of all or substantially all of the assets of the Board, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its term, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material.

¹ For the purposes of the event identified in Section 5(a)(12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Board in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Board, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Board.

(b) The Disclosure Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Board promptly notify the Disclosure Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Board obtains knowledge of the occurrence of a Listed Event, classified under Section 5(a) (2), (7), (8), (10), (12), (13) or (14), because of a notice from the Disclosure Agent pursuant to subsection (b) or otherwise, the Board shall as soon as possible determine if such event would be material under applicable federal securities laws, in any event such determination must be made and submitted to the Disclosure Agent within two (2) business days.

(d) If the Board determines that knowledge of the occurrence of any of the Listed Events, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would be material under applicable federal securities laws pursuant to subsection (b) or the Board received notice of any Listed Event that does not require a finding of materiality classified under Section 5(a) (1), (3), (4), (5), (6), (9), (11) or (12), the Board shall promptly file with the Disclosure Agent a notice of such occurrence to be provided to EMMA.

(e) If in response to a request under subsection (b), the Board determines that the Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would not be material under applicable federal securities laws, the Board shall so notify the Disclosure Agent in writing and instruct the Disclosure Agent not to report the occurrence pursuant to subsection (f).

(f) If the Disclosure Agent has been instructed by the Board to report the occurrence of a Listed Event, the Disclosure Agent shall file a notice of such occurrence with EMMA with a copy to the Board. The Disclosure Agent must file such notice with EMMA within ten (10) business days of the occurrence of such Listed Event.

SECTION 6. Termination of Reporting Obligation. The Board's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2013 Bonds. If such termination occurs prior to the final maturity of the Series 2013 Bonds, the Board shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

SECTION 7. Disclosure Agent. WesBanco Bank, Inc., Wheeling, West Virginia, is hereby appointed as Disclosure Agent. The Board may, from time to time, appoint or engage an alternate or successor Disclosure Agent to assist it in carrying out its obligations under the Agreement, and may discharge any such Agent, with or without appointing a successor Disclosure Agent. The Disclosure Agent shall not be responsible in any manner for the content of any notice or report prepared by the Board pursuant to the Agreement.

SECTION 8. Amendment, Waiver. Notwithstanding any other provision of this Agreement, the Board and the Disclosure Agent may amend this Agreement, and any provision of this Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Board with respect to the Series 2013 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2013 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2013 Bonds in the same manner as provided in the Resolution for amendments to the Resolution, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Series 2013 Bonds.

In the event of any amendment or waiver of a provision of this Agreement, the Board shall describe such amendment in the next Annual Financial Information and Audited Financial Statements, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for any of the Listed Events under Section 5(a), and (ii) the Annual Financial Information and Audited Financial Statements for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the Board from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events, in addition to that which is required by this Agreement. If the Board chooses to include any information in any Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events in addition to that which is specifically required by this Agreement, the Board shall have no obligation under this Agreement to update such information or include it in any future Annual Financial Information and Audited Financial Statements or notice of occurrence of any of the Listed Events.

SECTION 10. Default. In the event of a failure of the Board to comply with any provision of this Agreement (and, at the request of the Original Purchaser), any Holder or Beneficial Owner of the Series 2013 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Board to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Agreement in the event of any failure of the Board to comply with this Agreement shall be an action to compel performance.

SECTION 11. Notices. Any notices or communications to or among any of the parties to the Agreement may be given as follows:

| | |
|--------------------------|---|
| To the Board: | The Board of Education of the County of Wood 1201 Thirteenth Street Parkersburg, WV 26101 |
| To the Disclosure Agent: | WesBanco Bank, Inc., Wheeling, West Virginia 1 Bank Plaza Wheeling, WV 26003 |

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

SECTION 12. Beneficiaries. This Agreement shall inure solely to the benefit of the Board, the Disclosure Agent, the Underwriter and holders and beneficial owners from time to time of the Series 2013 Bonds, and shall create no rights in any other person or entity.

SECTION 13. Counterparts. The 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.

SECTION 14. Fees. The Board agrees to pay all fees and expenses of the Disclosure Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Disclosure Agent's duties.

SECTION 15. Right to Resign. The Disclosure Agent may resign at any time by providing thirty (30) days' written notice to the Board.

SECTION 16. Right to Counsel. The Disclosure Agent shall have the right to consult with counsel in carrying out its duties under the Agreement and to rely upon an opinion of counsel.

SECTION 17. Duties of Disclosure Agent. The Disclosure Agent shall have only such duties as are specifically set forth in this Agreement, and no further duties or responsibilities shall be implied. Any corporation or association into which the Disclosure Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Disclosure Agent in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Disclosure Agent in its individual capacity may be sold or otherwise transferred, shall be the Disclosure Agent under this Agreement without further act. Anything in this Agreement to the contrary notwithstanding, in no event shall the Disclosure Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Disclosure Agent has been advised of such loss or damage and regardless of the form of action. The Board will, for the benefit of the Disclosure Agent and Disclosure Agent's employees, directors, agents, subsidiaries, affiliates, successors and assigns, assume all liability and/or be responsible to pay for any and all claims, demands, causes of action, losses, damages, liabilities, penalties, costs and expenses (including reasonable attorney's fees) relating to this Agreement, to the extent assessed by a court of competent jurisdiction.

IN WITNESS WHEREOF, the Board and the Disclosure Agent have caused this Agreement to be executed by its duly authorized representatives, all as of the date first above written.

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD

By: Tracy W Yeater

WesBanco Bank, Inc., Wheeling, West Virginia, as Disclosure Agent

By: _____

Its: _____

Date: May 22, 2013

IN WITNESS WHEREOF, the Board and the Disclosure Agent have caused this Agreement to be executed by its duly authorized representatives, all as of the date first above written.

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD

By: _____

WesBanco Bank, Inc., Wheeling, West Virginia, as Disclosure Agent

By: *Janet R. Shestuma*

Its: *Vice President*

Date: May 22, 2013

EXHIBIT A

**NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: The Board of Education of the County of Wood
Name of Bond Issue: \$19,300,000 The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013
Date of Bond Issue: May 22, 2013

NOTICE IS HEREBY GIVEN that the Board has not provided an Annual Report with respect to the above-named Series 2013 Bonds as required by Section 3(b) of this Continuing Disclosure Agreement dated as of May 22, 2013, to be provided. The Board anticipates that the Annual Report will be filed by _____, 20__.

Dated: _____, 20__

WesBanco Bank, Inc., Wheeling, West Virginia, as Disclosure Agent
on behalf of the Board

cc: Board

PRELIMINARY OFFICIAL STATEMENT DATED MAY 1, 2013

**NEW ISSUE
BOOK-ENTRY ONLY**

Rating: Standard & Poor's
(See "Rating" herein)

In the opinion of Spilman Thomas & Battle, PLLC ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is taken into account in determining the adjusted current earnings of certain corporations for purposes of calculating the corporate alternative minimum taxable income. In addition, under the Act, the Bonds, together with the interest thereon, shall be exempt from all taxation by the State of West Virginia, or by any county or municipality or political subdivision thereof. See "TAX MATTERS" herein for a description of certain provisions of the Code which may affect the tax treatment of interest on the Bonds for certain bondholders.

\$18,855,000*

**The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013**

Dated: Date of Delivery

Due: May 1, as shown below

The Bonds are being issued by the Board of Education of the County of Wood, West Virginia (the "Board") pursuant to Chapter 13, Article 2 of the Code of West Virginia, 1931, as amended (the "Refunding Act") for the purposes of (i) advance refunding and redeeming in full the Board's Public School Bonds, Series 2005, issued in the original principal amount of \$35,000,000 and currently outstanding in the aggregate principal amount of \$19,505,000 (the "Series 2005 Bonds") and (ii) paying the costs of issuance of the Bonds.

The Bonds are general obligations of The Board of Education of the County of Wood, West Virginia (the "Board"), which Board has the power and is obligated to levy ad valorem taxes upon all the taxable property within the Wood County School District to pay the Bonds and the interest thereon, without limitation as to rate or amount.

The Bonds will be issued in fully registered form only, without coupons, and, when issued will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only in the principal amount of \$5,000 or integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds.

Pursuant to Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended, both the principal of and interest on the Bonds are payable at the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent. The Board has designated WesBanco Bank, Inc., Wheeling, West Virginia, West Virginia, as Registrar.

Interest on the Bonds will be payable November 1, 2013 and semiannually thereafter each May 1 and November 1 in each year to maturity. The principal of and interest on the Bonds are payable by the Paying Agent to DTC, which will in turn remit such principal and interest to its Participants for subsequent distribution to the Beneficial Owners of the Bonds. See "APPENDIX F – BOOK ENTRY ONLY SYSTEM"

The Bonds are not subject to redemption.

MATURITIES, AMOUNTS, RATES, YIELDS AND CUSIPS*

| Maturing (May 1) | Principal Amount (\$) | Interest Rate (%) | Yield (%) | CUSIP** Base #: |
|-----------------------------|----------------------------------|------------------------------|----------------------|----------------------------|
| 2014 | 2,405,000 | | | |
| 2015 | 2,440,000 | | | |
| 2016 | 2,535,000 | | | |
| 2017 | 2,655,000 | | | |
| 2018 | 2,780,000 | | | |
| 2019 | 2,940,000 | | | |
| 2020 | 3,100,000 | | | |

The Bonds are offered for delivery when, as and if issued, subject to approval of legality by Spilman Thomas & Battle, PLLC, Charleston, West Virginia, Bond Counsel. Certain legal matters will be passed upon for the Board by Spilman Thomas & Battle, PLLC, Charleston, West Virginia, Counsel to the Board. Certain legal matters will be passed upon for the Underwriter by White Law Offices, PLLC, South Charleston, West Virginia, as Counsel to the Underwriter, and by Dan A. Marshall, Esquire, Parkersburg, West Virginia, as Disclosure Counsel to the Underwriter. It is expected that the Bonds will be available for delivery to DTC, New York, New York on or about May 22, 2013.

Piper Jaffray & Co.

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

\$18,855,000*
**The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013**

ELECTED OFFICIALS

Mr. Tim Yeater, President
Mr. Jim Fox, Vice President
Mr. Lawrence G. Hasbargen, Board Member
Mr. John E. Marlow, Board Member
Mr. Tad Wilson, Board Member

APPOINTED OFFICIALS

Dr. Patrick Law, Superintendent
Mr. Robert Harris, Assistant Superintendent
Mrs. Sue Woodward, Assistant Superintendent
Connie Roberts, Treasurer

BOARD'S COUNSEL

Spilman Thomas & Battle, PLLC
Charleston, West Virginia

BOND COUNSEL

Spilman Thomas & Battle, PLLC
Charleston, West Virginia

UNDERWRITER

Piper Jaffray & Co.
Charleston, West Virginia

UNDERWRITER'S COUNSEL

White Law Offices, PLLC
South Charleston, West Virginia

DISCLOSURE COUNSEL

Dan A. Marshall, Esquire
Parkersburg, West Virginia

** CUSIP numbers have been assigned by an independent company not affiliated with the Board and are included on this cover page solely for the convenience of the Owners of the Bonds only at the time of issuance of the Bonds. Neither the Underwriter nor the Board makes any representation with respect to the accuracy of such CUSIP numbers as indicated in the above table or undertakes any responsibility for the selection of the CUSIP numbers or their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds.

YOU SHOULD MAKE YOUR OWN DECISION WHETHER THIS OFFERING MEETS YOUR INVESTMENT OBJECTIVES AND RISK TOLERANCE LEVEL. NO FEDERAL OR STATE SECURITIES COMMISSION HAS APPROVED, DISAPPROVED, ENDORSED OR RECOMMENDED THIS OFFERING. NO INDEPENDENT PERSON HAS CONFIRMED THE ACCURACY OR TRUTHFULNESS OF THIS DISCLOSURE, NOR WHETHER IT IS COMPLETE. THE WEST VIRGINIA SECURITIES COMMISSION HAS NOT REVIEWED THE DISCLOSURE CONTAINED HEREIN AND THE ISSUER IS RELYING ON AN EXEMPTION FROM REGISTRATION BY QUALIFICATION UNDER THE WEST VIRGINIA SECURITIES ACT.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by The Board of Education of the County of Wood, West Virginia, to give any information or to make any representations other than as contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Board. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds herein described by any persons in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Board from sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Board since the date hereof.

The information contained in this Official Statement has been obtained by the Underwriter from sources believed to be reliable, but the accuracy or completeness of such information is not guaranteed by, and should not be construed as a promise by any of the foregoing. The presentation of such information is intended to show recent historic information and is not intended to indicate future or continuing trends. No representation is made that the past experience, as shown by such financial and other information, will necessarily continue or be repeated in the future. This Official Statement contains, in part, estimates and matters of opinion, whether or not expressly stated to be such, which are not intended as statements or representations of fact or certainty, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Board.

The Resolution, as hereinafter defined, has not been qualified under the Trust Indenture Act of 1939, as amended, because of available exemptions therefrom.

The following sentence has been provided by the Underwriter for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Forward-Looking Statements

This Preliminary Official Statement, and particularly the information contained in the caption “WOOD COUNTY SCHOOL DISTRICT” and “CERTAIN FINANCIAL INFORMATION” contain statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When used in this Preliminary Official Statement, the words “estimated,” “forecasted,” “intended,” “expected,” “anticipated,” “projected” and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. For a discussion of certain of such risks and possible variations in results, see the information under “INVESTMENT CONSIDERATIONS.”

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**OFFICIAL STATEMENT
RELATING TO**

\$18,855,000*

**The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013**

INTRODUCTION

This Official Statement provides certain information in connection with the sale of \$18,855,000* in aggregate principal amount of The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013 (the "Bonds"). A brief description of The Board of Education of the County of Wood, West Virginia (the "Board"), the Wood County School District (the "School District") and the County of Wood, West Virginia (the "County" or "Wood County"), with which the School District is coterminous, is provided, together with a description of the Bonds and sources of payment therefor.

The Bonds are being issued to provide funds, along with other funds from accounts established for the Series 2005 Bonds, as hereinafter defined, to provide for the advance refunding of the Board's Public School Bonds, Series 2005 issued in the original aggregate principal amount of \$35,000,000 ("Series 2005 Bonds") of which \$19,505,000 is outstanding and all of which will be refunded by the Bonds. Proceeds of the Bonds will also be used to pay legal, consulting and other professional fees, printing and other issuance costs.

At a special election held on November 2, 2004, the issuance of the Series 2005 Bonds in an amount of up to \$35,000,000 and the levy sufficient to pay principal of and interest on such bonds were authorized and approved for the purpose of paying the cost of certain new school buildings and modifications, improvements, renovations and equipping of various existing schools and other buildings in the School District.

The Bonds are general obligations of the Board, and, unless paid from other sources, are payable from ad valorem taxes levied upon all taxable property within the School District, without limitation as to rate or amount.

THE BONDS

General

The Bonds will be dated the date of delivery and are issued as fully registered bonds in \$5,000 denominations, or integral multiples thereof, and are payable on May 1, in the years and amounts as follows:

| Maturing (May 1) | Principal Amount (\$)* |
|------------------|------------------------|
| 2014 | _____ |
| 2015 | _____ |
| 2016 | _____ |
| 2017 | _____ |
| 2018 | _____ |
| 2019 | _____ |
| 2020 | _____ |

Pursuant to Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended (the "Bond Act"), both the principal of and interest on the Bonds are payable at the office of the West Virginia Municipal Bond

* Preliminary, subject to change.

Commission, Charleston, West Virginia, as its Paying Agent (the "Paying Agent"). The Board has designated WesBanco Bank, Inc., Wheeling, West Virginia, as the Registrar.

Interest on the Bonds will be payable November 1, 2013 and semi-annually thereafter (each May 1 and November 1) in each year to maturity. Such interest will be paid by check to the registered owner on each such interest payment date at the address as shown on the registration books kept for that purpose by the Paying Agent as of the 15th day of the month preceding each such interest payment date. In the case of an owner of \$500,000 or more of the Bonds, interest may be paid to such owner by wire transfer to a domestic bank account specified in writing to the Paying Agent at least five days prior to an interest payment date.

Authority and Purpose

In accordance with Article X, Sections 8 and 10, of the Constitution of the State of West Virginia (Section 10 is referred to as the "Better Schools Amendment") and the Bond Act, county boards of education may, with the consent of at least a simple majority of the voters voting at an election on such questions, issue bonds for specified purposes an amount which, when added to the aggregate indebtedness then outstanding, will not exceed 5% of the most recent assessed valuation of taxable property in the school district. Article X, Section 8 of the Constitution and Sections 20 and 34 of the Bond Act require the annual levy and collection of a tax sufficient to pay the principal of and interest on such bonds. Pursuant to the Better Schools Amendment, the tax levy required to pay the principal of and interest on such bonds is laid separate and apart and in addition to the maximum levy rates otherwise authorized by law. Pursuant to the Bond Act and orders and resolutions duly entered and adopted by the Board, the issuance of bonds up to the amount of \$35,000,000 and the levy of taxes sufficient to pay principal of and interest on such bonds were authorized and approved at a special election by 67.17% of the participating voters. Proceeds of the Series 2005 Bonds were applied, together with certain funds received by the Board from the State of West Virginia (the "State") and other sources, to provide funds for making certain improvements in the School District. The ballot question limited the term of the bonds to sixteen (16) years from their date and limited the rate of interest on the bonds to a rate not exceeding 7.5% per annum. Pursuant to the Bond Act, the Series 2005 Bonds were issued on March 1, 2005 and designated Public School Bonds, Series 2005.

The Board is issuing the Bonds pursuant to Chapter 13, Article 2 of the Code of West Virginia, 1931, as amended (the "Refunding Act") and a resolution of the Board adopted on April 9, 2013 (the "Resolution"). The Board is issuing the Bonds for the purpose of advance refunding the Series 2005 Bonds. In accordance with the provisions of the Refunding Act, debt service on the Bonds will not exceed in each year the amount of taxes expected to be available for payment of such debt service in accordance with the terms approved by the voters. The Series 2005 Bonds will be deemed paid upon the completion of the advance refunding. Certain funds of the Board on deposit with the West Virginia Municipal Bond Commission (the "Bond Commission") relating to the Series 2005 Bonds will become surplus funds as a result of the advance refunding and will be available for release to the Board.

Plan of Financing

Proceeds of the Bonds in the amount of \$_____ will be applied to the funding of an escrow to advance refund the Series 2005 Bonds. Such proceeds will be used to pay the interest on the Series 2005 Bonds each November 1 and May 1, commencing November 1, 2013, and continuing to and including May 1, 2015, to pay the maturing principal of the Series 2005 Bonds on May 1, 2014, and May 1, 2015, and to pay the redemption price of the remaining maturities of the Series 2005 Bonds called for redemption in the amount of \$_____ (which includes \$_____ of principal to be redeemed and a redemption premium of \$_____) (the "Redemption Price") on May 1, 2015 (the "Redemption Date"). The above referenced funds in the total amount of \$_____, together with the earnings thereon, will be held by the Bond Commission, as Escrow Agent under an Escrow Agreement to be entered into on or about _____, 2013 (the "Escrow Agreement"), by and among the Board and the Bond Commission. During the period in which the proceeds of the Bonds are deposited with the Bond Commission pursuant to the Escrow Agreement (except amounts necessary for costs of issuance), such funds will be invested in Investment Obligations (the "Obligations"). The maturing principal of and interest on the Obligations are not pledged to and will not be available to pay the Bonds.

Sources and Uses of Funds

Sources

| | |
|---|----------|
| Proceeds of the Bonds | \$ _____ |
| [Original Issue Premium] | \$ _____ |
| Amounts Transferred from Bond Commission (Debt Service Account) | \$ _____ |
| TOTAL | \$ _____ |

Uses

| | |
|-------------------------------------|----------|
| Deposit to Escrow Fund ¹ | \$ _____ |
| [Original Issue Discount] | \$ _____ |
| Underwriter's Discount | \$ _____ |
| Costs of Issuance ² | \$ _____ |
| TOTAL | \$ _____ |

Nature of Obligation, Security and Source of Payments

The Bonds will constitute valid and legally binding general obligations of the Board, and, unless paid from other sources, the principal of and interest on the Bonds will be payable from ad valorem taxes levied upon all taxable property within the School District, without limitation as to rate or amount. Pursuant to the Better Schools Amendment, the tax levy required to pay the principal of and interest on such bonds is laid separate and apart and in addition to the maximum levy rates otherwise authorized by law.

Debt Administration

Pursuant to Chapter 13, Article 3 of the Code of West Virginia, Bond Commission shall serve as fiscal agent for all issuers of general obligation bonds issued by counties, municipalities, and school districts of the State and is charged with the administration of the interest and sinking funds created to service the debt. The proceeds of taxes levied for debt service by the Board are collected by the Sheriff, who remits the proceeds to the Board Treasurer, who forwards the proceeds thereof to the Bond Commission. The Bond Commission is required by law to render annually to each political subdivision having outstanding bonds a statement showing the levy required to pay the interest on and create a sinking fund for the retirement of the outstanding bonds. The Bond Commission customarily sets the levy rates at 110% of the annual principal and interest required so as to provide a margin to cover the statutory 2 1/2% discount for early payment of taxes and any attrition occasioned by delinquencies, improper assessments and exonerations. There has not been a default on the payment of principal or interest of any general obligation bond in the State of West Virginia since the Bond Commission commenced centralized supervision and administration in 1921.

Since 1933, the annual State of West Virginia Budget Bill has embodied a protective provision for certain State agency and taxing district obligations, if deficiencies should arise. The following excerpt from the 2013 Budget Bill is indicative:

Sec. 14. Sinking Fund deficiencies. - There is hereby appropriated to the governor a sufficient amount to meet any deficiencies that may arise in the mortgage finance bond insurance fund of the West Virginia housing development fund which is under the supervision and control of the state municipal bond commission as provided by Chapter 31, Article 18, Section 20-b, of the code of West Virginia, or in the funds of the state municipal bond commission because of the failure of any state agency for either general obligation or revenue bonds or any local taxing district for general obligation bonds to remit funds necessary for the payment of interest and sinking fund requirements. The Governor is authorized to transfer from time to time such amounts to the state municipal bond commission as may be necessary for these purposes.

¹ The amount set forth in the Escrow Agreement as required, together with the income thereon and funds transferred from accounts established for the Series 2005 Bonds to effect the current refunding of the Series 2005 Bonds as described herein.

² Includes fees and expenses of Rating Agency, Bond Counsel, Underwriter's Counsel, Disclosure Counsel, Printing and Accountants' Verification Report.

No representation is made that subsequent Budget Bills will have such provisions or that sufficient funds will be available to satisfy any such deficiencies. There has never been a default in payment of the principal of or interest on any general obligation bonds issued by The Board of Education of the County of Wood. The enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

WOOD COUNTY SCHOOL DISTRICT

General

All school districts in West Virginia are organized under the terms of legislation enacted in 1933. There is one school district in each county, the boundaries of which district are coterminous with those of the county. The Board is responsible for and is vested with the supervision and control of the School District and with the control and management of all public schools in the School District from kindergarten through the secondary school level. The Board is composed of five members nominated and elected by the voters of the County without reference to political party affiliation. The terms of the members are for four years and are staggered. In 2014, the terms of 3 members will expire. The process will be repeated every two years thereafter.

Board Members' duties are established by State statute with the West Virginia Board of Education having regulatory powers. The Board appoints a superintendent who acts as the chief executive officer and secretary of the Board and who administers affairs of the School District in accordance with applicable laws, regulations, and local policies. The Board is a public corporation and as such may sue, plead and be impleaded, and enter into contracts. The School District is fiscally independent of the County and all other political subdivisions.

During the fiscal year 2012-2013, the Wood County school system had a central office professional staff of 13 with the overall responsibility to coordinate and supervise the activities of 55 school administrators, 1055 instructional staff (teachers and other professionals), and 598 service personnel. Total Full Time Equivalent positions are 1,721. The average pupil-teacher ratio for the 2011-2012 school year was 14.92 to 1 (combined elementary, middle and secondary schools).

Historical School Enrollment (School Year)

| Grades | 2009 | 2010 | 2011 | 2012 | 2013 |
|-----------------|------------|------------|------------|------------|------------|
| Pre-K Universal | 570 | 685 | 731 | 708 | 680 |
| K | 966 | 981 | 1012 | 998 | 944 |
| 1 | 999 | 966 | 997 | 1011 | 980 |
| 2 | 985 | 974 | 955 | 991 | 996 |
| 3 | 990 | 958 | 971 | 948 | 979 |
| 4 | 1006 | 979 | 970 | 966 | 935 |
| 5 | 987 | 1023 | 981 | 977 | 968 |
| 6 | 1016 | 1011 | 1039 | 999 | 990 |
| 7 | 973 | 1028 | 1010 | 1047 | 985 |
| 8 | 1050 | 947 | 1017 | 1001 | 1032 |
| 9 | 1060 | 1108 | 996 | 1102 | 1046 |
| 10 | 1000 | 972 | 1034 | 951 | 1046 |
| 11 | 966 | 937 | 873 | 920 | 865 |
| 12 | <u>913</u> | <u>917</u> | <u>876</u> | <u>836</u> | <u>895</u> |
| Total | 13,481 | 13,486 | 13,462 | 13,455 | 13,341 |

| Rate of Increase (Decrease) in Enrollment | |
|---|----------|
| 2009-2013 | (1.04) % |
| Annualized | (0.26) % |

Source: Wood County Board of Education

Projected Enrollment (School Year)

| Year | Enrollment |
|------|------------|
| 2014 | 13,394 |
| 2015 | 13,473 |
| 2016 | 13,491 |

Source: Wood County Board of Education

Facilities

| School | Grades | Construction Type | Construction Date | Renovation or Addition And Date |
|----------------------|--------|-------------------|-------------------|--|
| Blennerhassett | K-9 | Masonry | 1973 | 1992 |
| Criss | K-6 | Masonry | 1955 | 1959-1960-1964-1972 |
| Edison Jr. High | 7-9 | Masonry | 1961 | 1962-1966-1974-1992 |
| Emerson | K-6 | Masonry | 1950 | 1952-1955-1968-1972 1991 |
| Fairplains | K-6 | Masonry | 1948 | 1953-1055-1957-1972 |
| Franklin | K-6 | Masonry | 1965 | 1975-1992 |
| Gihon | K-6 | Masonry | 1956 | 1964-1965-1972-1991 |
| Greenmont | K-6 | Brick & Block | 1956 | 1962-1965-1973-1991 |
| Hamilton Jr. High | 7-9 | Brick & Block | 1955 | 1958-1961-1966-1972-1992 |
| Jackson Jr.High | 7-9 | Masonry | 1957 | 1958-1960-1966-1973-1992-1995 |
| Jefferson | K-6 | Masonry | 1925 | 1956-1960-1966-1972-1973 |
| Kanawha | K-6 | Masonry | 1960 | 1992-1976-1977-1981-1986-1991 |
| Lubeck | K-6 | Masonry | 1934 | 1954-1961-1965-1972-1981-1991 |
| Madison | K-6 | Masonry | 1961 | 1972-1919 |
| Martin School | K-6 | Masonry | 1986 | |
| McKinley | K-6 | Masonry | 1904 | 1925-1955-1972 |
| Mineral Wells | K-6 | Masonry | 1973 | 1986 |
| Neale | K-6 | Masonry | 1925 | 1947-1967-1972-1991 |
| Parkersburg HS | 10-12 | Masonry | 1917 | 1928-1932-1938-1950-1961-1967-1972-1973-1981-1993-2005 |
| Parkersburg South HS | 10-12 | Masonry | 1950 | 1955-1966-1967-1969-1973-1974-1979-2005 |
| Vanvender Jr.HS | 7-9 | Masonry | 1955 | 1958-1966-1973-1992 |
| Vienna | K-6 | Masonry | 1949 | 1955-1959-1973-1991 |
| Waverly | K-6 | Concrete | 1961 | 1988-1991 |
| Williamstown Elem. | K-6 | Masonry | 1908 | 1950-1967-1991 |
| Williamstown HS | 7-12 | Masonry | 1949 | 1956-1958-1960-1965-1973-1980-1990-1994-2005 |
| Worthington | K-6 | Masonry | 1965 | 1972 |

Source: Wood County Board of Education

Tax Collection Procedures

All taxes for real estate and personal property are collected by the Wood County Sheriff (the “Sheriff”) and are remitted by the Sheriff to the State and other local levying bodies. Public utility taxes are collected directly by the State Auditor (the “Auditor”) and are remitted by the Auditor to the Sheriff for distribution. Tax statements are mailed by the Sheriff’s office in July, and they may be paid in two installments. The first half of the tax is subject to a 2 1/2% discount if paid by September 1; thereafter, the amount payable is net until October 1, after which a 9% penalty is added. Likewise, the second half is subject to a 2 1/2% discount if paid by March 1, net to April 1, and 9% penalty thereafter. The Sheriff, after ascertaining which taxes are delinquent, shall on or before May 1 next succeeding the year for which taxes are assessed, prepare delinquent lists, which shall be posted at the front door of the courthouse and published as a legal advertisement at least two weeks prior to the presentation to the County Commission for examination. After examination and correction, the Commissioners shall certify such lists pertaining to real property to the Auditor not later than July 1. On or before September 10, the Sheriff shall prepare a second list of delinquent taxes, as of September 1, together with a notice of sale for properties upon which such taxes are due. If not redeemed before, such properties shall be sold at public auction at the courthouse on any Monday after October 14, and before November 23. No such sale shall be made for any sum less than the total amount of taxes, interest and charges then due. The former owner of any real or personal property so purchased by the State, or any other person who is entitled to pay the taxes thereon, may redeem such real or personal property from the Auditor at any time within the eighteen months after the date of such purchase. The Auditor reports monthly to the Sheriff, the County Assessor and the Clerk of the County Commission all properties in the County which were redeemed in the Auditor’s office during the preceding month. The Auditor, each month, draws a warrant upon the State treasury payable to the Sheriff of the County for that part of the taxes, interest and charges received by the Sheriff upon the redemption of the property included in the Sheriff’s report which was owing to any of the taxing units in the County. The Sheriff accounts for and pays over such money as if it had been paid to the Sheriff before sale and redemption.

Tax Levies and Collections*

| Year | Projected Gross Tax (\$) at 100% | Projected Net Tax Collected (\$) at 92-93% Less Assessors Fee | Actual Collected (\$) | Actual Collected (%) |
|------------------|---|--|----------------------------------|---------------------------------|
| 2008-2009 | | | | |
| General Current | 17,765,179 | 16,754,567 | 17,592,619.42 | 99% |
| Bond Levy | 3,433,990 | 3,433,990 | 3,455,486.36 | 100% |
| Excess Levy | 16,812,820 | 16,147,033 | 16,942,419.20 | 100% |
| 2009-2010 | | | | |
| General Current | 18,048,719 | 16,986,525 | 17,727,165.44 | 99% |
| Bond Levy | 3,470,193 | 3,152,450 | 3,476,563.99 | 100% |
| Excess Levy | 17,081,158 | 16,404,744 | 17,100,798.98 | 100% |
| 2010-2011 | | | | |
| General Current | 17,951,763 | 16,929,942 | 17,790,316.78 | 99% |
| Bond Levy | 3,488,563 | 3,167,250 | 3,520,673.17 | 100% |
| Excess Levy | 16,989,399 | 16,316,619 | 17,133,118.66 | 100% |
| 2011-2012 | | | | |
| General Current | 17,899,093 | 16,860,596 | 17,668,607.60 | 99% |
| Bond Levy | 3,339,934 | 3,183,250 | 3,384,578.72 | 100% |
| Excess Levy | 16,939,554 | 16,268,748 | 17,057,146.12 | 100% |
| 2012-2013 | | | | |
| General Current | 17,923,565 | 16,862,488 | N/A | N/A |
| Bond Levy | 3,362,977 | 3,200,250 | N/A | N/A |
| Excess Levy | 16,962,712 | 16,290,989 | N/A | N/A |

Source: Wood County Board of Education

Assessment Procedure

State statutes provide that all property must annually be assessed as of the first day of July. Assessment on this day is the basis for the following year's property taxes. The assessor must complete his compilation of the land and personal property books not later than January 30. The County Commission, not later than February 1, must meet for the purpose of sitting as a board of equalization and review of such assessment books. After completion of the review and assessment, the commission certifies and returns the property books to the assessor. Appeal of any assessment which was protested to the board of equalization and review may be made to the circuit court of the county within 30 days after adjournment of the county commission sitting as a board of equalization and review. A taxpayer can elect to have its protest of an assessment heard by the county commission sitting as a board of assessment appeals in October, rather than by the county commission sitting as a board of equalization and review in February. In order to utilize this option the taxpayer must pay the disputed taxes. The assessor annually, not later than March 3, must furnish a certified statement to certain governmental bodies in the county, including the board of education, showing the aggregate value of all real and personal property. During the month of March the county commissions, the county boards of education and municipal governments prepare their budgets for the fiscal year which begins the following July. After these budgets are approved, these governments officially set the tax rate for the coming year sufficient to pay budgeted expenses not expected to be paid from other sources. For example, the 2012 assessment year valuations are made as of July 1, 2011, with taxes levied and collected during the fiscal year July 1, 2012, through June 30, 2013.

The State Tax Commissioner has the responsibility for preparing tentative valuations of all public utility property in the State and providing these valuations to the Board of Public Works of the State for actual assessment of such property. The Board of Public Works reviews all assessments made, makes such corrections as it deems proper, conducts hearings to entertain protests from the public utilities involved, and fixes the assessments in final form. After such assessments are made, they are allocated by the Auditor to the various counties in which the utility property is located, such allocation being approved by the Board of Public Works.

Property Classification

Article X, Section 1, of the Constitution of West Virginia and Chapter 11, Article 8, Section 5 of the Code of West Virginia, 1931, as amended, created four classifications of property for which the tax rates, but not the assessed values, are limited. These tax classifications are as follows: Class I - all tangible personal property employed exclusively in agriculture, all products of agriculture while owned by the producer; Class II - owner-occupied residential property and certain farm lands; (Article 10, Section 1b of the Constitution of the State of West Virginia and Chapter 11, Article 6B, Section 3 of the West Virginia Code, 1931, as amended, provide that the first twenty thousand dollars of assessed valuation of any real property, or of personal property in the form of a mobile home, used exclusively for residential purposes and occupied by the owner or one of the owners thereof as his residence, who is a citizen of the State and is sixty-five years of age or older or is certified as being permanently disabled, shall be exempt from ad valorem property taxation. Only one exemption shall be allowed for each homestead used and occupied exclusively for residential purposes by the owner thereof, regardless of the number of qualified owners residing therein); Class III - all real and personal property, other than Class I and II property, situate outside of municipalities; Class IV - all real, and personal property, other than Class I and II situate within municipalities. Public utility property falls within Class III or Class IV, as appropriate.

Assessed Valuations

The Wood County School District includes all of Wood County and has the same assessed valuation of property therein as does the entire county. Chapter 11, Article 1C of the West Virginia Code requires all assessors to appraise all property at fair market value (except for certain farm property), within three years of the approval of the county valuation plan. A county valuation plan must be submitted every three years by the assessor to the State Tax Commissioner. The State Tax Commissioner is required to monitor the assessors in the performance of their duties, and is required to perform the valuation process on industrial and natural resources property within the aforesaid three year period. Any increase in the total property taxes that could result from the new calculations is limited to one percent per year, unless, in the case of school boards, the legislature, after a public hearing, deems a greater increase is necessary. Assessors do not have the authority to implement the reappraisal described above. All property except farms and managed timberlands must be assessed at 60% of Fair Market Value.

Assessed Valuation By Property Class*

| Class | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 |
|-------|--------------------|--------------------|--------------------|--------------------|--------------------|
| I | 0 | 0 | 0 | 0 | 0 |
| II | 1,540,403,870 | 1,569,769,116 | 1,587,648,398 | 1,592,793,022 | 1,623,473,052 |
| III | 774,281,854 | 761,479,816 | 753,846,597 | 769,002,430 | 809,380,781 |
| IV | <u>781,382,112</u> | <u>767,007,011</u> | <u>758,913,372</u> | <u>744,338,597</u> | <u>756,494,139</u> |
| Total | 3,096,067,836 | 3,098,255,943 | 3,100,408,367 | 3,106,134,049 | 3,189,347,972 |

Assessed Valuation By Property Category*

| Category | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 |
|----------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Real | 2,206,498,970 | 2,232,809,440 | 2,240,042,720 | 2,226,940,670 | 2,253,238,100 |
| Personal | 736,487,052 | 709,243,169 | 702,362,679 | 719,733,231 | 772,175,102 |
| Public Utility | <u>153,081,814</u> | <u>156,203,334</u> | <u>158,002,968</u> | <u>159,460,148</u> | <u>163,634,770</u> |
| Total | 3,096,067,836 | 3,098,255,943 | 3,100,408,367 | 3,106,134,049 | 3,189,347,972 |

*Excludes property from ad valorem property taxation pursuant to the Homestead and Taxation Amendment. The amount of Class II property so excluded equaled:

\$190,524,902 in 2009 – 2010 \$193,136,894 in 2010-2011 \$195,536,864 in 2011 – 2012
 \$197,488,104 in 2012 – 2013 \$200,112,448 in 2013 – 2014

Largest Assessed Valuations (Tax Year 2012)

| Property Owner | Appraised Value (\$) |
|--------------------------------------|----------------------|
| E.I. DU PONT DE NEMOURS & COMPANY | 360,206,967 |
| MONONGAHELA POWER COMPANY - ELECTRIC | 112,896,392 |
| FRONTIER WEST VIRGINIA INC | 36,836,327 |
| HOPE GAS INC | 31,344,508 |
| CSX TRANSPORTATION INC | 23,931,270 |
| WAL-MART STORES EAST LP | 16,358,967 |
| MATHENY MOTOR TRUCK COMPANY | 13,836,022 |
| DUPONT FILAMENTS AMERICA | 13,754,315 |
| COLUMBIA GAS TRANSMISSION LLC | 13,134,207 |
| MARTIN MARIETTA MATERIALS | 12,935,017 |

Source: Wood County Assessor and West Virginia State Auditor's Office

Tax Rate Comparisons.

The following shows Wood County property taxes in cents per \$100 assessed valuation (this includes all state, county and school rates, in comparison with a few select surrounding counties), for Tax Year 2012; Fiscal Year 2012 - 2013.

Rates of Levy*

| County | Class I | Class II | Class III/IV |
|-----------|---------|----------|--------------|
| WOOD | 54.79 | 109.58 | 219.16 |
| Jackson | 62.17 | 124.34 | 248.68 |
| Pleasants | 61.23 | 122.46 | 244.92 |
| Richie | 55.72 | 111.44 | 222.88 |
| Wirt | 61.76 | 123.52 | 247.04 |

*Includes the total levy for State, County and schools in each County.

Source: West Virginia State Auditor

County Tax Rates

Except as hereinafter stated, the maximum tax rates allowed by the Constitution of West Virginia for the four classifications of property are as follows: Class I - \$.50 per \$100 assessed valuation; Class II - \$1.00 per \$100 assessed valuation; Class III - \$1.50 per \$100 assessed valuation; Class IV - \$2.00 per \$100 assessed valuation.

These rates of levy may not be exceeded except that a local levying body may provide for an election to increase such rates within the respective taxing unit at either a general or special election. If at least 60% of the voters voting in the election cast their ballots in favor, property tax levy rates may be increased by up to 50% by municipalities and counties. If at least 50% of the voters voting in the election cast their ballots in favor, property tax levy rates may be increased by up to 100% by boards of education. The increased levies may not continue for more than three years in the case of municipalities and counties, or for more than five years in the case of boards of education without resubmission to the voters.

School Tax Rates – By Property Class (Source: West Virginia State Auditor)

Taxes for school purposes are uniform throughout the County. In accordance with Chapter 11, Article 8, Section 6c of the Code of West Virginia, 1931, as amended, the tax limit for school current expenses and school permanent improvement purposes combined is \$.2295 per \$100 assessed valuation in respect to Class I, \$.4590 per \$100 in respect to Class II, and \$.9180 per \$100 in respect to Classes III and IV. By favorable vote of at least a simple majority of the voters in an election, the above limitations may be increased by up to 100% for a period of five years, after which an election must again be held. Further, a county board of education is required to levy outside the rates provided by Chapter 11, Article 8, Section 6c, sufficient to pay the principal and interest requirements on bonds issued by the school district not exceeding five percent of the assessed value of all taxable property in the school district, in the manner provided by the Better Schools Amendment.

School Current Levy (Cents Per \$100)

| Class | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 |
|------------|-----------|-----------|-----------|-----------|-----------|
| I | 19.40 | 19.40 | 19.40 | 19.40 | 19.40 |
| II | 38.80 | 38.80 | 38.80 | 38.80 | 38.80 |
| III and IV | 77.60 | 77.60 | 77.60 | 77.60 | 77.60 |

School Excess Levy (Cents Per \$100)

| Class | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 |
|------------|-----------|-----------|-----------|-----------|-----------|
| I | 18.36 | 18.36 | 18.36 | 18.36 | 18.36 |
| II | 36.72 | 36.72 | 36.72 | 36.72 | 36.72 |
| III and IV | 73.44 | 73.44 | 73.44 | 73.44 | 73.44 |

School Bonds (Cents Per \$100)

| Class | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 |
|------------|-----------|-----------|-----------|-----------|-----------|
| I | 3.75 | 3.73 | 3.77 | 3.62 | 3.64 |
| II | 7.5 | 7.46 | 7.54 | 7.24 | 7.28 |
| III and IV | 15.00 | 14.92 | 15.08 | 14.48 | 14.56 |

The maximum tax rates described above are divided among the several levying bodies by statute. Under Chapter 11, Article 8, Section 6b of the Code of West Virginia, 1931, as amended, the maximum levy rates available to the County without approval by the voters is as follows: Class I - 14.3 cents per \$100 assessed valuation; Class II - 28.6 cents per \$100 assessed valuation; Class III - 57.2 cents per \$100 assessed valuation; and Class IV - 57.2 cents per \$100 assessed valuation.

Rates of Levy (Source: West Virginia State Auditor)

The tax rates for citizens of the County, including those imposed by the Board, in cents per \$100 assessed valuation for the 2012-2013 fiscal year, are as follows:

| Tax Type | Class I | Class II | Class III/IV |
|-----------------|----------------|-----------------|---------------------|
| State Current | 0.25 | 0.50 | 1.00 |
| County Current | 13.14 | 26.28 | 52.56 |
| School Current | 19.40 | 38.80 | 77.60 |
| School Bonds | 3.64 | 7.28 | 14.56 |
| School Excess | 18.36 | 36.72 | 73.44 |

In addition to the rates of levy established for State, County and School purposes, the municipalities within the County have additional rates of levy in effect as shown in the following table, in cents per \$100 assessed valuation for the 2012-2013 fiscal year.

| Municipality | Class I | Class II | Class IV |
|---------------------|----------------|-----------------|-----------------|
| North Hills | 8.96 | 17.92 | 35.84 |
| Parkersburg | 18.02 | 36.04 | 72.08 |
| Vienna | 17.63 | 35.26 | 70.52 |
| Williamstown | 12.5 | 25.00 | 50.00 |

As heretofore stated, under Article X, Sections 8 and 10 of the Constitution of the State of West Virginia and the Act, the Board may issue bonds for certain purposes in an amount which, when added to the aggregate indebtedness then outstanding, will not exceed 5% of the most recent assessed valuation of taxable property in the School District as of the date of bond authorization. Under such constitutional and statutory standard the computation of debt limit of the School District and its debt contracting margin are as follows:

Summary of Statistical Debt Information

| | |
|--|-----------------|
| Population (2011) | 87,120 |
| Assessed Valuation* | \$3,189,347,972 |
| Debt Limit (5% of Assessed Valuation) | \$159,467,399 |
| Outstanding Debt (prior to the Series 2013 Bonds)** | \$19,505,000 |
| Debt Contracting Margin** | \$139,962,399 |
| Per Capita Debt** | \$223.89 |
| Outstanding Debt as percentage of Assessed Valuation** | 0.61% |

*Assessed Value is estimated to be approximately 60% of appraised or market value (Assessment Year 2013, Fiscal Year 2014).

**To be revised with final bond size.

Debt Service Requirements

Upon issuance of the Bonds, based on the interest rates and yields set forth on the cover page, the Board will have the following debt:

Schedule of Bond Indebtedness

| Year Ending June 30 | Series 2013 Principal | Series 2013 Interest | Series 2013 Total |
|--------------------------------|----------------------------------|---------------------------------|------------------------------|
| 2014 | | | |
| 2015 | | | |
| 2016 | | | |
| 2017 | | | |
| 2018 | | | |
| 2019 | | | |
| 2020 | | | |
| TOTAL | | | |

Overlapping Debt

There is no overlapping debt.

CERTAIN FINANCIAL INFORMATION

Description of Funds

The accounts of the Board are organized on the basis of funds, each of which constitutes a separate entity for accounting procedures. For reporting purposes the various funds are organized into the following major groups:

1. Debt Service Fund

The Debt Service Fund is a separate and distinct fund used only as an “Interest and Sinking Fund” to meet the demands of maturing bonds and bond interest payments.

Taxes levied on real and personal property (other than public utility property), to be used to make Debt Service Fund payments, are collected by the Sheriff, while taxes levied on public utility property to be used to make Debt Service Fund payments are collected by the Auditor and remitted to the Sheriff. Collections are transferred periodically to the Bond Commission. The Bond Commission, in turn, disburses funds to meet the payment of bonds and bond interest payments as well as paying agency fees. From time to time, the Bond Commission invests amounts in the Debt Service Fund that are in excess of payment schedules and credits the interest income to the Debt Service Fund. (See “Investment of Certain Funds”).

2. Bond Construction Fund

The Bond Construction Fund is a separate and distinct fund consisting of proceeds from the sale of bonds authorized by an election, from State School Building Authority funds and from special funds that are categorically identified and authorized to supplement local bond proceeds or State School Building Authority funds. Expenditures are generally restricted to capital outlay purposes by the bond election call, by special funding agreements or by the State Board of Education in approving specific building projects.

3. Capital Projects Fund

The Capital Projects Fund accounts for financial resources used to acquire or construct specific major capital facilities other than by the sale of bonds or the reservation of monies in a permanent improvement fund. A separate fund may be established for each specific capital project.

4. General Current Expense Fund

The General Current Expense Fund is a separate and distinct fund and is used for all general operating purposes except for revenues and expenditures that are contained in the Debt Service Fund and the Bond Construction Fund. Revenues generally come from: (1) general and special levy taxes, (2) other local or miscellaneous revenues, (3) State aid to counties for restricted and unrestricted purposes, and (4) Federal aid received directly or through the State, usually categorical or restricted.

5. Special Review Revenue Fund

Accounts for the financial resources of the Board, which are restricted either legally or by the grantor.

Investment of Certain Funds

Proceeds of tax collections relating to the Bonds which are transferred to the Bond Commission will be invested in the Consolidated Fund managed by the West Virginia State Treasurer’s Office. The West Virginia Board of Treasury Investments is governed by a Board of Trustees consisting of the Governor, the State Auditor, the State Treasurer and two members appointed by the Governor. The Bond Commission currently invests its funds in The Consolidated Fund’s Government Money Market Pool. Investments are limited to U.S. Government obligations, select U.S. Government Agency-guaranteed obligations or repurchase agreements with average maturities not to exceed 90 days.

Accounting Practices

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The district-wide statements (Statement of Net Assets and the Statement of

Activities) are prepared using the economic resources measurement focus and the full accrual basis of accounting. The governmental fund financial statements (Balance Sheet- Governmental Funds and the Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Fund) were prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

Annual Audit

An annual audit of accounts is prepared by the State Auditor or an independent certified public accounting firm approved by the State Auditor. The audit is conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. See "APPENDIX A - AUDIT REPORT OF WOOD COUNTY BOARD OF EDUCATION FOR THE FISCAL YEAR ENDED JUNE 30, 2012"

Budgetary Procedures

Prior to the beginning of each fiscal year, the Board develops a fiscal plan consisting of contemplated expenditures. The annual budget development process is customarily developed along the following guidelines and in accordance with a budget calendar summarized as follows:

| | |
|-------------------|---|
| July | Overall goals are revised and established by the Board. Implementation and valuation of Board goals are established by the superintendent. |
| October | Student enrollment and personnel employee numbers are gathered system wide to determine State aid funding basis for subsequent fiscal year. |
| November/December | All staffing reviewed. Personnel reductions and additions are determined by local school councils, the public, the administration and the superintendent. |
| January/February | Preliminary forecasts of revenues and expenditures are determined by administration. Non-salary items reviewed. |
| March | Assessed valuations and preliminary State aid calculations received on or about March 3. The Board is required to ascertain the fiscal condition of the School District and determine the amount to be raised by the levy of taxes. Proposed levy rates must be submitted to the State Tax Commissioner and State Board of Education by March 28. |
| April/May | On the third Tuesday in April, the Board officially enters all levies for the coming year by ordering the levy of taxes commencing July 1. The proposed budget must be made available for public inspection for ten days and must be published in local newspapers for two weeks prior to the budget hearing. A public hearing shall be held concerning the operating budget not less than 10 days after such budget has been made available for public inspection. The Board is required to submit a budget to the State Board of Education and State Tax Commissioner no earlier than 10 days after receipt of the final State aid computations. |
| September | Board advised of ending balances for previous fiscal year. Board and administration evaluate status for current fiscal obligations in relation to ending balances and established budgetary changes necessitated. |

Internal Control

The system of internal control includes budgetary control, periodic operating reports and statistical analyses. The system checks the accuracy and reliability of its accounting data, promotes operational efficiency and encourages prescribed managerial policies.

The system provides segregation of functional responsibilities and control over assets, liabilities, revenues and expenses. Responsibilities and delegations of authority are assigned by the superintendent and Board in accordance with State Board of Education policy and advice of the State Auditor.

Statement of Revenues and Expenditures -- Budget and Actual

Revenues, Expenditures and Changes in Fund Balance – Regulatory Basis
 Budget and Actual
 General Current Expense Fund
 Year ended June 30

| | 2011 \$ | 2011* Actual | 2012 \$ | 2012* Actual | 2013 Budg. |
|---|------------------|--------------------|--------------------|---------------------|--------------------|
| <u>Revenues</u> | | | | | |
| Property Taxes | 34,657,781 | 35,175,800 | 34,974,350 | 35,090,352 | 34,998,488 |
| Other Local Sources | 1,300,110 | 1,379,600 | 1,646,597 | 1,427,109 | 1,625,118 |
| State Sources | 66,788,364 | 84,921,336 | 73,368,501 | 90,489,825 | 74,383,604 |
| Federal Sources | 1,735,020 | 2,211,875 | 1,800,269 | 1,892,708 | 1,500,481 |
| Miscellaneous Sources | 0 | 29,475 | 45,113 | 2,554 | 150,000 |
| Total Revenues Collected | 104,481,275 | 123,718,086 | 111,834,830 | 128,902,548 | 112,657,691 |
| <u>Expenditures</u> | | | | | |
| Instruction | 61,614,613 | 84,663,070 | 67,174,038 | 77,724,337 | 66,391,008 |
| Supporting Services: | | | | | |
| Students | 5,972,544 | 6,830,063 | 6,275,687 | 7,471,346 | 7,006,278 |
| Instructional Staff | 4,323,884 | 4,862,968 | 4,877,705 | 5,386,175 | 5,310,988 |
| Central Administration | 1,335,029 | 1,478,251 | 1,186,950 | 1,336,585 | 1,347,466 |
| School Administration | 6,597,466 | 7,888,935 | 6,682,930 | 7,997,458 | 6,748,890 |
| Business Administration | 1,337,470 | 1,540,586 | 1,339,715 | 1,575,821 | 1,296,648 |
| Operation & Maintenance of Facilities | 13,800,849 | 14,250,481 | 14,758,152 | 15,596,283 | 14,013,533 |
| Student Transportation | 7,664,888 | 7,728,192 | 7,657,045 | 8,111,670 | 7,710,643 |
| Food Services | 488,490 | 511,253 | 573,020 | 726,007 | 511,820 |
| Community Services | 500,360 | 488,337 | 499,513 | 484,023 | 500,502 |
| Debt Service | 867,430 | 867,430 | 276,450 | 277,640 | 615,920 |
| Capital Outlay Reserve | 0 | 0 | 27,112 | 27,112 | 119,533 |
| Total Expenditures | 104,502,023 | 131,109,566 | 111,328,317 | 126,714,458 | 113,706,748 |
| Excess (Deficiency) of Revenues over Expenditures | <u>(20,748)</u> | <u>(7,391,480)</u> | <u>506,513</u> | <u>2,188,090</u> | <u>(1,049,057)</u> |
| Total Other Financing Sources (Uses) | (4,570,567) | (2,424,484) | (5,416,196) | (4,661,865) | (3,570,000) |
| Extraordinary Gain – OPEB credit | | | | 21,791,185 | |
| Net change in Fund Balance | (4,591,315) | (9,815,964) | (4,909,683) | 19,317,410 | (4,619,057) |
| Fund Balance - beginning | <u>4,591,315</u> | <u>(8,504,233)</u> | <u>(8,504,233)</u> | <u>(18,584,578)</u> | <u>4,619,057</u> |
| Restatement of Fund Balance | | | | | |
| Fund Balance - ending | 0 | (18,320,197) | (13,413,916) | 732,832 | 0 |

*Includes \$24,162,910 OPEB Liabilities for Fiscal Year 2011 (2010-2011 Actual) and \$3,452,599 OPEB Liabilities for Fiscal Year 2012 (2011-2012 Actual).

Source: Wood County Board of Education

Teachers Retirement Systems (Defined Benefit)

The Teachers Retirement System (TRS), established in 1941, is a multiple employer defined benefit cost sharing public employee retirement plan covering all full-time employees of the 55 county public school system, certain personnel of the 16 state-supported higher education institutions, and employees of the State Department of Education. As of July 1, 2012, there are 35,807 active members and 31,913 retirees. The plan reopened for new members as of July 1, 2005.

Members contribute 6% of annual earnings. Employers contribute 15% or 7.5% of a member's annual earnings. A member who withdraws from service for any cause other than death, retirement or disability, may request the accumulated employee contributions plus interest be refunded. TRS provides retirement benefits, as well as death and disability benefits.

The most recent actuarial valuation of TRS was performed July 1, 2012 by Buck Consultants. The asset valuation method utilizes market value to place a value on assets. The actuarial cost method valuation utilized entry age cost with individually computed accrued liabilities, including an earnings assumption of 7.5% annually, net after expenses. As of July 1, 2012, the unfunded liability of TRS was \$4.568185 billion. The funded percentage was 53.0%. The State expects the TRS unfunded accrued liability to be extinguished on or about June 30, 2034.

Source: State of West Virginia Consolidated Public Retirement Board

Teachers' Defined Contribution Retirement System

The Teachers' Defined Contribution Retirement System (TDC) is a multiple employer defined contribution retirement system covering primarily full-time employees of the State's 55 county public school systems, the State Department of Education, and School for the Deaf and Blind hired after June 30, 1991. The system includes former TRS plan members, including higher education employees, who elected to transfer into or participate in TDC. The plan closed for new members as of July 1, 2005.

As of July 1, 2012, there were approximately 4,376 members in the TDC. Benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to participate from the date of employment. Members may choose from thirteen (13) separate investment options.

Employees contribute 4.5% of their gross compensation and employers contribute 7.5% of covered members' gross compensation from amounts allocated to the employers through the State School Aid formula. Employer contribution for each employee (and interest allocated to the employee's account) become partially vested after six (6) years and fully vested after twelve (12) years of complete service. Employer contributions and earnings thereon forfeited by employees who leave employment prior to becoming fully vested are available, in the event the employee does not return to active participant status within five (5) years, to reduce the employer's current-period contribution requirement. Benefits depend solely on the amounts contributed plus net investment earnings thereon.

Source: State of West Virginia Consolidated Public Retirement Board

TDC Transfer to TRS

In 2008, the West Virginia Legislature enacted legislation authorizing members of the TDC to elect to voluntarily transfer to TRS. For the transfer to occur the legislation required that at least 65% of members of TDC as of December 31, 2007 vote to elect the transfer. Over 78% of actively contributing TDC members elected to transfer to TRS. Approximately 15,152 TDC members were transferred to TRS on July 1, 2008.

Source: State of West Virginia Consolidated Public Retirement Board

Other Post Employment Benefits (OPEB)

The Board has adopted Governmental Accounting Standards Board (GASB) Statement No. 43, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans", which among other things, requires reporting on an accrual basis the liability associated with other postemployment benefits. In conjunction with the implementation of GASB Statement No. 43, the State of West Virginia established the Retiree Health Benefit Trust Fund (RHBT), an irrevocable trust, to account for and administer the other postemployment

benefits (OPEBs) provided under the multiemployer cost-sharing plan. The PEIA Finance Board was assigned the authority to establish and amend contribution requirements of the plan members and the participating employers, and PEIA administers the plan. The legislation requires the RHBT to determine through an actuarial study the contractually required contribution (CRC) which shall be sufficient to maintain the RHBT in an actuarially sound manner. The CRC, which is reviewed and approved by the PEIA Finance Board, shall be allocated to the respective employers who are required by law to remit at least the minimum annual premium component of the CRC. The Board is required to participate in the RHBT established for the multiemployer cost-sharing plan. Details regarding this plan can be obtained by contacting West Virginia Public Employees Insurance Agency (PEIA), State Capitol Complex, Building 5, Room 1001, 1900 Kanawha Boulevard, East, Charleston, WV 25305-0710 or <http://www.wvpeia.com>.

Revenues collected by RHBT are used to fund current OPEB health care claims and administrative expenses with residual funds held in trust for future OPEB costs. The rates charged must generate sufficient revenues to not only meet all expected expenses, including insurance, administrative expenses, and incurred but unreported claims of the RHBT, but also include the amounts necessary to fund the unfunded obligation of the plan over an amortization period not to exceed 30 years.

In an effort to reduce OPEB obligations, after conducting public hearings around the State in November, 2011, the PEIA Finance Board met on December 13, 2011 and adopted its plan for 2012-2013 which, among other things, cut health benefits by approximately \$18.4 million per year and set a cap on retiree premium subsidies of \$343 per month, effective as of July 1, 2012, for those employees hired on or before July 30, 2010. The \$343 retiree premium subsidy cap will increase over time for inflation, but by no more than 3% per year. This action is calculated to reduce the State of West Virginia's OPEB liability by half to \$5 billion and is projected to ultimately eliminate the OPEB liability by 2040.

The OPEB liability, Actuarial Accrued Liability (AAL), for the multiple-employer-cost sharing plan, for plan year FY 2012, was estimated at \$10.3 billion. This amount represents a substantial unfunded liability for the employers which are a part of the plan. The action taken by the PEIA Finance Board at its December 13, 2011 meeting is estimated to have cut the OPEB liability in half to approximately \$5 billion. The PEIA 2012-2013 plan contemplates that State retirees will pay the additional \$5 billion over time in the form of higher premiums or reduced benefits or both.

On February 10, 2012, the West Virginia Legislature passed Senate Bill 469 which creates a plan to address the funding of OPEB liabilities associated with the PEIA in the State of West Virginia. The Senate Bill eliminates health care insurance premium subsidies for PEIA insured employees which were hired after July 1, 2010 and sets up the Post July 1, 2010 Employee Trust Fund for the purpose of funding retirement benefits for employees hired after July 1, 2010. Under Senate Bill 469, following the elimination of the actuarial unfunded liability of the State's Workers' Compensation Trust Fund, the State will begin to apply \$35 million a year from personal income tax collections as follows: \$30 million a year will be deposited into the West Virginia Retiree Health Benefit Trust Fund (until the actuarial unfunded liability is eliminated or July 1, 2037, whichever is later to occur) for the purpose of paying down the remaining \$5 billion of long-term OPEB liability associated with the PEIA, and (ii) \$5 million a year will be deposited into the Post July 1, 2012 Employee Trust Fund to assist employees hired after July 1, 2010.

For professional employees, service personnel and professional student support personnel of the various County Boards of Education in the State, including the Board, which are employed within the limits permitted by the foundation allowance of the State school aid formula, the necessary OPEB premiums which are required to be paid to PEIA with respect to such employees shall be charged to the State of West Virginia. However, such County Boards of Education, including the Board, retain liability for payment of the necessary OPEB premiums which are required to be paid to PEIA for all professional employees, service personnel and professional student support personnel which are employed by such County Boards of Education in excess of the limits permitted by the foundation allowance of the State school aid formula.

In accordance with GASB requirements, the Board accrues OPEB costs based upon invoices received from PEIA based upon actuarially determined amounts. As of June 30, 2012, the noncurrent liability related to OPEB costs for the Board was \$3,452,599. For additional information regarding the Board's liabilities and

expenses, see “APPENDIX A – Audit Report of Wood County Board of Education for the Fiscal Year Ended June 30, 2012” and the accompanying notes to the financial statements.

Sources: West Virginia Public Employees Insurance Agency; Wood County Board of Education

Insurance Coverage*

| 1. Type | <u>Amount in Force (FY 2013)</u> |
|--------------------------------------|----------------------------------|
| Deluxe Commercial Property insurance | \$ 375,249,000 |
| Deductible per occurrence | \$ 5,000 |
| Machinery and Equipment insurance | \$ 25,000,000 |
| Deductible per occurrence | \$ 2,500 |
| Flood insurance | \$ 0 |
| | |
| Deductible per occurrence | \$ 0 |
| Public official position bond: | |
| Superintendent | \$ 20,000 |
| Board President | \$ 20,000 |
| Treasurer | \$ 600,000 |
| Fidelity Honesty Bond | \$ 50,000 |

*Source: Wood County Board of Education

INVESTMENT CONSIDERATIONS

Annual Audit

Pursuant to Chapter 6, Article 9 of the Code of West Virginia, 1931, as amended (the “Audit Act”), the State Auditor, as the chief inspector and supervisor of public offices (the “Chief Inspector”) is charged with the responsibility of (1) formulating, prescribing and installing a system of accountability for all local units of government in West Virginia, including municipalities and (2) examining the financial affairs of every local government office or political subdivision and all boards, commissions, authorities, agencies or other offices. The School District is a local government under the Audit Act. Accordingly, pursuant to Section 7 of the Audit Act, an audit of the School District’s finances must be accomplished by the Chief Inspector or any person appointed by him. The Chief Inspector has developed procedures which allow certain municipalities to obtain audit services from certain approved accounting firms. The School District has been instructed by the Chief Auditor to procure audit services pursuant to such procedures. The procedures developed by the Chief Inspector to procure a CPA firm for the audit require written approval of all contracts and extensions to contracts by the Chief Inspector prior to the commencement of work on the audit by the CPA firm. Additionally, the Chief Inspector is authorized to unilaterally cancel any contract between the School District and a CPA firm under certain conditions and elect to perform the audit. Accordingly, the actions or lack of actions of the Chief Inspector may adversely impact the ability of the selected CPA firm to timely complete the annual audited financial information required to be submitted to EMMA pursuant to the Continuing Disclosure Agreement. See “Continuing Disclosure” herein. Additionally, the School District has no power to require the Chief Inspector to take any action required under such procedures that would ensure the completion of the audit to meet the timely filing of such information.

TAX MATTERS

General

The following discussion of “Tax Matters” is a brief discussion of certain income tax matters with respect to the Bonds under existing applicable law. It does not purport to deal with all aspects of taxation that may be relevant to the owner of a bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the tax consequences of owning and disposing of the Bonds.

Federal Income Tax Exemption of the Bonds

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is taken into account in determining the adjusted current earnings of certain corporations for purpose of calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX G – "PROPOSED FORM OF OPINION OF BOND COUNSEL" hereto.

Assumed Compliance with Certain Covenants and Federal Tax Requirements

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Issuer has covenanted to comply with certain restrictions designed to insure that interest on the Bonds will not be included in federal gross income. Failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Bonds. Prospective purchasers of Bonds are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Certain requirements and procedures contained or referred to in the Resolution, the Tax and Non-Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Spilman Thomas & Battle, PLLC.

[Original Issue Discount and Original Issue Premium]

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds) (the "Discount Bonds"), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each beneficial owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes and State of West Virginia personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. A purchaser of a Discount Bond in the initial public offering at a price for that Discount Bond stated on the cover of this Official Statement who holds that Discount Bond to maturity will realize no gain or loss upon the retirement of that Discount Bond. Beneficial owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of beneficial owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as

having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a beneficial owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocated to such beneficial owner. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering at the price for that Premium Bond stated on the cover of this Official Statement who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond. Beneficial owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with bond premium, including the treatment of beneficial owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.]

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number Certification," or unless the recipient is one of a limited class of exempt recipients, including corporations. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to the backup withholding should be allowed as a refund or a credit against any owner's federal income tax once the required information is furnished to the Internal Revenue Service.

State Income Tax Exemption

In the opinion of Bond Counsel, under the Act, as presently written and applied, the Bonds, together with the interest thereon, shall be exempt from all taxation by the State of West Virginia, or by any county, municipality or political subdivision thereof.

Individual Circumstances

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect an owner's federal liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the owner or the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Future Tax Changes

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such future legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Issuer, or about the effect of future changes in the Code, the application regulations, the interpretation thereof or the enforcement thereof by the IRS. The Issuer has covenanted, however, to comply with the requirements of the Code.

Internal Revenue Service Audits

The IRS (defined above) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the IRS, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the IRS will commence an audit of the Bonds. If an audit is commenced, under current procedures the IRS may treat the Issuer as a taxpayer, and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Bond Counsel Obligations

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and unless separately engaged, Bond Counsel is not obligated to defend the Issuer or the beneficial owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Issuer and their appointed counsel including the beneficial owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt Bonds is difficult, obtaining an independent review of IRS positions with which the Issuer legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of Bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Issuer or the beneficial owners to incur significant expense.

Bond Counsel's opinions represent its legal judgment based in part upon the representations and covenants referenced therein and its review of existing law, but are not a guarantee of result or binding on the IRS or the courts. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may come to Bond Counsel's attention after the date of its opinions or to reflect any changes in law or the interpretation thereof that may occur or become effective after such date.

LITIGATION IN THE STATE CONCERNING THE SCHOOL FINANCING SYSTEM

The School District may be affected by litigation pending in the courts of the State of West Virginia with potential impact on local taxes for school purposes similar to the litigation which has continued in certain states, such as *Serrano v. Priest* in California, challenging the constitutionality of present systems of levying taxes and applying funds for public school purposes.

On May 11, 1982 in the matter entitled *Pauley v. Bailey*, a special judge of the Circuit Court for Kanawha County held that the West Virginia school finance system violates the West Virginia Constitution and that inequities in the levels of funding for various counties were attributable to undue reliance on excess levies which favored property rich counties. By order of March 4, 1983, a master plan prepared by the State Board of Education and State Superintendent of Schools was filed as part of the record in the case. The court expressed its intention that the master plan be viewed as a proposal to the State Legislature for implementing, by statute, a constitutional system of financing public education. No legislation resolving the question was adopted during the 1984 legislative session, and on January 8, 1985, the plaintiffs moved the court to address the excess levy problem. On December 3, 1985, the court ordered that if the legislature did not, by July 1, 1987, replace or equalize excess levy revenues by one of the methods enumerated in such order, the court would direct a more equitable distribution. The legislature then adopted a constitutional amendment authorizing a statewide excess levy. The proposed amendment was to be submitted to the voters in a special election to be held March 5, 1988. The court entered a supplemental order on June 29, 1987, providing that if the statewide excess levy was not

approved by the voters, a sum equal to 20% of each county's excess levy revenues in fiscal year 1988 89 (to be increased by an additional 20% in each of the next four fiscal years) would be withheld and distributed "on an equitable basis described by the court." The statewide excess levy amendment was defeated at the special election and the supplemental order became operative. However, on April 8, 1988, the state tax commissioner, the auditor and 33 county boards of education petitioned the Supreme Court of Appeals of West Virginia for a writ of prohibition to bar enforcement of the supplemental order. On November 23, 1988 in *State ex rel. the Boards of Education of the Counties of Upshur et al*, the Supreme Court of Appeals issued the writ of prohibition, and noting that the court below had plainly exceeded its legitimate powers by the entry of an unconstitutional order, found the existing excess levy provision not violative of the State Constitution. The Supreme Court of Appeals suggested therein that it would be appropriate for the lower court to consider whether a statewide reappraisal should be ordered to be implemented to remedy the school financing problem.

In May of 1995 a Motion to join the President of the State Senate and the Speaker of the State House of Delegates as defendants in *Pauley* was granted by the Circuit Court. The Circuit Court later reconsidered this Motion and the President of the State Senate and the Speaker of the House of Delegates are no longer defendants. Additionally, with the motion to join defendants, the plaintiffs moved the Circuit Court for an order enforcing the judgment previously entered including establishment of a timetable for implementation of the Master Plan for Public Education and a timetable for implementation of changes to the system of financing public education in West Virginia. A trial was scheduled for July 3, 2000. However, prior to going to trial, the parties reached a settlement with regard to a number of the issues.

Finally, on January 3, 2003, *Pauley* was dismissed and dropped from the active docket of the court. The court stated in its Memorandum of Opinion and final Order the following:

1. The plaintiff class's request to compel the West Virginia Legislature to remove the net enrollment caps in Steps 1 and 2 of the Foundation Allowance to provide additional professional and service personnel of the county as embraced within West Virginia Code §18-9A-1, et seq., and the use of a density mileage factor within the Foundation Allowance is hereby DENIED.
2. The decision of the Honorable Dan C. Robinson that the School Financing Formula as embraced within West Virginia Code §18-9A-1, et seq., was constitutionally deficient is hereby vacated and held for naught; and
3. West Virginia Code §18-2E-5 is specifically found to satisfy the requirements of W.Va. Const. Art. XII §1 to the extent that the Legislature has provided, by public law, for a thorough and efficient system of free schools.
4. There being no further need to maintain continuing jurisdiction in this matter, this case shall be dismissed and dropped from the active docket of this Court, to all of which action all parties' objection is hereby preserved.

On December 28, 1990, a class action was filed against the State Superintendent of Schools, the West Virginia Board of Education and the School Building Authority of West Virginia in the United States District Court for the Southern District of West Virginia by a group of plaintiffs alleging improper action by defendants in following a policy of approval of segregated outbuildings for special education students and expenditures therefor. (*Harris et. al. v. Marockie, et. al.*). The action also alleged that defendants have discriminated against the plaintiff class by failure to protect them from improper behavioral control procedures by County Boards of Education, failure to monitor or enforce educational standards and failure to provide adequately trained instructors.

Plaintiffs requested relief in the form of various declaratory and injunctive measures to remedy the alleged improprieties, including submission of a plan to alleviate alleged constitutional and legal deficiencies in special education in the State. No monetary damages were stated in the complaint. On July 10, 1991 a Settlement Agreement was approved by the District Court. The Settlement Agreement, as approved by the District Court, provided inter alia that the State School Building Authority would, in the application process and before disbursement of monies to local boards of education, obtain sufficient information to assure that no projects approved or funded would permit segregated outbuildings, segregated schools or inappropriately located self contained classrooms in regular buildings in which classrooms are not contiguous to or in proximity with

classrooms of age appropriate, non handicapped children or that permits a county to continue the existence of such an outbuilding, school or classroom.

In the opinion of Bond Counsel, the final resolution of the Pauley and Harris decisions by the courts of the State will not affect the validity or binding obligation, nature of the Bonds or modify the right of the holders thereof to ultimate recourse to unlimited ad valorem taxes upon all the taxable property within the School District for the payment of the Bonds if not paid from other sources.

LITIGATION

In the ordinary conduct of its affairs, the Board is party to litigation pending in the courts of the State. The Board engages counsel to represent the Board on various matters. Counsel to the Board has reviewed the current status of all pending and threatened litigation, and expresses the opinion that while the outcome of litigation cannot be predicted, it is nevertheless not probable that Board liability in any such matters is likely to have a material adverse effect on the financial condition of the Board.

At the time of payment for and delivery of the Bonds, the purchasers will be furnished with a certificate of the Secretary of the Board that there is no litigation pending or threatened affecting the validity of the Bonds or any of the proceedings taken with respect to the issuance and sale thereof or the levy or collection of any taxes to pay the principal of or interest on the Bonds. Such certificate shall also state that there is no litigation pending or threatened against the Board which materially adversely affects the financial condition of the Board.

CONTINUING DISCLOSURE-

The Board has covenanted for the benefit of the Owners of the Bonds, in accordance with the Continuing Disclosure Agreement which shall be delivered in substantially the form attached hereto as APPENDIX F, to provide financial information not later than three hundred (300) days following the end of the Board's fiscal year, commencing with the report for the fiscal year ended June 30, 2013, and to provide notice of the occurrence of the enumerated events listed herein, if material. The Annual Information and each notice of material events will be filed electronically by WesBanco Bank, Inc., Wheeling, West Virginia, as dissemination agent, on behalf of the Board, with the Electronic Municipal Markets Access System ("EMMA").

This continuing disclosure obligation is being undertaken to comply with Rule 15c2-12 (the "Rule") promulgated by the Securities Exchange Commission. The Board has agreed to give notice in a timely manner to EMMA of any failure to supply the required information. However, any such failure will not constitute a default under the terms of the Bonds. Under the Continuing Disclosure Agreement, the sole remedy for such failure is to seek an order for specific performance. SEE "APPENDIX F – FORM OF CONTINUING DISCLOSURE AGREEMENT."

The Continuing Disclosure Agreement for the Series 2005 Bonds required the Board to file its annual financial information within 300 days of the end of the fiscal year.

For the fiscal years of the Board ending on June 30, 2005, June 30, 2006, June 30, 2007, June 30, 2008, June 30, 2009, June 30, 2010 and June 30, 2011, the Board failed to file its audited financial statements with the then approved National Repositories within 300 days following the completion of each fiscal year as required by the 2005 Disclosure Agreement. This failure was primarily due to a misunderstanding with respect to the due date of such continuing disclosure filings. However, the Board is confident that these timing issues have been resolved and that the Board will be able to file its financial statements with EMMA within the time frame required by the Continuing Disclosure Agreement. The Board has filed its audited financial statements for fiscal year ending June 30, 2012 timely.

LEGAL MATTERS

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Spilman Thomas & Battle, PLLC, Charleston, West Virginia, Bond Counsel, whose approving legal opinion will be delivered with such Bonds. Certain legal matters will be passed upon for the Board by Spilman Thomas & Battle, PLLC, Charleston, West Virginia, Counsel to the Board.

FINANCIAL STATEMENTS

Included in Appendix A are the audited financial statements of the Board as of and for the twelve-month period ended June 30, 2012, of Sullivan Webb, PLLC, Certified Public Accountants. This report is dated March 15, 2013. The Board has obtained the consent of Sullivan Webb to publish the audited financial statements with this Official Statement.

RATINGS

Standard & Poor's Corporation, 55 Waters Street, New York, New York, 10041, has assigned the Bonds its rating of 'AA' based on the Board's eligibility and participation in the Municipal Bond Program. The Board did not apply for any other ratings. Such rating reflects only the views of such organization and reference is made to such organization for the meaning of such rating. There is no assurance that such rating will continue for any period of time or that such rating will not be revised downward or withdrawn entirely by the assigning rating agency, if in the judgment of such rating agency, circumstances so warrant. Any downward revision or withdrawal of such rating may have an adverse effect upon the market price or value of the Bonds.

VERIFICATION AGENT

Causey Demgen & Moore P.C., independent Certified Public Accountants, has been retained as verification agent for the Bonds (the "Verification Agent"). The Verification Agent shall provide a certification that a debt service savings was obtained by refunding the Series 2005 Bonds and verification of the sufficiency of the escrow.

UNDERWRITING

The Bonds are being purchased by Piper Jaffray & Co., as Underwriter. The Purchase Contract provides that the Underwriter will purchase all the Bonds if any are purchased, the obligation to make such purchase being subject to the terms and conditions set forth in the Purchase Contract, including the approval of certain legal matters by counsel. The initial public offering prices may be changed from time to time by the Underwriter. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and certain dealer banks acting as agents at prices lower than the public offering prices stated on the cover page hereof. The Underwriter has agreed to purchase the Bonds, subject to certain conditions, for a purchase price of \$_____ (par plus \$_____ net original issue premium, less \$_____ underwriter's discount).

Piper Jaffray & Co. and Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation, entered into an agreement (the "Agreement") which enables Pershing LLC to distribute certain new issue municipal securities underwritten by or allocated to Piper Jaffray & Co., including the Series 2013 A Bonds. Under the Agreement, Piper Jaffray & Co. will share with Pershing LLC a portion of the fee or commission paid to Piper. Piper Jaffray & Co. has also entered into a distribution agreement ("Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Series 2013 A Bonds from Piper at the original issue price less a negotiated portion of the selling concession applicable to any Series 2013 A Bonds that CS&Co. sells.

CONCLUDING STATEMENT

The information furnished in this Official Statement is set forth for the benefit of prospective purchasers of the \$18,855,000* in aggregate principal amount of The Board of Education of the County of Wood Public School Refunding Bonds, Series 2013. The material contained in the Official Statement was compiled for and at the direction of The Board of Education of the County of Wood.

* Preliminary, subject to change.

All statements, estimates, assumptions and summaries of documents in this Official Statement have been made on the basis of the best information available and are believed to be correct and reliable, but no representations whatsoever are made that such statements, estimates, assumptions and summaries of documents are correct or will be realized

This Official Statement is submitted in connection with the offering of the Bonds and may not be reproduced or used, as a whole or in part, for any other purposes. Any statements in this Official Statement involving matters of opinion or estimate, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Board and the purchasers or holders of any of the Bonds. The distribution of this Official Statement has been approved by the Board. Additional information may be obtained from the Superintendent at 1210 Thirteenth Street, Parkersburg, West Virginia, 26101, telephone (304) 420-9663 (www.boe.wood.k12.wv.us).

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD

By: _____
President

**Audit Report
of
Wood County Board of Education
for the
Fiscal Year Ended June 30, 2012**

**Economic and Demographic Data
Wood County, West Virginia**

(Source is WORKFORCE West Virginia except as otherwise provided)

- Location:** Wood County is located in western West Virginia
- County Seat:** City of Parkersburg
- The County:** The County is governed by, and generally acts through, The Wood County Commission. The Commissioners of the County Commission are elected on a countywide basis.
- Commissioners:** Dr. Wayne Dunn, President
David Blair Couch
Stephen Gainer

Population

| Year | Wood County | West Virginia | United States |
|------|-------------|---------------|---------------|
| 2011 | 87,120 | 1,855,364 | 311,591,917 |
| 2010 | 87,025 | 1,854,368 | 309,330,219 |
| 2009 | 86,841 | 1,847,775 | 306,771,529 |
| 2008 | 86,783 | 1,840,310 | 304,093,966 |
| 2007 | 86,489 | 1,834,052 | 301,231,207 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Per Capita Personal Income

| County | 2007 | 2011 | Rank in State In 2011 |
|---------------|----------|----------|-----------------------|
| United States | \$39,506 | \$41,560 | --- |
| West Virginia | \$29,497 | \$23,403 | --- |
| Wood County | \$30,353 | \$32,666 | 13 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Largest Employers in County (2011)

| Employer |
|---|
| 1. Wood County Board of Education |
| 2. Camden-Clark Memorial Hospital |
| 3. U. S. Department of Treasury |
| 4. E. I. Du Pont De Nemours Company |
| 5. Wal-Mart Associates, Inc. |
| 6. Highmark West Virginia, Inc. (Mountain State Blue Cross & Blue Shield) |
| 7. Westbrook Health Services, Inc. |
| 8. West Virginia University |
| 9. Coldwater Creek, Inc. |
| 10. Universal Cable Holdings, Inc. |

Average Annual Unemployment Rates (%) – Not Seasonally Adjusted

| Year | Wood County | W. Va. | U.S. |
|------|-------------|--------|------|
| 2012 | 7.2 | 7.3 | 8.1 |
| 2011 | 8.4 | 7.8 | 8.9 |
| 2010 | 9.2 | 8.4 | 9.6 |
| 2009 | 8.5 | 7.6 | 9.3 |
| 2008 | 4.6 | 4.2 | 5.8 |
| 2007 | 4.3 | 4.2 | 4.6 |

Source: U.S. Department of Labor, Bureau of Labor Statistics

Average Employment and Annual Wage

| | Average Employment | | Average Weekly Wage | |
|---------------|--------------------|---------|---------------------|----------|
| | 2007 | 2011 | 2007 | 2011 |
| Wood County | 40,438 | 38,251 | \$631.40 | \$683.69 |
| West Virginia | 708,313 | 701,871 | \$653.87 | \$751.77 |

Average Annual Employment by Industry

| Industry | 2011 |
|-----------------------------------|---------------|
| Natural Resources and Mining | 105 |
| Construction | 1,663 |
| Manufacturing | 3,162 |
| Trade, Transportation & Utilities | 8,488 |
| Information | 812 |
| Financial Activities | 1,791 |
| Professional & Business Services | 3,038 |
| Education & Health Services | 7,114 |
| Leisure & Hospitality | 4,376 |
| Other | 1,171 |
| Government | <u>6,531</u> |
| TOTAL | 38,251 |

Wages Per Industry (2011) (\$)

| Industry | Total | Avg Weekly Wage |
|-----------------------------------|----------------------|-----------------|
| Natural Resources Mining | 3,838,856 | 703.10 |
| Construction | 79,598,460 | 920.46 |
| Manufacturing | 198,464,309 | 1,207.02 |
| Trade, Transportation & Utilities | 228,986,267 | 518.81 |
| Information | 32,297,603 | 764.90 |
| Financial Activities | 74,758,040 | 802.71 |
| Professional & Business Services | 105,897,018 | 670.33 |
| Education & Health Services | 251,916,133 | 680.98 |
| Leisure and Hospitality | 58,156,915 | 255.58 |
| Other Services | 26,204,655 | 432.56 |
| Government | <u>299,491,825</u> | <u>881.87</u> |
| TOTAL | 1,359,610,081 | 683.69 |

Total Wages (\$)

| Year | Wood County | West Virginia |
|------|---------------|----------------|
| 2011 | 1,359,610,081 | 27,437,330,374 |
| 2010 | 1,318,759,357 | 26,100,976,332 |
| 2009 | 1,378,460,573 | 25,528,702,813 |
| 2008 | 1,376,337,304 | 25,534,204,980 |
| 2007 | 1,327,686,887 | 24,083,126,318 |

Proposed Form of Legal Opinion

_____, 2013

The Board of Education of the
County of Wood
Parkersburg, West Virginia

Re: \$_____ The Board of Education of the County of Wood (West Virginia) Public
School Refunding Bonds, Series 2013

Ladies and Gentlemen:

We have examined, in our capacity as Bond Counsel to The Board of Education of The County of Wood (the "Issuer"), the transcript of proceedings (the "Transcript") relating to the issuance by the Issuer of its \$_____ in aggregate principal amount of Public School Refunding Bonds, Series 2013, dated _____, 2013 (the "Refunding Bonds").

The Refunding Bonds are authorized to be issued pursuant to Article 2 of Chapter 13 of the West Virginia Code of 1931, as amended (the "Refunding Act") and a Resolution and Order duly adopted by the Issuer on April 9, 2013 (collectively, the "Resolution") and are subject to all the terms and conditions of the Resolution. The Resolution provides that the issue is for the purposes of providing funds, together with other moneys of the Issuer currently on deposit with the West Virginia Municipal Bond Commission (the "Bond Commission"), to effect the advance refunding and repayment in full of the Issuer's outstanding Public School Bonds, Series 2005, dated August 19, 2003, issued in the original aggregate principal amount of \$35,000,000 of which \$19,505,000 is presently outstanding (the "Prior Bonds"), and to pay costs of issuance of the Bonds and other costs in connection with such refunding. Issuance of the Prior Bonds was approved by the voters of the Wood County School District (the "District") at an election held in the District on November 2, 2004, for the purpose of financing costs of improving, constructing, erecting, renovating, furnishing and equipping certain new and existing school facilities in the District.

The Bonds have been sold to Piper Jaffray & Co., Charleston, West Virginia (the "Purchaser") pursuant to a Bond Purchase Agreement dated _____, 2013, by and between the Issuer and the Purchaser (the "Bond Purchase Agreement").

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Resolution, the Bond Purchase Agreement and the Escrow Agreement, dated _____, 2013, by and between the Issuer and the Bond Commission (the "Escrow Agreement") and in the certified proceedings and other certifications of certain officials furnished to us without undertaking to verify the same by independent investigation. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents contained in the Transcript.

Based upon the foregoing, and assuming compliance with the covenants of the Issuer contained in the Authorizing Resolutions, the Bond Purchase Agreement, the Escrow Agreement and the Tax and Non-Arbitrage Certificate of the Issuer dated the date hereof (the "Tax Certificate") and in certain other certificates

delivered in connection herewith and the covenants of the Bond Commission contained in the Escrow Agreement, we are of the opinion, under existing law, as of the date hereof, that:

1. The Issuer is a validly existing statutory corporation charged with the supervision and control of the District, which is a validly existing political subdivision of the State of West Virginia, and is authorized by the Refunding Act to issue and sell the Refunding Bonds.

2. Under the Refunding Act, the Refunding Bonds are exempt from all taxation by the State or by any political subdivision thereof.

3. The issuance and sale of the Refunding Bonds have been duly authorized pursuant to and in full compliance with the Constitution of the State of West Virginia, the Refunding Act and the Resolution.

4. The Refunding Bonds are valid and legally binding general obligations of the Issuer and, unless paid from other sources, the principal of and interest on the Refunding Bonds are payable from ad valorem taxes levied upon all the taxable property within the District, without limitation as to rate or amount.

5. The Prior Bonds have been paid within the meaning and with the effect expressed in the Refunding Act, and the covenants, agreements and other obligations of the Board to the owners of the Prior Bonds have been satisfied and discharged. In rendering the opinion set forth in this Paragraph 5, we have relied upon the opinion provided by _____, independent certified public accountants, that, based on schedules provided to and verified as to mathematical accuracy by them, that the proceeds of the Refunding Bonds deposited in The Board of Education of the County of Wood Series 2005 Bonds Escrow Deposit Fund (the "Escrow Deposit Fund") established with the West Virginia Municipal Bond Commission pursuant to the Escrow Agreement, together with certain cash also deposited, will be sufficient to pay, when due, the principal of and interest on the Prior Bonds to the date of redemption.

6. Under current law, interest on the Refunding Bonds is excludable from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated pursuant thereto, and such interest will not be treated as a preference item in calculating the alternative minimum tax that may be imposed under the Code with respect to individuals and corporations. Under the Code, however, interest on the Refunding Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations. The opinions set forth in the proceeding sentences are subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Refunding Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the interest on the Refunding Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Refunding Bonds. We express no other opinion regarding tax consequences with respect to the Refunding Bonds.

7. We have examined the executed and authenticated Bond No. R-1 of said issue, and in our opinion, said Bond is in proper form and has been duly executed and authenticated.

It is to be understood that the rights of the holders of the Refunding Bonds and the enforceability of the Refunding Bonds and the liens, pledges, rights or remedies with respect to the Refunding Bonds, the Resolution, the Escrow Agreement and the Bond Purchase Agreement are subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally, and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the foregoing documents or other offering material relating to the Refunding Bonds and express no opinion with respect thereto.

This opinion is rendered solely for your benefit and is furnished only with respect to the transactions contemplated by the Resolution and the documents included in the Transcript. Accordingly, this opinion may not be relied upon by or quoted to any other person or entity without, in each instance, our prior written consent.

The opinions herein may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters that come to our attention after the date hereof. Accordingly, this opinion speaks only as of its date and is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Very truly yours,

SPILMAN THOMAS & BATTLE, PLLC

Book-Entry Only System

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

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

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the

transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

Elected Officials of the Board

Tim Yeater is a 3rd term BOE member. He has been happily married to his wife, Lisa for 27 years. They are the proud parents of two children, Ashlee and Austin. Tim graduated from Williamstown High School in 1981. He is a member of Local 565 Pipefitter and Steamfitter Union, and currently employed with Pioneer Pipe, Inc. as a Superintendent/Estimator. He is also a member of the Vienna Recreation board and spent many years volunteering as a coach in various sports.

Jim Fox was elected to the Wood County Board of Education in 2002. He and his wife Sandy have two sons Daniel and Matthew. Born, raised and educated in Wood County, he is a 1981 graduate of Parkersburg High School. In 1987 Jim graduated from West Virginia University with a B.A. in International Studies. He served on Senator Jay Rockefeller's Capitol Hill staff for nine years, five years as administrative assistant to Wood County Assessor Steve Grimm, and is currently employed with the U.S. Treasury, Bureau of Public Debt as an Employee and Labor Relations Specialist. He is proud of his record in public service, and is most proud of his service here in Wood County, especially with the Wood County Board of Education.

Lawrence G. Hasbargen has been a Board Member since January 2012. He is the former Assistant Superintendent of School Services and has held positions as teacher, principal, and Director of Elementary Schools during his 44 year career with Wood County Schools. Lawrence has a Bachelor's Degree from Rio Grande College and a Master's Degree from West Virginia University in Education Administration. He is married to Lyndall Lyons Hasbargen. They have two children, Kent Hasbargen and Kira Hasbargen Allen and three grandchildren.

John E. Marlow was elected to the Board of Education in 2000. He and wife, Kimberly, live in Parkersburg, WV and are the parents of two children, Keith and Katelyn. Mr. Marlow attended Criss and Park elementary schools and Washington Junior High School. He graduated from Parkersburg High School in 1983, and attended West Virginia University. He is employed by Dominion Hope Gas Inc. of Parkersburg and is a member of the UWUA 69. Mr. Marlow became interested in the Board of Education while serving as a PTA officer and LSIC member at Emerson Elementary School. His goal is for every child that attends Wood County Schools to receive the best possible education and feel safe in doing so. He was involved in Scouts and stays very active in youth sports.

Tad Wilson has been a board member since 2005. He graduated from Parkersburg High School in 1974, Marshall University in 1981 with an BA in Finance and received his MBA from West Virginia University in 1982. Tad is married to Kathleen Airhart-Wilson. He has three children, Taylor, Tanner, and Torri and two step children, Tyler and Ethan Airhart. Tad is actively involved in the community by being on the Board of Directors for Wood County Society, Consumer Credit Counseling, and C.N.A. of West Virginia Association Rehabilitation Facilities. He was instrumental in developing a Business Partnership with his company, Wells Fargo and Williamstown High School. Tad is a Senior Vice President/Investment Officer with Wells Fargo Advisors where he has been employed since 1985. He has received several professional designations from the College of Financial Planning in Denver, CO and is Certified Investment Management Consultant from the Institute for Investment Management Consultants.

Appointed Officials of the Board

Superintendent

Dr. J. Patrick Law was appointed Superintendent of Wood County Schools July 1st of 2010. He received his A.B. degree from Glenville State College with a double major in Social Studies and Art Education. Dr. Law obtained a Master's Degree in Education Administration from the West Virginia College of Graduate Studies in 1976. His Doctoral Degree was awarded in 2002 by West Virginia University. Dr. Law was appointed Superintendent of Pocahontas County Schools in 2003, and served that county until his appointment in Wood County. He currently serves on the West Virginia Commission for Professional Teaching Standards.

Assistant Superintendents

Robert Kent Harris was appointed Assistant Superintendent in Human Resources in July 2001. He is a veteran school administrator and was an Elementary Administrative Intern working in the central administrative offices in 1975-76 prior to his appointments at Nash and Lincoln Elementary Schools. Mr. Harris received a bachelor's degree in elementary education from Glenville State College and completed a master's degree in educational administration from Ohio University. He has accomplished post graduate work at West Virginia University. His responsibilities include the general administration of the Human Resources Department and supervision of nursing services, attendance, assessment and counseling.

Sue Woodward began her duties as Assistant Superintendent of School Services on July 1, 2010. School Services includes the Food Service, Transportation and Maintenance Departments as well as the overall supervision of all service personnel. Prior to her appointment she was the Director of School Improvement / Public Relations for Wood County Schools since 2001. At this time she continues to be responsible for the duties of her previous assignment. A graduate of Parkersburg High, Marietta College and West Virginia University, she began her WCS career in 1973 as an elementary teacher, remedial reading teacher, assistant principal and principal.

Treasurer / Director of Finance

Connie J. Roberts, CPA was appointed treasurer of Wood County Schools in July of 2010. Ms. Roberts received her bachelor's degree in Accounting and Management from Glenville State College in December of 1981. She was employed as an accountant for Glenville State upon graduation until she changed careers and became the treasurer for Calhoun County Schools in May of 1995. Her move from Calhoun to Wood County was as the assistant director of finance, from July 2007 until her promotion to the director's position.

Continuing Disclosure Agreement

This Continuing Disclosure Agreement (this “Agreement”) dated as of _____, 2013, is by and between the Board of Education of the County of Wood (the “Board”) and WesBanco Bank, Inc., Wheeling, West Virginia, as Disclosure Agent (the “Disclosure Agent”), in connection with the issuance of the \$_____ The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013 (the “Series 2013 Bonds”). Capitalized terms used in this Agreement shall have the respective meanings specified above, in Section 2 hereof or in the Resolution adopted by the Board on April 9, 2013, authorizing issuance of the Series 2013 Bonds (the “Resolution”). The Board agrees as follows:

SECTION 1. Purpose of Agreement. This Agreement is being executed and delivered by the Board and the Disclosure Agent for the benefit of the holders and beneficial owners of the Series 2013 Bonds and in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5).

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

“Annual Financial Information” means the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles (“GAAP”)) and operating data with respect to the State, provided at least annually, of the type included in those sections of the final official statement with respect to the Series 2013 Bonds in Appendix A entitled “Audit Report of Wood County Board of Education for Fiscal Year Ended June 30, 2012,” which Annual Financial Information shall include Audited Financial Statements if available on the due date set forth herein, and, if not then available, unaudited financial statements.

“Audited Financial Statements” means the Board’s annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants.

“Beneficial Owner” shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2013 Bonds (including persons holding Series 2013 Bonds through nominees, depositories or other intermediaries).

“Bond Purchase Agreement” shall mean the Bond Purchase Agreement dated _____, 2013, entered into between Piper Jaffray & Co. (the “Underwriter”), and the Board, by which the Underwriter agreed to purchase the Series 2013 Bonds from the Board upon the terms set forth therein.

“Disclosure Agent” shall initially mean WesBanco Bank, Inc., Wheeling, West Virginia, and any later appointed Disclosure Agent or any successor Disclosure Agent designated in writing by the Board and which has filed with the Board a written acceptance of such designation.

“Disclosure Representative” shall mean the Treasurer of the Board.

“EMMA” means the Electronic Municipal Market Access system described in 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board for purposes of the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Agreement.

“National Repository” shall mean the Municipal Securities Rulemaking Board, Washington, D.C., the sole Nationally Recognized Municipal Securities Information Repository for purposes of the Rule.

“Participating Underwriter” shall mean the original underwriter of the Series 2013 Bonds who are required to comply with the Rule in connection with offering of the Series 2013 Bonds.

“Repository” shall mean each National Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“Series 2013 Bonds” shall mean the \$ _____ The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013.

SECTION 3. Provision of Annual Reports.

(a) The Board shall, or shall cause the Disclosure Agent to, not later than 300 days after the end of the Board’s fiscal years (presently June 30), commencing with the reports for the Fiscal Years ending June 30, 2013 (FY 2013), provide to each Repository: Annual Financial Information and Audited Financial Statements, which are consistent with the requirements of Section 4 of this Agreement. The Annual Financial Information and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Agreement. The Board shall provide the Disclosure Agent with a copy of each report filed under this Agreement. If the Board’s fiscal years change, the Board shall give notice of such change in the same manner as for a Listed Event under Section 5(a).

(b) Not later than fifteen (15) Business Days prior to said date, the Board shall provide the Annual Financial Information and Audited Financial Statements to the Disclosure Agent. If the Board is unable to provide to the Repositories the Annual Financial Information and Audited Financial Statements by the date required in subsection (a), the Board shall, or shall cause the Disclosure Agent to, send a notice to the Repositories, in substantially the form attached as Exhibit A.

(c) The Disclosure Agent shall file a report with the Board certifying that the Annual Financial Information and Audited Financial Statements have been provided to EMMA pursuant to the Agreement and the date provided.

(d) All documents provided to EMMA shall be provided in a searchable, electronic format and shall be accompanied by identifying information as prescribed by the Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

SECTION 4. Content of Annual Financial Information and Audited Financial Statements. Within two hundred seventy (270) days of the Board’s fiscal year ends, the Board or Disclosure Agent on its behalf shall submit to EMMA information and data of the Board for the prior fiscal year, including the Audited Financial Statements, prepared in accordance with generally accepted accounting principles in effect from time to time.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Board or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Board shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Board shall give, or cause to be given, notice of the occurrence of any of the following events, if applicable, with respect to the Series 2013 Bonds:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2013 Bonds, or other events affecting the tax status of the Series 2013 Bonds;
7. modifications to rights of security holders, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Series 2013 Bond, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership, or similar event of the Board¹;
13. the consummation of a merger, consolidation or acquisition involving the Board, or the sale of all or substantially all of the assets of the Board, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its term, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material.

¹ For the purposes of the event identified in Section 5(a)(12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Board in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Board, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Board.

(b) The Disclosure Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Board promptly notify the Disclosure Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Board obtains knowledge of the occurrence of a Listed Event, classified under Section 5(a) (2), (7), (8), (10), (12), (13) or (14), because of a notice from the Disclosure Agent pursuant to subsection (b) or otherwise, the Board shall as soon as possible determine if such event would be material under applicable federal securities laws, in any event such determination must be made and submitted to the Disclosure Agent within two (2) business days.

(d) If the Board determines that knowledge of the occurrence of any of the Listed Events, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would be material under applicable federal securities laws pursuant to subsection (b) or the Board received notice of any Listed Event that does not require a finding of materiality classified under Section 5(a) (1), (3), (4), (5), (6), (9), (11) or (12), the Board shall promptly file with the Disclosure Agent a notice of such occurrence to be provided to EMMA.

(e) If in response to a request under subsection (b), the Board determines that the Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would not be material under applicable federal securities laws, the Board shall so notify the Disclosure Agent in writing and instruct the Disclosure Agent not to report the occurrence pursuant to subsection (f).

(f) If the Disclosure Agent has been instructed by the Board to report the occurrence of a Listed Event, the Disclosure Agent shall file a notice of such occurrence with EMMA with a copy to the Board. The Disclosure Agent must file such notice with EMMA within ten (10) business days of the occurrence of such Listed Event.

SECTION 6. Termination of Reporting Obligation. The Board's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2013 Bonds. If such termination occurs prior to the final maturity of the Series 2013 Bonds, the Board shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

SECTION 7. Disclosure Agent. WesBanco Bank, Inc., Wheeling, West Virginia, is hereby appointed as Disclosure Agent. The Board may, from time to time, appoint or engage an alternate or successor Disclosure Agent to assist it in carrying out its obligations under the Agreement, and may discharge any such Agent, with or without appointing a successor Disclosure Agent. The Disclosure Agent shall not be responsible in any manner for the content of any notice or report prepared by the Board pursuant to the Agreement.

SECTION 8. Amendment, Waiver. Notwithstanding any other provision of this Agreement, the Board and the Disclosure Agent may amend this Agreement, and any provision of this Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Board with respect to the Series 2013 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2013 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

SECTION 14. Fees. The Board agrees to pay all fees and expenses of the Disclosure Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Disclosure Agent's duties.

SECTION 15. Right to Resign. The Disclosure Agent may resign at any time by providing thirty (30) days' written notice to the Board.

SECTION 16. Right to Counsel. The Disclosure Agent shall have the right to consult with counsel in carrying out its duties under the Agreement and to rely upon an opinion of counsel.

SECTION 17. Duties of Disclosure Agent. The Disclosure Agent shall have only such duties as are specifically set forth in this Agreement, and no further duties or responsibilities shall be implied. Any corporation or association into which the Disclosure Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Disclosure Agent in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Disclosure Agent in its individual capacity may be sold or otherwise transferred, shall be the Disclosure Agent under this Agreement without further act. Anything in this Agreement to the contrary notwithstanding, in no event shall the Disclosure Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Disclosure Agent has been advised of such loss or damage and regardless of the form of action. The Board will, for the benefit of the Disclosure Agent and Disclosure Agent's employees, directors, agents, subsidiaries, affiliates, successors and assigns, assume all liability and/or be responsible to pay for any and all claims, demands, causes of action, losses, damages, liabilities, penalties, costs and expenses (including reasonable attorney's fees) relating to this Agreement, to the extent assessed by a court of competent jurisdiction.

IN WITNESS WHEREOF, the Board and the Disclosure Agent have caused this Agreement to be executed by its duly authorized representatives, all as of the date first above written.

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD

By: _____

WesBanco Bank, Inc., Wheeling, West Virginia, as Disclosure Agent

By: _____

Its: _____

Date: _____, 2013

EXHIBIT A

**NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: The Board of Education of the County of Wood

Name of Bond Issue: \$_____ The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013

Date of Bond Issue: _____, 2013

NOTICE IS HEREBY GIVEN that the Board has not provided an Annual Report with respect to the above-named Series 2013 Bonds as required by Section 3(b) of this Continuing Disclosure Agreement dated as of _____, 2013, to be provided. The Board anticipates that the Annual Report will be filed by _____, 20__.

Dated: _____, 20__

WesBanco Bank, Inc., Wheeling, West Virginia, as Disclosure Agent
on behalf of the Board

cc: Board

**NEW ISSUE
BOOK-ENTRY ONLY**

Rating: Standard & Poor's
(See "Rating" herein)

In the opinion of Spilman Thomas & Battle, PLLC ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is taken into account in determining the adjusted current earnings of certain corporations for purposes of calculating the corporate alternative minimum taxable income. In addition, under the Act, the Bonds, together with the interest thereon, shall be exempt from all taxation by the State of West Virginia, or by any county or municipality or political subdivision thereof. See "TAX MATTERS" herein for a description of certain provisions of the Code which may affect the tax treatment of interest on the Bonds for certain bondholders.

\$19,300,000

**The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013**

Dated: Date of Delivery

Due: May 1, as shown below

The Bonds are being issued by the Board of Education of the County of Wood, West Virginia (the "Board") pursuant to Chapter 13, Article 2 of the Code of West Virginia, 1931, as amended (the "Refunding Act") for the purposes of (i) advance refunding and redeeming in full the Board's Public School Bonds, Series 2005, issued in the original principal amount of \$35,000,000 and currently outstanding in the aggregate principal amount of \$19,505,000 (the "Series 2005 Bonds") and (ii) paying the costs of issuance of the Bonds.

The Bonds are general obligations of The Board of Education of the County of Wood, West Virginia (the "Board"), which Board has the power and is obligated to levy ad valorem taxes upon all the taxable property within the Wood County School District to pay the Bonds and the interest thereon, without limitation as to rate or amount.

The Bonds will be issued in fully registered form only, without coupons, and, when issued will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only in the principal amount of \$5,000 or integral multiples thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds.

Pursuant to Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended, both the principal of and interest on the Bonds are payable at the West Virginia Municipal Bond Commission, Charleston, West Virginia, as Paying Agent. The Board has designated WesBanco Bank, Inc., Wheeling, West Virginia, West Virginia, as Registrar.

Interest on the Bonds will be payable November 1, 2013 and semiannually thereafter each May 1 and November 1 in each year to maturity. The principal of and interest on the Bonds are payable by the Paying Agent to DTC, which will in turn remit such principal and interest to its Participants for subsequent distribution to the Beneficial Owners of the Bonds. See "APPENDIX D - BOOK ENTRY ONLY SYSTEM"

The Bonds are not subject to redemption.

MATURITIES, AMOUNTS, RATES, YIELDS, PRICES AND CUSIPS*

| Maturity | Principal Amount (\$) | Interest Rate | Yield | Price | CUSIP* |
|-----------------|------------------------------|----------------------|--------------|--------------|---------------|
| 5/1/2014 | 2,505,000 | 2.00% | 0.35% | 101.549 | 978335EV5 |
| 5/1/2015 | 2,525,000 | 2.00% | 0.49% | 102.914 | 978335EW3 |
| 5/1/2016 | 2,600,000 | 4.00% | 0.68% | 109.652 | 978335EX1 |
| 5/1/2017 | 2,725,000 | 4.00% | 0.87% | 112.101 | 978335EY9 |
| 5/1/2018 | 850,000 | 1.50% | 1.10% | 101.918 | 978335FC6 |
| 5/1/2018 | 2,000,000 | 5.00% | 1.10% | 118.707 | 978335EZ6 |
| 5/1/2019 | 2,980,000 | 4.00% | 1.37% | 114.957 | 978335FA0 |
| 5/1/2020 | 3,115,000 | 4.00% | 1.64% | 115.423 | 978335FB8 |

The Bonds are offered for delivery when, as and if issued, subject to approval of legality by Spilman Thomas & Battle, PLLC, Charleston, West Virginia, Bond Counsel. Certain legal matters will be passed upon for the Board by Spilman Thomas & Battle, PLLC, Charleston, West Virginia, Counsel to the Board. Certain legal matters will be passed upon for the Underwriter by White Law Offices, PLLC, South Charleston, West Virginia, as Counsel to the Underwriter, and by Dan A. Marshall, Esquire, Parkersburg, West Virginia, as Disclosure Counsel to the Underwriter. It is expected that the Bonds will be available for delivery to DTC, New York, New York on or about May 22, 2013.

Piper Jaffray & Co.

May 8, 2013

*CUSIP numbers have been assigned by an independent company not affiliated with the Board and are included on this cover page solely for the convenience of the Owners of the Bonds only at the time of issuance of the Bonds. Neither the Underwriter nor the Board makes any representation with respect to the accuracy of such CUSIP numbers as indicated in the above table or undertakes any responsibility for the selection of the CUSIP numbers or their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds.

\$19,300,000
The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

ELECTED OFFICIALS

Mr. Tim Yeater, President
Mr. Jim Fox, Vice President
Mr. Lawrence G. Hasbargen, Board Member
Mr. John E. Marlow, Board Member
Mr. Tad Wilson, Board Member

APPOINTED OFFICIALS

Dr. Patrick Law, Superintendent
Mr. Robert Harris, Assistant Superintendent
Mrs. Sue Woodward, Assistant Superintendent
Connie Roberts, Treasurer

BOARD'S COUNSEL

Spilman Thomas & Battle, PLLC
Charleston, West Virginia

BOND COUNSEL

Spilman Thomas & Battle, PLLC
Charleston, West Virginia

UNDERWRITER

Piper Jaffray & Co.
Charleston, West Virginia

UNDERWRITER'S COUNSEL

White Law Offices, PLLC
South Charleston, West Virginia

DISCLOSURE COUNSEL

Dan A. Marshall, Esquire
Parkersburg, West Virginia

Forward-Looking Statements

This Official Statement, and particularly the information contained in the caption "WOOD COUNTY SCHOOL DISTRICT" and "CERTAIN FINANCIAL INFORMATION" contain statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimated," "forecasted," "intended," "expected," "anticipated," "projected" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. For a discussion of certain of such risks and possible variations in results, see the information under "INVESTMENT CONSIDERATIONS."

YOU SHOULD MAKE YOUR OWN DECISION WHETHER THIS OFFERING MEETS YOUR INVESTMENT OBJECTIVES AND RISK TOLERANCE LEVEL. NO FEDERAL OR STATE SECURITIES COMMISSION HAS APPROVED, DISAPPROVED, ENDORSED OR RECOMMENDED THIS OFFERING. NO INDEPENDENT PERSON HAS CONFIRMED THE ACCURACY OR TRUTHFULNESS OF THIS DISCLOSURE, NOR WHETHER IT IS COMPLETE. THE WEST VIRGINIA SECURITIES COMMISSION HAS NOT REVIEWED THE DISCLOSURE CONTAINED HEREIN AND THE ISSUER IS RELYING ON AN EXEMPTION FROM REGISTRATION BY QUALIFICATION UNDER THE WEST VIRGINIA SECURITIES ACT.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized by The Board of Education of the County of Wood, West Virginia, to give any information or to make any representations other than as contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Board. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds herein described by any persons in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Board from sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Board since the date hereof.

The information contained in this Official Statement has been obtained by the Underwriter from sources believed to be reliable, but the accuracy or completeness of such information is not guaranteed by, and should not be construed as a promise by any of the foregoing. The presentation of such information is intended to show recent historic information and is not intended to indicate future or continuing trends. No representation is made that the past experience, as shown by such financial and other information, will necessarily continue or be repeated in the future. This Official Statement contains, in part, estimates and matters of opinion, whether or not expressly stated to be such, which are not intended as statements or representations of fact or certainty, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Board.

The Resolution, as hereinafter defined, has not been qualified under the Trust Indenture Act of 1939, as amended, because of available exemptions therefrom.

The following sentence has been provided by the Underwriter for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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**OFFICIAL STATEMENT
RELATING TO**

**\$19,300,000
The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013**

INTRODUCTION

This Official Statement provides certain information in connection with the sale of \$19,300,000 in aggregate principal amount of The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013 (the "Bonds"). A brief description of The Board of Education of the County of Wood, West Virginia (the "Board"), the Wood County School District (the "School District") and the County of Wood, West Virginia (the "County" or "Wood County"), with which the School District is coterminous, is provided, together with a description of the Bonds and sources of payment therefor.

The Bonds are being issued to provide funds, along with other funds from accounts established for the Series 2005 Bonds, as hereinafter defined, to provide for the advance refunding of the Board's Public School Bonds, Series 2005 issued in the original aggregate principal amount of \$35,000,000 ("Series 2005 Bonds") of which \$19,505,000 is outstanding and all of which will be refunded by the Bonds. Proceeds of the Bonds will also be used to pay legal, consulting and other professional fees, printing and other issuance costs.

At a special election held on November 2, 2004, the issuance of the Series 2005 Bonds in an amount of up to \$35,000,000 and the levy sufficient to pay principal of and interest on such bonds were authorized and approved for the purpose of paying the cost of certain new school buildings and modifications, improvements, renovations and equipping of various existing schools and other buildings in the School District.

The Bonds are general obligations of the Board, and, unless paid from other sources, are payable from ad valorem taxes levied upon all taxable property within the School District, without limitation as to rate or amount.

THE BONDS

General

The Bonds will be dated the date of delivery and are issued as fully registered bonds in \$5,000 denominations, or integral multiples thereof, and are payable on May 1, in the years and amounts as set forth on the cover.

Pursuant to Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended (the "Bond Act"), both the principal of and interest on the Bonds are payable at the office of the West Virginia Municipal Bond Commission, Charleston, West Virginia, as its Paying Agent (the "Paying Agent"). The Board has designated WesBanco Bank, Inc., Wheeling, West Virginia, as the Registrar.

Interest on the Bonds will be payable November 1, 2013 and semi-annually thereafter (each May 1 and November 1) in each year to maturity. Such interest will be paid by check to the registered owner on each such interest payment date at the address as shown on the registration books kept for that purpose by the Paying Agent as of the 15th day of the month preceding each such interest payment date. In the case of an owner of \$500,000 or more of the Bonds, interest may be paid to such owner by wire transfer to a domestic bank account specified in writing to the Paying Agent at least five days prior to an interest payment date.

Authority and Purpose

In accordance with Article X, Sections 8 and 10, of the Constitution of the State of West Virginia (Section 10 is referred to as the "Better Schools Amendment") and the Bond Act, county boards of education may, with the consent of at least a simple majority of the voters voting at an election on such questions, issue bonds for specified purposes an amount which, when added to the aggregate indebtedness then outstanding, will not exceed 5% of the most recent assessed valuation of taxable property in the school district. Article X, Section 8 of the Constitution and Sections 20 and 34 of the Bond Act require the annual levy and collection of a tax sufficient to pay the principal of and interest on such bonds. Pursuant to the Better Schools Amendment, the tax levy required to pay the principal of and interest on such bonds is laid separate and apart and in addition to the maximum levy rates otherwise authorized by law. Pursuant to the Bond Act and orders and resolutions duly entered and adopted by the Board, the issuance of bonds up to the amount of \$35,000,000 and the levy of taxes sufficient to pay principal of and interest on such bonds were authorized and approved at a special election by 67.17% of the participating voters. Proceeds of the Series 2005 Bonds were applied, together with certain funds received by the Board from the State of West Virginia (the "State") and other sources, to provide funds for making certain improvements in the School District. The ballot question limited the term of the bonds to sixteen (16) years from their date and limited the rate of interest on the bonds to a rate not exceeding 7.5% per annum. Pursuant to the Bond Act, the Series 2005 Bonds were issued on March 1, 2005 and designated Public School Bonds, Series 2005.

The Board is issuing the Bonds pursuant to Chapter 13, Article 2 of the Code of West Virginia, 1931, as amended (the "Refunding Act") and a resolution of the Board adopted on April 9, 2013 (the "Resolution"). The Board is issuing the Bonds for the purpose of advance refunding the Series 2005 Bonds. In accordance with the provisions of the Refunding Act, debt service on the Bonds will not exceed in each year the amount of taxes expected to be available for payment of such debt service in accordance with the terms approved by the voters. The Series 2005 Bonds will be deemed paid upon the completion of the advance refunding. Certain funds of the Board on deposit with the West Virginia Municipal Bond Commission (the "Bond Commission") relating to the Series 2005 Bonds will become surplus funds as a result of the advance refunding and will be available for release to the Board.

Plan of Financing

Proceeds of the Bonds in the amount of \$21,082,134.59 will be applied to the funding of an escrow to advance refund the Series 2005 Bonds. Such proceeds will be used to pay the interest on the Series 2005 Bonds each November 1 and May 1, commencing November 1, 2013, and continuing to and including May 1, 2015, to pay the maturing principal of the Series 2005 Bonds on May 1, 2014, and May 1, 2015, and to pay the redemption price of the remaining maturities of the Series 2005 Bonds called for redemption in the amount of \$14,710,650 (which includes \$14,565,000 of principal to be redeemed and a redemption premium of \$145,650) (the "Redemption Price") on May 1, 2015 (the "Redemption Date"). The above referenced funds in the total amount of \$21,082,134.59, together with the earnings thereon, will be held by the Bond Commission, as Escrow Agent under an Escrow Agreement to be entered into on or about May 22, 2013 (the "Escrow Agreement"), by and among the Board and the Bond Commission. During the period in which the proceeds of the Bonds are deposited with the Bond Commission pursuant to the Escrow Agreement (except amounts necessary for costs of issuance), such funds will be invested in Investment Obligations (the "Obligations"). The maturing principal of and interest on the Obligations are not pledged to and will not be available to pay the Bonds.

Sources and Uses of Funds

Sources of Funds:

| | |
|------------------------------|------------------------|
| Principal Amount | \$19,300,000.00 |
| Plus: Original Issue Premium | \$2,009,673.25 |
| Total Sources of Funds: | <u>\$21,309,673.25</u> |

Uses of Funds:

| | |
|-------------------------------------|------------------------|
| Deposit to Escrow Fund ¹ | \$21,082,134.59 |
| Underwriter's Discount | \$131,500.00 |
| Costs of Issuance ² | \$96,038.66 |
| Total Uses of Funds: | <u>\$21,309,673.25</u> |

Nature of Obligation, Security and Source of Payments

The Bonds will constitute valid and legally binding general obligations of the Board, and, unless paid from other sources, the principal of and interest on the Bonds will be payable from ad valorem taxes levied upon all taxable property within the School District, without limitation as to rate or amount. Pursuant to the Better Schools Amendment, the tax levy required to pay the principal of and interest on such bonds is laid separate and apart and in addition to the maximum levy rates otherwise authorized by law.

Debt Administration

Pursuant to Chapter 13, Article 3 of the Code of West Virginia, Bond Commission shall serve as fiscal agent for all issuers of general obligation bonds issued by counties, municipalities, and school districts of the State and is charged with the administration of the interest and sinking funds created to service the debt. The proceeds of taxes levied for debt service by the Board are collected by the Sheriff, who remits the proceeds to the Board Treasurer, who forwards the proceeds thereof to the Bond Commission. The Bond Commission is required by law to render annually to each political subdivision having outstanding bonds a statement showing the levy required to pay the interest on and create a sinking fund for the retirement of the outstanding bonds. The Bond Commission customarily sets the levy rates at 110% of the annual principal and interest required so as to provide a margin to cover the statutory 2 1/2% discount for early payment of taxes and any attrition occasioned by delinquencies, improper assessments and exonerations. There has not been a default on the payment of principal or interest of any general obligation bond in the State of West Virginia since the Bond Commission commenced centralized supervision and administration in 1921.

Since 1933, the annual State of West Virginia Budget Bill has embodied a protective provision for certain State agency and taxing district obligations, if deficiencies should arise. The following excerpt from the 2013 Budget Bill is indicative:

Sec. 14. Sinking Fund deficiencies. - There is hereby appropriated to the governor a sufficient amount to meet any deficiencies that may arise in the mortgage finance bond insurance fund of the West Virginia housing development fund which is under the supervision and control of the state municipal bond commission as provided by Chapter 31, Article 18, Section 20-b, of the code of West Virginia, or in the funds of the state municipal bond commission because of the failure of any state agency for either general obligation or revenue bonds or any local taxing district for general obligation bonds to remit funds necessary for the payment of interest and sinking fund requirements. The Governor is authorized to transfer from time to time such amounts to the state municipal bond commission as may be necessary for these purposes.

¹ The amount set forth in the Escrow Agreement as required, together with the income thereon and funds transferred from accounts established for the Series 2005 Bonds to effect the advanced refunding of the Series 2005 Bonds as described herein.

² Includes fees and expenses of Rating Agency, Bond Counsel, Underwriter's Counsel, Disclosure Counsel, Printing and Accountants' Verification Report.

No representation is made that subsequent Budget Bills will have such provisions or that sufficient funds will be available to satisfy any such deficiencies. There has never been a default in payment of the principal of or interest on any general obligation bonds issued by The Board of Education of the County of Wood. The enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

WOOD COUNTY SCHOOL DISTRICT

General

All school districts in West Virginia are organized under the terms of legislation enacted in 1933. There is one school district in each county, the boundaries of which district are coterminous with those of the county. The Board is responsible for and is vested with the supervision and control of the School District and with the control and management of all public schools in the School District from kindergarten through the secondary school level. The Board is composed of five members nominated and elected by the voters of the County without reference to political party affiliation. The terms of the members are for four years and are staggered. In 2014, the terms of 3 members will expire. The process will be repeated every two years thereafter.

Board Members' duties are established by State statute with the West Virginia Board of Education having regulatory powers. The Board appoints a superintendent who acts as the chief executive officer and secretary of the Board and who administers affairs of the School District in accordance with applicable laws, regulations, and local policies. The Board is a public corporation and as such may sue, plead and be impleaded, and enter into contracts. The School District is fiscally independent of the County and all other political subdivisions.

During the fiscal year 2012-2013, the Wood County school system had a central office professional staff of 13 with the overall responsibility to coordinate and supervise the activities of 55 school administrators, 1,055 instructional staff (teachers and other professionals), and 598 service personnel. Total Full Time Equivalent positions are 1,721. The average pupil-teacher ratio for the 2011-2012 school year was 14.92 to 1 (combined elementary, middle and secondary schools).

Historical School Enrollment (School Year)

| Grades | 2009 | 2010 | 2011 | 2012 | 2013 |
|-----------------|------------|------------|------------|------------|------------|
| Pre-K Universal | 570 | 685 | 731 | 708 | 680 |
| K | 966 | 981 | 1012 | 998 | 944 |
| 1 | 999 | 966 | 997 | 1011 | 980 |
| 2 | 985 | 974 | 955 | 991 | 996 |
| 3 | 990 | 958 | 971 | 948 | 979 |
| 4 | 1006 | 979 | 970 | 966 | 935 |
| 5 | 987 | 1023 | 981 | 977 | 968 |
| 6 | 1016 | 1011 | 1039 | 999 | 990 |
| 7 | 973 | 1028 | 1010 | 1047 | 985 |
| 8 | 1050 | 947 | 1017 | 1001 | 1032 |
| 9 | 1060 | 1108 | 996 | 1102 | 1046 |
| 10 | 1000 | 972 | 1034 | 951 | 1046 |
| 11 | 966 | 937 | 873 | 920 | 865 |
| 12 | <u>913</u> | <u>917</u> | <u>876</u> | <u>836</u> | <u>895</u> |
| Total | 13,481 | 13,486 | 13,462 | 13,455 | 13,341 |

| Rate of Increase (Decrease) in Enrollment | |
|---|----------|
| 2009-2013 | (1.04) % |
| Annualized | (0.26) % |

Source: Wood County Board of Education

Projected Enrollment (School Year)

| Year | Enrollment |
|------|------------|
| 2014 | 13,394 |
| 2015 | 13,473 |
| 2016 | 13,491 |

Source: Wood County Board of Education

Facilities

| School | Grades | Construction Type | Construction Date | Renovation or Addition And Date |
|----------------------|--------|-------------------|-------------------|--|
| Blennerhassett | K-9 | Masonry | 1973 | 1992 |
| Criss | K-6 | Masonry | 1955 | 1959-1960-1964-1972 |
| Edison Jr. High | 7-9 | Masonry | 1961 | 1962-1966-1974-1992 |
| Emerson | K-6 | Masonry | 1950 | 1952-1955-1968-1972-1991 |
| Fairplains | K-6 | Masonry | 1948 | 1953-1055-1957-1972 |
| Franklin | K-6 | Masonry | 1965 | 1975-1992 |
| Gihon | K-6 | Masonry | 1956 | 1964-1965-1972-1991 |
| Greenmont | K-6 | Brick & Block | 1956 | 1962-1965-1973-1991 |
| Hamilton Jr. High | 7-9 | Brick & Block | 1955 | 1958-1961-1966-1972-1992 |
| Jackson Jr. High | 7-9 | Masonry | 1957 | 1958-1960-1966-1973-1992-1995 |
| Jefferson | K-6 | Masonry | 1925 | 1956-1960-1966-1972-1973 |
| Kanawha | K-6 | Masonry | 1960 | 1992-1976-1977-1981-1986-1991 |
| Lubeck | K-6 | Masonry | 1934 | 1954-1961-1965-1972-1981-1991 |
| Madison | K-6 | Masonry | 1961 | 1972-1919 |
| Martin School | K-6 | Masonry | 1986 | |
| McKinley | K-6 | Masonry | 1904 | 1925-1955-1972 |
| Mineral Wells | K-6 | Masonry | 1973 | 1986 |
| Neale | K-6 | Masonry | 1925 | 1947-1967-1972-1991 |
| Parkersburg HS | 10-12 | Masonry | 1917 | 1928-1932-1938-1950-1961-1967-1972-1973-1981-1993-2005 |
| Parkersburg South HS | 10-12 | Masonry | 1950 | 1955-1966-1967-1969-1973-1974-1979-2005 |
| Vanvender Jr. HS | 7-9 | Masonry | 1955 | 1958-1966-1973-1992 |
| Vienna | K-6 | Masonry | 1949 | 1955-1959-1973-1991 |
| Waverly | K-6 | Concrete | 1961 | 1988-1991 |
| Williamstown Elem. | K-6 | Masonry | 1908 | 1950-1967-1991 |
| Williamstown HS | 7-12 | Masonry | 1949 | 1956-1958-1960-1965-1973-1980-1990-1994-2005 |
| Worthington | K-6 | Masonry | 1965 | 1972 |

Source: Wood County Board of Education

Tax Collection Procedures

All taxes for real estate and personal property are collected by the Wood County Sheriff (the “Sheriff”) and are remitted by the Sheriff to the State and other local levying bodies. Public utility taxes are collected directly by the State Auditor (the “Auditor”) and are remitted by the Auditor to the Sheriff for distribution. Tax statements are mailed by the Sheriff’s office in July, and they may be paid in two installments. The first half of the tax is subject to a 2 1/2% discount if paid by September 1; thereafter, the amount payable is net until October 1, after which a 9% penalty is added. Likewise, the second half is subject to a 2 1/2% discount if paid by March 1, net to April 1, and 9% penalty thereafter. The Sheriff, after ascertaining which taxes are delinquent, shall on or before May 1 next succeeding the year for which taxes are assessed, prepare delinquent lists, which shall be posted at the front door of the courthouse and published as a legal advertisement at least two weeks prior to the presentation to the County Commission for examination. After examination and correction, the Commissioners shall certify such lists pertaining to real property to the Auditor not later than July 1. On or before September 10, the Sheriff shall prepare a second list of delinquent taxes, as of September 1, together with a notice of sale for properties upon which such taxes are due. If not redeemed before, such properties shall be sold at public auction at the courthouse on any Monday after October 14, and before November 23. No such sale shall be made for any sum less than the total amount of taxes, interest and charges then due. The former owner of any real or personal property so purchased by the State, or any other person who is entitled to pay the taxes thereon, may redeem such real or personal property from the Auditor at any time within the eighteen months after the date of such purchase. The Auditor reports monthly to the Sheriff, the County Assessor and the Clerk of the County Commission all properties in the County which were redeemed in the Auditor’s office during the preceding month. The Auditor, each month, draws a warrant upon the State treasury payable to the Sheriff of the County for that part of the taxes, interest and charges received by the Sheriff upon the redemption of the property included in the Sheriff’s report which was owing to any of the taxing units in the County. The Sheriff accounts for and pays over such money as if it had been paid to the Sheriff before sale and redemption.

Tax Levies and Collections*

| Year | Projected Gross Tax (\$) at 100% | Projected Net Tax Collected (\$) at 92-93% Less Assessors Fee | Actual Collected (\$) | Actual Collected (%) |
|------------------|---|--|----------------------------------|---------------------------------|
| 2008-2009 | | | | |
| General Current | 17,765,179 | 16,754,567 | 17,592,619.42 | 99% |
| Bond Levy | 3,433,990 | 3,433,990 | 3,455,486.36 | 100% |
| Excess Levy | 16,812,820 | 16,147,033 | 16,942,419.20 | 100% |
| 2009-2010 | | | | |
| General Current | 18,048,719 | 16,986,525 | 17,727,165.44 | 99% |
| Bond Levy | 3,470,193 | 3,152,450 | 3,476,563.99 | 100% |
| Excess Levy | 17,081,158 | 16,404,744 | 17,100,798.98 | 100% |
| 2010-2011 | | | | |
| General Current | 17,951,763 | 16,929,942 | 17,790,316.78 | 99% |
| Bond Levy | 3,488,563 | 3,167,250 | 3,520,673.17 | 100% |
| Excess Levy | 16,989,399 | 16,316,619 | 17,133,118.66 | 100% |
| 2011-2012 | | | | |
| General Current | 17,899,093 | 16,860,596 | 17,668,607.60 | 99% |
| Bond Levy | 3,339,934 | 3,183,250 | 3,384,578.72 | 100% |
| Excess Levy | 16,939,554 | 16,268,748 | 17,057,146.12 | 100% |
| 2012-2013 | | | | |
| General Current | 17,923,565 | 16,862,488 | N/A | N/A |
| Bond Levy | 3,362,977 | 3,200,250 | N/A | N/A |
| Excess Levy | 16,962,712 | 16,290,989 | N/A | N/A |

Source: Wood County Board of Education

Assessment Procedure

State statutes provide that all property must annually be assessed as of the first day of July. Assessment on this day is the basis for the following year's property taxes. The assessor must complete his compilation of the land and personal property books not later than January 30. The County Commission, not later than February 1, must meet for the purpose of sitting as a board of equalization and review of such assessment books. After completion of the review and assessment, the commission certifies and returns the property books to the assessor. Appeal of any assessment which was protested to the board of equalization and review may be made to the circuit court of the county within 30 days after adjournment of the county commission sitting as a board of equalization and review. A taxpayer can elect to have its protest of an assessment heard by the county commission sitting as a board of assessment appeals in October, rather than by the county commission sitting as a board of equalization and review in February. In order to utilize this option the taxpayer must pay the disputed taxes. The assessor annually, not later than March 3, must furnish a certified statement to certain governmental bodies in the county, including the board of education, showing the aggregate value of all real and personal property. During the month of March the county commissions, the county boards of education and municipal governments prepare their budgets for the fiscal year which begins the following July. After these budgets are approved, these governments officially set the tax rate for the coming year sufficient to pay budgeted expenses not expected to be paid from other sources. For example, the 2012 assessment year valuations are made as of July 1, 2011, with taxes levied and collected during the fiscal year July 1, 2012, through June 30, 2013.

The State Tax Commissioner has the responsibility for preparing tentative valuations of all public utility property in the State and providing these valuations to the Board of Public Works of the State for actual assessment of such property. The Board of Public Works reviews all assessments made, makes such corrections as it deems proper, conducts hearings to entertain protests from the public utilities involved, and fixes the assessments in final form. After such assessments are made, they are allocated by the Auditor to the various counties in which the utility property is located, such allocation being approved by the Board of Public Works.

Property Classification

Article X, Section 1, of the Constitution of West Virginia and Chapter 11, Article 8, Section 5 of the Code of West Virginia, 1931, as amended, created four classifications of property for which the tax rates, but not the assessed values, are limited. These tax classifications are as follows: Class I - all tangible personal property employed exclusively in agriculture, all products of agriculture while owned by the producer; Class II - owner-occupied residential property and certain farm lands; (Article 10, Section 1b of the Constitution of the State of West Virginia and Chapter 11, Article 6B, Section 3 of the West Virginia Code, 1931, as amended, provide that the first twenty thousand dollars of assessed valuation of any real property, or of personal property in the form of a mobile home, used exclusively for residential purposes and occupied by the owner or one of the owners thereof as his residence, who is a citizen of the State and is sixty-five years of age or older or is certified as being permanently disabled, shall be exempt from ad valorem property taxation. Only one exemption shall be allowed for each homestead used and occupied exclusively for residential purposes by the owner thereof, regardless of the number of qualified owners residing therein); Class III - all real and personal property, other than Class I and II property, situate outside of municipalities; Class IV - all real, and personal property, other than Class I and II situate within municipalities. Public utility property falls within Class III or Class IV, as appropriate.

Assessed Valuations

The Wood County School District includes all of Wood County and has the same assessed valuation of property therein as does the entire county. Chapter 11, Article 1C of the West Virginia Code requires all assessors to appraise all property at fair market value (except for certain farm property), within three years of the approval of the county valuation plan. A county valuation plan must be submitted every three years by the assessor to the State Tax Commissioner. The State Tax Commissioner is required to monitor the assessors in the performance of their duties, and is required to perform the valuation process on industrial and natural resources property within the aforesaid three year period. Any increase in the total property taxes that could result from the new calculations is limited to one percent per year, unless, in the case of school boards, the legislature, after a public hearing, deems a greater increase is necessary. Assessors do not have the authority to implement the reappraisal described above. All property except farms and managed timberlands must be assessed at 60% of Fair Market Value.

Assessed Valuation By Property Class*

| Class | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 |
|-------|---------------|---------------|---------------|---------------|---------------|
| I | 0 | 0 | 0 | 0 | 0 |
| II | 1,540,403,870 | 1,569,769,116 | 1,587,648,398 | 1,592,793,022 | 1,623,473,052 |
| III | 774,281,854 | 761,479,816 | 753,846,597 | 769,002,430 | 809,380,781 |
| IV | 781,382,112 | 767,007,011 | 758,913,372 | 744,338,597 | 756,494,139 |
| Total | 3,096,067,836 | 3,098,255,943 | 3,100,408,367 | 3,106,134,049 | 3,189,347,972 |

Assessed Valuation By Property Category*

| Category | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 |
|----------------|---------------|---------------|---------------|---------------|---------------|
| Real | 2,206,498,970 | 2,232,809,440 | 2,240,042,720 | 2,226,940,670 | 2,253,238,100 |
| Personal | 736,487,052 | 709,243,169 | 702,362,679 | 719,733,231 | 772,175,102 |
| Public Utility | 153,081,814 | 156,203,334 | 158,002,968 | 159,460,148 | 163,634,770 |
| Total | 3,096,067,836 | 3,098,255,943 | 3,100,408,367 | 3,106,134,049 | 3,189,347,972 |

*Excludes property from ad valorem property taxation pursuant to the Homestead and Taxation Amendment. The amount of Class II property so excluded equaled:

| | | |
|------------------------------|------------------------------|------------------------------|
| \$190,524,902 in 2009 – 2010 | \$193,136,894 in 2010 – 2011 | \$195,536,864 in 2011 – 2012 |
| \$197,488,104 in 2012 – 2013 | \$200,112,448 in 2013 – 2014 | |

Largest Assessed Valuations (Tax Year 2012)

| Property | PP |
|--------------------------------------|-------------|
| E.I. DU PONT DE NEMOURS & COMPANY | 360,206,967 |
| MONONGAHELA POWER COMPANY - ELECTRIC | 112,896,392 |
| FRONTIER WEST VIRGINIA INC | 36,836,327 |
| HOPE GAS INC | 31,344,508 |
| CSX TRANSPORTATION INC | 23,931,270 |
| WAL-MART STORES EAST LP | 16,358,967 |
| MATHENY MOTOR TRUCK COMPANY | 13,836,022 |
| DUPONT FILAMENTS AMERICA | 13,754,315 |
| COLUMBIA GAS TRANSMISSION LLC | 13,134,207 |
| MARTIN MARIETTA MATERIALS | 12,935,017 |

Source: Wood County Assessor and West Virginia State Auditor's Office

Tax Rate Comparisons.

The following shows Wood County property taxes in cents per \$100 assessed valuation (this includes all state, county and school rates, in comparison with a few select surrounding counties), for Tax Year 2012; Fiscal Year 2012 - 2013.

Rates of Levy*

| County | Class I | Class II | Class III/IV |
|-----------|---------|----------|--------------|
| WOOD | 54.79 | 109.58 | 219.16 |
| Jackson | 62.17 | 124.34 | 248.68 |
| Pleasants | 61.23 | 122.46 | 244.92 |
| Richie | 55.72 | 111.44 | 222.88 |
| Wirt | 61.76 | 123.52 | 247.04 |

*Includes the total levy for State, County and schools in each County.

Source: West Virginia State Auditor

County Tax Rates

Except as hereinafter stated, the maximum tax rates allowed by the Constitution of West Virginia for the four classifications of property are as follows: Class I - \$.50 per \$100 assessed valuation; Class II - \$1.00 per \$100 assessed valuation; Class III - \$1.50 per \$100 assessed valuation; Class IV - \$2.00 per \$100 assessed valuation.

These rates of levy may not be exceeded except that a local levying body may provide for an election to increase such rates within the respective taxing unit at either a general or special election. If at least 60% of the voters voting in the election cast their ballots in favor, property tax levy rates may be increased by up to 50% by municipalities and counties. If at least 50% of the voters voting in the election cast their ballots in favor, property tax levy rates may be increased by up to 100% by boards of education. The increased levies may not continue for more than three years in the case of municipalities and counties, or for more than five years in the case of boards of education without resubmission to the voters.

School Tax Rates – By Property Class (Source: West Virginia State Auditor)

Taxes for school purposes are uniform throughout the County. In accordance with Chapter 11, Article 8, Section 6c of the Code of West Virginia, 1931, as amended, the tax limit for school current expenses and school permanent improvement purposes combined is \$0.2295 per \$100 assessed valuation in respect to Class I, \$0.4590 per \$100 in respect to Class II, and \$0.9180 per \$100 in respect to Classes III and IV. By favorable vote of at least a simple majority of the voters in an election, the above limitations may be increased by up to 100% for a period of five years, after which an election must again be held. Further, a county board of education is required to levy outside the rates provided by Chapter 11, Article 8, Section 6c, sufficient to pay the principal and interest requirements on bonds issued by the school district not exceeding five percent of the assessed value of all taxable property in the school district, in the manner provided by the Better Schools Amendment.

School Current Levy (Cents Per \$100)

| Class | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 |
|------------|-----------|-----------|-----------|-----------|-----------|
| I | 19.40 | 19.40 | 19.40 | 19.40 | 19.40 |
| II | 38.80 | 38.80 | 38.80 | 38.80 | 38.80 |
| III and IV | 77.60 | 77.60 | 77.60 | 77.60 | 77.60 |

School Excess Levy (Cents Per \$100)

| Class | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 |
|------------|-----------|-----------|-----------|-----------|-----------|
| I | 18.36 | 18.36 | 18.36 | 18.36 | 18.36 |
| II | 36.72 | 36.72 | 36.72 | 36.72 | 36.72 |
| III and IV | 73.44 | 73.44 | 73.44 | 73.44 | 73.44 |

School Bonds (Cents Per \$100)

| Class | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 |
|------------|-----------|-----------|-----------|-----------|-----------|
| I | 3.73 | 3.77 | 3.62 | 3.64 | 3.39 |
| II | 7.46 | 7.54 | 7.24 | 7.28 | 6.78 |
| III and IV | 14.92 | 15.08 | 14.48 | 14.56 | 13.56 |

The maximum tax rates described above are divided among the several levying bodies by statute. Under Chapter 11, Article 8, Section 6b of the Code of West Virginia, 1931, as amended, the maximum levy rates available to the County without approval by the voters is as follows: Class I - 14.3 cents per \$100 assessed valuation; Class II - 28.6 cents per \$100 assessed valuation; Class III - 57.2 cents per \$100 assessed valuation; and Class IV - 57.2 cents per \$100 assessed valuation.

Rates of Levy (Source: West Virginia State Auditor)

The tax rates for citizens of the County, including those imposed by the Board, in cents per \$100 assessed valuation for the 2013-2014 fiscal year, are as follows:

| YF | Class I | Class II | Class III/IV |
|----------------|---------|----------|--------------|
| State Current | 0.25 | 0.50 | 1.00 |
| County Current | 13.14 | 26.28 | 52.56 |
| School Current | 19.40 | 38.80 | 77.60 |
| School Bonds | 3.39 | 6.78 | 13.56 |
| School Excess | 18.36 | 36.72 | 73.44 |

In addition to the rates of levy established for State, County and School purposes, the municipalities within the County have additional rates of levy in effect as shown in the following table, in cents per \$100 assessed valuation for the 2012-2013 fiscal year.

| P. Y | Class I | Class II | Class IV |
|--------------|---------|----------|----------|
| North Hills | 8.96 | 17.92 | 35.84 |
| Parkersburg | 18.02 | 36.04 | 72.08 |
| Vienna | 17.63 | 35.26 | 70.52 |
| Williamstown | 12.5 | 25.00 | 50.00 |

As heretofore stated, under Article X, Sections 8 and 10 of the Constitution of the State of West Virginia and the Act, the Board may issue bonds for certain purposes in an amount which, when added to the aggregate indebtedness then outstanding, will not exceed 5% of the most recent assessed valuation of taxable property in the School District as of the date of bond authorization. Under such constitutional and statutory standard the computation of debt limit of the School District and its debt contracting margin are as follows:

Summary of Statistical Debt Information

| | |
|--|-----------------|
| Population (2011) | 87,120 |
| Assessed Valuation* | \$3,189,347,972 |
| Debt Limit (5% of Assessed Valuation) | \$159,467,399 |
| Outstanding Debt | \$19,300,000 |
| Debt Contracting Margin | \$139,962,399 |
| Per Capita Debt | \$222 |
| Outstanding Debt as percentage of Assessed Valuation | 0.6% |

*Assessed Value is estimated to be approximately 60% of appraised or market value (Assessment Year 2013, Fiscal Year 2014).

Debt Service Requirements

Upon issuance of the Bonds, based on the interest rates and yields set forth on the cover page, the Board will have the following debt:

Schedule of Bond Indebtedness
Public School Refunding Bonds, Series 2013

| Payment Date | Principal | Interest | Semi-Annual Debt Service | Annual Debt Service |
|--------------|------------------|------------------|--------------------------|---------------------|
| 11/1/2013 | | 295,982.92 | 295,982.92 | |
| 5/1/2014 | 2,505,000 | 335,075.00 | 2,840,075.00 | 3,136,057.92 |
| 11/1/2014 | | 310,025.00 | 310,025.00 | |
| 5/1/2015 | 2,525,000 | 310,025.00 | 2,835,025.00 | 3,145,050.00 |
| 11/1/2015 | | 284,775.00 | 284,775.00 | |
| 5/1/2016 | 2,600,000 | 284,775.00 | 2,884,775.00 | 3,169,550.00 |
| 11/1/2016 | | 232,775.00 | 232,775.00 | |
| 5/1/2017 | 2,725,000 | 232,775.00 | 2,957,775.00 | 3,190,550.00 |
| 11/1/2017 | | 178,275.00 | 178,275.00 | |
| 5/1/2018 | 2,850,000 | 178,275.00 | 3,028,275.00 | 3,206,550.00 |
| 11/1/2018 | | 121,900.00 | 121,900.00 | |
| 5/1/2019 | 2,980,000 | 121,900.00 | 3,101,900.00 | 3,223,800.00 |
| 11/1/2019 | | 62,300.00 | 62,300.00 | |
| 5/1/2020 | <u>3,115,000</u> | <u>62,300.00</u> | <u>3,177,300.00</u> | <u>3,239,600.00</u> |
| TOTALS | 19,300,000 | 3,011,157.92 | 22,311,157.92 | 22,311,157.92 |

Overlapping Debt

There is no overlapping debt.

CERTAIN FINANCIAL INFORMATION

Description of Funds

The accounts of the Board are organized on the basis of funds, each of which constitutes a separate entity for accounting procedures. For reporting purposes the various funds are organized into the following major groups:

1. Debt Service Fund

The Debt Service Fund is a separate and distinct fund used only as an “Interest and Sinking Fund” to meet the demands of maturing bonds and bond interest payments.

Taxes levied on real and personal property (other than public utility property), to be used to make Debt Service Fund payments, are collected by the Sheriff, while taxes levied on public utility property to be used to make Debt Service Fund payments are collected by the Auditor and remitted to the Sheriff. Collections are transferred periodically to the Bond Commission. The Bond Commission, in turn, disburses funds to meet the payment of bonds and bond interest payments as well as paying agency fees. From time to time, the Bond Commission invests amounts in the Debt Service Fund that are in excess of payment schedules and credits the interest income to the Debt Service Fund. (See “Investment of Certain Funds”).

2. Bond Construction Fund

The Bond Construction Fund is a separate and distinct fund consisting of proceeds from the sale of bonds authorized by an election, from State School Building Authority funds and from special funds that are categorically identified and authorized to supplement local bond proceeds or State School Building Authority funds. Expenditures are generally restricted to capital outlay purposes by the bond election call, by special funding agreements or by the State Board of Education in approving specific building projects.

3. Capital Projects Fund

The Capital Projects Fund accounts for financial resources used to acquire or construct specific major capital facilities other than by the sale of bonds or the reservation of monies in a permanent improvement fund. A separate fund may be established for each specific capital project.

4. General Current Expense Fund

The General Current Expense Fund is a separate and distinct fund and is used for all general operating purposes except for revenues and expenditures that are contained in the Debt Service Fund and the Bond Construction Fund. Revenues generally come from: (1) general and special levy taxes, (2) other local or miscellaneous revenues, (3) State aid to counties for restricted and unrestricted purposes, and (4) Federal aid received directly or through the State, usually categorical or restricted.

5. Special Review Revenue Fund

Accounts for the financial resources of the Board, which are restricted either legally or by the grantor.

Investment of Certain Funds

Proceeds of tax collections relating to the Bonds which are transferred to the Bond Commission will be invested in the Consolidated Fund managed by the West Virginia State Treasurer’s Office. The West Virginia Board of Treasury Investments is governed by a Board of Trustees consisting of the Governor, the State Auditor, the State Treasurer and two members appointed by the Governor. The Bond Commission currently invests its funds in The Consolidated Fund’s Government Money Market Pool. Investments are limited to U.S. Government obligations, select U.S. Government Agency-guaranteed obligations or repurchase agreements with average maturities not to exceed 90 days.

Accounting Practices

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The district-wide statements (Statement of Net Assets and the Statement of

Activities) are prepared using the economic resources measurement focus and the full accrual basis of accounting. The governmental fund financial statements (Balance Sheet- Governmental Funds and the Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Fund) were prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

Annual Audit

An annual audit of accounts is prepared by the State Auditor or an independent certified public accounting firm approved by the State Auditor. The audit is conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. See “APPENDIX A - AUDIT REPORT OF WOOD COUNTY BOARD OF EDUCATION FOR THE FISCAL YEAR ENDED JUNE 30, 2012”

Budgetary Procedures

Prior to the beginning of each fiscal year, the Board develops a fiscal plan consisting of contemplated expenditures. The annual budget development process is customarily developed along the following guidelines and in accordance with a budget calendar summarized as follows:

- July Overall goals are revised and established by the Board. Implementation and valuation of Board goals are established by the superintendent.
- October Student enrollment and personnel employee numbers are gathered system wide to determine State aid funding basis for subsequent fiscal year.
- November/December All staffing reviewed. Personnel reductions and additions are determined by local school councils, the public, the administration and the superintendent.
- January/February Preliminary forecasts of revenues and expenditures are determined by administration. Non-salary items reviewed.
- March Assessed valuations and preliminary State aid calculations received on or about March 3. The Board is required to ascertain the fiscal condition of the School District and determine the amount to be raised by the levy of taxes. Proposed levy rates must be submitted to the State Tax Commissioner and State Board of Education by March 28.
- April/May On the third Tuesday in April, the Board officially enters all levies for the coming year by ordering the levy of taxes commencing July 1. The proposed budget must be made available for public inspection for ten days and must be published in local newspapers for two weeks prior to the budget hearing.

A public hearing shall be held concerning the operating budget not less than 10 days after such budget has been made available for public inspection. The Board is required to submit a budget to the State Board of Education and State Tax Commissioner no earlier than 10 days after receipt of the final State aid computations.
- September Board advised of ending balances for previous fiscal year. Board and administration evaluate status for current fiscal obligations in relation to ending balances and established budgetary changes necessitated.

Internal Control

The system of internal control includes budgetary control, periodic operating reports and statistical analyses. The system checks the accuracy and reliability of its accounting data, promotes operational efficiency and encourages prescribed managerial policies.

The system provides segregation of functional responsibilities and control over assets, liabilities, revenues and expenses. Responsibilities and delegations of authority are assigned by the superintendent and Board in accordance with State Board of Education policy and advice of the State Auditor.

Statement of Revenues and Expenditures -- Budget and Actual

Revenues, Expenditures and Changes in Fund Balance – Regulatory Basis
 Budget and Actual
 General Current Expense Fund
 Year ended June 30

| | 2011 \$ | 2011* Actual | 2012 \$ | 2012* Actual | 2013 \$ |
|---|------------------|--------------------|--------------------|---------------------|--------------------|
| <u>Revenues</u> | | | | | |
| Property Taxes | 34,657,781 | 35,175,800 | 34,974,350 | 35,090,352 | 34,998,488 |
| Other Local Sources | 1,300,110 | 1,379,600 | 1,646,597 | 1,427,109 | 1,625,118 |
| State Sources | 66,788,364 | 84,921,336 | 73,368,501 | 90,489,825 | 74,383,604 |
| Federal Sources | 1,735,020 | 2,211,875 | 1,800,269 | 1,892,708 | 1,500,481 |
| Miscellaneous Sources | 0 | 29,475 | 45,113 | 2,554 | 150,000 |
| Total Revenues Collected | 104,481,275 | 123,718,086 | 111,834,830 | 128,902,548 | 112,657,691 |
| <u>Expenditures</u> | | | | | |
| Instruction | 61,614,613 | 84,663,070 | 67,174,038 | 77,724,337 | 66,391,008 |
| Supporting Services: | | | | | |
| Students | 5,972,544 | 6,830,063 | 6,275,687 | 7,471,346 | 7,006,278 |
| Instructional Staff | 4,323,884 | 4,862,968 | 4,877,705 | 5,386,175 | 5,310,988 |
| Central Administration | 1,335,029 | 1,478,251 | 1,186,950 | 1,336,585 | 1,347,466 |
| School Administration | 6,597,466 | 7,888,935 | 6,682,930 | 7,997,458 | 6,748,890 |
| Business Administration | 1,337,470 | 1,540,586 | 1,339,715 | 1,575,821 | 1,296,648 |
| Operation & Maintenance of Facilities | 13,800,849 | 14,250,481 | 14,758,152 | 15,596,283 | 14,013,533 |
| Student Transportation | 7,664,888 | 7,728,192 | 7,657,045 | 8,111,670 | 7,710,643 |
| Food Services | 488,490 | 511,253 | 573,020 | 726,007 | 511,820 |
| Community Services | 500,360 | 488,337 | 499,513 | 484,023 | 500,502 |
| Debt Service | 867,430 | 867,430 | 276,450 | 277,640 | 615,920 |
| Capital Outlay | 0 | 0 | 27,112 | 27,112 | 119,533 |
| Reserve | | | | | 1,933,519 |
| Total Expenditures | 104,502,023 | 131,109,566 | 111,328,317 | 126,714,458 | 113,706,748 |
| Excess (Deficiency) of Revenues over Expenditures | <u>(20,748)</u> | <u>(7,391,480)</u> | <u>506,513</u> | <u>2,188,090</u> | <u>(1,049,057)</u> |
| Total Other Financing Sources (Uses) | (4,570,567) | (2,424,484) | (5,416,196) | (4,661,865) | (3,570,000) |
| Extraordinary Gain – OPEB credit | | | | 21,791,185 | |
| Net change in Fund Balance | (4,591,315) | (9,815,964) | (4,909,683) | 19,317,410 | (4,619,057) |
| Fund Balance - beginning | <u>4,591,315</u> | <u>(8,504,233)</u> | <u>(8,504,233)</u> | <u>(18,584,578)</u> | <u>4,619,057</u> |
| Restatement of Fund Balance | | | | | |
| Fund Balance - ending | 0 | (18,320,197) | (13,413,916) | 732,832 | 0 |

*Includes \$24,162,910 OPEB Liabilities for Fiscal Year 2011 (2010-2011 Actual) and \$3,452,599 OPEB Liabilities for Fiscal Year 2012 (2011-2012 Actual).

Source: Wood County Board of Education

Teachers Retirement Systems (Defined Benefit)

The Teachers Retirement System (TRS), established in 1941, is a multiple employer defined benefit cost sharing public employee retirement plan covering all full-time employees of the 55 county public school system, certain personnel of the 16 state-supported higher education institutions, and employees of the State Department of Education. As of July 1, 2012, there are 35,807 active members and 31,913 retirees. The plan reopened for new members as of July 1, 2005.

Members contribute 6% of annual earnings. Employers contribute 15% or 7.5% of a member's annual earnings. A member who withdraws from service for any cause other than death, retirement or disability, may request the accumulated employee contributions plus interest be refunded. TRS provides retirement benefits, as well as death and disability benefits.

The most recent actuarial valuation of TRS was performed July 1, 2012 by Buck Consultants. The asset valuation method utilizes market value to place a value on assets. The actuarial cost method valuation utilized entry age cost with individually computed accrued liabilities, including an earnings assumption of 7.5% annually, net after expenses. As of July 1, 2012, the unfunded liability of TRS was \$4.568185 billion. The funded percentage was 53.0%. The State expects the TRS unfunded accrued liability to be extinguished on or about June 30, 2034.

Source: State of West Virginia Consolidated Public Retirement Board

Teachers' Defined Contribution Retirement System

The Teachers' Defined Contribution Retirement System (TDC) is a multiple employer defined contribution retirement system covering primarily full-time employees of the State's 55 county public school systems, the State Department of Education, and School for the Deaf and Blind hired after June 30, 1991. The system includes former TRS plan members, including higher education employees, who elected to transfer into or participate in TDC. The plan closed for new members as of July 1, 2005.

As of July 1, 2012, there were approximately 4,376 members in the TDC. Benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to participate from the date of employment. Members may choose from thirteen (13) separate investment options.

Employees contribute 4.5% of their gross compensation and employers contribute 7.5% of covered members' gross compensation from amounts allocated to the employers through the State School Aid formula. Employer contribution for each employee (and interest allocated to the employee's account) become partially vested after six (6) years and fully vested after twelve (12) years of complete service. Employer contributions and earnings thereon forfeited by employees who leave employment prior to becoming fully vested are available, in the event the employee does not return to active participant status within five (5) years, to reduce the employer's current-period contribution requirement. Benefits depend solely on the amounts contributed plus net investment earnings thereon.

Source: State of West Virginia Consolidated Public Retirement Board

TDC Transfer to TRS

In 2008, the West Virginia Legislature enacted legislation authorizing members of the TDC to elect to voluntarily transfer to TRS. For the transfer to occur the legislation required that at least 65% of members of TDC as of December 31, 2007 vote to elect the transfer. Over 78% of actively contributing TDC members elected to transfer to TRS. Approximately 15,152 TDC members were transferred to TRS on July 1, 2008.

Source: State of West Virginia Consolidated Public Retirement Board

Other Post Employment Benefits (OPEB)

The Board has adopted Governmental Accounting Standards Board (GASB) Statement No. 43, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans", which among other things, requires reporting on an accrual basis the liability associated with other postemployment benefits. In conjunction with the implementation of GASB Statement No. 43, the State of West Virginia established the Retiree Health Benefit Trust Fund (RHBT), an irrevocable trust, to account for and administer the other postemployment

benefits (OPEBs) provided under the multiemployer cost-sharing plan. The PEIA Finance Board was assigned the authority to establish and amend contribution requirements of the plan members and the participating employers, and PEIA administers the plan. The legislation requires the RHBT to determine through an actuarial study the contractually required contribution (CRC) which shall be sufficient to maintain the RHBT in an actuarially sound manner. The CRC, which is reviewed and approved by the PEIA Finance Board, shall be allocated to the respective employers who are required by law to remit at least the minimum annual premium component of the CRC. The Board is required to participate in the RHBT established for the multiemployer cost-sharing plan. Details regarding this plan can be obtained by contacting West Virginia Public Employees Insurance Agency (PEIA), State Capitol Complex, Building 5, Room 1001, 1900 Kanawha Boulevard, East, Charleston, WV 25305-0710 or <http://www.wvpeia.com>.

Revenues collected by RHBT are used to fund current OPEB health care claims and administrative expenses with residual funds held in trust for future OPEB costs. The rates charged must generate sufficient revenues to not only meet all expected expenses, including insurance, administrative expenses, and incurred but unreported claims of the RHBT, but also include the amounts necessary to fund the unfunded obligation of the plan over an amortization period not to exceed 30 years.

In an effort to reduce OPEB obligations, after conducting public hearings around the State in November, 2011, the PEIA Finance Board met on December 13, 2011 and adopted its plan for 2012-2013 which, among other things, cut health benefits by approximately \$18.4 million per year and set a cap on retiree premium subsidies of \$343 per month, effective as of July 1, 2012, for those employees hired on or before July 30, 2010. The \$343 retiree premium subsidy cap will increase over time for inflation, but by no more than 3% per year. This action is calculated to reduce the State of West Virginia's OPEB liability by half to \$5 billion and is projected to ultimately eliminate the OPEB liability by 2040.

The OPEB liability, Actuarial Accrued Liability (AAL), for the multiple-employer-cost sharing plan, for plan year FY 2012, was estimated at \$10.3 billion. This amount represents a substantial unfunded liability for the employers which are a part of the plan. The action taken by the PEIA Finance Board at its December 13, 2011 meeting is estimated to have cut the OPEB liability in half to approximately \$5 billion. The PEIA 2012-2013 plan contemplates that State retirees will pay the additional \$5 billion over time in the form of higher premiums or reduced benefits or both.

On February 10, 2012, the West Virginia Legislature passed Senate Bill 469 which creates a plan to address the funding of OPEB liabilities associated with the PEIA in the State of West Virginia. The Senate Bill eliminates health care insurance premium subsidies for PEIA insured employees which were hired after July 1, 2010 and sets up the Post July 1, 2010 Employee Trust Fund for the purpose of funding retirement benefits for employees hired after July 1, 2010. Under Senate Bill 469, following the elimination of the actuarial unfunded liability of the State's Workers' Compensation Trust Fund, the State will begin to apply \$35 million a year from personal income tax collections as follows: \$30 million a year will be deposited into the West Virginia Retiree Health Benefit Trust Fund (until the actuarial unfunded liability is eliminated or July 1, 2037, which ever is later to occur) for the purpose of paying down the remaining \$5 billion of long-term OPEB liability associated with the PEIA, and (ii) \$5 million a year will be deposited into the Post July 1, 2012 Employee Trust Fund to assist employees hired after July 1, 2010.

For professional employees, service personnel and professional student support personnel of the various County Boards of Education in the State, including the Board, which are employed within the limits permitted by the foundation allowance of the State school aid formula, the necessary OPEB premiums which are required to be paid to PEIA with respect to such employees shall be charged to the State of West Virginia. However, such County Boards of Education, including the Board, retain liability for payment of the necessary OPEB premiums which are required to be paid to PEIA for all professional employees, service personnel and professional student support personnel which are employed by such County Boards of Education in excess of the limits permitted by the foundation allowance of the State school aid formula.

In accordance with GASB requirements, the Board accrues OPEB costs based upon invoices received from PEIA based upon actuarially determined amounts. As of June 30, 2012, the noncurrent liability related to OPEB costs for the Board was \$3,452,599. For additional information regarding the Board's liabilities and

expenses, see “APPENDIX A – Audit Report of Wood County Board of Education for the Fiscal Year Ended June 30, 2012” and the accompanying notes to the financial statements.

Sources: West Virginia Public Employees Insurance Agency; Wood County Board of Education

Insurance Coverage*

| 1. Type | <u>Amount in Force (FY 2013)</u> |
|--------------------------------------|----------------------------------|
| Deluxe Commercial Property insurance | \$ 375,249,000 |
| Deductible per occurrence | \$ 5,000 |
| Machinery and Equipment insurance | \$ 25,000,000 |
| Deductible per occurrence | \$ 2,500 |
| Flood insurance | \$ 0 |
| | |
| Deductible per occurrence | \$ 0 |
| Public official position bond: | |
| Superintendent | \$ 20,000 |
| Board President | \$ 20,000 |
| Treasurer | \$ 600,000 |
| Fidelity Honesty Bond | \$ 50,000 |

*Source: Wood County Board of Education

INVESTMENT CONSIDERATIONS

Annual Audit

Pursuant to Chapter 6, Article 9 of the Code of West Virginia, 1931, as amended (the “Audit Act”), the State Auditor, as the chief inspector and supervisor of public offices (the “Chief Inspector”) is charged with the responsibility of (1) formulating, prescribing and installing a system of accountability for all local units of government in West Virginia, including municipalities and (2) examining the financial affairs of every local government office or political subdivision and all boards, commissions, authorities, agencies or other offices. The School District is a local government under the Audit Act. Accordingly, pursuant to Section 7 of the Audit Act, an audit of the School District’s finances must be accomplished by the Chief Inspector or any person appointed by him. The Chief Inspector has developed procedures which allow certain governmental entities to obtain audit services from certain approved accounting firms. The School District has been instructed by the Chief Auditor to procure audit services pursuant to such procedures. The procedures developed by the Chief Inspector to procure a CPA firm for the audit require written approval of all contracts and extensions to contracts by the Chief Inspector prior to the commencement of work on the audit by the CPA firm. Additionally, the Chief Inspector is authorized to unilaterally cancel any contract between the School District and a CPA firm under certain conditions and elect to perform the audit. Accordingly, the actions or lack of actions of the Chief Inspector may adversely impact the ability of the selected CPA firm to timely complete the annual audited financial information required to be submitted to EMMA pursuant to the Continuing Disclosure Agreement. See “Continuing Disclosure” herein. Additionally, the School District has no power to require the Chief Inspector to take any action required under such procedures that would ensure the completion of the audit to meet the timely filing of such information.

TAX MATTERS

General

The following discussion of “Tax Matters” is a brief discussion of certain income tax matters with respect to the Bonds under existing applicable law. It does not purport to deal with all aspects of taxation that may be relevant to the owner of a bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the tax consequences of owning and disposing of the Bonds.

Federal Income Tax Exemption of the Bonds

In the opinion of Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Bond Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is taken into account in determining the adjusted current earnings of certain corporations for purpose of calculating corporate alternative minimum taxable income. A complete copy of the proposed form of opinion of Bond Counsel is set forth in APPENDIX C – "PROPOSED FORM OF OPINION OF BOND COUNSEL" hereto.

Assumed Compliance with Certain Covenants and Federal Tax Requirements

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Issuer has covenanted to comply with certain restrictions designed to insure that interest on the Bonds will not be included in federal gross income. Failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Bonds. Prospective purchasers of Bonds are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Certain requirements and procedures contained or referred to in the Resolution, the Tax and Non-Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of bond counsel other than Spilman Thomas & Battle, PLLC.

Original Issue Premium

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a beneficial owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocated to such beneficial owner. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering at the price for that Premium Bond stated on the cover of this Official Statement who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond. Beneficial owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with bond premium, including the treatment of beneficial owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number Certification," or unless the recipient is one of a limited class of exempt recipients, including corporations. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to the backup withholding should be allowed as a refund or a credit against any owner's federal income tax once the required information is furnished to the Internal Revenue Service.

State Income Tax Exemption

In the opinion of Bond Counsel, under the Act, as presently written and applied, the Bonds, together with the interest thereon, shall be exempt from all taxation by the State of West Virginia, or by any county, municipality or political subdivision thereof.

Individual Circumstances

Although Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect an owner's federal liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the owner or the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Future Tax Changes

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such future legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Issuer, or about the effect of future changes in the Code, the application regulations, the interpretation thereof or the enforcement thereof by the IRS. The Issuer has covenanted, however, to comply with the requirements of the Code.

Internal Revenue Service Audits

The IRS (defined above) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the IRS, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the IRS will commence an audit of the Bonds. If an audit is commenced, under current procedures the IRS may treat the Issuer as a taxpayer, and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Bond Counsel Obligations

Bond Counsel's engagement with respect to the Bonds ends with the issuance of the Bonds, and unless separately engaged, Bond Counsel is not obligated to defend the Issuer or the beneficial owners regarding the tax-exempt status of the Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Issuer and their appointed counsel including the beneficial owners, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt Bonds is difficult, obtaining an independent review of IRS positions with which the Issuer legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of Bonds presenting similar tax issues may affect the market price for, or the marketability of, the Bonds, and may cause the Issuer or the beneficial owners to incur significant expense.

Bond Counsel's opinions represent its legal judgment based in part upon the representations and covenants referenced therein and its review of existing law, but are not a guarantee of result or binding on the IRS or the courts. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may come to Bond Counsel's attention after the date of its opinions or to reflect any changes in law or the interpretation thereof that may occur or become effective after such date.

LITIGATION IN THE STATE CONCERNING THE SCHOOL FINANCING SYSTEM

The School District may be affected by litigation pending in the courts of the State of West Virginia with potential impact on local taxes for school purposes similar to the litigation which has continued in certain states, such as *Serrano v. Priest* in California, challenging the constitutionality of present systems of levying taxes and applying funds for public school purposes.

On May 11, 1982 in the matter entitled *Pauley v. Bailey*, a special judge of the Circuit Court for Kanawha County held that the West Virginia school finance system violates the West Virginia Constitution and that inequities in the levels of funding for various counties were attributable to undue reliance on excess levies which favored property rich counties. By order of March 4, 1983, a master plan prepared by the State Board of Education and State Superintendent of Schools was filed as part of the record in the case. The court expressed its intention that the master plan be viewed as a proposal to the State Legislature for implementing, by statute, a constitutional system of financing public education. No legislation resolving the question was adopted during the 1984 legislative session, and on January 8, 1985, the plaintiffs moved the court to address the excess levy problem. On December 3, 1985, the court ordered that if the legislature did not, by July 1, 1987, replace or equalize excess levy revenues by one of the methods enumerated in such order, the court would direct a more equitable distribution. The legislature then adopted a constitutional amendment authorizing a statewide excess levy. The proposed amendment was to be submitted to the voters in a special election to be held March 5, 1988. The court entered a supplemental order on June 29, 1987, providing that if the statewide excess levy was not approved by the voters, a sum equal to 20% of each county's excess levy revenues in fiscal year 1988 89 (to be increased by an additional 20% in each of the next four fiscal years) would be withheld and distributed "on an equitable basis described by the court." The statewide excess levy amendment was defeated at the special election and the supplemental order became operative. However, on April 8, 1988, the state tax commissioner, the auditor and 33 county boards of education petitioned the Supreme Court of Appeals of West Virginia for a writ of prohibition to bar enforcement of the supplemental order. On November 23, 1988 in *State ex rel. the Boards of Education of the Counties of Upshur et al*, the Supreme Court of Appeals issued the writ of prohibition, and noting that the court below had plainly exceeded its legitimate powers by the entry of an unconstitutional order, found the existing excess levy provision not violative of the State Constitution. The Supreme Court of Appeals suggested therein that it would be appropriate for the lower court to consider whether a statewide reappraisal should be ordered to be implemented to remedy the school financing problem.

In May of 1995 a Motion to join the President of the State Senate and the Speaker of the State House of Delegates as defendants in *Pauley* was granted by the Circuit Court. The Circuit Court later reconsidered this Motion and the President of the State Senate and the Speaker of the House of Delegates are no longer defendants. Additionally, with the motion to join defendants, the plaintiffs moved the Circuit Court for an order enforcing the judgment previously entered including establishment of a timetable for implementation of the Master Plan for

Public Education and a timetable for implementation of changes to the system of financing public education in West Virginia. A trial was scheduled for July 3, 2000. However, prior to going to trial, the parties reached a settlement with regard to a number of the issues.

Finally, on January 3, 2003, Pauley was dismissed and dropped from the active docket of the court. The court stated in its Memorandum of Opinion and final Order the following:

1. The plaintiff class's request to compel the West Virginia Legislature to remove the net enrollment caps in Steps 1 and 2 of the Foundation Allowance to provide additional professional and service personnel of the county as embraced within West Virginia Code §18-9A-1, et seq., and the use of a density mileage factor within the Foundation Allowance is hereby DENIED.
2. The decision of the Honorable Dan C. Robinson that the School Financing Formula as embraced within West Virginia Code §18-9A-1, et seq., was constitutionally deficient is hereby vacated and held for naught; and
3. West Virginia Code §18-2E-5 is specifically found to satisfy the requirements of W.Va. Const. Art. XII §1 to the extent that the Legislature has provided, by public law, for a thorough and efficient system of free schools.
4. There being no further need to maintain continuing jurisdiction in this matter, this case shall be dismissed and dropped from the active docket of this Court, to all of which action all parties' objection is hereby preserved.

On December 28, 1990, a class action was filed against the State Superintendent of Schools, the West Virginia Board of Education and the School Building Authority of West Virginia in the United States District Court for the Southern District of West Virginia by a group of plaintiffs alleging improper action by defendants in following a policy of approval of segregated outbuildings for special education students and expenditures therefor. (*Harris et. al. v. Marockie, et. al.*). The action also alleged that defendants have discriminated against the plaintiff class by failure to protect them from improper behavioral control procedures by County Boards of Education, failure to monitor or enforce educational standards and failure to provide adequately trained instructors.

Plaintiffs requested relief in the form of various declaratory and injunctive measures to remedy the alleged improprieties, including submission of a plan to alleviate alleged constitutional and legal deficiencies in special education in the State. No monetary damages were stated in the complaint. On July 10, 1991 a Settlement Agreement was approved by the District Court. The Settlement Agreement, as approved by the District Court, provided inter alia that the State School Building Authority would, in the application process and before disbursement of monies to local boards of education, obtain sufficient information to assure that no projects approved or funded would permit segregated outbuildings, segregated schools or inappropriately located self contained classrooms in regular buildings in which classrooms are not contiguous to or in proximity with classrooms of age appropriate, non handicapped children or that permits a county to continue the existence of such an outbuilding, school or classroom.

In the opinion of Bond Counsel, the final resolution of the Pauley and Harris decisions by the courts of the State will not affect the validity or binding obligation, nature of the Bonds or modify the right of the holders thereof to ultimate recourse to unlimited ad valorem taxes upon all the taxable property within the School District for the payment of the Bonds if not paid from other sources.

LITIGATION

In the ordinary conduct of its affairs, the Board is party to litigation pending in the courts of the State. The Board engages counsel to represent the Board on various matters. Counsel to the Board has reviewed the current status of all pending and threatened litigation, and expresses the opinion that while the outcome of litigation cannot be predicted, it is nevertheless not probable that Board liability in any such matters is likely to have a material adverse effect on the financial condition of the Board.

At the time of payment for and delivery of the Bonds, the purchasers will be furnished with a certificate of the Secretary of the Board that there is no litigation pending or threatened affecting the validity of the Bonds

or any of the proceedings taken with respect to the issuance and sale thereof or the levy or collection of any taxes to pay the principal of or interest on the Bonds. Such certificate shall also state that there is no litigation pending or threatened against the Board which materially adversely affects the financial condition of the Board.

CONTINUING DISCLOSURE

The Board has covenanted for the benefit of the Owners of the Bonds, in accordance with the Continuing Disclosure Agreement which shall be delivered in substantially the form attached hereto as APPENDIX F, to provide financial information not later than three hundred (300) days following the end of the Board's fiscal year, commencing with the report for the fiscal year ended June 30, 2013, and to provide notice of the occurrence of the enumerated events listed herein, if material. The Annual Information and each notice of material events will be filed electronically by WesBanco Bank, Inc., Wheeling, West Virginia, as dissemination agent, on behalf of the Board, with the Electronic Municipal Markets Access System ("EMMA").

This continuing disclosure obligation is being undertaken to comply with Rule 15c2-12 (the "Rule") promulgated by the Securities Exchange Commission. The Board has agreed to give notice in a timely manner to EMMA of any failure to supply the required information. However, any such failure will not constitute a default under the terms of the Bonds. Under the Continuing Disclosure Agreement, the sole remedy for such failure is to seek an order for specific performance. SEE "APPENDIX F – FORM OF CONTINUING DISCLOSURE AGREEMENT."

The Continuing Disclosure Agreement for the Series 2005 Bonds required the Board to file its annual financial information within 300 days of the end of the fiscal year.

For the fiscal years of the Board ending on June 30, 2005, June 30, 2006, June 30, 2007, June 30, 2008, June 30, 2009, June 30, 2010 and June 30, 2011, the Board failed to file its audited financial statements with the then approved National Repositories within 300 days following the completion of each fiscal year as required by the 2005 Disclosure Agreement. This failure was primarily due to a misunderstanding with respect to the due date of such continuing disclosure filings. However, the Board is confident that these timing issues have been resolved and that the Board will be able to file its financial statements with EMMA within the time frame required by the Continuing Disclosure Agreement. The Board has filed its audited financial statements for fiscal year ending June 30, 2012 timely.

LEGAL MATTERS

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Spilman Thomas & Battle, PLLC, Charleston, West Virginia, Bond Counsel, whose approving legal opinion will be delivered with such Bonds. Certain legal matters will be passed upon for the Board by Spilman Thomas & Battle, PLLC, Charleston, West Virginia, Counsel to the Board.

FINANCIAL STATEMENTS

Included in Appendix A are the audited financial statements of the Board as of and for the twelve-month period ended June 30, 2012, of Sullivan Webb, PLLC, Certified Public Accountants. This report is dated March 15, 2013. The Board has obtained the consent of Sullivan Webb to publish the audited financial statements with this Official Statement.

RATINGS

Standard & Poor's Corporation, 55 Waters Street, New York, New York, 10041, has assigned the Bonds its rating of 'AA' based on the Board's eligibility and participation in the Municipal Bond Program. The Board did not apply for any other ratings. Such rating reflects only the views of such organization and reference is made to such organization for the meaning of such rating. There is no assurance that such rating will continue for any period of time or that such rating will not be revised downward or withdrawn entirely by the assigning rating agency, if in the judgment of such rating agency, circumstances so warrant. Any downward revision or withdrawal of such rating may have an adverse effect upon the market price or value of the Bonds.

VERIFICATION AGENT

Causey Demgen & Moore P.C., independent Certified Public Accountants, has been retained as verification agent for the Bonds (the "Verification Agent"). The Verification Agent shall provide a certification that a debt service savings was obtained by refunding the Series 2005 Bonds and verification of the sufficiency of the escrow.

UNDERWRITING

The Bonds are being purchased by Piper Jaffray & Co., as Underwriter. The Purchase Contract provides that the Underwriter will purchase all the Bonds if any are purchased, the obligation to make such purchase being subject to the terms and conditions set forth in the Purchase Contract, including the approval of certain legal matters by counsel. The initial public offering prices may be changed from time to time by the Underwriter. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and certain dealer banks acting as agents at prices lower than the public offering prices stated on the cover page hereof. The Underwriter has agreed to purchase the Bonds, subject to certain conditions, for a purchase price of \$21,178,173.25 (par amount of the Bonds of \$19,300,000 plus an original issue premium of \$2,009,673.25 less an underwriter's discount of \$131,500).

Piper Jaffray & Co. and Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation, entered into an agreement (the "Agreement") which enables Pershing LLC to distribute certain new issue municipal securities underwritten by or allocated to Piper Jaffray & Co., including the Bonds. Under the Agreement, Piper Jaffray & Co. will share with Pershing LLC a portion of the fee or commission paid to Piper. Piper Jaffray & Co. has also entered into a distribution agreement ("Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Bonds from Piper at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that CS&Co. sells.

CONCLUDING STATEMENT

The information furnished in this Official Statement is set forth for the benefit of prospective purchasers of the \$19,300,000 in aggregate principal amount of The Board of Education of the County of Wood Public School Refunding Bonds, Series 2013. The material contained in the Official Statement was compiled for and at the direction of The Board of Education of the County of Wood.

All statements, estimates, assumptions and summaries of documents in this Official Statement have been made on the basis of the best information available and are believed to be correct and reliable, but no representations whatsoever are made that such statements, estimates, assumptions and summaries of documents are correct or will be realized

This Official Statement is submitted in connection with the offering of the Bonds and may not be reproduced or used, as a whole or in part, for any other purposes. Any statements in this Official Statement involving matters of opinion or estimate, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Board and the purchasers or holders of any of the Bonds. The distribution of this Official Statement has been approved by the Board. Additional information may be obtained from the Superintendent at 1210 Thirteenth Street, Parkersburg, West Virginia, 26101, telephone (304) 420-9663 (www.boe.wood.k12.wv.us).

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD

By: /s/ Tim Yeater
President

A handwritten signature in cursive script that reads "Tim W Yeater". The signature is written in black ink and is positioned to the right of the typed name and title.

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**WOOD COUNTY BOARD OF EDUCATION
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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**WOOD COUNTY BOARD OF EDUCATION
INDEX OF FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

GOVERNMENTAL FUND TYPES

General Current Expense

Special Revenue Fund

Special Revenue – ARRA Fund

Debt Service Fund

Capital Projects Fund

FIDUCIARY FUND TYPE

Agency School Activities

**WOOD COUNTY BOARD OF EDUCATION
BOARD OFFICIALS
JUNE 30, 2012**

| <u>Office</u> | <u>Name</u> | <u>Term</u> |
|-----------------|---------------------|---------------------|
| | <u>Elective</u> | |
| Board Members: | | |
| | John E. Marlow | 07/01/08 - 06/30/12 |
| | Tim W. Yeater | 07/01/08 - 06/30/12 |
| | Tad D. Wilson | 07/01/10 - 06/30/14 |
| | James M. Fox | 07/01/08 - 06/30/14 |
| | Richard L. Olcott | 07/01/10 - 12/31/11 |
| | Lawrence Hasbargen | 01/02/12 - 06/30/12 |
| | <u>Appointive</u> | |
| Board President | Tad M. Wilson | 07/01/10 - 06/30/12 |
| Superintendent | Dr. J. Patrick Law | 07/01/08 - 06/30/12 |
| Treasurer | Connie Roberts, CPA | |

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BRUCE I. SULLIVAN, CPA
CHARLES D. WEBB, MBA, CPA

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
WV SOCIETY OF CERTIFIED PUBLIC
ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

Honorable Members of
Wood County Board of Education
Parkersburg, West Virginia

We have audited the accompanying financial statements of the Wood County Board of Education, as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Wood County Board of Education, as of June 30, 2012, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2013, on our consideration of Wood County Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information for the General Current Expense Fund, the Special Revenue Fund and the ARRA Special Revenue Fund on pages 5 through 11 and 45 through 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary

information in accordance with auditing standards generally accepted in the United States of America, which consists of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wood County Board of Education's financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Also, the accompanying other supplementary information of the Schedule of Changes in School Activity Funds, the Schedule of Excess Levy Revenues and Expenditures, and budgetary comparison information for the Debt Service Fund and Capital Projects Fund is presented for purposes of additional analysis and is not a required part of the basic financial statements of Wood County Board of Education. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



March 15, 2013

**WOOD COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2012**

Our discussion and analysis of the Wood County Board of Education's financial performance provides an overview of the Board's financial activities for the fiscal year ended June 30, 2012. Please read this discussion and analysis in conjunction with the Board's basic financial statements, which are presented immediately following this Management's Discussion and Analysis.

Financial Highlights

- The Board's total assets exceeded liabilities by \$77,339,388 at the close of the most recent fiscal year.
- The Board's total net assets increased from the prior year net assets, as restated, by \$24,618,245. Of this, \$24,609,066 is attributable to a decrease in the liability recognized for Other Post Employment Benefits (OPEB) as a result of Senate Bill 469 whereby the OPEB liability for state-aid funded employees is assumed by the State of West Virginia. For the prior year, the Board was required by WVC §5-16D-6 to report the annual portion of the accrued actuarial liability for OPEB as a current liability in the fund basis statements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Board's basic financial statements. The Board's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The Government-wide financial statements are designed to provide readers with a broad overview of the Board's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Board's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing or related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The Government-wide financial statements can be found on pages following the Management Discussion and Analysis.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Board can be divided into two categories: governmental funds and fiduciary funds.

**WOOD COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2012**

Governmental funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the Government-wide financial statements. However, unlike the Government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the Government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the Government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Board maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the special revenue fund, the special revenue fund for the American Recovery and Reinvestment Act (ARRA), the debt service fund, and capital projects fund; all of which are considered major funds.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the Government-wide financial statement because the Board cannot use these funds to finance its operations.

The Board uses agency funds to account for resources held for student activities and groups and the Regional Education Service Agency (RESA 5) for which the county board of education serves as the fiscal agent. The basic fiduciary fund financial statement can be found on the page following the fund financial statements.

Notes to the Basic Financial Statements - The notes provide additional information that is essential for a full understanding of the data provided in the Government-wide and fund financial statements. The notes to the financial statements can be found on the pages following the basic financial statements.

**WOOD COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**
For the Fiscal Year Ended June 30, 2012

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Board, assets exceeded liabilities by \$77,339,388 at the close of the most recent fiscal year.

| | 2012 Governmental Activities | 2011 Governmental Activities |
|---|------------------------------------|------------------------------------|
| ASSETS | | |
| Current and other assets | \$23,030,347 | \$21,295,780 |
| Capital assets | 95,476,762 | 97,212,256 |
| Total assets | <u>\$118,507,109</u> | <u>\$118,508,036</u> |
| LIABILITIES AND NET ASSETS | | |
| Liabilities: | | |
| Current and other liabilities | \$18,263,394 | \$37,347,355 |
| Long-term liabilities outstanding | 22,904,327 | 28,439,538 |
| Total liabilities | 41,167,721 | 65,786,893 |
| Net assets: | | |
| Invested in capital assets, net of related debt | 70,985,422 | 69,975,507 |
| Restricted | 6,501,234 | 2,851,084 |
| Unrestricted | (147,268) | (20,105,448) |
| Total net assets | 77,339,388 | 52,721,143 |
| Total liabilities and net assets | <u>\$118,507,109</u> | <u>\$ 118,508,036</u> |

- The prior year deficit unrestricted net assets was due to the WVC §5-16D-6 requirement to report the annual portion of the accrued actuarial liability due the West Virginia Retiree Health Benefit Trust Fund (RHBT) for Other Post Employment Benefits (OPEB) as a current liability. As reflected in the fund basis statements, the accrued actuarial liability for these costs was \$26,980,794 in FY11. For FY12, Senate Bill 469 provided that the OPEB liability for state-aid funded employees will be assumed by the state resulting in an increase of \$19,958,180 in unrestricted net assets.
- The largest portion of the Board net assets, 92%, reflects its investment in capital assets (e.g. land, buildings, furniture and equipment, vehicles), less any related debt used to acquire those assets that is still outstanding. The Board uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the Board's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**WOOD COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2012**

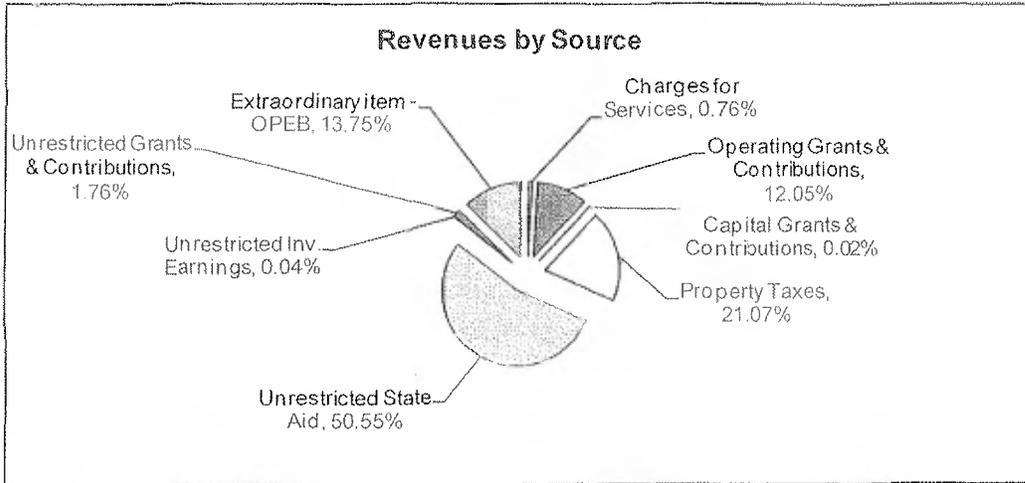
- An additional portion of the Board's net assets represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for debt service and capital projects.
- The remaining balance (deficit) of unrestricted net assets may be used to meet the Board's obligations to students, employees, and creditors and to honor next year's budget.

The key elements of the decrease of the Board's net assets for the year ended June 30, 2012 are as follows:

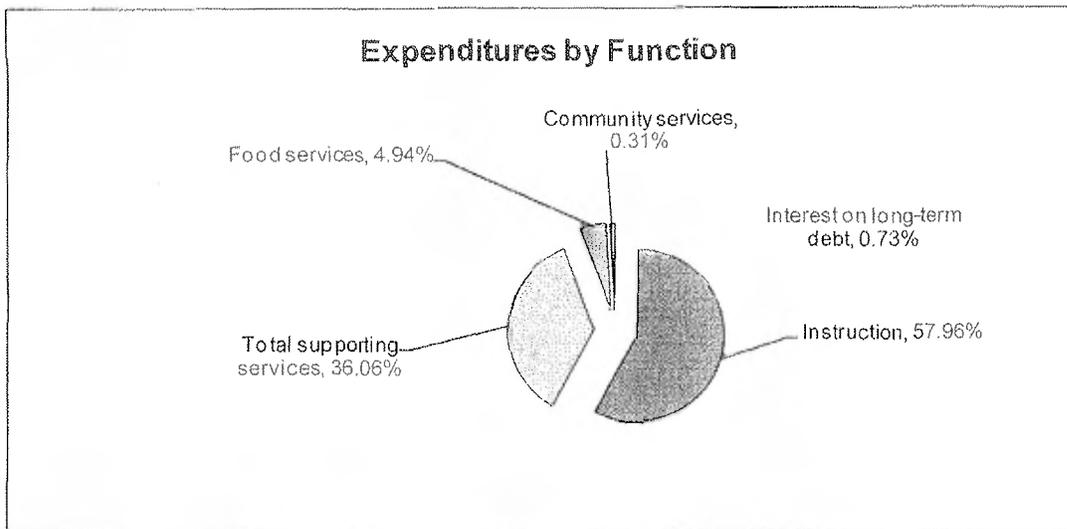
| | 2012 | 2011 |
|--|----------------------|----------------------|
| | Governmental | Governmental |
| | Activities | Activities |
| Revenues: | | |
| Program revenues: | | |
| Charges for services | \$ 1,359,965 | \$ 739,190 |
| Operating grants and contributions | 21,562,584 | 24,280,147 |
| Capital grants and contributions | 45,357 | 350,816 |
| General revenues: | | |
| Property taxes | 37,740,767 | 37,678,173 |
| Unrestricted state aid | 90,489,825 | 84,106,167 |
| Unrestricted investment earnings | 85,966 | 163,264 |
| Unrestricted grants and contributions | 3,151,659 | 4,890,459 |
| Gain on Sale of Assets | 0 | 29,475 |
| Total revenues | 154,436,123 | 152,237,691 |
| Expenses: | | |
| Instruction | 89,509,531 | 103,051,434 |
| Supporting services: | | |
| Students | 9,459,372 | 8,136,599 |
| Instructional staff | 10,251,059 | 7,144,070 |
| District admin. | 1,497,535 | 1,620,037 |
| School admin. | 8,005,311 | 7,883,546 |
| Business services | 1,634,259 | 1,575,009 |
| Operation and Maintenance | 16,417,906 | 14,910,688 |
| Transportation | 8,421,318 | 8,015,391 |
| Total supporting services | 55,686,760 | 49,285,340 |
| Food services | 7,643,815 | 7,707,906 |
| Community services | 484,023 | 488,337 |
| Interest on long-term debt | 1,102,815 | 1,201,743 |
| Total expenses | 154,426,944 | 161,734,760 |
| Extraordinary Item - OPEB | 24,609,066 | 0 |
| Change in net assets | 24,618,245 | (9,497,069) |
| Net assets - July 1, 2011/2010 as restated | 52,721,143 | 62,646,468 |
| Net assets - June 30, 2012 / June 30, 2011 | <u>\$ 77,339,388</u> | <u>\$ 53,149,399</u> |

**WOOD COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2012**

The following chart shows the Board's revenues for fiscal year ended June 30, 2012 by source:



The following chart shows the Board's expenditures for fiscal year ended June 30, 2012 by function:



**WOOD COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2012**

Financial Analysis of the Board's Funds

As noted earlier, the School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Board's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Board's financing requirements. As the Board completed the year, its governmental funds reported a combined fund balance of \$7,219,399. The greatest portion of the \$24,417,334 increase in the combined fund balance is the result of the OPEB liability.

Governmental funds report the differences between their assets and liabilities as fund balance. Effective July 1, 2010, the Board adopted GASB Statement 54, "Fund Balance Reporting and Governmental Fund type Definitions," which establishes new standards of accounting and financial reporting that are intended to improve the clarity and consistency of the fund balance information provided to financial report users. Fund balances are reported in five categories which are outlined in Note 1-N, in the Notes to the Basic Financial Statements. Unassigned deficit fund balance of (\$629,292) represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

General Fund Budgetary Highlights

During the year, the Board revised the budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$2,406,277 in total general fund expenditures primarily due to budget carryover transactions.

Capital Asset and Debt Administration

Capital assets - The Board's investment in capital assets for its governmental activities as of June 30, 2012, amounts to \$95,476,762 as compared to the June 30, 2011, amount of \$97,212,256 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, furniture and equipment, and vehicles. The total increase of the Board's investment in capital assets for the current fiscal year was approximately 4.5 percent. Below are the capital assets by category for the current and previous year (net of accumulated depreciation):

| | 2012 Governmental Activities | 2011 Governmental Activities |
|----------------------------|---|---|
| Land | \$ 6,420,262 | \$ 6,392,828 |
| Buildings and improvements | 83,747,586 | 85,806,859 |
| Furniture and equipment | 1,625,021 | 1,538,307 |
| Vehicles | 3,683,893 | 3,474,262 |
| Construction in process | <u>0</u> | <u>0</u> |
| Total capital assets | \$ <u>95,476,762</u> | \$ <u>97,212,256</u> |

Additional information on the Board's capital assets can be found in the notes to the basic financial statements.

**WOOD COUNTY BOARD OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS**

For the Fiscal Year Ended June 30, 2012

Long-term debt - At the end of the current fiscal year, the Board had total bonded debt outstanding of \$21,810,000, of which \$2,305,000 will be due within one year, and capital lease obligations of \$2,681,340.

Other Post Employment Benefits - Employees of the Board are eligible to receive special termination benefits in the form of convertible sick leave earned but not used prior to retirement. Upon retirement, an employee's accumulated sick leave may be converted to a greater retirement benefit or to payment of the retired employee's health insurance premiums. The cost of additional retirement benefits are the liability of the West Virginia Consolidated Public Retirement Board and therefore are not recorded in the Board's financial statements. However, the cost of the health insurance premiums must be absorbed by the last agency employing the retiree. Historically, the West Virginia Legislature has appropriated funds for the Board for payment of these costs. However, such appropriations are at the discretion of the Legislature and therefore not guaranteed. With the implementation of GASB 45, that liability was removed and the calculated OPEB liability was reported in the fund basis statements. The obligation for compensated absences for vacations was \$1,305,510 at June 30, 2012 as compared to \$1,202,790 at June 30, 2011.

Additional information on the Board's long-term debt can be found in the notes to the basic financial statements.

Factors bearing on the Board's Future

At the time these financial statements were prepared and audited, the Board was not aware of circumstances that could significantly affect its financial health in the future:

Contacting the Board's Financial Management

This financial report is designed to provide our citizens and taxpayers with a general overview of the Board's finances and to demonstrate the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board Office:

Wood County Board of Education
1210 13th Street
Parkersburg, WV 26101
(304)420-9663

WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
STATEMENT OF NET ASSETS
JUNE 30, 2012

| | Governmental Activities |
|--|-----------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 13,005,512 |
| Prepaid Expense - Worker's Compensation and Insurance | 69,213 |
| Taxes receivable, net of allowance for uncollectible taxes | 771,697 |
| Food services receivable | 241,518 |
| Other receivables | 9,304 |
| Inventories | 991,069 |
| Deferred Charges - issuance costs | 15,437 |
| Due from other governments: | |
| State aid receivable | 675,859 |
| PELA allocation receivable | 1,842,501 |
| Reimbursements receivable | 5,408,237 |
| Capital Assets: | |
| Land | 6,420,262 |
| Buildings and improvements | 117,138,168 |
| Furniture and equipment | 19,597,293 |
| Vehicles | 9,767,251 |
| Construction in process | - |
| Less accumulated depreciation | <u>(57,446,212)</u> |
| Total capital assets, net of depreciation | <u>95,476,762</u> |
| Total assets | <u>118,507,109</u> |
| LIABILITIES AND NET ASSETS | |
| Liabilities: | |
| Salaries payable and related payroll liabilities | 7,002,439 |
| Dental Claims Payable | 95,000 |
| PELA premiums payable | 1,889,757 |
| Other post employment benefits | 3,452,599 |
| Accounts payable | 774,814 |
| Deferred Revenue | 1,814,518 |
| Due to Other agency/governments | 192,536 |
| Long-term obligations: | |
| Due within one year: | |
| Bonds, capital leases, and contracts | 2,892,523 |
| Accrued interest | 149,208 |
| Due beyond one year: | |
| Bonds, capital leases, and contracts | 21,598,817 |
| Compensated absences payable | <u>1,305,510</u> |
| Total liabilities | <u>41,167,721</u> |
| Net Assets: | |
| Invested in capital assets, net of related debt | 70,985,422 |
| Restricted for: | |
| Debt service | 3,036,182 |
| Special projects | 735,872 |
| Capital projects | 2,729,180 |
| Unrestricted | <u>(147,268)</u> |
| Total net assets | <u>\$ 77,339,388</u> |

See Notes to Financial Statements

WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| Functions | Expenses | Program Revenues | | | Net (Expense), Revenue & Changes in Net Assets Governmental Activities |
|---|--------------------|-------------------------|--|--|---|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Governmental activities: | | | | | |
| Instruction | \$ 89,509,531 | \$ - | \$ 12,948,942 | \$ 27,962 | \$ (76,532,627) |
| Supporting services: | | | | | |
| Students | 9,459,372 | 92,716 | 1,153,806 | 2,953 | (8,302,613) |
| Instructional staff | 10,251,059 | - | 2,022,200 | 3,202 | (8,132,941) |
| District administration | 1,497,535 | - | 182,553 | 467 | (1,314,515) |
| School administration | 8,005,311 | - | 976,570 | 2,499 | (7,026,242) |
| Business services | 1,634,259 | - | 200,277 | 513 | (1,433,469) |
| Operation and maintenance of facilities | 16,417,906 | - | 2,004,539 | 5,130 | (14,408,237) |
| Student transportation | 8,421,318 | - | 2,073,697 | 2,631 | (6,344,990) |
| Food services | 7,643,815 | 1,267,249 | - | - | (6,376,566) |
| Community services | 484,023 | - | - | - | (484,023) |
| Interest on long-term debt | 1,102,815 | - | - | - | (1,102,815) |
| Total governmental activities | 154,426,944 | 1,359,965 | 21,562,584 | 45,357 | (131,459,038) |
| General revenues: | | | | | |
| Property taxes | | | | | 37,740,767 |
| Unrestricted state aid | | | | | 90,489,825 |
| Unrestricted investment earnings | | | | | 85,966 |
| Unrestricted grants and contributions | | | | | 3,151,659 |
| Extraordinary Gain - OPEB Credit | | | | | 24,609,066 |
| Total general revenues and transfers | | | | | 156,077,283 |
| Change in net assets | | | | | 24,618,245 |
| Net assets - beginning, as restated | | | | | 52,721,143 |
| Net assets - ending | | | | | \$ 77,339,388 |

See Notes to Financial Statements

WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
BALANCE SHEET - GOVERNMENTAL FUNDS
AS OF JUNE 30, 2012

| | General Current Expense | Special Revenue Fund | Special Revenue ARRA Fund | - Debt Service Fund | Capital Projects Fund | Total Governmental |
|--|-------------------------------|----------------------------|---------------------------------|---------------------------|-----------------------------|-----------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | 9,190,545 | | | 1,029 | | 9,191,574 |
| Restricted cash and cash equivalents, lease escrow | | | | | | 0 |
| Investments | 823,298 | | | 2,990,640 | | 3,813,938 |
| Prepaid Expenses - Insurance | 69,213 | | | | | 69,213 |
| Interest receivable | 678 | | | | | 678 |
| Taxes receivable, net | 672,954 | | | 98,743 | | 771,697 |
| Food service receivable, net | - | 241,518 | | | | 241,518 |
| Other receivables | 8,626 | | | | | 8,626 |
| Due from other governments: | | | | | | |
| State aid receivable | 657,195 | 18,664 | | | | 675,859 |
| PEIA allocation receivable | 1,842,501 | | | | | 1,842,501 |
| RESA 5 | | | | | | 0 |
| Reimbursements receivable | 212,371 | 3,095,256 | 2,100,610 | | | 5,408,237 |
| Inventories | 749,712 | 241,357 | | | | 991,069 |
| SBA Grant | | | | | | 0 |
| Due from other funds/governments | | | | | 2,729,180 | 2,729,180 |
| Total assets | 14,227,093 | 3,596,795 | 2,100,610 | 3,090,412 | 2,729,180 | 25,744,090 |

LIABILITIES AND FUND BALANCES

Liabilities:

| | | | | | | |
|--|-------------------|------------------|------------------|---------------|----------|-------------------|
| Salaries payable and related payroll liabilities | 6,926,792 | 63,104 | 12,543 | | | 7,002,439 |
| Dental Claims Payable | 95,000 | | | | | 95,000 |
| PEIA premiums payable | 1,889,757 | | | | | 1,889,757 |
| Accounts payable | 294,988 | 479,826 | | | | 774,814 |
| Other Post-employment Benefits Payable | 3,452,599 | | | | | 3,452,599 |
| Deferred revenue | 329,931 | 1,989,538 | | 68,897 | | 2,388,366 |
| Due to other government - RESA 5 | 192,536 | | | | | 192,536 |
| Due to other funds | 312,658 | 328,455 | 2,088,067 | | | 2,729,180 |
| Total liabilities | 13,494,261 | 2,860,923 | 2,100,610 | 68,897 | - | 18,524,691 |

Fund Balances:

| | | | | | | |
|--|-------------------|------------------|------------------|------------------|------------------|-------------------|
| Nonspendable - prepaid & inventory | 818,925 | | | | | 818,925 |
| Restricted | - | 735,872 | | 3,021,515 | 2,729,180 | 6,486,567 |
| Assigned | | | | | | 0 |
| Committed | 543,199 | | | | | 543,199 |
| Unassigned | (629,292) | | | | | (629,292) |
| Total fund balances | 732,832 | 735,872 | (0) | 3,021,515 | 2,729,180 | 7,219,399 |
| TOTAL LIABILITIES AND FUND BALANCES | 14,227,093 | 3,596,795 | 2,100,610 | 3,090,412 | 2,729,180 | 25,744,090 |

Amounts reported for governmental activities in the statement of net assets differ due to:

| | |
|--|-------------------|
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds | 95,476,762 |
| Deferred charges are not reported in the funds | 15,437 |
| Property taxes receivable and food service billings receivable will be collected this year but are not available soon enough to pay for the current period's expenditures, and are therefore deferred in the funds | 573,848 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds | |
| Bonds, capital leases, and contracts due in one year | (2,892,523) |
| Bonds, capital leases, and contracts payable long term | (21,598,817) |
| Accrued interest on bonds | (149,208) |
| Compensated absences | (1,305,510) |
| Net assets of governmental activities | 77,339,388 |

See Notes to Financial Statements

WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| | General Current Expense | Special Revenue | Special Revenue ARRA Fund | Debt Service Fund | Capital Projects Fund | Total Governmental |
|---|-------------------------------|--------------------|---------------------------------|-------------------------|-----------------------------|-----------------------|
| Revenues: | | | | | | |
| Property taxes | 35,090,352 | - | | 3,404,658 | | 38,495,010 |
| Other local sources | 1,427,109 | 1,096,934 | | 83,007 | 275,000 | 2,882,050 |
| State sources | 90,489,825 | 4,148,218 | | | | 94,638,043 |
| Federal sources | 1,892,708 | 13,648,023 | 3,731,632 | | | 19,272,363 |
| Miscellaneous sources | 2,554 | | | | | 2,554 |
| Total revenues | 128,902,548 | 18,893,175 | 3,731,632 | 3,487,665 | 275,000 | 155,290,020 |
| Expenditures: | | | | | | |
| Instruction | 77,724,337 | 9,026,040 | 1,308,530 | | | 88,058,907 |
| Supporting services: | | | | | | |
| Students | 7,471,346 | 1,420,169 | 561,415 | | | 9,452,930 |
| Instructional staff | 5,386,175 | 2,673,317 | 1,854,485 | | | 9,913,977 |
| Central administration | 1,336,585 | - | | | | 1,336,585 |
| School administration | 7,997,459 | 2,400 | | | | 7,999,859 |
| Business | 1,575,821 | 27,653 | | | | 1,603,474 |
| Operation and maintenance of facilities | 15,596,283 | 508,129 | | | 54,000 | 16,158,412 |
| Student transportation | 8,111,870 | 826,601 | | | | 8,938,271 |
| Food services | 726,007 | 6,783,830 | | | | 7,509,837 |
| Community services | 484,023 | - | | | | 484,023 |
| Capital outlay | 27,112 | 321 | | | | 27,433 |
| Debt service: | | | | | | |
| Principal retirement | 275,995 | - | | 2,200,000 | 400,000 | 2,875,995 |
| Interest and fiscal charges | 1,645 | - | | 985,250 | - | 986,895 |
| Total expenditures | 126,714,458 | 21,268,460 | 3,724,430 | 3,185,250 | 454,000 | 155,346,598 |
| Excess (deficiency) of revenues over expenditures | 2,188,090 | (2,375,285) | 7,202 | 302,415 | (179,000) | (56,578) |
| Other financing sources (uses): | | | | | | |
| Transfers in | 61,775 | 1,947,444 | | | 2,776,196 | 4,785,415 |
| Transfers (out) | (4,723,640) | (54,573) | (7,202) | | | (4,785,415) |
| Bond proceeds | | | | | | 0 |
| Capital leases | | | | | | 0 |
| Sale of capital assets | | | | | | 0 |
| Total other financing sources (uses) | (4,661,865) | 1,892,871 | (7,202) | 0 | 2,776,196 | 0 |
| Extraordinary Gain - OPEB Credit | 21,791,185 | 2,817,880 | | | | 24,609,065 |
| Net change in fund balances | 19,317,410 | 2,335,466 | (0) | 302,415 | 2,597,196 | 24,552,487 |
| Fund balances - beginning | (18,320,197) | (1,599,594) | 0 | 2,719,100 | 131,984 | (17,068,707) |
| Restatement of fund balance | (264,381) | 0 | 0 | 0 | 0 | (264,381) |
| Fund balances - beginning, as restated | (18,584,578) | (1,599,594) | 0 | 2,719,100 | 131,984 | (17,333,088) |
| Fund balances - ending | 732,832 | 735,872 | (0) | 3,021,515 | 2,729,180 | 7,219,399 |

See Notes to Financial Statements

**WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Amounts reported for governmental activities in the statement of activities are different due to:

Net change in fund balances - total governmental funds \$ 24,552,487

Governmental funds report capital outlays as expenditures. However, in the statement of net assets, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The effect on net assets is the amount by which capital outlays exceed depreciation in the current period.

| | |
|-----------------------------|-------------|
| Depreciation expense | (2,584,122) |
| Capital outlays - equipment | 154,861 |
| Capital outlays - vehicles | 661,674 |
| Land and Improvements | 27,434 |

| | |
|---|------------------------|
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds, rather they are reported as deferred revenues. | 573,848 (1,427,746) |
|---|------------------------|

| | |
|---|-----------|
| The repayment of the principal of long-term debt (e.g., bonds, leases) consumes the current financial resources of governmental funds. However, such repayment has no effect on net assets. | 2,745,408 |
|---|-----------|

| | |
|--|-----------|
| Differences in the cost and accumulated depreciation on disposed capital assets are reported as a loss and reduction in net assets in the statement of activities. | |
| Cost of assets disposed | (326,707) |
| Accumulated depreciation of assets disposed | 331,366 |

| | |
|---|-----------|
| Compensated absences are reported as liabilities in the statement of net assets, but are only reported in government funds to the extent they have matured. This is the amount by which compensated absences (increased)/decreased. | |
| Accrued vacation payable | (102,720) |
| Accrued sick leave payable | - |

| | |
|---|---------|
| Amortization of bond issuance costs are reported in the statement of activities but do not require the use of current financial resources and, therefore, are not reported as expenditures in government funds. | (2,205) |
|---|---------|

| | |
|--|--------|
| Accrued interest is required to be reported as a liability in the statement of net assets of the district wide financial statements. The following represents the change in accrued interest payable for the year. | 14,667 |
|--|--------|

| | |
|---|----------------------|
| Change in net assets of governmental activities | <u>\$ 24,618,245</u> |
|---|----------------------|

WOOD COUNTY BOARD OF EDUCATION
STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS
JUNE 30, 2012

| | Agency Funds | |
|--|--------------------------|--------------------------------------|
| | School Activity Funds | Regional Education Service Agency |
| ASSETS | | |
| Cash and cash equivalents | \$ 1,749,003 | \$ - |
| Receivables | - | 1,192,583 |
| Total assets | \$ 1,749,003 | \$ 1,192,583 |
| LIABILITIES | | |
| Accounts payable and accrued liabilities | - | 1,192,583 |
| Due to school activity funds | \$ 1,749,003 | - |
| Total liabilities | \$ 1,749,003 | \$ 1,192,583 |

See Notes to Financial Statements

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

Note 1 - Summary of Significant Accounting Policies:

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity:

The Wood County Board of Education (School Board) is a corporation created under the authority of West Virginia Code §18-5-1 et seq. and is composed of five members nominated and elected by the voters of the county for four-year terms. The Board is responsible for the supervision and control of the county school district and has the authority, subject to State statutes and the rules and regulations of the State Board, to control and manage all of the public schools and school interests in the county.

GASB Statement 14 establishes the criteria for determining the governmental reporting entity and the component units that should be included within the reporting entity. Under provisions of this statement, the School Board is considered to be a primary government, since it is a separate legal entity, has its own elected governing body, and is fiscally independent of other local governments. The School Board has no component units, defined by GASB Statement 14 as other legally separate organizations for which the elected board members are financially accountable.

B. District-wide and Fund Financial Statements:

The *district-wide financial statements* (the statement of net assets and the statement of activities) display information about the School Board as a whole. These statements include the financial activities of the overall government, except for fiduciary fund activities. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the school district's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a particular function.

Depreciation expenses for capital assets that can be specifically identified with a function are included in its direct expenses. Depreciation expense for "shared" capital assets (such as a school building that may be used for instructional services, student and instructional staff support services, school administration, and child nutrition services) is distributed proportionally among the various functions. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Interest on general long-term debt liabilities is considered an indirect expense and is reported in the Statement of Activities as a separate line.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

Program revenues include: grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, restricted state aid, tuition, and other fees and charges paid by students. Revenues that are not considered as program revenues are classified as general revenue and include property taxes, unrestricted state aid, unrestricted investment earnings, gain on sale of capital assets, and federal and state grants not restricted to a specific purpose.

The *fund financial statements* provide information about the individual funds maintained by the School Board. All funds maintained by the school district are considered to be major funds for reporting purposes and are discretely presented in the accompanying financial statements.

The funds maintained by the Board are:

General Current Expense Fund: The General Current Expense Fund is the operating fund of the Board and accounts for all revenues and expenditures not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Current Expense Fund.

Special Revenue Fund: The Special Revenue Fund is an operating fund of the Board and accounts for all revenues and expenditures attributable to state and federal grants and other revenue sources that are legally restricted to expenditure for specific purposes.

Special Revenue Fund – American Reinvestment and Recovery Act (ARRA): A separate special revenue fund to account for all revenues and expenditures attributable to ARRA funds that are legally restricted to expenditure for specific purposes.

Debt Service Fund: The Debt Service Fund is used to account for the resources accumulated and payments made for principal, interest, and related costs on general obligation bonds issued by the Board for the acquisition of capital assets.

Capital Projects Funds: Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by the Board. These funds can include: a bond construction fund, used to account for the proceeds from the issuance of general obligation bonds; a permanent improvement fund established under the authority of West Virginia Code §18-9B-14 to account for the proceeds of resources used for the support of various building and permanent improvement projects, and; one or more capital projects funds used to account for the resources used in the construction of a specific capital facility.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

Agency Funds: Agency funds are used to account for assets that the Board holds for others in an agency capacity. These include: Regional education service agencies (RESA's) and school activity funds to account for the assets of the individual schools of the district, the student clubs, and school support organizations; and may include a scholarship fund to account for contributions and donations made to the school district by a benefactor for the purpose of providing scholarships for graduates of the school district.

C. Measurement Focus and Basis of Accounting

The *district-wide statements* (Statement of Net Assets and the Statement of Activities) were prepared using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows are received. Revenues and expenses resulting from exchange and exchange-like transactions are recognized when the exchange takes place; revenues and expenses resulting from non-exchange transactions, such as property taxes, federal and state grants, state aid to schools, and donations, are recognized in accordance with the requirements of GASB Statement 33. Property taxes are recognized in the fiscal year for which the taxes are levied; state aid to schools is recognized in the year for which the legislative appropriation is made; and grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The *governmental fund financial statements* were prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Board considers all revenues available if they are collected within 30 days after year-end. Expenditures are recorded generally when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing resources.

Fiduciary funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for others in an agency capacity.

WOOD COUNTY BOARD OF EDUCATION
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 For The Fiscal Year Ended June 30, 2012

D. Encumbrances:

Encumbrance accounting is employed in governmental funds. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary process. Encumbrances outstanding at year-end are reported in the appropriate fund balance category (restricted, committed, or assigned) since they do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

E. Cash and Investments:

Cash on hand and deposits with banking institutions either in checking or savings accounts are presented as cash in the accompanying financial statements. Such deposits at June 30, 2012 were entirely covered by federal depository insurance or secured by adequate bond or other securities held by the banking institution in the Board's name.

Boards of education are authorized by statute to provide excess funds to either the State Consolidated Investment Pool or the Municipal Bond Commission for investment purposes, or to invest such funds in the following classes of securities: Obligations of the United States or any agency thereof, certificates of deposit and repurchase agreements. Funds of the Board are temporarily invested by the West Virginia Municipal Bond Commission specifically on behalf of the Board as part of the Commission's consolidated investment pool. These investments are considered cash and cash equivalents due to their liquid nature.

Investments of the Board at June 30, 2012 consisted of the following:

| | Carrying Amount | Estimated Fair Value | Bank Balance |
|---------------------------|----------------------------|----------------------------|----------------------------|
| State Investment Pool | \$ 98,012 | \$ 98,012 | \$ 98,012 |
| Municipal Bond Commission | 2,990,640 | 2,990,640 | 2,990,640 |
| Certificates of deposit | <u>823,298</u> | <u>823,298</u> | <u>823,298</u> |
| Total investments | \$ <u>3,813,938</u> | \$ <u>3,813,938</u> | \$ <u>3,813,938</u> |

Money market/sweep accounts with financial institutions were entirely covered by federal deposit insurance or secured by adequate bond or other securities held by the banking institution in the board's name. Custodian credit risk is the risk that in event of a bank failure, the Board's deposits may not be returned to it. The Board has limited its custodial credit risk by assuring that these deposits with financial institutions are adequately collateralized.

Interest rate risk is the risk that changes in interest rates demanded by the market will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Board manages its exposure to interest rate risk for investments is by purchasing short term investments that are less affected by changes in market rates as compared to long term investments.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

At June 30, 2012, the Board has \$2,990,640 invested with the West Virginia Municipal Bond Commission. Pool investments of the Municipal Bond Commission are held in a Government Money Market with the WV Board of Treasury Investments Consolidated Fund.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Exposure to credit risk in the Government Money Market Pool is limited to U.S. Treasury issues and U.S. government agency issues and repurchase agreements collateralized by U.S. Treasury issues and U.S. government agency issues. The pool must have at least 15% of its assets in U.S. Treasury issues.

The Board's investments in the Consolidated Fund pool and related accounts have not been rated for credit risk by any organization.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. West Virginia statutes prohibit the Consolidated Fund Pool from investing more than 5% of its assets in securities issued by a single private corporation or association. At June 30, 2012, the Pool did not have investments in any one private corporation or association that represented more than 5% of assets.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The overall weighted average maturity of the investments of the Government Money Market Pool within the Consolidated Fund Pool cannot exceed 60 days. The maturity of floating rate notes is assumed to be the next interest rate reset date.

F. Food Service Receivables:

The accounts receivable for the Food Service Program has been reduced by \$563,540.60, for uncollectible accounts. The allowance for uncollectible accounts was calculated based upon historical data maintained by the Board.

G. Interfund Receivables and Payables:

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

H. Inventories:

Inventories are valued at cost or, if donated, at fair value when received. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

I. Prepaid Items:

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The value of the June 30, 2012 prepaid insurance item reflected on the financial statements is \$69,213.

J. Capital Assets:

Capital assets, which include land, buildings and improvements, furniture and equipment, and vehicles are reported in the district-wide financial statements. The board defines capital assets as assets with an initial, individual cost of \$5,000 or more for land, furniture, vehicles, and equipment and \$100,000 for buildings and an estimated useful life in excess of two years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extended assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is not capitalized.

Buildings and improvements, furniture and equipment, and vehicles of the Board are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|-------------------------|--------------|
| Buildings | 120 |
| Site Improvements | 20 – 50 |
| Furniture and Equipment | 5 – 30 |
| Vehicles | 8 – 15 |

K. Compensated Absences and Special Termination Benefits:

Compensated Absences:

It is the Board's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Benefits can be accumulated up to 48 and unlimited days, respectively, and carried forward to the subsequent fiscal year. All vacation pay is accrued when incurred. In lieu of a cash payment at retirement, an employee can elect to use accumulated annual leave toward their postemployment health care insurance premium. Employees also earn sick leave benefits which accumulate but do not vest.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

L. Long-term Obligations:

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Capital lease payments are reported in the general current expense or special revenue fund.

M. Restricted Net Assets:

For the district-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

N. Fund Equity:

Effective July 1, 2010, the Board adopted GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions," which establishes new standards of accounting and financial reporting that are intended to improve the clarity and consistency of the fund balance information provided to financial report users. The classifications are based primarily on the extent to which the Board is bound to honor constraints on the specific purposes for which the amounts in those funds can be spent. Fund balances are reported in the following categories:

- Non-spendable fund balances include amounts that cannot be spent because they are in a non-spendable form, such as inventory, or prepaid expense amounts, or they are legally or contractually required to be maintained intact, such as the corpus of a permanent fund.
- Restricted fund balances are restricted due to legal restrictions from creditors, grantors, or laws and regulations of other governments or by legally enforceable enabling legislation or constitutional provisions.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

- Committed fund balances are amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the highest level of decision-making authority, which for the county is the five-member School Board. Said specific purposes and amounts are recorded in the official Board minutes of the fiscal year ended June 30, 2012. Those committed amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- Assigned fund balances are constrained by the intent to use funds for specific purposes, but are neither restricted nor committed. Intent can be expressed by the five-member School Board or by a body or official to whom the School Board has delegated the authority to assign amounts to be used for specific purposes. By reporting particular amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund, the Board has assigned those amounts to the purposes of the respective funds.
- Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In other funds, any negative fund balances would be unassigned.

O. Elimination and Reclassifications:

In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

P. Accounting Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Q. Restricted Resources:

Restricted resources should be applied first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. If an expense is incurred for purposes for which committed, assigned and unassigned fund balances are all available, the fund balances should be reduced in the following order: committed, assigned, and then unassigned.

**WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012**

R. Extraordinary Item:

Extraordinary items are transactions or other events that are both unusual in nature and infrequent in occurrence. An event or transaction should be presumed to be an ordinary and usual activity of the government, unless the evidence clearly supports its classification as a special or extraordinary item. The following criteria should be met to classify an event or transaction as either unusual in nature or infrequent in occurrence:

- a. Unusual nature – the underlying event or transaction should possess a high degree of abnormality and be of a type clearly unrelated to, or only incidentally related to, the ordinary and typical activities of the government, taking into account the environment in which the government operates.
- b. Infrequency of occurrence – the underlying event or transaction should be of a type that would not reasonably be expected to recur in the foreseeable future, taking into account the environment in which the government operates.

The Board experienced an extraordinary item during the fiscal year ended June 30, 2012 related to Other Post-Employment Benefits. See Note 10 for further information.

Note 2 - Stewardship, Compliance and Accountability:

A. Budgets and Budgetary Accounting:

All boards of education within West Virginia are required by statute to prepare annual budgets and levy rate estimates on prescribed forms and submit these for approval. Budgets are presented on the modified accrual basis of accounting for all governmental funds but do not include amounts for other post employment benefits billed by PEIA beyond the retiree subsidy (pay-as-you-go) amount because only the retiree subsidy amounts are required to be remitted according to WVC 5-16d-6(e). Budgets are not adopted for agency funds. The following procedures are followed in preparing the annual budget:

1. Pursuant to State statute, the Board is required to hold a meeting or meetings between the seventh and twenty-eighth days of March to ascertain its financial condition and to determine the amount that is to be raised from the levy of taxes for the fiscal year commencing July 1. The Board adjourns the meeting and submits its Schedule of Proposed Levy Rates to the State Auditor's Office for approval. The Board then reconvenes its meeting on the third Tuesday of April to formally lay the approved levy.
2. The Board is also required to submit its proposed budget for the subsequent year to the State Board of Education for approval by the date established in the budget calendar. The Board is also required to hold a public hearing on the proposed budget before it is submitted for approval. The proposed budget must be made available for public inspection for at least 10 days before the public hearing is held.

Revisions to the budget are authorized only with the prior written approval of the State Board of Education.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

B. Excess of Expenditures Over Appropriations:

For the year ended June 30, 2012, expenditures exceeded appropriations in the funds listed at the function level, which, according to State Board Policy, is the level at which budgetary controls must be maintained.

GENERAL REVENUE FUND:

| FUNCTION | AMOUNT |
|--|-----------------|
| Instruction | \$ (10,550,299) |
| Support Service – Students | (1,195,659) |
| Support Service – Instructional Staff | (508,470) |
| Support Service – Central Administration | (149,635) |
| Support Service – School Administration | (1,314,529) |
| Support Service – Business | (236,106) |
| Support Service – Operation & Maintenance of Facilities | (838,131) |
| Support Service – Student Transportation | (454,625) |
| Food Service | (152,987) |
| Debt Service | (1,190) |

The over expenditure in these programs was a result of the recording of other post employment benefits mentioned in Note 2(A) which are not required to be included in our budgets. Also, at year end, the for/on behalf revenue/expense for retirement and the state “Tools for Schools” allocation are recorded, neither of which are included in our operating budgets.

DEBT SERVICE FUND:

The \$2,000 over expenditure in the “interest and fiscal charges” program was covered by the balance in the debt service account, and was a result of a failure to budget for the Municipal Bond Commission fees.

C. Deficiencies in Net Changes in Fund Balances and Deficit Fund Balances:

Due to the extraordinary item related to Other Post-Employment Benefits, explained in Note 10, there were no deficiencies in the net change in fund balances or no deficit fund balances, as in prior years.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

Note 3 - Risk Management:

The Board is exposed to various risks or loss related to torts, theft, or damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Board, pursuant to the provisions of State law, participates in the following risk management programs administered by the State.

Board of Risk and Insurance Management (BRIM): The Board participates in the West Virginia Board of Risk and Insurance Management, a common risk insurance pool for all State agencies, component units, boards of education and other local governmental agencies who wish to participate. The Board pays an annual premium to BRIM for its general insurance coverage. Fund underwriting and rate setting policies are established by BRIM. The cost of all coverage as determined by BRIM is paid by the participants. The BRIM risk pool retains the risk of the first \$2 million per property event and purchases excess insurance on losses above that level. BRIM has \$1 million per occurrence coverage maximum on all third-party liability claims.

Public Employees Insurance Agency (PEIA): The Board provides employees health and basic life insurance benefits through the Public Employees Insurance Agency. PEIA was established by the State of West Virginia to provide a program of health and life insurance for employees of State agencies, institutions of higher learning, boards of education, and component units of the State. In addition, local governmental agencies and certain charitable and public service organizations may request to be covered. PEIA provides a general employee benefit insurance program which includes hospital, surgical, major medical, prescription drug and basic life and accidental death. Fund underwriting and rate setting policies are established by the PEIA Finance Board. The cost of all coverage as determined by the Finance Board is paid by the participants.

Coverage under these programs is limited to \$1 million lifetime for health and \$10,000 of life insurance coverage. Members may purchase up to an additional \$500,000 of life insurance coverage. Premiums are established by PEIA and are paid monthly. The PEIA risk pool retains the risk for the health and prescription features of its indemnity plan, has fully transferred the risks of coverage of the Managed Care Organization (MCO) Plan to the plan provider and has transferred risk of life insurance coverage to a third party insurer.

Workers Compensation Fund (WCF): The Traveler's Insurance Company provides workers' compensation coverage to the Wood County Board of Education. The cost of all coverage, as determined by Traveler's Insurance Company, is paid by the School Board.

The Traveler's Insurance Company risk pool retains the risk related to the compensation of injured employees under the program.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

Note 4 - Property Taxes:

All property in the State is classified as follows for ad valorem tax purposes:

- Class I - All tangible personal property employed exclusively in agriculture, including horticulture and grazing; all products of agriculture, including livestock, while owned by the producer.
- Class II - All property owned, used and occupied by the owner exclusively for residential purposes; all farms, including land used for horticulture and grazing, occupied and cultivated by their owners or bona fide tenants.
- Class III - All real and personal property situated outside of municipalities, exclusive of Class I and II property.
- Class IV - All real and personal property situated inside of municipalities, exclusive of Class I and II property.

According to West Virginia Code §11-8-6c, the maximum rates that county boards of education may impose on the various classes of property are: Class I - 22.95¢ per \$100 of assessed valuation; Class II - 45.90¢ per \$100 of assessed valuation; Class III - 91.80¢ per \$100 of assessed valuation; and Class IV - 91.80¢ per \$100 of assessed valuation.

Pursuant to West Virginia Code §11-8-6f, however, the rates of levy for county boards are to be reduced uniformly statewide and proportionately for all classes of property so that the total statewide property tax revenues to be realized from the regular levy tax collections for the forthcoming year will not increase by more than one percent of the current year's projected property tax revenues, exclusive of increases due to new construction, improvements to existing real property, or newly acquired personal property, unless the State Legislature holds a public hearing. The amounts to be paid to the Assessors Valuation Fund are also to be excluded from the calculation.

County boards of education are also authorized to impose an additional (excess) levy not to extend beyond five years if approved by at least a majority of the voters. The rates of levy cannot exceed the maximum rates specified above and must be proportional for all classes of property.

The assessed valuations and levy rates levied by the Board per \$100 of assessed valuation for each class of property for the fiscal year ended June 30, 2012 were:

| <u>Class of Property</u> | <u>Assessed Valuations For Tax Purposes</u> | <u>Current Expense</u> | <u>Excess Levy</u> | <u>Bond Purposes</u> |
|--------------------------|---|------------------------|--------------------|----------------------|
| Class I | \$ 0 | 19.40¢ | 18.36¢ | 3.62¢ |
| Class II | \$ 1,587,648,398 | 38.80¢ | 36.72¢ | 7.24¢ |
| Class III | \$ 753,846,597 | 77.60¢ | 73.44¢ | 14.48¢ |
| Class IV | \$ 758,913,372 | 77.60¢ | 73.44¢ | 14.48¢ |

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

The taxes on real property and the interest and other charges upon such taxes attach as an enforceable lien on the first day of July each year. There is no lien denominated as such on personal property. However, statutes provide that the sheriff of a county may distrain for delinquent taxes any goods and chattels belonging to a person assessed. All current taxes assessed on real and personal property may be paid in two installments. The first installment is payable on September first of the year for which the assessment is made, and becomes delinquent on October first, and the second installment is payable on the first day of the following March and becomes delinquent on April first.

Taxes paid on or before the date when they are payable, including both first and second installments, are subject to a discount of two and one-half percent. If taxes are not paid on or before the date on which they become delinquent, including both first and second installments, interest at the rate of nine percent per annum is added from the date they become delinquent until paid.

Taxes Receivable:

Taxes receivable as of year end for the Board's funds are as follows:

| | <u>General Fund</u> | <u>Debt Service Fund</u> |
|-----------------------------------|---------------------|--------------------------|
| Taxes Receivable | \$ 2,414,886 | \$ 265,740 |
| Less: allowance for uncollectible | (1,741,932) | (166,997) |
| Net taxes receivable | \$ <u>672,954</u> | \$ <u>98,743</u> |

WOOD COUNTY BOARD OF EDUCATION
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 For The Fiscal Year Ended June 30, 2012

Note 5 - Excess Levy:

The Board has an excess levy in effect during the fiscal year ended June 30, 2012. The levy was authorized by the voters of the county at an election held on November 4, 2008 for the fiscal years ended June 30, 2010 through June 30, 2014 to provide funds for the following purposes:

| | |
|--|--------------|
| A. To continue the employment of the following positions beyond the funding of the State School Aid Formula: | |
| 1. Sixteen (16) reading resource teachers | \$ 880,000 |
| 2. Seven (7) school nurses | 350,000 |
| | |
| B. To continue funds for maintenance of buildings and equipment to ensure safe and efficient operations: | \$ 1,688,650 |
| | |
| C. To continue to improve the Wood County School District's instructional Program by the employment and retention of qualified teachers, service, and Administrative personnel by maintaining competitive salaries and benefits: | \$ 9,653,902 |
| | |
| D. To continue to provide: | |
| 1. Curricular and extra-curricular salaries for athletic coaches and sponsors | \$ 800,000 |
| 2. Substitute salary cost | 570,000 |
| 3. A dental benefit plan for all personnel | 765,000 |
| 4. Copier service and materials for all schools | 196,200 |
| 5. Instructional materials, supplies and equipment for all enrolled students | 246,797 |
| 6. Transportation services not funded by the state | 225,000 |
| 7. Matching grants for Local School Improvement Councils' project in support of the Unified School Improvement Plan | 150,000 |
| 8. Educational curriculum in the form of library/media supplies, books, equipment, software and services | 140,000 |
| 9. An alternative school program for troubled students | 139,000 |
| 10. WVU Extension Service Program in-county | 50,000 |
| 11. Artsbridge or other art enrichment programs | 8,000 |

A total of \$17,234,415 was received by the Board from the excess levy during the fiscal year ended June 30, 2012. The levy is a renewal of the prior 80% excess levy and it passed with 68.71% voting for the levy and 31.29% against the levy. Funds provided in the renewed levy are to support the same purposes as the expiring levy.

**WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012**

Note 6 - Capital Assets:

Capital asset balances and activity for the year ended June 30, 2012, is as follows:

| | <u>Balance</u> <u>July 1, 2011</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance</u> <u>June 30, 2012</u> |
|-------------------------------|---------------------------------------|-------------------------|---------------------|--|
| Government activities: | | | | |
| Land | \$ 6,392,828.00 | \$ 27,434.00 | \$ 0.00 | \$ 6,420,262.37 |
| Buildings | 117,138,167.90 | 0.00 | 0.00 | 117,138,167.90 |
| Furniture and equipment | 19,442,432.00 | 154,861.10 | 0.00 | 19,597,293.10 |
| Vehicle | 9,432,284.00 | 661,674.32 | (326,707.00) | 9,767,251.32 |
| Construction in process | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> |
| Total | 152,405,117.90 | 843,969.42 | (326,707.00) | 152,922,974.70 |
| Less accumulated depreciation | | | | |
| Buildings | 31,331,309.00 | 2,059,246.01 | 0.00 | 33,390,555.01 |
| Furniture and equipment | 17,904,125.00 | 73,993.60 | (5,846.69) | 17,972,271.91 |
| Vehicles | <u>5,958,022.00</u> | <u>450,882.60</u> | <u>(325,519.31)</u> | <u>6,083,438.34</u> |
| Total | <u>55,193,456.00</u> | <u>2,584,122.21</u> | <u>(331,366)</u> | <u>57,446,212.21</u> |
| Capital Assets, net | <u>\$ 97,212,255.90</u> | <u>\$(1,740,474.36)</u> | <u>\$ 4,605.95</u> | <u>\$95,476,762.49</u> |

Depreciation expense was charged to functions of the governmental activities as follows:

| | |
|---------------------------|------------------------|
| Instruction | \$ 1,507,188.09 |
| Support Service | 330,390.66 |
| Administration | 160,039.91 |
| Business | 27,487.37 |
| Maintenance and operation | 276,881.17 |
| Transportation | 153,278.88 |
| Food Service | <u>128,856.13</u> |
| Total | <u>\$ 2,584,122.21</u> |

Fixed assets at June 30, 2012, are recorded at historical cost or estimated historical cost where actual historical cost information was not available.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

Note 7 - Long-term debt:

Long-term liability activity for the year ended June 30, 2012 is as follows:

General Obligation Bonds – General obligation bonds payable at June 30, 2012, with their outstanding balance are comprised of the following individual issues:

Schedule of Long Term Debt
For the Fiscal Year Ended June 30, 2012

| | Balance Beginning of Year | Additions | Deductions | Balance End of Year | Amounts due Within One year | Amounts due Past One year |
|---------------------------|---------------------------------|------------|---------------|---------------------------|-----------------------------------|---------------------------------|
| General obligation debt – | | | | | | |
| Bonds payable | \$ 24,010,000 | \$ - | \$ 2,200,000 | \$ 21,810,000 | \$ 2,305,000 | \$ 19,505,000 |
| Compensated absences | 1,202,790 | 102,720 | - | 1,305,510 | - | 1,305,510 |
| Capital lease payable | 3,226,748 | - | 545,408 | 2,681,340 | 587,523 | 2,093,817 |
| Long-term liabilities | \$ 28,439,538 | \$ 102,720 | \$ 25,796,850 | \$ 25,796,850 | \$ 2,892,523 | \$ 22,904,327 |

Bond Issue of 2005:

On November 2, 2004, the Board issued \$35,000,000.00 in general obligation bonds to provide funds for (school construction and renovations) capital improvements. The bonds mature in varying annual increments through May 1, 2020 and interest is payable semiannually at 4.00%. Payments on the general obligation bonds payable during the year were made from the debt service fund.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2012, including interest payments are listed as follows:

| <u>Year</u> | <u>Principal</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--|----------------------|------------------|---------------------|----------------------|
| 2013 | \$ 2,305,000 | | \$ 895,250 | \$ 3,200,250 |
| 2014 | 2,415,000 | | 803,050 | 3,218,050 |
| 2015 | 2,525,000 | | 706,450 | 3,231,450 |
| 2016 | 2,650,000 | | 605,450 | 3,255,450 |
| 2017 | 2,775,000 | | 499,450 | 3,274,450 |
| 2018 - 2020 | 9,140,000 | | 789,012 | 9,929,012 |
| Total | \$ 21,810,000 | | \$ 4,298,662 | \$ 26,108,662 |
| Total bonded indebtedness at July 1, 2011 | | | | \$ 24,010,000 |
| Issuances | | | | -0- |
| Maturities | | | | 2,200,000 |
| Total bonded indebtedness at June 30, 2012 | | | | \$ 21,810,000 |

WOOD COUNTY BOARD OF EDUCATION
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 For The Fiscal Year Ended June 30, 2012

Note 8 - Leases:

The Board has entered into various lease/purchase agreements with the private sector, primarily for equipment. These agreements, accounted for as capital leases, are for various terms. While these agreements contain clauses indicating that their continuation is subject to continuing appropriation by the Legislature, these leases are accounted for as capital leases and are considered non-cancelable for financial reporting purposes. Other leases, principally for equipment, are classified as operating leases with the lease payments recorded as expenditures during the life of the lease.

The Board has entered into a capital lease-purchase agreement pursuant to the provisions of West Virginia Code §18-5-9a whereby kitchen equipment has been installed in several of the schools. The equipment is leased for a period of ten years beginning February 1, 2007. At the end of the contract period, the Board will have ownership of the equipment. By contract, the Board has the option of discontinuing the lease purchase and returning the equipment at the end of any fiscal year, if funding for the lease payments for the next fiscal year is not available.

The future minimum lease obligations as of June 30, 2012, are as follows:

Lease Purchase – Kitchen Equipment - United Bank

| | |
|---|-----------------------|
| 2013 | \$ 86,370 |
| 2014 | 86,370 |
| 2015 | 86,370 |
| 2016 | 86,370 |
| 2017 | <u>49,402</u> |
| Total Minimum Lease Payments | 394,882 |
| Less: Amount representing interest | <u>39,446</u> |
| Present value of minimum lease payments | \$ <u>355,436</u> |

The Board has entered into a capital lease-purchase agreement pursuant to the provisions of West Virginia Code §18-5-9a whereby lockers have been installed in several of the schools. The equipment is leased from for a period of ten years beginning April 17, 2007. At the end of the contract period, the Board will have ownership of the equipment. By contract, the Board has the option of discontinuing the lease purchase and returning the equipment at the end of any fiscal year, if funding for the lease payments for the next fiscal year is not available.

**WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012**

The future minimum lease obligations as of June 30, 2012, are as follows:

Lease Purchase – Lockers – United Bank

| | |
|---|-------------------|
| 2013 | \$ 86,147 |
| 2014 | 86,147 |
| 2015 | 86,147 |
| 2016 | 86,147 |
| 2017 | <u>45,773</u> |
| Total Minimum Lease Payments | 390,361 |
| Less: Amount representing interest | <u>39,530</u> |
| Present value of minimum lease payments | <u>\$ 350,831</u> |

The Board has entered into a capital lease-purchase agreement pursuant to the provisions of West Virginia Code §18-5-9a whereby HVAC equipment has been installed in several of the schools. The equipment is leased for a period of ten years beginning April 17, 2007. At the end of the contract period, the Board will have ownership of the equipment. By contract, the Board has the option of discontinuing the lease purchase and returning the equipment at the end of any fiscal year, if funding for the lease payments for the next fiscal year is not available.

The future minimum lease obligations as of June 30, 2012, are as follows:

Lease Purchase –HVAC– Chase

| | |
|---|---------------------|
| 2013 | \$ 443,406 |
| 2014 | 443,406 |
| 2015 | 443,406 |
| 2016 | 443,406 |
| 2017 | <u>443,405</u> |
| Total Minimum Lease Payments | 2,217,029 |
| Less: Amount representing interest | <u>241,956</u> |
| Present value of minimum lease payments | <u>\$ 1,975,073</u> |

The capital lease proceeds were used to fund additions and renovations to the three high schools in the county.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

Note 9 - Employee Retirement System:

All full-time board of education employees are required to participate in one of two statewide, cost-sharing, multiple-employer retirement benefit plans, the Teachers' Defined Benefit Retirement System or the Teachers' Defined Contribution Retirement System. For the year ended June 30, 2012, the Board's total payroll for all employees was \$80,000,962.27 and the payroll was \$78,160,771.51 for employees covered by the two retirement programs.

Of the total amount appropriated by the State for retirement, the portion equal to the employers' average required contribution rate for both the defined benefit and the defined contribution plans is considered to be the employers' contribution for the current cash flow requirements for personnel funded under the Public School Support Program and is reflected as state revenue (Contributions for/on Behalf of the LEA) in the Board's financial statements. The balance is considered to be the State's contribution toward the past service unfunded liability and is included as a for/on behalf revenue and expenditure in the Board's financial statements.

Trend Information: Ten-year historical trend information relating to the accumulation of assets and the unfunded liability of both plans is available from the Consolidated Public Retirement Board.

Conversion of leave for post-retirement: Upon retirement, an employee's vacation and sick leave may be converted to a greater retirement benefit or payment of health insurance premiums. The cost of the increased retirement benefit or payment of health insurance premiums must be absorbed by the last agency employing the retiree.

Teachers' Defined Benefit Retirement System:

Plan Description: The Teachers' Defined Benefit Retirement System is a cost-sharing, multiple-employer public employee defined benefit retirement system which was established on July 1, 1941 and was closed for new members on July 1, 1991. Beginning July 1, 2005, all new employees become members of this plan. To qualify for full benefits, a member must be age 60 with at least five years of credited service, or be age 55 with at least 30 years of credited service or any age with at least 35 years of credited service. A member may receive a disability benefit after completing ten years of service, if the member is disabled for six months, unable to perform his or her regular occupation, and the Retirement Board expects the disability to be permanent.

Upon retirement members select one of five benefit payment options. If a member terminates employment with at least five years of credited service, he may freeze his membership until he qualifies for retirement or he may withdraw his contributions from the plan. The employers' contributions remain with the plan. Retirement benefits are based on two percent of the average member's five highest fiscal years of total earnings from covered employment during the member's last 15 years of service.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

The normal form of benefit is a single life annuity paid monthly, in an amount equal to 2% of the final average salary times years of credited service. Other forms of benefits may be elected subject to actuarial reduction: Cash Refund Annuity, 50% or 100% Contingent Joint and Survivor Annuities, and ten year Certain and Life Annuities. Pre-retirement death benefits are paid to the spouse of a deceased member who had attained the age 50 and completed 25 years of credited service. The annuity payment is computed as if the member had retired on the date of death with a 100% Joint and Survivor pension. If the member's age and service are less than that required, the sum of the accumulated member's and employer contributions with interest is paid to the member's beneficiary or estate.

Funding Status: According to the 2011 Actuarial Valuation Report of the Teachers' Retirement System, the plan's actuarial unfunded liability was \$ 4.76 billion as of July 1, 2011.

Contribution Requirements and Payments Made: This is a fully qualified plan by the Internal Revenue Service. Therefore, all employee contributions are tax deferred. Participants contribute 6% of their gross compensation and the board of education contributes 15% of covered members' gross compensation to the retirement plan, for a total of 21% annually for those who became members prior to July 1, 1991. Participants who became members after July 1, 2005 contribute 6% of their gross compensation and the board of education contributes 7.5% of covered members' gross compensation to the retirement plan, for a total of 13.5% annually.

The employers' contributions are derived from state appropriations and county funds. Federally funded grant programs provide the funding for the employer contributions for salaries paid from federal grants.

The required contributions for the year ended June 30, 2011 and the two previous years were:

| <u>Year ended June 30</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|--|----------------|----------------|----------------|
| Required contributions | \$ 404,547,000 | \$ 487,886,000 | \$ 471,171,000 |
| As a % of current year covered payroll | 25.89 % | 29.27 % | 28.55 % |

Total payments reflected in the Board's financial statements to the defined benefit plan for FY 2012 were:

| | |
|--|-------------------------|
| Employees' contributions (6%) | \$ <u>4,322,304.63</u> |
| Employer's contributions (15% or 7.5%) | <u>7,376,597.76</u> |
| Total contributions | \$ <u>11,698,902.39</u> |

**WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012**

Teachers' Defined Contribution Retirement System:

Plan Description: All Board employees hired after July 1, 1991 but before July 1, 2005, participated in the Teachers' Defined Contribution Retirement System. Employees in the Teachers' Defined Benefit System could freeze their benefits in the old plan and become a member of this plan. Members with less than five years of service in the old defined benefit plan could change to this plan and transfer the funds that were deposited in the old plan to this plan. Once a member transferred to the defined contribution plan, the member was not allowed to rejoin the defined benefit plan.

Effective July 1, 2005, the Teachers' Defined Contribution Plan was closed to new membership. All employees hired after that date became members of the Teachers' Defined Benefit Retirement System which was reopened for participation on July 1, 2005. Existing members of the Teachers' Defined Contribution Plan were given the option to transfer membership to the Teachers' Defined Benefit Retirement system during the 2008-09 fiscal year. To earn full benefits at retirement, however, members electing to transfer are required to contribute the 1.5% difference between the two plans' employee contribution rates.

A unique feature of the Teachers' Defined Contribution Plan is that each member chooses the investment options and may make changes at any time. The investment options are: Orchard Secure Foundation Balanced, Orchard Lifetime 2015 Fund II, Orchard Lifetime 2025 Fund II, Orchard Lifetime 2035 Fund II, Orchard Lifetime 2045 Fund II, Orchard Lifetime 2055 Fund II, American Funds EuroPacific R5, Mutual Global Discovery Fund – Z, Heartland Value Plus Inst, Sentinel Small Company I, Vanguard Small-Cap Index Fund – Inv, Scout Mid Cap, Westcore Select, JHancock Large Cap Equity I, Putnam Equity Income Y, Vanguard Large Cap Index Inv, PIMCO Total Return Fund – Admin, TIAA-CREF High-Yield Inst, Vanguard Interm-Term Bond Index Fund and Valic Individually Allocated Fixed Annuity.

Employees are eligible to participate from the date of employment. Employee contributions are fully vested, and employer contributions and earnings vest with the member as follows: one-third after 6 years, two-thirds after 9 years, and 100% after 12 years. The member is fully vested at death or disability. As of June 30, 2012, this plan had approximately \$308.2 million in net assets for pension benefits. Retirement or disability benefits are based solely on the accumulation of dollars in the member's individual account at the time of retirement. The accounting administration of the Plan is the responsibility of Milliman & Robertson, an independent third party administrator.

Funding Status: There is no unfunded liability for a defined contribution plan since a member's total maximum lifetime benefit is limited to that which has accumulated in the member's account from employee and employer contributions and all investment earnings thereon. Any forfeited, unvested employer contributions are, by statute, to be transferred to the Teachers' Defined Benefit Retirement System.

Contribution Requirements and Payments Made: This is a fully-qualified plan by the Internal Revenue Service. Therefore, all employee contributions are tax deferred. Participants contribute 4.5% of their gross salary and the board of education contributes 7.5% of covered members' gross compensation to the retirement plan, for a total of 12% annually.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

Total payments reflected in the Board's financial statements to the defined contribution plan for FY2012 were:

| | | |
|---------------------------------|----|------------|
| Employees' contributions (4.5%) | \$ | 275,517.87 |
| Employer's contributions (7.5%) | | 459,195.89 |
| Total contributions | \$ | 734,713.76 |

Note 10 - Post Employment Benefits Other Than Pension:

A. General Information

The Governmental Accounting Standards Board (GASB) issued Statement 45 in 2004 to establish standards for the measurement, recognition, and reporting of OPEB expenses/expenditures and related liabilities.

Other post employment benefits in West Virginia consist mainly of: Allowing employees hired prior to July 1, 2001 to convert unused annual, sick and/or personal leave to paid-up PEIA premiums, and allowing retirees to purchase PEIA health insurance at a deeply discounted premium rate.

As a result, the West Virginia Legislature passed HB 4654 in 2006 adding a new article to the State Code, WVC §5-16D-1 et seq. The article, among other things: Created the West Virginia Retiree Health Benefit Trust Fund (RHBT) for the purpose of administering retiree post-employment health care benefits; vested the responsibility for operation of the fund with the PEIA Board of Finance; required the Board of Finance to adopt actuarial assumptions and determine the annual required contribution (ARC) rates sufficient to maintain the fund in accordance with the state plan for other post-employment benefits; required the board to have an actuarial valuation conducted at least biannually; required the Board of Finance to set the total ARC sufficient to maintain the fund in an actuarially sound manner in accordance with generally accepted accounting principles; required the Board of Finance to bill all participating employers their share of the ARC, and; required participating employers to make annual contributions to the fund in, at least, the amount of the minimum annual employer premium payment rates established by the board.

Upon retirement, the public employees who elected to participate in the PEIA insurance plan are eligible to credit unused sick or annual leave towards insurance coverage, according to the following formulas:

Retired employees who elected to participate in the PEIA insurance plan prior to July 1, 1988: Those without dependents may credit two days of unused sick or annual leave towards one month of insurance coverage; the retirees with dependents may credit three days of unused sick or annual leave towards one month of insurance coverage.

Retired employees who elected to participate in the PEIA insurance plan between July 1, 1988 and June 30, 2001: those without dependents may credit two days of unused sick or annual leave towards one-half month of insurance coverage; the retirees with dependents may credit three days of unused sick or annual leave towards one-half month of insurance coverage.

WOOD COUNTY BOARD OF EDUCATION
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 For The Fiscal Year Ended June 30, 2012

Employees hired on or after July 1, 2001 may not apply any unused sick or annual leave towards the cost of health insurance premiums.

In the alternative to applying unused sick and annual leave to health insurance, all employees participating in the PEIA insurance plan, and who are members of the State Teachers' Defined Benefit Retirement System, may apply unused sick and annual leave towards an increase in the employee's retirement benefits with those days constituting additional credited service. The cost for the employees who elect this option is reflected as a liability of the State Teachers' Retirement System and not included as an OPEB obligation.

All retired employees are eligible to obtain health insurance coverage through PEIA with the retired employee's premium contribution established by the Finance Board. The Finance Board has allowed retirees to obtain health insurance coverage at essentially the same premium rate as active employees with the difference between the retirees' premium contributions and the cost of providing health care to retirees subsidized by the State. It is this subsidy that has created the major portion of the OPEB actuarial liability.

Based on the latest actuarial evaluation of the RHBT, the annual required contribution (ARC) for the State and the boards of education for fiscal year ended June 30, 2012 was determined to be:

| | <u>Total</u> | <u>Amount/per Policy Holder</u> |
|------------------------------------|-----------------------|-------------------------------------|
| Total Annual Required Contribution | \$ 864,383,000 | \$ 11,524 |
| Pay as you go – Retiree Subsidy | <u>(149,919,643)</u> | <u>(1,999)</u> |
| Remaining ARC | \$ <u>714,463,357</u> | \$ <u>9,525</u> |

The following summarizes the Board's OPEB activity:

| | |
|--|---------------------|
| OPEB liability at July 1 | \$ 26,980,794 |
| Total OPEB expenses | 12,626,874 |
| Less: | |
| Other post employment benefit liability credit | 24,609,066 |
| Pay as you go payments and other credits | <u>11,546,003</u> |
| OPEB liability at year end | \$ <u>3,452,599</u> |

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

B. Extraordinary Item

In February 2012, the West Virginia Legislature passed Senate Bill 469 that transferred the portion of the OPEB liability attributable to personnel funded through the state aid funding formula to the State of West Virginia. Therefore, the vast majority of the liability is reflected in the State's financial statements beginning with the fiscal year ended June 30, 2012. The Board is required to report only the portion of the OPEB liability attributable to the personnel employed in excess of the number funded through the formula in its financial statements for the current and all subsequent years until the actuarial unfunded liability is completely funded. The portion of prior year OPEB liability to be removed was calculated for the Board based on the percent of total personnel employed compared to the number funded through the formula. Since this event is both unusual in nature and infrequent in occurrence, it is recorded as an extraordinary gain.

To remove the OPEB liability, PEIA/RHBT issued credits to the Board for fiscal years 2008 through 2011. The amounts of credits issued for each fiscal year are as follows:

| | |
|------------------------------|------------------------|
| Fiscal year 2008 OPEB credit | \$ 726,396.72 |
| Fiscal year 2009 OPEB credit | \$ 715,082.66 |
| Fiscal year 2010 OPEB credit | \$ 1,964,675.20 |
| Fiscal year 2011 OPEB credit | <u>\$11,202,910.94</u> |
| Total extraordinary gain | <u>\$24,609,065.51</u> |

C. Current Year Credits

The amount of credit issued for fiscal year 2012 was \$11,546,002.70. This amount was treated as a reduction of current year operating expenses.

Note 11 - Pending Litigation:

The Board is involved in a number of legal proceedings and claims, involving students, employees and citizens who have sued the Board for damages. While it is not possible to determine the ultimate outcome of any lawsuit with certainty, management believes that the ultimate outcome will not have a material adverse effect on the financial position of the Board. The Board's insurance through the State Board of Risk and Insurance Management appears adequate to fully cover any potential liability.

WOOD COUNTY BOARD OF EDUCATION
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 For The Fiscal Year Ended June 30, 2012

Note 12 - Restatement of Beginning Fund Balance:

The fund balance at the beginning of the year for the following fund(s) required restatement:

| | <u>General Current Expense Fund</u> |
|---|---|
| Fund balance at June 30, 3011, as previously stated | \$ (17,068,706) |
| Total Adjustments (See below) | (264,382) |
| Fund balance at June 30, 2011, Restated | \$ (17,333,088) |

The adjustments consisted of the following:

General Current Expense Fund:

Beginning fund balance was increased by \$277,418 and \$875,847 for corrections to prior year supply inventory and PEIA allocation payable, respectively. Beginning fund balance was reduced by \$1,417,647 of employer PEIA premiums which were payable, but not accrued at June 30, 2011.

Government-wide Net Assets:

Additionally, government-wide net assets were restated for the above listed adjustments as well as for (\$163,875) for accrued bond interest which was not recorded at June 30, 2011.

WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE BASIC FINANCIAL STATEMENTS
For The Fiscal Year Ended June 30, 2012

Note 13 - Fund Balance

The detailed components of the various fund balance categories as of June 30, 2012 are as follows:

Fund balances:

| | General Current <u>Expense</u> | Special <u>Revenue</u> | Debt <u>Service</u> | Capital <u>Projects</u> | <u>Total</u> |
|--------------------------|--------------------------------------|---------------------------|------------------------|----------------------------|-----------------|
| Nonspendable – prepaid | \$ 69,213.00 | | | | \$ 69,213.00 |
| Nonspendable – inventory | 749,711.98 | | | | 749,711.98 |
| Restricted for: | | | | | |
| Special Projects | | \$ 735,872.00 | | | 735,872.00 |
| Capital Projects | | | | \$2,729,179.71 | 2,729,179.71 |
| Debt Service | | | \$3,021,514.21 | | 3,021,514.21 |
| Committed | | | | | |
| Local Projects | 543,198.51 | | | | 543,198.51 |
| Unassigned | (629,292.00) | (0.00) | 0.00 | 0.00 | (629,292.00) |
| Total fund balances | \$ 732,832.00 | \$ 735,872.00 | \$3,021,514.21 | \$2,729,179.71 | \$ 7,219,399.00 |

Note 14 - Commitments, Contingencies and Subsequent Events:

The board had encumbrances totaling \$2,521,478.61 as of June 30, 2012, in the following funds:

| Encumbrances | |
|------------------------|------------------------|
| General Current | \$ 1,418,889.26 |
| Capital Projects | 18,000.00 |
| Special Revenue | 1,076,364.35 |
| Special Revenue – ARRA | <u>8,225.00</u> |
| Total | \$ <u>2,521,478.61</u> |

Note 15 - Interfund Balances and Transfers

Due to/from other funds:

| Receivable Fund | Payable Fund | Amount |
|------------------------------|------------------------------|-------------|
| Capital Projects Fund | General Current Expense | \$2,729,180 |
| General Current Expense Fund | Special Revenue Fund | 328,455 |
| General Current Expense Fund | Special Revenue – ARRA | 2,088,067 |
| Capital Projects Fund | General Current Expense Fund | 312,658 |

WOOD COUNTY BOARD OF EDUCATION
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 For The Fiscal Year Ended June 30, 2012

Interfund Transfers

| Receivable Fund | Payable Fund | Amount |
|------------------------------|------------------------------|-----------|
| General Current Expense Fund | Special Revenue Fund | \$54,573 |
| General Current Expense Fund | Special Revenue – ARRA | 7,202 |
| Special Revenue Fund | General Current Expense Fund | 1,947,444 |
| Capital Projects Fund | General Current Expense Fund | 2,776,196 |

Note 16 - Major Sources of Revenue:

The largest single source of revenue received by the Board is state aid funds through the Public School Support Program. In addition, the Board receives financial assistance from federal and state governments in the form of grants. The disbursement of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is subject to audit by the Board's independent auditor and state and federal regulatory agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable fund. Based on prior experience, the Board believes such disallowance, if any, would be immaterial.

Note 17 – Wood County Teacher Retirement Association:

The Wood County Board of Education has elected to participate with the Wood County Teacher Retirement Association to provide retirement benefits to professional employees of the Wood County Board of Education since 1938. The Wood County Teacher Retirement Association is a separate board, with by-laws, and not part of the Wood County Board of Education. Professional employees of the Wood County Board of Education may elect to be a member of the Wood County Teacher Retirement Association.

Active members of the retirement association contribute \$100 annually, through payroll withholding, to the Wood County Teacher Retirement Association.

Upon retirement, each member receives a monthly benefit which is provided by both the association and the Board of Education. The Association remits to the Board of Education its portion and the Board of Education issues checks to the retirees. Currently the Association contributes a minimum of \$15 per retiree. By resolution of the Board of Education, each retired member is to receive \$30 per calendar month from the Board of Education's funds budgeted for such pension purposes.

The number of retirees receiving benefits from this retirement plan in June 2012 was 429.

REQUIRED SUPPLEMENTARY INFORMATION

WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
 REQUIRED SUPPLEMENTAL INFORMATION
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| | Budgeted Amounts | | Actual Amounts | Variance With Final Budget Favorable (Unfavorable) |
|---|--------------------|------------------------|---------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Property taxes | \$ 34,974,350 | \$ 34,974,350 | \$ 35,090,352 | \$ 116,002 |
| Other Local sources | 1,492,570 | 1,646,597 | 1,427,109 | (219,488) |
| State sources | 73,295,120 | 73,368,501 | 90,489,825 | 17,121,324 |
| Federal sources | 1,800,000 | 1,800,269 | 1,892,708 | 92,439 |
| Miscellaneous sources | - | 45,113 | 2,554 | (42,559) |
| Total revenues | 111,562,040 | 111,834,830 | 128,902,548 | 17,067,718 |
| Expenditures: | | | | |
| Instruction | 66,793,735 | 67,174,038 | 77,724,337 | (10,550,299) |
| Supporting services: | | | | |
| Students | 6,208,310 | 6,275,687 | 7,471,346 | (1,195,659) |
| Instructional staff | 4,718,925 | 4,877,705 | 5,386,175 | (508,470) |
| Central administration | 1,363,750 | 1,186,950 | 1,336,585 | (149,635) |
| School administration | 6,692,930 | 6,682,930 | 7,997,459 | (1,314,529) |
| Business | 1,217,930 | 1,339,715 | 1,575,821 | (236,106) |
| Operation and maintenance of facilities | 13,349,900 | 14,758,152 | 15,596,283 | (838,131) |
| Student transportation | 7,284,100 | 7,657,045 | 8,111,670 | (454,625) |
| Food services | 528,520 | 573,020 | 726,007 | (152,987) |
| Community services | 487,490 | 499,513 | 484,023 | 15,490 |
| Capital outlay | - | 27,112 | 27,112 | - |
| Debt Service | 276,450 | 276,450 | 277,640 | (1,190) |
| Total expenditures | 108,922,040 | 111,328,317 | 126,714,458 | (15,386,141) |
| Excess (deficiency) of revenues over expenditures | 2,640,000 | 506,513 | 2,188,090 | 1,681,577 |
| Other financing sources (uses): | | | | |
| Transfers in | 200,000 | 200,000 | 61,775 | (138,225) |
| Transfers (out) | (2,840,000) | (5,616,196) | (4,723,640) | 892,556 |
| Total other financing sources (uses) | (2,640,000) | (5,416,196) | (4,661,865) | 754,331 |
| Extraordinary Gain - OPEB Credit | - | - | 21,791,185 | 21,791,185 |
| Change in fund balances | - | (4,909,683) | 19,317,410 | 24,227,093 |
| Fund balances - beginning | - | (8,504,233) | (18,584,578) | (10,080,345) |
| Fund balances - ending | \$ - | \$ (13,413,916) | \$ 732,832 | \$ 14,146,748 |

WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
 REQUIRED SUPPLEMENTAL INFORMATION
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| | Budgeted Amounts | | Actual Amounts | Variance With Final Budget |
|---|-----------------------|-----------------------|--------------------|-------------------------------|
| | Original | Final | | Favorable (Unfavorable) |
| Revenues: | | | | |
| Local sources | \$ 943,225 | \$ 983,057 | \$ 1,096,934 | \$ 113,877 |
| State sources | 3,333,623 | 4,277,124 | 4,148,218 | (128,906) |
| Federal sources | 10,551,524 | 16,006,035 | 13,648,023 | (2,358,012) |
| Total revenues | 14,828,372 | 21,266,216 | 18,893,175 | (2,373,041) |
| Expenditures: | | | | |
| Instruction | 7,693,580 | 10,709,982 | 9,026,040 | 1,683,942 |
| Supporting services: | | | | |
| Students | 1,062,276 | 1,677,224 | 1,420,169 | 257,055 |
| Instructional staff | 1,253,679 | 3,634,877 | 2,673,317 | 961,560 |
| Central administration | - | - | - | - |
| School administration | - | 2,400 | 2,400 | - |
| Business & Budget Reserves | 14,121 | 43,038 | 27,653 | 15,385 |
| Operation and maintenance of facilities | - | 629,865 | 508,129 | 121,736 |
| Student transportation | 697,836 | 848,755 | 826,601 | 22,154 |
| Food services | 6,546,000 | 7,056,431 | 6,783,830 | 272,601 |
| Budget Reserve | 377,412 | - | - | - |
| Capital outlay | - | 321 | 321 | - |
| Total expenditures | 17,644,904 | 24,602,893 | 21,268,460 | 3,334,433 |
| Excess (deficiency) of revenues over expenditures | (2,816,532) | (3,336,677) | (2,375,285) | 961,392 |
| Other financing sources (uses): | | | | |
| Transfers in | 2,840,000 | 2,829,951 | 1,947,444 | (882,507) |
| Transfers (out) | (23,468) | (69,248) | (54,573) | 14,675 |
| Total other financing sources (uses) | 2,816,532 | 2,760,703 | 1,892,871 | (867,832) |
| Extraordinary Item - OPEB Credit | - | - | 2,817,880 | 2,817,880 |
| Change in fund balances | - | (575,974) | 2,335,466 | 2,911,440 |
| Fund balances - beginning | (1,599,594) | (1,599,594) | (1,599,594) | 0 |
| Fund balances - ending | \$ (1,599,594) | \$ (2,175,568) | \$ 735,872 | \$ 2,911,440 |

WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
 REQUIRED SUPPLEMENTAL INFORMATION
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 BUDGET AND ACTUAL - SPECIAL REVENUE ARRA FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| | Budgeted Amounts | | Actual Amounts | Variance With Final Budget Favorable (Unfavorable) |
|---|------------------|--------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Local sources | | | \$ - | \$ - |
| State sources | | | 0 | - |
| Federal sources | - | 4,963,714 | 3,731,632 | (1,232,082) |
| Miscellaneous sources | | - | 0 | - |
| Total revenues | - | 4,963,714 | 3,731,632 | (1,232,082) |
| Expenditures: | | | | |
| Instruction | | 1,316,231 | 1,308,530 | 7,701 |
| Supporting services: | | | - | |
| Students | | 561,415 | 561,415 | - |
| Instructional staff | | 1,989,967 | 1,854,485 | 135,482 |
| Central administration | | | - | - |
| School administration | | | - | - |
| Business & Budget Reserves | | | - | - |
| Operation and maintenance of facilities | | | - | - |
| Student transportation | | | - | - |
| Food services | | | - | - |
| Reserve | | | - | - |
| Capital outlay | | | - | - |
| Total expenditures | - | 3,867,613 | 3,724,430 | 143,183 |
| Excess (deficiency) of revenues over expenditures | - | 1,096,101 | 7,202 | (1,088,899) |
| Other financing sources (uses): | | | | |
| Transfers in | | | - | - |
| Transfers (out) | | (8,349) | (7,202) | 1,147 |
| Total other financing sources (uses) | - | (8,349) | (7,202) | 1,147 |
| Change in fund balances | - | 1,087,752 | 0 | (1,087,752) |
| Fund balances - beginning | - | - | - | - |
| Fund balances - ending | \$ - | \$ 1,087,752 | \$ 0 | \$ (1,087,752) |

OTHER SUPPLEMENTARY INFORMATION

WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
OTHER SUPPLEMENTAL INFORMATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| | Budgeted Amounts | | Actual Amounts | Variance With Final Budget Favorable (Unfavorable) |
|--|------------------|--------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Local sources | \$ 3,183,250 | \$ 3,183,250 | \$ 3,404,658 | \$ 221,408 |
| State sources | | | 83,007 | 83,007 |
| Miscellaneous sources | - | - | | - |
| Total revenues | 3,183,250 | 3,183,250 | 3,487,665 | 304,415 |
| Expenditures: | | | | |
| Debt service: | | | | |
| Principal retirement | 2,200,000 | 2,200,000 | 2,200,000 | - |
| Interest and fiscal charges | 983,250 | 983,250 | 985,250 | (2,000) |
| Total expenditures | 3,183,250 | 3,183,250 | 3,185,250 | (2,000) |
| Excess (deficiency) of revenues over expenditures | - | - | 302,415 | 302,415 |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Change in fund balances | - | - | 302,415 | 302,415 |
| Fund balances - beginning | 2,719,100 | 2,719,100 | 2,719,100 | (0) |
| Fund balances - ending | \$ 2,719,100 | \$ 2,719,100 | \$ 3,021,514 | \$ 302,414 |

WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
OTHER SUPPLEMENTAL INFORMATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

| | Budgeted Amounts | | Actual Amounts | Variance With Final Budget Favorable (Unfavorable) |
|--|------------------|-------------|-------------------|---|
| | Original | Final | | |
| Revenues: | | | | |
| Misc. sources | \$ 275,000 | \$ 275,000 | \$ 275,000 | \$ - |
| State Sources | - | - | - | - |
| Total revenues | 275,000 | 275,000 | 275,000 | - |
| Expenditures: | | | | |
| Capital outlay | | | - | - |
| Instruction | | | - | - |
| Instruction Staff | | | - | - |
| Food Service | | | - | - |
| Operation & Maintenance of facilities | - | 2,776,196 | 54,000 | 2,722,196 |
| Debt Service - principal | 400,000 | 400,000 | 400,000 | - |
| Interest and fiscal charges | | | - | - |
| Total expenditures | 400,000 | 3,176,196 | 454,000 | 2,722,196 |
| Excess (deficiency) of revenues over expenditures | (125,000) | (2,901,196) | (179,000) | 2,722,196 |
| Other financing sources (uses): | | | | |
| Transfers in | - | 2,776,196 | 2,776,196 | - |
| Transfers (out) | - | - | - | - |
| Total other financing sources (uses) | - | - | - | - |
| Change in fund balances | - | 2,776,196 | 2,776,196 | - |
| Net Change in fund balances | (125,000) | (125,000) | 2,597,196 | 2,722,196 |
| Fund balance - beginning | 131,984 | 131,984 | 131,984 | (0) |
| Fund balance - ending | \$ 6,984 | \$ 6,984 | \$ 2,729,180 | \$ 2,722,196 |

WOOD COUNTY BOARD OF EDUCATION, WEST VIRGINIA
 OTHER SUPPLEMENTAL INFORMATION
 SCHEDULE OF CHANGES IN SCHOOL ACTIVITY FUNDS
 Year Ended June 30, 2012

| | Cash Balance 07/01/2011 | Revenues Received | Expenditures Paid | Cash Balance 06/30/2012 |
|-------------------------------|----------------------------|----------------------|----------------------|----------------------------|
| Blennerhassett Elementary | 48,583 | 49,635 | 55,014 | 43,204 |
| Criss Elementary | 9,199 | 22,984 | 22,426 | 9,757 |
| Emerson Elementary | 22,867 | 32,996 | 29,793 | 26,070 |
| Fairplains Elementary | 19,516 | 14,850 | 11,872 | 22,495 |
| Fairplains Elementary TREK | 1,869 | 0 | 1,869 | 0 |
| Gihon Elementary | 9,620 | 25,390 | 21,431 | 13,579 |
| Greenmont Elementary | 45,207 | 25,442 | 43,999 | 26,649 |
| Jefferson Elementary | 26,370 | 34,962 | 30,435 | 30,896 |
| Kanawha Elementary | 21,845 | 37,358 | 34,409 | 24,795 |
| Lubeck Elementary | 39,125 | 60,448 | 49,205 | 50,368 |
| Madison Elementary | 15,255 | 38,953 | 31,150 | 23,057 |
| McKinley Elementary | 23,792 | 22,490 | 21,778 | 24,504 |
| Mineral Wells Elementary | 51,896 | 75,675 | 86,645 | 40,927 |
| Neale Elementary | 20,861 | 38,718 | 40,140 | 19,438 |
| Vienna Elementary | 31,574 | 34,260 | 33,017 | 32,817 |
| Waverly Elementary | 9,843 | 18,718 | 19,089 | 9,472 |
| Williamstown Elementary | 47,155 | 71,670 | 69,913 | 48,912 |
| Worthington Elementary | 40,161 | 29,025 | 20,577 | 48,610 |
| Franklin Elementary | 21,867 | 32,075 | 27,524 | 26,418 |
| Martin Elementary | 42,394 | 32,435 | 47,417 | 27,411 |
| Blennerhassett Middle School | 26,151 | 84,744 | 75,230 | 35,664 |
| Edison Middle School | 48,225 | 137,664 | 153,493 | 32,396 |
| Hamilton Middle School | 75,198 | 105,959 | 96,211 | 84,946 |
| Jackson Middle School | 91,720 | 129,047 | 108,498 | 112,269 |
| VanDevender Middle School | 32,962 | 29,370 | 23,176 | 39,156 |
| Parkersburg High School | 293,722 | 627,366 | 591,533 | 329,554 |
| Parkersburg South High School | 255,729 | 538,459 | 546,573 | 247,615 |
| Williamstown High School | 113,713 | 347,194 | 344,979 | 115,928 |
| Wood County Technical Center | 210,576 | 257,806 | 266,286 | 202,096 |
| Total | \$1,696,992 | \$2,955,694 | \$2,903,682 | \$1,749,003 |

SCHEDULE OF EXCESS LEVY REVENUES AND EXPENDITURES
WOOD COUNTY BOARD OF EDUCATION
AS OF JUNE 30, 2012

| | Current Year | | | Levy To Date | | |
|---|-------------------------------|-------------------|----------------|-------------------------------|-------------------|------------------|
| | Estimated Per Levy Call | Actual | Variance | Estimated Per Levy Call | Actual | Variance |
| Excess Levy Collections | \$ 16,297,179 | \$ 17,234,415 | \$ 937,236 | \$ 48,891,537 | \$ 51,695,069 | \$ 2,803,532 |
| Expenditures (County Specific Levy Call): | | | | | | |
| Personnel above formula | | | | | | |
| Sixteen (16) reading resource teachers | 880,000 | 880,000 | - | 2,640,000 | 2,640,000 | - |
| Seven (7) school nurses | 350,000 | 350,000 | - | 1,050,000 | 1,050,000 | - |
| Maintenance | | | | | | |
| Funding for maintenance of buildings and equipment to ensure safe and efficient operations | 1,688,650 | 1,688,650 | - | 5,065,950 | 5,065,950 | - |
| Salaries & Benefits | | | | | | |
| To continue to improve the Wood County School District's instructional program by the employment and retention of qualified teachers, service, and administrative personnel by maintaining competitive salaries and benefits. | 9,653,902 | 10,356,138 | 702,236 | 28,961,706 | 31,060,238 | 2,098,532 |
| Public Libraries | | | | | | |
| Funding for Parkersburg & Wood County Public Library and the Vienna Public Library | 434,630 | 434,630 | - | 1,303,890 | 1,303,890 | - |
| Misc. Operating Expenses | | | | | | |
| Curricular and extra-curricular salaries for athletic coaches and academic sponsors | 800,000 | 800,000 | - | 2,400,000 | 2,400,000 | - |
| Substitute salary cost | 570,000 | 570,000 | - | 1,710,000 | 1,710,000 | - |
| Dental Benefit Plan for all personnel | 765,000 | 1,000,000 | 235,000 | 2,295,000 | 3,000,000 | 705,000 |
| Copier service and materials for all schools | 196,200 | 196,200 | - | 588,600 | 588,600 | - |
| Instructional materials, supplies, and equipment for all enrolled students | 246,797 | 246,797 | - | 740,391 | 740,391 | - |
| Transportation services not funded by the State School Aid Formula | 225,000 | 225,000 | - | 675,000 | 675,000 | - |
| Grants for Local School Improvement Councils' projects in support of their Strategic Plan | 150,000 | 150,000 | - | 450,000 | 450,000 | - |
| Educational curriculum in the form of library/media supplies, books, equipment, software, and services | 140,000 | 140,000 | - | 420,000 | 420,000 | - |
| Alternative school program for troubled students | 139,000 | 139,000 | - | 417,000 | 417,000 | - |
| WVU Extension Services Program - in county | 50,000 | 50,000 | - | 150,000 | 150,000 | - |
| Artsbridge or other art enrichment programs | 8,000 | 8,000 | - | 24,000 | 24,000 | - |
| Total Expenditures | <u>16,297,179</u> | <u>17,234,415</u> | <u>937,236</u> | <u>48,891,537</u> | <u>51,695,069</u> | <u>2,803,532</u> |
| Excess (Deficiency) of Collections over Expenditures | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

**WOOD COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012**

| Federal Grantor/ Pass-Through Grantor/ <u>Program Title</u> | Federal CFDA <u>Number</u> | Pass-Through Entity Identifying <u>Number</u> | Total Federal <u>Expenditures</u> |
|---|----------------------------------|---|---|
| U.S. Department of Education: | | | |
| Pass-through West Virginia | | | |
| Department of Education: | | | |
| Adult Basic Education | 84.002A | Note 4 | \$ 58,784 |
| Title I Part A Cluster: | | | |
| Title I – Grants to Local Education Agencies | 84.010 | Note 4 | 5,443,389 |
| ARRA – Title I | 84.389A | C318853 | 81,288 |
| English Language Acquisition Grants | 84.365 | Note 4 | 15,575 |
| Special Education Cluster: | | | |
| Special Education - Grants to States | 84.027 | Note 4 | 3,111,828 |
| Special Education – Preschool Grants | 84.173 | Note 4 | 154,372 |
| ARRA – Special Education – IDEA (Part B) | 84.391A | C320771 | 523,197 |
| ARRA – Special Education – IDEA (Part B-Pre K) | 84.392A | C321017 | 85,838 |
| Career and Technical Education – | | | |
| Basic Grants to States | 84.048A | Note 4 | 289,907 |
| Safe and Drug-Free Schools and Communities | | | |
| State Grants | 84.186 | C325730 | 1,787 |
| Title II – Improving Teacher Quality State Grants | 84.367 | Note 4 | 968,620 |
| ARRA – Education Jobs Fund | 84.410 | EJF2011-27 | 2,604,168 |
| ARRA – School Improvement Grants | 84.388 | Note 4 | 385,422 |
| Education for homeless children and youth | 84.196 | Note 4 | 24,354 |
| ARRA – Education technology state grant | 84.386 | Note 4 | <u>51,720</u> |
| Total U.S. Department of Education | | | <u>13,800,249</u> |
| U.S. Department of Agriculture: | | | |
| Pass-through West Virginia Department of Education: | | | |
| Child Nutrition Cluster: | | | |
| National School Lunch Program | 10.553/10.555/10.559 | N/A | 3,466,777 |
| Fresh Fruits & Vegetables Program | 10.582 | Note 4 | 282,750 |
| Child and Adult Care Food Program | 10.558 | N/A | 17,066 |
| Pass-through West Virginia Department of Agriculture: | | | |
| Donated Food Service Program (Non-Cash Assistance) | 10.555 | N/A | <u>236,143</u> |
| Total U. S. Department of Agriculture | | | <u>4,002,736</u> |
| U.S. Department of Health and Human Services: | | | |
| Pass-through West Virginia Department of Education: | | | |
| Healthy schools | 93.unknown | C345238 | <u>1</u> |
| Total U.S. Department of Health And Human Services | | | <u>1</u> |
| Total Expenditures of Federal Awards | | | \$ <u>17,802,986</u> |

**WOOD COUNTY BOARD OF EDUCATION
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012**

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Wood County Board of Education and is presented on the basis of accounting principles generally accepted in The United States of America. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133; *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 2 - Non-Cash Assistance

The Wood County Board of Education's non-cash assistance received from the U.S. Department of Agriculture Donated Foods Program of \$236,143 is included in the Schedule of Expenditure of Federal Awards based upon the fair market value of the commodities at the time of receipt and reflects the amount distributed for the year ended June 30, 2012.

Note 3 - Child Nutrition Program

Child Nutrition Program [CFDA #10.553, #10.555 and #10.559] expenditures of federal awards are based on the amount of federal funding received for each of the programs. Since the amount of total expenditures for the programs exceeds the amount of the federal awards received, it is presumed that the total received from the federal awards had been expended. The amount of expenditures funded by meal sales, sponsor's contributions and state matching funds for both programs has not been included in the Schedule of Expenditures of Federal Awards. The total combined expenditures for the three programs as funded from all sources was \$6,263,122.

WOOD COUNTY BOARD OF EDUCATION
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
 YEAR ENDED JUNE 30, 2012

Note 4 - Pass-Through Entity Identifying Numbers

The following programs had multiple pass-through entity identifying numbers:

| <u>Program Title</u> | <u>Federal CFDA Number</u> | <u>Pass-Through Entity Identifying Number</u> |
|--|--------------------------------|---|
| Title I | 84.010 | C329894, C329892, C329893, C343722, C350350, C361113, C368687, C314118 |
| Title II – Improving Teachers Quality State Grant | 84.367A | C326566, C363168, C349274, C372083, C364830 |
| Special Education Cluster: Special Education – Grant to State | 84.027 | C320912, C343342, C342321, C360927, C368372, C362221 |
| Special Education – Preschool Grants | 84.173 | C320957, C342233, C362061 |
| Career and Technical Education – Basic Grants to States | 84.048A | C352494, C343043 C363067 |
| Adult Basic Education – State Grant Program | 84.002A | C361853, C342853, |
| English language acquisition grants | 84.365 | C323955, C347902, C367433 |
| Education for homeless children and youth | 84.196 | C346640, C365566 |
| ARRA – School improvement grants | 84.388 | C340055, C364338 |
| ARRA – Education technology state grant | 84.386 | C326295, C332195 |
| Fresh fruits and vegetables program | 10.582 | C349993, C366177 N/A |

**REPORTS ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS**

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Honorable Members of
Wood County Board of Education
Parkersburg, West Virginia

We have audited the financial statements of Wood County Board of Education, as of and for the year ended June 30, 2012, and have issued our report thereon dated March 15, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Wood County Board of Education is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Wood County Board of Education's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Wood County Board of Education's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Wood County Board of Education's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness (2012-01).

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs items 2012-02 and 2012-03 to be significant deficiencies.

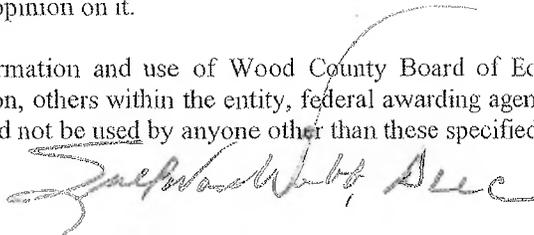
Compliance and Other Matters

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

We noted certain matters that we reported to management of Wood County Board of Education, in a separate letter dated March 15, 2013.

Wood County Board of Education's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Wood County Board of Education's responses and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of Wood County Board of Education, management, the West Virginia Department of Education, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



March 15, 2013

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Members of
Wood County Board of Education
Parkersburg, West Virginia

Compliance

We have audited the Wood County Board of Education's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Wood County Board of Education's major federal programs for the year ended June 30, 2012. Wood County Board of Education's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirement of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Wood County Board of Education's management. Our responsibility is to express an opinion on Wood County Board of Education's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Wood County Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Wood County Board of Education's compliance with those requirements.

In our opinion, Wood County Board of Education complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

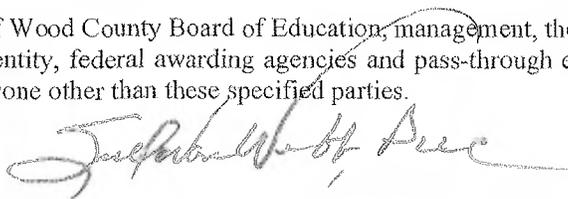
Management of Wood County Board of Education is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Wood County Board of Education's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Wood County Board of Education's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies which are described in the accompanying schedule of findings and questioned costs as items 2012-02 and 2012-03. A significant deficiency in internal control over compliance is a deficiency or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Wood County Board of Education's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Wood County Board of Education's response and, accordingly, we express no opinion on the response.

This report is intended for the information of Wood County Board of Education, management, the West Virginia Department of Education, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



March 15, 2013

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

WOOD COUNTY BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Reference number: 2011-01
Audit finding title: Franklin Elementary School
Contact person: Connie J. Roberts, CPA, Director of Finance

This finding was not repeated.

Reference number: 2011-02
Audit finding title: Pledged Collateral at Bank
Contact person: Connie J. Roberts, CPA, Director of Finance

This finding was not repeated.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**WOOD COUNTY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012**

A. SUMMARY OF AUDIT RESULTS

Financial Statements

| | |
|--|-------------|
| Type of auditor's report issued: | Unqualified |
| Internal control over financial reporting: | |
| Material weakness(es) identified | Yes |
| Significant deficiency(ies) identified that is not considered to be material weakness(es)? | Yes |
| Non-compliance material to the financial statements noted? | No |

Federal Awards

| | |
|---|-------------|
| Internal control over major programs: | |
| Material weakness(es) identified | No |
| Significant deficiency(ies) identified that is not considered to be material weakness(es)? | Yes |
| Type of auditor's report issued on compliance for major programs: | Unqualified |
| Any audit findings disclosed that are Required to be reported in accordance With §___.510(a) of Circular A-133? | Yes |

The programs tested as major programs included:

| <u>Program</u> | <u>CFDA #</u> |
|--|---------------|
| Major Federal Programs: | |
| U.S. Department of Education | |
| Pass-through West Virginia | |
| Department of Education | |
| Title I Cluster: | |
| Title I | 84.010 |
| ARRA -- Title I | 84.389 |
| ARRA -- Education Jobs Fund | 84.410 |
| Career and Technical Education - | |
| Basic Grants to State | 84.048 |
| ARRA -- School Improvement Grants | 84.388 |
| Special Education (IDEA) Cluster: | |
| Special Education -- Grants to States | 84.027 |
| Special Education -- Preschool Grants | 84.173 |
| ARRA -- Special Education -- (IDEA) Part B | 84.391A |
| ARRA -- Special Education -- | |
| (IDEA) Part B-Pre-K | 84.392A |

**WOOD COUNTY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012**

A. SUMMARY OF AUDIT RESULTS (CONTINUED)

| | |
|--|-----------|
| Dollar threshold used to distinguish between Type A and Type B Program: | \$534,090 |
| Auditee qualifies as a low-risk auditee? | Yes |

WOOD COUNTY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

B. FINANCIAL STATEMENT FINDINGS

No. 2012 – 01: Year End Accruals

CONDITION:

The financial statements of Wood County Board of Education required adjustments of \$921,254, (\$1,468,001), and (\$149,208) to accrue year end balances for PEIA allocations receivable, PEIA premiums payable, and accrued bond interest payable. Additionally the fund and district wide financial statements required restatement of the beginning General Fund fund balance and net asset balance as a result of unrecorded receivables and liabilities relating to PEIA payments and unrecorded accrued interest payable on general obligation bonds in the prior year.

CRITERIA:

Management of the Board is responsible for establishing an internal control structure that reduces to an acceptable level the risk of errors and fraud occurring and not being detected. Furthermore, management is responsible for preparation of the financial statements and related disclosures.

CONTEXT:

Specifically, assets, liabilities and beginning fund balance in General Fund required restatement of (\$541,800) for the following items which were not recorded in the current and prior year. Additionally, beginning net assets in the government-wide statements required revision for the above referenced items and (\$163,875) for accrued interest payable on the County's general obligation bond debt which was not recorded in the prior year.

CAUSE:

Internal controls did not ensure that management or employees, in the normal course of performing their assigned functions prevented, or detected and corrected material misstatements to the financial statements.

EFFECT:

The financial statements required adjustments for assets and liabilities and accrued bond interest to accurately reflect the financial position of the Board.

RECOMMENDATION:

We recommend internal control policies and procedures to ensure that the financial statements are accurate and reflective of the actual results of the financial position of the Board.

AUDITED AGENCY'S RESPONSE:

Corrections have been made to the FY2012 financial statements included in this audit report, to properly record year end balances for PEIA allocations receivable, PEIA premiums payable, and accrued bond interest payable. The accounting staff of the Board has put in place controls and procedures to ensure the proper reporting of year end balances for all receivables and payables on future financial reports.

**WOOD COUNTY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012**

B. FINANCIAL STATEMENT FINDINGS

No. 2012 – 02: Inaccurate Recording of Other Post-Employment Benefits

CONDITION:

Wood County Board of Education recorded expense and liability related to current year other post-employment benefits which should have been charged to RESA 5.

CONTEXT:

Specifically, Wood County Board of Education accrued expenditures and the associated liabilities of \$336,192 relating to other post-employee benefits for fiscal year ended June 30, 2012, in their financial statements which were attributable to RESA 5.

CRITERIA:

The Governmental Accounting Standards Board (GASB) issued Statement 45 in 2004 to establish standards for the measurement, recognition, and reporting of OPEB expenses/expenditures and related liabilities. As a result, the West Virginia Legislature passed HB 4654 in 2006 adding a new article to the State Code, WVC §5-16D-1 et seq. The article, among other things: Created the West Virginia Retiree Health benefit Trust Fund (RHBT) for the purpose of administering retiree post-employment health care benefits. The new article required the PEIA Board of Finance to bill all participating employers their share of the annual required contribution (ARC) for OPEB. WVC §5-16D-6 requires any amount of the annual required contribution (ARC) which is not satisfied by the employer to remain a liability of **that** employer.

CAUSE:

Wood County Board of Education is the fiscal agent for Regional Education Service Agency 5. As such, Wood County Board of Education received invoices for OPEB which includes charges for RESA 5 employees. Wood County Board of Education must allocate these charges to the RESA. Wood County Board of Education recorded expense and liability related to current year other post-employment benefits which should have been charged to RESA 5.

EFFECT:

The design and/or operations of the controls over accrual of other post-employment benefits did not ensure that Wood County Board of Education recorded and reported OPEB expenditures and related liabilities in the Board's financial statements.

RECOMMENDATIONS:

Wood County Board of Education must ensure that such control deficiencies will not occur in the future and that only expenditures and obligations attributable to Wood County Board of Education are reported in the Board's financial statements.

AUDITED AGENCY'S RESPONSE:

Corrections have been made to the FY2012 financial statements included in this audit report, to properly reflect the Board's other post-employment benefits liability. Every effort will be made to ensure this liability is accurately reflected, in accordance with generally accepted accounting principles, on all future financial reports.

**WOOD COUNTY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012**

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No. 2012-03: Federal Expenditures Not Recorded in Proper Period – Major Federal Award Programs

| | | |
|------------------------------|-----------------|------------------------------------|
| U.S. Department of Education | CFDA No. 84.010 | QUESTIONED <u>COSTS</u> |
| U.S. Department of Education | CFDA No. 84.027 | |
| U.S. Department of Education | CFDA No. 84.048 | |

CONDITION:

Wood County Board of Education incurred but failed to record expenditures and obligations in the proper accounting period of \$135,838 in the special revenue fund of which \$121,637 were expenditures relating to major federal award programs. These expenditures relate to credit card and other charges for the fiscal year ended June 30, 2012, which were not recorded until after year end.

CONTEXT:

Specifically, Wood County Board of Education did not accrue expenditures nor the associated liabilities and receivables relating to \$135,838 of expenditures which included \$121,637 of major federal award program expenditures for fiscal year 2012 at June 30, 2012.

CRITERIA:

OMB Circular A-133, Part B, and OMB Circular A-87 require that expenses be determined in accordance with generally accepted accounting principles.

Generally accepted accounting principles require that expenditures be recorded in the period that goods and services are received.

CAUSE:

Wood County Board of Education failed to record expenditures and the associated liabilities and receivables for services received including those related to federal award programs in the proper accounting period.

EFFECT:

The design and/or operation of the control over accounts payable cut-off did not ensure that Wood County Board of Education recorded and reported all expenditures, including federal award expenditures, in the proper accounting period.

TOTAL QUESTIONED COSTS: \$ 121,637

WOOD COUNTY BOARD OF EDUCATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

**D. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
(CONTINUED)**

**No. 2012-03: Federal Expenditures Not Recorded in Proper Period –
Major Federal Award Programs**

| | |
|------------------------------|-----------------|
| U.S. Department of Education | CFDA No. 84.010 |
| U.S. Department of Education | CFDA No. 84.027 |
| U.S. Department of Education | CFDA No. 84.048 |

RECOMMENDATIONS:

The Wood County Board of Education should take immediate steps to assure that such control deficiencies will not occur in the future, and to record all expenditures in the period that goods and services are received in compliance with OMB Circular A-133 and generally accepted accounting principles.

AUDITED AGENCY'S RESPONSE:

The Board's accounting staff will put in place a process at fiscal year-end to ensure expenditures are recorded in the period goods and services are received, in accordance with OMB Circular A-133 and generally accepted accounting principles.

**Economic and Demographic Data
Wood County, West Virginia**

(Source is WORKFORCE West Virginia except as otherwise provided)

- Location:** Wood County is located in western West Virginia
- County Seat:** City of Parkersburg
- The County:** The County is governed by, and generally acts through, The Wood County Commission. The Commissioners of the County Commission are elected on a countywide basis.
- Commissioners:** Dr. Wayne Dunn, President
David Blair Couch
Stephen Gainer

Population

| Year | Wood County | Virginia | United States |
|------|-------------|-----------|---------------|
| 2011 | 87,120 | 1,855,364 | 311,591,917 |
| 2010 | 87,025 | 1,854,368 | 309,330,219 |
| 2009 | 86,841 | 1,847,775 | 306,771,529 |
| 2008 | 86,783 | 1,840,310 | 304,093,966 |
| 2007 | 86,489 | 1,834,052 | 301,231,207 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Per Capita Personal Income

| County | 2007 | 2011 | Rank in State In 2011 |
|---------------|----------|----------|-----------------------|
| United States | \$39,506 | \$41,560 | --- |
| West Virginia | \$29,497 | \$23,403 | --- |
| Wood County | \$30,353 | \$32,666 | 13 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Largest Employers in County (2011)

| Employer |
|---|
| 1. Wood County Board of Education |
| 2. Camden-Clark Memorial Hospital |
| 3. U. S. Department of Treasury |
| 4. E. I. Du Pont De Nemours Company |
| 5. Wal-Mart Associates, Inc. |
| 6. Highmark West Virginia, Inc. (Mountain State Blue Cross & Blue Shield) |
| 7. Westbrook Health Services, Inc. |
| 8. West Virginia University |
| 9. Coldwater Creek, Inc. |
| 10. Universal Cable Holdings, Inc. |

Average Annual Unemployment Rates (%) – Not Seasonally Adjusted

| Year | Wood County | West Virginia | U.S. |
|------|-------------|---------------|------|
| 2012 | 7.2 | 7.3 | 8.1 |
| 2011 | 8.4 | 7.8 | 8.9 |
| 2010 | 9.2 | 8.4 | 9.6 |
| 2009 | 8.5 | 7.6 | 9.3 |
| 2008 | 4.6 | 4.2 | 5.8 |
| 2007 | 4.3 | 4.2 | 4.6 |

Source: U.S. Department of Labor, Bureau of Labor Statistics

Average Employment and Annual Wage

| | Average Employment | | Average Weekly Wage | |
|---------------|--------------------|---------|---------------------|----------|
| | 2007 | 2011 | 2007 | 2011 |
| Wood County | 40,438 | 38,251 | \$631.40 | \$683.69 |
| West Virginia | 708,313 | 701,871 | \$653.87 | \$751.77 |

Average Annual Employment by Industry

| Industry | 2011 |
|-----------------------------------|---------------|
| Natural Resources and Mining | 105 |
| Construction | 1,663 |
| Manufacturing | 3,162 |
| Trade, Transportation & Utilities | 8,488 |
| Information | 812 |
| Financial Activities | 1,791 |
| Professional & Business Services | 3,038 |
| Education & Health Services | 7,114 |
| Leisure & Hospitality | 4,376 |
| Other | 1,171 |
| Government | <u>6,531</u> |
| TOTAL | 38,251 |

Wages Per Industry (2011) (\$)

| Industry | Total Wages | Wages Per Employee |
|-----------------------------------|----------------------|--------------------|
| Natural Resources Mining | 3,838,856 | 703.10 |
| Construction | 79,598,460 | 920.46 |
| Manufacturing | 198,464,309 | 1,207.02 |
| Trade, Transportation & Utilities | 228,986,267 | 518.81 |
| Information | 32,297,603 | 764.90 |
| Financial Activities | 74,758,040 | 802.71 |
| Professional & Business Services | 105,897,018 | 670.33 |
| Education & Health Services | 251,916,133 | 680.98 |
| Leisure and Hospitality | 58,156,915 | 255.58 |
| Other Services | 26,204,655 | 432.56 |
| Government | <u>299,491,825</u> | <u>881.87</u> |
| TOTAL | 1,359,610,081 | 683.69 |

Total Wages (\$)

| Year | Wood County | West Virginia |
|------|---------------|----------------|
| 2011 | 1,359,610,081 | 27,437,330,374 |
| 2010 | 1,318,759,357 | 26,100,976,332 |
| 2009 | 1,378,460,573 | 25,528,702,813 |
| 2008 | 1,376,337,304 | 25,534,204,980 |
| 2007 | 1,327,686,887 | 24,083,126,318 |

Proposed Form of Legal Opinion

May 22, 2013

The Board of Education of the
County of Wood
Parkersburg, West Virginia

Re: \$19,300,000 The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013

Ladies and Gentlemen:

We have examined, in our capacity as Bond Counsel to The Board of Education of The County of Wood (the "Issuer"), the transcript of proceedings (the "Transcript") relating to the issuance by the Issuer of its \$19,300,000 in aggregate principal amount of Public School Refunding Bonds, Series 2013, dated May 22, 2013 (the "Refunding Bonds").

The Refunding Bonds are authorized to be issued pursuant to Article 2 of Chapter 13 of the West Virginia Code of 1931, as amended (the "Refunding Act") and a Resolution and Order duly adopted by the Issuer on April 9, 2013 (the "Resolution") and are subject to all the terms and conditions of the Resolution. The Resolution provides that the issue is for the purposes of providing funds, together with other moneys of the Issuer currently on deposit with the West Virginia Municipal Bond Commission (the "Bond Commission"), to effect the advance refunding and repayment in full of the Issuer's outstanding Public School Bonds, Series 2005, dated August 19, 2003, issued in the original aggregate principal amount of \$35,000,000 of which \$19,505,000 is presently outstanding (the "Prior Bonds"), and to pay costs of issuance of the Bonds and other costs in connection with such refunding. Issuance of the Prior Bonds was approved by the voters of the Wood County School District (the "District") at an election held in the District on November 2, 2004, for the purpose of financing costs of improving, constructing, erecting, renovating, furnishing and equipping certain new and existing school facilities in the District.

The Bonds have been sold to Piper Jaffray & Co., Charleston, West Virginia (the "Purchaser") pursuant to a Bond Purchase Agreement dated May 8, 2013, by and between the Issuer and the Purchaser (the "Bond Purchase Agreement").

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Resolution, the Bond Purchase Agreement and the Escrow Agreement, dated May 22, 2013, by and between the Issuer and the Bond Commission (the "Escrow Agreement") and in the certified proceedings and other certifications of certain officials furnished to us without undertaking to verify the same by independent investigation. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents contained in the Transcript.

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Book-Entry Only System

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities, in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

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

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the

transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

Elected Officials of the Board

Tim Yeater is a 3rd term BOE member. He has been happily married to his wife, Lisa for 27 years. They are the proud parents of two children, Ashlee and Austin. Tim graduated from Williamstown High School in 1981. He is a member of Local 565 Pipefitter and Steamfitter Union, and currently employed with Pioneer Pipe, Inc. as a Superintendent/Estimator. He is also a member of the Vienna Recreation board and spent many years volunteering as a coach in various sports.

Jim Fox was elected to the Wood County Board of Education in 2002. He and his wife Sandy have two sons Daniel and Matthew. Born, raised and educated in Wood County, he is a 1981 graduate of Parkersburg High School. In 1987 Jim graduated from West Virginia University with a B.A. in International Studies. He served on Senator Jay Rockefeller's Capitol Hill staff for nine years, five years as administrative assistant to Wood County Assessor Steve Grimm, and is currently employed with the U.S. Treasury, Bureau of Public Debt as an Employee and Labor Relations Specialist. He is proud of his record in public service, and is most proud of his service here in Wood County, especially with the Wood County Board of Education.

Lawrence G. Hasbargen has been a Board Member since January 2012. He is the former Assistant Superintendent of School Services and has held positions as teacher, principal, and Director of Elementary Schools during his 44 year career with Wood County Schools. Lawrence has a Bachelor's Degree from Rio Grande College and a Master's Degree from West Virginia University in Education Administration. He is married to Lyndall Lyons Hasbargen. They have two children, Kent Hasbargen and Kira Hasbargen Allen and three grandchildren.

John E. Marlow was elected to the Board of Education in 2000. He and wife, Kimberly, live in Parkersburg, WV and are the parents of two children, Keith and Katelyn. Mr. Marlow attended Criss and Park elementary schools and Washington Junior High School. He graduated from Parkersburg High School in 1983, and attended West Virginia University. He is employed by Dominion Hope Gas Inc. of Parkersburg and is a member of the UWUA 69. Mr. Marlow became interested in the Board of Education while serving as a PTA officer and LSIC member at Emerson Elementary School. His goal is for every child that attends Wood County Schools to receive the best possible education and feel safe in doing so. He was involved in Scouts and stays very active in youth sports.

Tad Wilson has been a board member since 2005. He graduated from Parkersburg High School in 1974, Marshall University in 1981 with an BA in Finance and received his MBA from West Virginia University in 1982. Tad is married to Kathleen Airhart-Wilson. He has three children, Taylor, Tanner, and Torri and two step children, Tyler and Ethan Airhart. Tad is actively involved in the community by being on the Board of Directors for Wood County Society, Consumer Credit Counseling, and C.N.A. of West Virginia Association Rehabilitation Facilities. He was instrumental in developing a Business Partnership with his company, Wells Fargo and Williamstown High School. Tad is a Senior Vice President/Investment Officer with Wells Fargo Advisors where he has been employed since 1985. He has received several professional designations from the College of Financial Planning in Denver, CO and is Certified Investment Management Consultant from the Institute for Investment Management Consultants.

Appointed Officials of the Board

Superintendent

Dr. J. Patrick Law was appointed Superintendent of Wood County Schools July 1st of 2010. He received his A.B. degree from Glenville State College with a double major in Social Studies and Art Education. Dr. Law obtained a Master's Degree in Education Administration from the West Virginia College of Graduate Studies in 1976. His Doctoral Degree was awarded in 2002 by West Virginia University. Dr. Law was appointed Superintendent of Pocahontas County Schools in 2003, and served that county until his appointment in Wood County. He currently serves on the West Virginia Commission for Professional Teaching Standards.

Assistant Superintendents

Robert Kent Harris was appointed Assistant Superintendent in Human Resources in July 2001. He is a veteran school administrator and was an Elementary Administrative Intern working in the central administrative offices in 1975-76 prior to his appointments at Nash and Lincoln Elementary Schools. Mr. Harris received a bachelor's degree in elementary education from Glenville State College and completed a master's degree in educational administration from Ohio University. He has accomplished post graduate work at West Virginia University. His responsibilities include the general administration of the Human Resources Department and supervision of nursing services, attendance, assessment and counseling.

Sue Woodward began her duties as Assistant Superintendent of School Services on July 1, 2010. School Services includes the Food Service, Transportation and Maintenance Departments as well as the overall supervision of all service personnel. Prior to her appointment she was the Director of School Improvement / Public Relations for Wood County Schools since 2001. At this time she continues to be responsible for the duties of her previous assignment. A graduate of Parkersburg High, Marietta College and West Virginia University, she began her WCS career in 1973 as an elementary teacher, remedial reading teacher, assistant principal and principal.

Treasurer / Director of Finance

Connie J. Roberts, CPA was appointed treasurer of Wood County Schools in July of 2010. Ms. Roberts received her bachelor's degree in Accounting and Management from Glenville State College in December of 1981. She was employed as an accountant for Glenville State upon graduation until she changed careers and became the treasurer for Calhoun County Schools in May of 1995. Her move from Calhoun to Wood County was as the assistant director of finance, from July 2007 until her promotion to the director's position.

Continuing Disclosure Agreement

This Continuing Disclosure Agreement (this “Agreement”) dated as of May 22, 2013, is by and between the Board of Education of the County of Wood (the “Board”) and WesBanco Bank, Inc., Wheeling, West Virginia, as Disclosure Agent (the “Disclosure Agent”), in connection with the issuance of the \$19,300,000 The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013 (the “Series 2013 Bonds”). Capitalized terms used in this Agreement shall have the respective meanings specified above, in Section 2 hereof or in the Resolution adopted by the Board on April 9, 2013, authorizing issuance of the Series 2013 Bonds (the “Resolution”). The Board agrees as follows:

SECTION 1. Purpose of Agreement. This Agreement is being executed and delivered by the Board and the Disclosure Agent for the benefit of the holders and beneficial owners of the Series 2013 Bonds and in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5).

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

“Annual Financial Information” means the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles (“GAAP”)) and operating data with respect to the Board, provided at least annually, of the type included in those sections of the final official statement with respect to the Series 2013 Bonds in Appendix A entitled “Audit Report of Wood County Board of Education for Fiscal Year Ended June 30, 2012,” which Annual Financial Information shall include Audited Financial Statements if available on the due date set forth herein, and, if not then available, unaudited financial statements.

“Audited Financial Statements” means the Board’s annual financial statements, prepared in accordance with GAAP, which financial statements shall have been audited by a firm of independent certified public accountants.

“Beneficial Owner” shall mean any person who has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2013 Bonds (including persons holding Series 2013 Bonds through nominees, depositories or other intermediaries).

“Bond Purchase Agreement” shall mean the Bond Purchase Agreement dated May 8, 2013, entered into between Piper Jaffray & Co. (the “Underwriter”), and the Board, by which the Underwriter agreed to purchase the Series 2013 Bonds from the Board upon the terms set forth therein.

“Disclosure Agent” shall initially mean WesBanco Bank, Inc., Wheeling, West Virginia, and any later appointed Disclosure Agent or any successor Disclosure Agent designated in writing by the Board and which has filed with the Board a written acceptance of such designation.

“Disclosure Representative” shall mean the Treasurer of the Board.

“EMMA” means the Electronic Municipal Market Access system described in 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board for purposes of the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Agreement.

“National Repository” shall mean the Municipal Securities Rulemaking Board, Washington, D.C., the sole Nationally Recognized Municipal Securities Information Repository for purposes of the Rule.

“Participating Underwriter” shall mean the original underwriter of the Series 2013 Bonds who are required to comply with the Rule in connection with offering of the Series 2013 Bonds.

“Repository” shall mean each National Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“Series 2013 Bonds” shall mean the \$19,300,000 The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013.

SECTION 3. Provision of Annual Reports.

(a) The Board shall, or shall cause the Disclosure Agent to, not later than 300 days after the end of the Board’s fiscal years (presently June 30), commencing with the reports for the Fiscal Years ending June 30, 2013 (FY 2013), provide to each Repository: Annual Financial Information and Audited Financial Statements, which are consistent with the requirements of Section 4 of this Agreement. The Annual Financial Information and Audited Financial Statements may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Agreement. The Board shall provide the Disclosure Agent with a copy of each report filed under this Agreement. If the Board’s fiscal years change, the Board shall give notice of such change in the same manner as for a Listed Event under Section 5(a).

(b) Not later than fifteen (15) Business Days prior to said date, the Board shall provide the Annual Financial Information and Audited Financial Statements to the Disclosure Agent. If the Board is unable to provide to the Repositories the Annual Financial Information and Audited Financial Statements by the date required in subsection (a), the Board shall, or shall cause the Disclosure Agent to, send a notice to the Repositories, in substantially the form attached as Exhibit A.

(c) The Disclosure Agent shall file a report with the Board certifying that the Annual Financial Information and Audited Financial Statements have been provided to EMMA pursuant to the Agreement and the date provided.

(d) All documents provided to EMMA shall be provided in a searchable, electronic format and shall be accompanied by identifying information as prescribed by the Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

SECTION 4. Content of Annual Financial Information and Audited Financial Statements. Within three hundred (300) days of the Board’s fiscal year ends, the Board or Disclosure Agent on its behalf shall submit to EMMA information and data of the Board for the prior fiscal year, including the Audited Financial Statements, prepared in accordance with generally accepted accounting principles in effect from time to time.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Board or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Board shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Board shall give, or cause to be given, notice of the occurrence of any of the following events, in a timely manner in accordance with this section, but in any event, not in excess of ten business days after the occurrence of the event, with respect to the Series 2013 Bonds:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2013 Bonds, or other events affecting the tax status of the Series 2013 Bonds;
7. modifications to rights of security holders, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Series 2013 Bond, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership, or similar event of the Board¹;
13. the consummation of a merger, consolidation or acquisition involving the Board, or the sale of all or substantially all of the assets of the Board, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its term, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material.

¹ For the purposes of the event identified in Section 5(a)(12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Board in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Board, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Board.

(b) The Disclosure Agent shall, within one (1) Business Day of obtaining actual knowledge of the occurrence of any of the Listed Events contact the Disclosure Representative, inform such person of the event, and request that the Board promptly notify the Disclosure Agent in writing whether or not to report the event pursuant to subsection (f).

(c) Whenever the Board obtains knowledge of the occurrence of a Listed Event, classified under Section 5(a) (2), (7), (8), (10), (12), (13) or (14), because of a notice from the Disclosure Agent pursuant to subsection (b) or otherwise, the Board shall as soon as possible determine if such event would be material under applicable federal securities laws, in any event such determination must be made and submitted to the Disclosure Agent within two (2) business days.

(d) If the Board determines that knowledge of the occurrence of any of the Listed Events, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would be material under applicable federal securities laws pursuant to subsection (b) or the Board received notice of any Listed Event that does not require a finding of materiality classified under Section 5(a) (1), (3), (4), (5), (6), (9), (11) or (12), the Board shall promptly file with the Disclosure Agent a notice of such occurrence to be provided to EMMA.

(e) If in response to a request under subsection (b), the Board determines that the Listed Event, classified under Section 5(a) (2), (7), (8), (10), (13) or (14), would not be material under applicable federal securities laws, the Board shall so notify the Disclosure Agent in writing and instruct the Disclosure Agent not to report the occurrence pursuant to subsection (f).

(f) If the Disclosure Agent has been instructed by the Board to report the occurrence of a Listed Event, the Disclosure Agent shall file a notice of such occurrence with EMMA with a copy to the Board. The Disclosure Agent must file such notice with EMMA within ten (10) business days of the occurrence of such Listed Event.

SECTION 6. Termination of Reporting Obligation. The Board's obligations under this Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2013 Bonds. If such termination occurs prior to the final maturity of the Series 2013 Bonds, the Board shall give notice of such termination in the same manner as for any of the Listed Events under Section 5(a).

SECTION 7. Disclosure Agent. WesBanco Bank, Inc., Wheeling, West Virginia, is hereby appointed as Disclosure Agent. The Board may, from time to time, appoint or engage an alternate or successor Disclosure Agent to assist it in carrying out its obligations under the Agreement, and may discharge any such Agent, with or without appointing a successor Disclosure Agent. The Disclosure Agent shall not be responsible in any manner for the content of any notice or report prepared by the Board pursuant to the Agreement.

SECTION 8. Amendment, Waiver. Notwithstanding any other provision of this Agreement, the Board and the Disclosure Agent may amend this Agreement, and any provision of this Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Board with respect to the Series 2013 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2013 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

SECTION 14. Fees. The Board agrees to pay all fees and expenses of the Disclosure Agent including, without limitation, all reasonable expenses, charges, costs, attorney's fees and other disbursements in the administration and performance of the Disclosure Agent's duties.

SECTION 15. Right to Resign. The Disclosure Agent may resign at any time by providing thirty (30) days' written notice to the Board.

SECTION 16. Right to Counsel. The Disclosure Agent shall have the right to consult with counsel in carrying out its duties under the Agreement and to rely upon an opinion of counsel.

SECTION 17. Duties of Disclosure Agent. The Disclosure Agent shall have only such duties as are specifically set forth in this Agreement, and no further duties or responsibilities shall be implied. Any corporation or association into which the Disclosure Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion or consolidation to which the Disclosure Agent in its individual capacity shall be a party, or any corporation or association to which all or substantially all the corporate trust business of the Disclosure Agent in its individual capacity may be sold or otherwise transferred, shall be the Disclosure Agent under this Agreement without further act. Anything in this Agreement to the contrary notwithstanding, in no event shall the Disclosure Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Disclosure Agent has been advised of such loss or damage and regardless of the form of action. The Board will, for the benefit of the Disclosure Agent and Disclosure Agent's employees, directors, agents, subsidiaries, affiliates, successors and assigns, assume all liability and/or be responsible to pay for any and all claims, demands, causes of action, losses, damages, liabilities, penalties, costs and expenses (including reasonable attorney's fees) relating to this Agreement, to the extent assessed by a court of competent jurisdiction.

IN WITNESS WHEREOF, the Board and the Disclosure Agent have caused this Agreement to be executed by its duly authorized representatives, all as of the date first above written.

THE BOARD OF EDUCATION OF THE COUNTY OF WOOD

By: _____

WesBanco Bank, Inc., Wheeling, West Virginia, as Disclosure Agent

By: _____

Its: _____

Date: May 22, 2013

EXHIBIT A

**NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: The Board of Education of the County of Wood
Name of Bond Issue: \$19,300,000 The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013
Date of Bond Issue: May 22, 2013

NOTICE IS HEREBY GIVEN that the Board has not provided an Annual Report with respect to the above-named Series 2013 Bonds as required by Section 3(b) of this Continuing Disclosure Agreement dated as of May 22, 2013, to be provided. The Board anticipates that the Annual Report will be filed by _____, 20__.

Dated: _____, 20__

WesBanco Bank, Inc., Wheeling, West Virginia, as Disclosure Agent
on behalf of the Board

cc: Board

**STANDARD
& POOR'S**
RATINGS SERVICES

55 Water Street, 38th Floor
New York, NY 10041-0003
tel 212 438-2066
reference no.: 1258975

April 29, 2013

The Board of Ed of Wood County
1210 13th street
Parkersburg, WV 26101
Attention: Ms. Connie C. Roberts, Ms., Director of Finance

**Re: \$18,855,000 Wood County Board Of Education, West Virginia, Public School Refunding
Bonds, Series 2013**

Dear Ms.:

Pursuant to your request for a Standard & Poor's Ratings Services ("Ratings Services") rating on the above-referenced obligations, Ratings Services has assigned a rating of "AA". Standard & Poor's views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

This letter constitutes Ratings Services' permission for you to disseminate the above-assigned ratings to interested parties in accordance with applicable laws and regulations. However, permission for such dissemination (other than to professional advisors bound by appropriate confidentiality arrangements) will become effective only after we've released the rating on standardandpoors.com. Any dissemination on any Website by you or your agents shall include the full analysis for the rating, including any updates, where applicable.

To maintain the rating, Standard & Poor's must receive all relevant financial and other information, including notice of material changes to financial and other information provided to us and in relevant documents, as soon as such information is available. You understand that Ratings Services relies on you and your agents and advisors for the accuracy, timeliness and completeness of the information submitted in connection with the rating and the continued flow of material information as part of the surveillance process. Please send all information via electronic delivery to: pubfin_statelocalgovt@standardandpoors.com. If SEC rule 17g-5 is applicable, you may post such information on the appropriate website. For any information not available in electronic format or posted on the applicable website,

Please send hard copies to:

Standard & Poor's Ratings Services
Public Finance Department
55 Water Street
New York, NY 10041-0003.

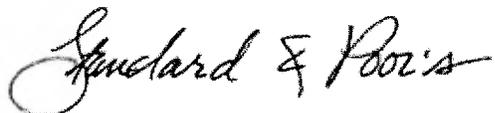
The rating is subject to the Terms and Conditions, if any, attached to the Engagement Letter applicable to the rating. In the absence of such Engagement Letter and Terms and Conditions, the

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rating is subject to the attached Terms and Conditions. The applicable Terms and Conditions are incorporated herein by reference.

Ratings Services is pleased to have the opportunity to provide its rating opinion. For more information please visit our website at www.standardandpoors.com. If you have any questions, please contact us. Thank you for choosing Ratings Services.

Sincerely yours,

The logo for Standard & Poor's, written in a cursive, handwritten style.

Standard & Poor's Ratings Services
a Standard & Poor's Financial Services LLC business.

mv
enclosures

cc: Mr. Brian Helmick
Ms. Marie Prezioso



Standard & Poor's Ratings Services Terms and Conditions Applicable To Public Finance Credit Ratings

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Publication. Ratings Services reserves the right to use, publish, disseminate, or license others to use, publish or disseminate a credit rating and any related analytical reports, including the rationale for the credit rating, unless the issuer specifically requests in connection with the initial credit rating that the credit rating be assigned and maintained on a confidential or private basis. If, however, a confidential or private credit rating or the existence of a confidential or private credit rating subsequently becomes public through disclosure other than by an act of Ratings Services or its affiliates, Ratings Services reserves the right to treat the credit rating as a public credit rating, including, without limitation, publishing the credit rating and any related analytical reports. Any analytical reports published by Ratings Services are not issued by or on behalf of the issuer or at the issuer's request. Ratings Services reserves the right to use, publish, disseminate or license others to use, publish or disseminate analytical reports with respect to public credit ratings that have been withdrawn, regardless of the reason for such withdrawal. Ratings Services may publish explanations of Ratings Services' credit ratings criteria from time to time and Ratings Services may modify or refine its credit ratings criteria at any time as Ratings Services deems appropriate.

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No Third Party Beneficiaries. Nothing in any credit rating engagement, or a credit rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of a credit rating. No person is intended as a third party beneficiary of any credit rating engagement or of a credit rating when issued.

RatingsDirect®

Summary:

Wood County Board of Education, West Virginia; School State Program

Primary Credit Analyst:

Hilary A Sutton, New York (1) 212-438-7093; hilary_sutton@standardandpoors.com

Secondary Contacts:

Richard J Marino, New York (1) 212-438-2058; richard_marino@standardandpoors.com

Lauren Freire, New York (1) 212-438-7854; lauren_freire@standardandpoors.com

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Rationale

Outlook

Related Criteria And Research

Summary:

Wood County Board of Education, West Virginia; School State Program

Credit Profile

US\$18.855 mil public sch rfdg bnds ser 2013 due 05/01/2020

Long Term Rating

AA/Stable

New

Rationale

Standard & Poor's Ratings Services assigned its 'AA' rating and stable outlook to Wood County Board of Education, W. Va.'s series 2013 public school refunding bonds. At the same time, Standard & Poor's affirmed its 'AA' long-term and underlying ratings (SPUR) on the board's parity debt.

The 'AA' rating reflects Wood County Board of Education's eligibility and participation in the West Virginia Municipal Bond Program. The rating also reflects the state's strong debt service oversight and the legislature's replenishment provision for the bond commission's sinking fund. Under the program, the state annually appropriates sufficient funds to meet any shortfall in an issuer's debt service payment to bondholders.

Standing appropriation programs

Standard & Poor's rates four different types of state programs, in more than 20 states, that provide enhancement for school bond issues. These program types include state guarantee, permanent fund, standing or annual appropriation, and state intercept or withholding programs. Each state program is analyzed according to the program type and the rating is based on the characteristics of the particular program and funding mechanisms. West Virginia is one of three states with Standard & Poor's-rated standing or annual appropriation programs, along with Minnesota and Texas. Because appropriation programs are dependent on the ability of a state to use its cash reserves to make up any debt service deficiencies, a program's rating is directly linked to the state's own credit quality. Therefore, the program rating will move in tandem with its related state rating, keeping the relative rating differential between the program and state ratings constant. The program's rating outlook will always reflect the state's rating outlook.

West Virginia Municipal Bond Program

As authorized by Chapter 13, Article 3 of the West Virginia Code, the state's bond commission serves as the bond trust agent, administering the GO debt sinking funds for the state's school districts and municipalities. Also, the commission has debt service levy oversight. All funds collected to meet debt service on a municipality's GO bonds are turned over to the commission for payment of debt service.

In addition to this statutory provision, the commission's administrative guidelines include notifying the local government unit 35 days before a debt service payment, if available funds are insufficient for debt service. If sufficient funds are not on hand 15 days before the debt service payment, the entity is contacted again. Whenever the amount deposited for any issuer is not sufficient to meet the interest or principal due, it shall be the duty of the school district's

Summary: Wood County Board of Education, West Virginia; School State Program

treasurer, upon being notified of that fact by the commission, to immediately remit all funds in his possession that have been earmarked by the issuer for the purpose of amortizing bonded indebtedness plus such additional funds as are necessary to meet the interest or principal due. Since 1921, the state legislature has made an annual blanket appropriation in the budget authorizing the governor to meet any deficiency in the state sinking fund because of a school district or governmental unit's failure to meet its debt service obligations.

Wood County Board of Education

Wood County Board of Education is coterminous with Wood County in the northwestern part of the state. The district serves a population of 87,155 and had a total enrollment in its 26 schools of about 13,471 for the 2012-2013 school year. Bond proceeds will be used to advance refund the district's 2005 series bonds.

Outlook

The stable outlook reflects the rating outlook on the state's general obligation debt.

Related Criteria And Research

USPF Criteria: State Credit Enhancement Programs, Nov. 13, 2008

Ratings Detail (As Of April 30, 2013)

Wood Cnty Brd of Ed sch st prog

Unenhanced Rating

AA(SPUR)/Stable

Affirmed

Many issues are enhanced by bond insurance.

Complete ratings information is available to subscribers of RatingsDirect at www.globalcreditportal.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

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McGRAW-HILL

The Depository Trust Company

A subsidiary of The Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

[To be Completed by Issuer]

The Board of Education of the County
of Wood (West Virginia)

[Name of Issuer]

February 22, 2005

[Date]

[For Municipal Issues:

Underwriting Department—Eligibility; 50th Floor]

[For Corporate Issues:

General Counsel's Office; 49th Floor]

The Depository Trust Company

55 Water Street

New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.



By: _____

Very truly yours,

The Board of Education of the
County of Wood (West Virginia)

By: William A. Niday
(Authorized Officer's Signature)

William A. Niday

(Print Name)

1210 Thirteenth Street

(Street Address)

Parkersburg WV 26101

(City) (State) (Country) (Zip Code)

(304) 420-9663

(Phone Number)

wniday@access.k12.wv.us

(E-mail Address)



The Depository Trust &
Clearing Corporation

(To Blanket Issuer Letter of Representations)

**SAMPLE OFFERING DOCUMENT LANGUAGE
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

(Prepared by DTC—bracketed material may be applicable only to certain issues)

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity

of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.



SPILMAN THOMAS & BATTLE, PLLC

ATTORNEYS AT LAW

May 22, 2013

Wood County Board of Education
1210 Thirteenth Street
Parkersburg, West Virginia, 26101

Piper Jaffray & Co.
405 Capital Street, Suite 613
Charleston, WV 25301

Re: \$19,300,000 The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013

Ladies and Gentlemen:

We have served as bond counsel in connection with the issuance and sale of the above-referenced bonds (the "Bonds") by The Board of Education of the County of Wood, West Virginia (the "Issuer"). In our capacity as Bond Counsel, we are delivering an opinion of even date herewith concerning the legality and tax-exempt status of the Bonds (the "Bond Opinion"). We have examined the documents and instruments as described in the Bond Opinion, the Official Statement, the Escrow Agreement and such other documents and matters as we have deemed necessary or appropriate to render this opinion. Words and terms used in this opinion shall have the meanings ascribed thereto in the Bond Purchase Agreement (the "Purchase Agreement") dated May 8, 2013, between the Issuer and Piper Jaffray & Co. (the "Underwriter"). This opinion is being delivered pursuant to Section 14(c)(i) of the Purchase Agreement.

In our examination, we have assumed the genuineness of all documents and signatures presented to us (whether as originals or as copies) and the due and legal execution and delivery thereof by, and validity against, any parties other than the Issuer. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents referred to in the first paragraph hereof.

We are members of the West Virginia State Bar and do not hereby express any opinion as to matters governed by the laws of any jurisdiction other than the laws of the State of West Virginia and the federal laws of the United States of America.

Based upon the foregoing, we are of opinion that:

(1) The Purchase Agreement has been duly authorized, executed and delivered by the Issuer, and, assuming due authorization, execution and delivery by the other party thereto, is a legal, valid, binding and enforceable obligation of the Issuer (except to the extent that enforceability may be limited by bankruptcy, insolvency or other laws or equitable principles affecting creditors' rights generally and to the exercise of judicial discretion).

Spilman Center | 300 Kanawha Boulevard, East | Post Office Box 273 | Charleston, West Virginia 25321-0273
www.spilmanlaw.com | 304.340.3800 | 304.340.3801 fax

West Virginia

North Carolina

Pennsylvania

Virginia

The Board of Education of the
County of Wood
May 22, 2013
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(2) The Issuer, under the Act, has full power and authority to adopt the Resolution, enter into the Escrow Agreement and the Purchase Agreement and perform its obligations thereunder.

(3) The Issuer has duly ratified the distribution of the Preliminary Official Statement, the Official Statement has been duly approved, executed and delivered by the Issuer, and the Issuer has authorized the distribution of the Official Statement and the use thereof by the Underwriter in connection with the sale of the Bonds.

(4) The statements and information contained in the Official Statement under the captions or subcaptions "Introduction," "The Bonds," "Tax Matters," "Legal Matters," "Ratings," and "Appendix C" present fair and accurate summary descriptions of the matters described under such captions. We are not passing upon and do not assume any responsibility for the accuracy (except for the aforesaid summary descriptions), completeness or (except for the aforesaid summary descriptions) fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements, and no inquiry was made of other attorneys in our firm not working directly on the issuance of the Bonds who may have information material to the issue. However, we can and do advise you that, during the course of serving as Bond Counsel in connection with the issuance of the Bonds, no information came to the attention of the attorneys in our firm rendering legal services in connection with such issuance that caused us to believe that (i) the Official Statement as of its date (except for any financial, accounting, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any management discussion and analysis or any information relating to DTC, book entry securities and Appendices A, B and D included therein, as to which no view is expressed) contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or (ii) the Official Statement as of the date of the Closing (except as aforesaid) contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(5) The Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

(6) Based on the foregoing, we are of the opinion that the Prior Bonds have been legally defeased and the covenants, agreements and other obligations of the Issuer to the holders of the Prior Bonds have been discharged and satisfied, and that such refunding will not



The Board of Education of the
County of Wood
May 22, 2013
Page 3 of 3

adversely affect the excludability of the interest on the Prior Bonds or the Bonds from gross income for federal income taxation.

This opinion is furnished to you solely for the purposes stated herein and may not be used, quoted, or relied upon by any other person or entity or for any other purpose without our prior written consent. This opinion is limited to the matters set forth herein and the law in effect as of the date hereof. We assume no obligation to supplement our opinion with regard to subsequent changes in law, facts or knowledge.

Very truly yours,

Spilman Thomas & Battle, PLLC
Spilman Thomas & Battle, PLLC



SPILMAN THOMAS & BATTLE, PLLC

ATTORNEYS AT LAW

May 22, 2013

The Board of Education of the
County of Wood
Parkersburg, West Virginia

Re: \$19,300,000 The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

Ladies and Gentlemen:

We have examined, in our capacity as Bond Counsel to The Board of Education of The County of Wood (the "Issuer"), the transcript of proceedings (the "Transcript") relating to the issuance by the Issuer of its \$19,300,000 in aggregate principal amount of Public School Refunding Bonds, Series 2013, dated May 22, 2013 (the "Refunding Bonds").

The Refunding Bonds are authorized to be issued pursuant to Article 2 of Chapter 13 of the West Virginia Code of 1931, as amended (the "Refunding Act") and a Resolution and Order duly adopted by the Issuer on April 9, 2013 (the "Resolution") and are subject to all the terms and conditions of the Resolution. The Resolution provides that the issue is for the purposes of providing funds, together with other moneys of the Issuer currently on deposit with the West Virginia Municipal Bond Commission (the "Bond Commission"), to effect the advance refunding and repayment in full of the Issuer's outstanding Public School Bonds, Series 2005, dated August 19, 2003, issued in the original aggregate principal amount of \$35,000,000 of which \$19,505,000 is presently outstanding (the "Prior Bonds"), and to pay costs of issuance of the Bonds and other costs in connection with such refunding. Issuance of the Prior Bonds was approved by the voters of the Wood County School District (the "District") at an election held in the District on November 2, 2004, for the purpose of financing costs of improving, constructing, erecting, renovating, furnishing and equipping certain new and existing school facilities in the District.

The Bonds have been sold to Piper Jaffray & Co., Charleston, West Virginia (the "Purchaser") pursuant to a Bond Purchase Agreement dated May 8, 2013, by and between the Issuer and the Purchaser (the "Bond Purchase Agreement").

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Resolution, the Bond Purchase Agreement and the Escrow Agreement, dated May 22, 2013, by and between the Issuer and the Bond Commission (the "Escrow Agreement") and in the certified proceedings and other certifications of certain officials furnished to us without undertaking to verify the same by independent investigation. We have assumed the genuineness of all documents and signatures presented to us (whether as originals or

The Board of Education of the
County of Wood
May 22, 2013
Page 2 of 4

as copies) and the due and legal execution and delivery thereof by, and validity against, any parties. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents contained in the Transcript.

Based upon the foregoing, and assuming compliance with the covenants of the Issuer contained in the Resolution, the Bond Purchase Agreement, the Escrow Agreement and the Tax and Non-Arbitrage Certificate of the Issuer dated the date hereof (the "Tax Certificate") and in certain other certificates delivered in connection herewith and the covenants of the Bond Commission contained in the Escrow Agreement, we are of the opinion, under existing law, as of the date hereof, that:

1. The Issuer is a validly existing statutory corporation charged with the supervision and control of the District, which is a validly existing political subdivision of the State of West Virginia, and is authorized by the Refunding Act to issue and sell the Refunding Bonds.

2. Under the Refunding Act, the Refunding Bonds are exempt from all taxation by the State or by any political subdivision thereof.

3. The issuance and sale of the Refunding Bonds have been duly authorized pursuant to and in full compliance with the Constitution of the State of West Virginia, the Refunding Act and the Resolution.

4. The Refunding Bonds are valid and legally binding general obligations of the Issuer and, unless paid from other sources, the principal of and interest on the Refunding Bonds are payable from ad valorem taxes levied upon all the taxable property within the District, without limitation as to rate or amount.

5. The Prior Bonds have been paid within the meaning and with the effect expressed in the Refunding Act, and the covenants, agreements and other obligations of the Board to the owners of the Prior Bonds have been satisfied and discharged. In rendering the opinion set forth in this Paragraph 5, we have relied upon the opinion provided by Causey Demgen & Moore P.C., independent certified public accountants, that, based on schedules provided to and verified as to mathematical accuracy by them, that the proceeds of the Refunding Bonds deposited in The Board of Education of the County of Wood Series 2005 Bonds Escrow Deposit Fund (the "Escrow Deposit Fund") established with the West Virginia Municipal Bond Commission pursuant to the Escrow Agreement, together with certain cash also deposited, will be sufficient to pay, when due, the principal of and interest on the Prior Bonds to the date of redemption.



The Board of Education of the
County of Wood
May 22, 2013
Page 3 of 4

6. Under current law, interest on the Refunding Bonds is excludable from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated pursuant thereto, and such interest will not be treated as a preference item in calculating the alternative minimum tax that may be imposed under the Code with respect to individuals and corporations. Under the Code, however, interest on the Refunding Bonds is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to corporations. The opinions set forth in the proceeding sentences are subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Refunding Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the interest on the Refunding Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Refunding Bonds. We express no other opinion regarding tax consequences with respect to the Refunding Bonds.

7. We have examined the executed and authenticated Bond No. R-1 of said issue, and in our opinion, said Bond is in proper form and has been duly executed and authenticated.

It is to be understood that the rights of the holders of the Refunding Bonds and the enforceability of the Refunding Bonds and the liens, pledges, rights or remedies with respect to the Refunding Bonds, the Resolution, the Escrow Agreement and the Bond Purchase Agreement are subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws heretofore or hereafter enacted affecting creditors' rights or remedies generally, and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the foregoing documents or other offering material relating to the Refunding Bonds and express no opinion with respect thereto.

This opinion is rendered solely for your benefit and is furnished only with respect to the transactions contemplated by the Resolution and the documents included in the Transcript. Accordingly, this opinion may not be relied upon by or quoted to any other person or entity without, in each instance, our prior written consent.



The Board of Education of the
County of Wood
May 22, 2013
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The opinions herein may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters that come to our attention after the date hereof. Accordingly, this opinion speaks only as of its date and is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Very truly yours,

Spilman Thomas & Battle, PLLC

SPILMAN THOMAS & BATTLE, PLLC



SPILMAN THOMAS & BATTLE, PLLC

ATTORNEYS AT LAW

May 22, 2013

Wood County Board of Education
1210 Thirteenth Street
Parkersburg, West Virginia, 26101

Piper Jaffray & Co.
405 Capital Street, Suite 613
Charleston, WV 25301

Re: \$19,300,000 The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013

Ladies and Gentlemen:

We have served as counsel to The Board of Education of the County of Wood, West Virginia (the "Issuer") in connection with the sale of the above-referenced bonds (the "Bonds"), which are being delivered and sold pursuant to a Bond Purchase Agreement dated as of May 8, 2013 (the "Purchase Agreement"), between Piper Jaffray & Co. (the "Underwriter") and the Issuer. Any capitalized terms used herein and not defined shall have the meaning ascribed thereto in the Purchase Agreement.

In this connection, we have reviewed and examined certain proceedings and documents with respect to the Bonds, any such records, certificates and other documents as we have considered necessary or appropriate for the purposes of this opinion, including Chapter 13, Article 2 of the Code of West Virginia, 1931, as amended (the "Refunding Act"), the Resolution and Order adopted by the Issuer, dated April 9, 2013 (the "Resolution"), the Escrow Agreement, dated May 22, 2013 (the "Escrow Agreement"), by and between the Issuer and the West Virginia Municipal Bond Commission (the "Commission"), the Continuing Disclosure Agreement, dated May 22, 2013 (the "Continuing Disclosure Agreement"), by and between the Issuer and WesBanco Bank, Inc., as disclosure agent, the Purchase Agreement, the Preliminary Official Statement dated May 1, 2013 and the Final Official Statement dated May 8, 2013, with respect to the issuance and offering of the Bonds (together, the "Official Statement") and a closing certificate of the Issuer (collectively, the "Issuer Documents").

In our examination, we have assumed: (i) the authenticity of all documents submitted to us as originals and the conformity with the originals of all documents submitted to us as copies; (ii) each document submitted to us by an governmental official or agency is accurate, complete and authentic, and all official public records (including the proper indexing and filing) are accurate and complete; (iii) all relevant records of the Issuer, as well as all copies of correspondence, certificates

Wood County Board of Education
Piper Jaffray & Co.
May 22, 2013
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and financial, business and other documents presented to us for examination, are authentic, accurate and complete; (iv) the conduct of the parties to this transaction has complied with any and all requirements of good faith, fair dealing and conscionability, and the parties to the Issuer Documents have acted in good faith and without notice of any defense against the enforcement of any rights created by, or adverse claim to, any property or security interest transferred or created as a part of the transaction; and (v) no agreements or understandings exist among the parties, written or oral, that would amend, supplement, or qualify the terms of the Issuer Documents. All assumptions made by us in our opinion have been made with your permission and without any independent investigations to determine the existence or absence of facts, and this opinion is based upon these assumptions.

The opinions expressed herein are subject to the qualifications that enforceability may be subject to the effect of (1) applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other laws affecting creditors' rights, (2) the application of equitable principles, and the exercise of judicial discretion and to public policy if remedies in equity are sought, and (3) limitations on legal remedies against public agencies in the State of West Virginia.

We are members of the West Virginia State Bar and do not hereby express any opinion as to matters governed by the laws of any jurisdiction other than the laws of the State of West Virginia and the federal laws of the United States of America. We do not herein express any opinion on any federal and/or state antitrust or securities laws.

Based on such review and such other considerations of law and fact as we believe to be relevant, we are of the opinion that:

1. The Issuer is a validly existing statutory corporation charged with the supervision and control of the Wood County School District, which is a validly existing political subdivision of the State of West Virginia, and is authorized by the Refunding Act to issue and sell the Bonds. The Issuer is authorized by the laws of the State of West Virginia, as provided by the Refunding Act, to enter into and perform its obligations under the Issuer Documents.

2. The Issuer has full power and authority to consummate all transactions contemplated by the Bonds and the Issuer Documents.

3. The Issuer has duly authorized all action necessary to be taken by it or on its behalf for (i) the execution and delivery of the Issuer Documents; (ii) the approval of the distribution of the Official Statement; (iii) the ratification of the actions of the Issuer and the



Wood County Board of Education
Piper Jaffray & Co.
May 22, 2013
Page 3 of 5

issuance and delivery of the Bonds upon the terms set forth in the Resolution; and (iv) the carrying out, giving effect to and consummation of the transactions contemplated thereby.

4. The Issuer Documents have been duly and validly authorized, executed and delivered by the Issuer and the same are in full force and effect as of the date hereof and are valid and legally binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, except to the extent the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally and to the exercise of judicial discretion.

5. The Resolution authorizing issuance of the Bonds has been duly adopted and entered at meetings of the Issuer which were called and held pursuant to law and in accordance with all applicable open meeting laws and at which a quorum was present and acting at the time of such adoption.

6. The execution and delivery of the Issuer Documents by the Issuer and the performance of its obligations thereunder do not and will not result in a violation of any provision of, or in default under, the West Virginia statutes organizing and governing the Issuer or, to the best of our knowledge based solely upon representations of the Issuer, any agreement or other instrument to which the Issuer is a party or by which it or its properties are bound.

7. All actions necessary to be taken by the Issuer have been taken, and no additional approval, authorization, consent or other order of the Issuer or any public board or body is legally required to allow the Issuer to enter into and perform its obligations under the Issuer Documents or as described in the Official Statement.

8. To the best of our knowledge there are no legal or governmental actions, proceedings, inquiries or investigations pending or threatened by governmental authorities or to which the Issuer is a party or of which any property of the Issuer is subject, except as described in the Official Statement, which, if determined adversely to the Issuer, would individually or in the aggregate (i) materially and adversely affect the validity or the enforceability of the Bonds, the Escrow Agreement or the Purchase Agreement, (ii) otherwise materially or adversely affect the ability of the Issuer to comply with its obligations under the Issuer Documents or (iii) materially and adversely affect the transactions contemplated by the Official Statement to be engaged in by the Issuer.

9. Based upon our experience as counsel to the Issuer and on our review of the Official Statement, and after inquiry and discussions with representatives of the Issuer, but



Wood County Board of Education
Piper Jaffray & Co.
May 22, 2013
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without having undertaken to verify the same through independent investigation, nothing has come to our attention which would lead us to believe that the statements and information contained in the Official Statement under the captions or subcaptions "Wood County School District," "Litigation in the State Concerning the School Financing System," "Litigation," "Legal Matters," "Appendix B" and "Appendix E" contain any untrue statement of a material fact or omit to state any material fact necessary to make such statements, in light of the circumstances under which they were made, not misleading in any material respect, it being understood, that in rendering such opinion we express no opinion regarding financial, accounting, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any management discussion and analysis or any information relating to The Depository Trust Company and the book entry only system contained in the Official Statement and its Appendices included therein, which we expressly exclude from the scope of this paragraph.

As to questions of fact material to the opinions that we have expressed herein, we have relied upon the representations contained in or made pursuant to the Issuer Documents upon the certificates of officers of the Issuer and appropriate public officials, and no information has come to our attention which is inconsistent with such certificates. Except to the extent expressly and specifically set forth herein, we have not undertaken to verify the same by independent investigation to determine the existence or absence of such facts, and no inferences as to our knowledge of the existence or absence of such facts shall be drawn from our representation of the Issuer.

The foregoing is subject, in all respects, to the following qualifications and exceptions:

1. The enforceability of the obligations of the parties under the Issuer Documents described above is subject to and may be limited by applicable bankruptcy, fraudulent transfer, insolvency, rehabilitation, reorganization, dissolution, moratorium and similar laws of general application relating to or affecting the rights of creditors.

2. The enforceability of the obligations of the parties under the Issuer Documents described above is subject to and may be limited by general equitable principles, including, but not limited to, equitable principles limiting specific enforcement of certain remedies.

3. With respect to legal conclusions contained herein, and upon which this opinion has been rendered, such legal conclusions are based solely upon the current laws of the



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State and federal laws, and do not involve the laws of any jurisdiction other than the State or of the United States.

4. We express no opinion as to the compliance of the documents described above with the securities laws of the United States, any state or other jurisdiction.

This opinion is furnished solely for the purposes stated herein. This opinion may not be used, quoted, or relied upon by any other person or entity or for any other purpose without our prior written consent. This opinion is issued as of the date hereof and we assume no obligation to supplement our opinion with regard to subsequent changes in law, fact or knowledge. This opinion may be relied upon by all counsel to this transaction as if specifically addressed to them.

We hereby consent to the references made to us in the Official Statement.

Very truly yours,

Spilman Thomas & Battle, PLLC

Spilman Thomas & Battle, PLLC

May 22, 2013

Piper Jaffray & Co.
405 Capitol Street, Suite 613
Charleston, WV 25301

Re: \$19,300,000 The Board of Education of the County of Wood (West Virginia) Public School Refunding Bonds, Series 2013

Ladies and Gentlemen:

We have acted as counsel to you, Piper Jaffray & Co. (the "Underwriter"), in connection with your purchase of the above-referenced bonds (the "Bonds") pursuant to a Bond Purchase Agreement dated May 8, 2013 (the "Purchase Agreement") between The Board of Education of the County of Wood, West Virginia (the "Issuer") and you. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Purchase Agreement.

In connection with rendering this opinion, we have examined the Official Statement dated May 8, 2013, the Purchase Agreement and Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended and presently in effect (the "Rule").

Based upon the foregoing review, we are of the opinion that the Purchase Agreement has been validly authorized, executed and delivered by the Underwriter and, assuming due authorization, execution and delivery by the Issuer, constitutes a valid and binding agreement, enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting the respective parties, the exercise of judicial discretion or the availability of equitable remedies.

It is also our opinion that the Continuing Disclosure Agreement, which provides for an undertaking for the benefit of the holders, including beneficial holders, of the Bonds to provide certain annual financial information and event notices to repositories at the times and in the manner required by the Rule, satisfies as to form in all material respects the requirements of subparagraph (b)(5) of the Rule in effect as of the date hereof and applicable to Continuing Disclosure Agreements.

In addition, we are of the opinion under existing law that the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and that the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. However, to assist you in your investigation concerning the Official Statement,

we have reviewed certain documents and have participated in conferences in which the contents of the Official Statement and related matters were discussed. During the course of our work on this matter, no facts have come to the attention of attorneys in our firm rendering legal services in connection with such issuance that cause us to believe that the Official Statement (except for any financial, accounting, statistical or economic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any management discussion and analysis or any information relating to The Depository Trust Company and the book entry only system contained in the Official Statement and its Appendices included therein, which we expressly exclude from the scope of this sentence) contains as of the date hereof any untrue statements of a material fact or omits to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

This opinion is solely for the benefit of, and may be relied upon only by, the Underwriter; and it is not to be used, circulated, quoted or otherwise referred to for any other purpose, except that a copy hereof may be included in the transcript of closing documents pertaining to the delivery of the Bonds.

Very truly yours,

White Law Offices, PLLC

The Board of Education, County of Wood, met in regular session April 9, 2013, at the Wood County Schools Administration Office, at 6:32 p.m. o'clock.

The meeting was called to order by President Yeater. The roll was recorded and there were present President Yeater and Members Fox, Hasbargen, Marlow, and Wilson.

Superintendent Law reviewed the tentative agenda for the meeting.

Discussion of Conference Items, Recognition of Delegations, and Presentation of Reports.

- A. An overview of Parkersburg High School Stadium schedule of events was presented by Ryan Taylor, Pickering Associates. Earl Johnson of the Stadium Committee updated the Board on fundraising efforts and committee work to date. He gave a check for \$40,000 to Connie Roberts, Finance Director.
- B. A Williamstown Elementary School update and site discussion was presented by the Williamstown Elementary New School Steering Committee.
- C. The quarterly review was presented by Sue Woodward, Assistant Superintendent, School Services.
- D. Sue Woodward, Assistant Superintendent, School Services, presented a report on the Summer Feeding Program.
- E. The 2012 audit report was presented by Connie Roberts, Finance Director.
- F. The Resolution and Order authorizing the Refunding of Bonds was discussed.
- G. The Post-Issuance Compliance Policy for Tax-Exempt Bonds was discussed.
- H. No items were discussed in executive session.

Items Considered and/or Receiving Action.

- A. Minutes Approved – It was moved by Mr. Fox, seconded by Mr. Wilson, and carried that approval be given to dispense with the reading and approve minutes for meeting of March 26, 2013. The vote: 5-0.
- B. Bills and Payroll – On motion of Mr. Fox and seconded by Mr. Marlow, approval was given to the following bills and payroll for March 2013: The vote: 5-0.

| | |
|---------|---------------------|
| Bills | \$4,277,368.75 |
| Payroll | <u>6,814,599.18</u> |
| Total | \$11,091,967.93 |
- C. Approval of Personnel Matters – It was moved by Mr. Fox, seconded by Mr. Wilson, and carried that, upon recommendation of the Superintendent, the following personnel matters be approved: The vote: 5-0.

PROFESSIONAL

Retirement

Karen B. Brunicardi, Administration Building, Director of Elementary Schools, effective June 30, 2013.

Approval to remove from RIF list

Teresa Giffin, from RIF and return to Hamilton Middle School, math, as need no longer exists.

Allison Shaffer, from RIF and return to Franklin Elementary Center, autism, as need no longer exists.

Transfers

Rebecca Casto, from Jefferson Elementary Center, Title I basic skills to Kanawha Elementary School, grade 3, effective 2013-14.

Jay Cronin, from RIF to Mineral Wells Elementary School, physical education, effective 2013-14.

Roger Deem, II, from Emerson Elementary School, grade 3 to Neale/Emerson Elementary Schools, multi-categorical, effective 2013-14.

(April 9, 2013)

Transfers (continued)

Donald K. Enoch, from Fairplains Elementary School, grade 5 to Mineral Wells Elementary School, grade 5, effective 2013-14.
 Lisa Francis, from RIF to Mineral Wells Elementary School, pre-kindergarten, effective 2013-14.
 Brittany Graham, from Jefferson Elementary Center, grade 3 to Gihon Elementary School, grade 4, effective 2013-14.
 Rodney Hoylman, from Franklin Elementary Center, BD to Criss/McKinley, multi-categorical, effective 2013-14.
 Kelly Lucas, from Hamilton Middle School, library to Criss Elementary School, kindergarten, effective 2013-14.
 Krystal Martin, from Lubeck Elementary School, grade 3 to Gihon Elementary School, grade 3, effective 2013-14
 Jerelyn Musgrave, from Kanawha Elementary School, basic skills, to Madison Elementary School, grade 4, effective 2013-14.
 Lori Richards, from Parkersburg High School, multi-categorical to Blennerhassett Elementary School, multi-categorical, effective 2013-14.
 Jessica Riffle, from Jefferson Elementary Center, grade 2 to Kanawha Elementary School, grade 3, effective 2013-14.
 Erin Robinson, from Kanawha Elementary School, grade 5 to Franklin Elementary Center, grade 3, effective 2013-14.
 Lisa Romanowski, from Martin Elementary School, library to Lubeck Elementary School, library, effective 2013-14.
 Kara Smith, from Jefferson Elementary Center, grade 1 to Emerson Elementary School, kindergarten, effective 2013-14.

Approval substitute appointment

Grant DeGarmo, substitute teacher, effective April 10, 2013.

COACHING:Coaching resignations

Kristi Miller, Martin Elementary School, track, effective April 8, 2013.
 Cinda L. Triplett, Waverly Elementary School, track, effective April 1, 2013.

Teacher (Professional Certified)(Paid)

Catherine L. Bayles, Blennerhassett Middle School, head cheer, effective 2013-14.

Teacher (Professional Certified)(Unpaid)

Kaci A. Evans, Blennerhassett Middle School, assistant cheer, effective 2013-14.
 Shauna Kelley, Martin Elementary School, assistant track, effective April 8, 2013.

Lay (Authorized Certified)(Unpaid)

Kurt Simon, Parkersburg South High School, assistant girls soccer, effective 2013-14.
 Corey Litton, Parkersburg South High School, assistant girls soccer, effective 2013-14.

SERVICE

Substitute service resignation

Patricia Stull, substitute secretary, effective March 23, 2013.

Leaves of absence

Pamela Bedekovich, Madison Elementary School, aide/paraprofessional, effective April 8, 2013 through April 30, 2013.
 Kathleen Crawford, Administration Building, secretary/switchboard operator, effective February 28 (p.m.) through March 29, 2013.
 Amber Goodnight, Kanawha Elementary School, cook, effective April 16, 2013 through June 13, 2013.
 Tammy Wilhelm, Worthington Elementary School, secretary, effective March 15, 2013 through June 25, 2013.

Transfers

Raymond C. Cogar, from Parkersburg High School, 8 hours/200 days, aide to Jefferson Elementary Center, 8 hours/215 days (3:00 p.m. – 11:00 p.m.) custodian III, effective April 10, 2013.

Melissa Middleton, from Edison Middle School, 3.5 hours/215 days, secretary II to Administration Building, Human Resources, 8 hours/261 days (8:00 a.m. – 4:30 p.m.) secretary III, effective April 10, 2013.

Brenda Sturm, from Jefferson Elementary Center, 8 hours/200 days, cook to Jefferson Elementary Center, 8 hours/215 days (2:00 p.m. – 10:00 p.m.), custodian III, effective April 10, 2013.

Approval of substitute service appointment

Angela Whipkey, substitute bus operator, effective April 10, 2013.

Approval of appointments

Daniel J. Fuenty, VanDevender Middle School, 8 hours/200 days (7:45 a.m. – 3:45 p.m.), special education aide II, III, or IV/BD (male required), effective April 10, 2013 through the remainder of the 2012-13 school year.

Kathleen Varchetto, Parkersburg South High School, 8 hours, LTLOA, aide II, III, or IV (female required) Braille preferred (7:45 a.m. – 3:45 p.m.), effective April 10, 2013.

- D. Policies Approved – On motion of Mr. Wilson and seconded by Mr. Fox, approval was given to the following policies:
1. Policy 1311 – *Political Activity.*
 2. Policy 2110 – *County Superintendent of Schools.*
 3. Policy 2460 – *Nondiscrimination Policy Statement.*
 4. Policy 3410 – *System of Accounts and Fiscal Administration.*
 5. Policy 6142.5 – *Alternative Education Programs for Disruptive Students and Credit Recovery.*
 6. Policy 6163.4 – *Instrumental Music.*
- E. Student Expelled – On motion of Mr. Fox and seconded by President Yeater, approval was given to expulsion of student #04-09-13-01 from Wood County Schools for twelve months for violation of the Safe Schools Act. The vote: 5-0.
- F. Resolution for Bond Refinancing – It was moved by Mr. Fox, seconded by Mr. Wilson, and carried that approval be given to the following Resolution for Bond Refinancing: The vote: 5-0.

RESOLUTION AND ORDER OF THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (WEST VIRGINIA), AUTHORIZING THE REFUNDING OF THE BOARD OF EDUCATION OF THE COUNTY OF WOOD PUBLIC SCHOOL BONDS, SERIES 2005 OUTSTANDING IN THE AGGREGATE PRINCIPAL AMOUNT OF \$21,810,000 AND THE ISSUANCE FOR SUCH PURPOSE OF NOT TO EXCEED \$22,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF THE BOARD OF EDUCATION OF THE COUNTY OF WOOD, PUBLIC SCHOOL REFUNDING BONDS, 2013 SERIES A; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, AN ESCROW AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT, A TAX AND NON-ARBITRAGE CERTIFICATE AND OTHER INSTRUMENTS RELATING TO THE BONDS IN SUCH FORMS AS SHALL BE APPROVED BY THE PRESIDENT OR SECRETARY OF THE BOARD OR THE SUPERINTENDENT OF THE DISTRICT; PROVIDING FOR THE APPOINTMENT OF A REGISTRAR, A PAYING AGENT, AN ESCROW AGENT AND A VERIFICATION AGENT; PROVIDING FOR THE DISPOSITION OF THE PROCEEDS OF THE BONDS AND FUNDS ON DEPOSIT WITH THE WEST VIRGINIA MUNICIPAL BOND COMMISSION; AND MAKING OTHER PROVISIONS AS TO THE BONDS AND THE REFUNDING.

(April 9, 2013)

- G. Post-Issuance Compliance Policy – It was moved by Mr. Wilson and seconded by Mr. Fox, that approval be given to Post-Issuance Compliance Policy for Tax-Exempt Bonds. No vote was taken.

Motion Amended – It was moved by Mr. Marlow, seconded by Mr. Wilson, and carried that approval be given to place Policy 3430 - Post-Issuance Compliance Policy for Tax-Exempt Bonds on 30-day comment. The vote: 5-0.

- H. Measures Related to Policy 3430 – The item to consider and act upon any measures related to the foregoing (Policy 3430) was removed from agenda and will be considered at a future meeting.
- I. Out of State Travel – On motion of Mr. Marlow and seconded by Mr. Yeater, approval was given to out of state request from the Wood County Technical Center for the engineering technology program at the Caperton Center for Applied Technology to participate in the Ten80 NASCAR Student Racing Challenge in Charlotte, North Carolina on May 17 and 18, 2013. One instructor, one approved chaperone, and thirteen students will attend this competition. The vote: 5-0.
- J. Michael F. Fling – It was moved by President Yeater, seconded by Mr. Fox, and carried that approval be given to the transfer of Michael F. Fling, Principal, Neale Elementary School, 261 days, to Assistant Superintendent, School Services, 261 days, effective July 1, 2013. The vote: 5-0.
- K. Mike Albertson – It was moved by Mr. Hasbargen, seconded by President Yeater, and carried that approval be given to rescind coaching assignment due to change in program requiring posting of positions for Mike Albertson, Williamstown High School, from lay, authorized certified, paid, Williamstown High School, head varsity boys and girls soccer coach to head varsity girls soccer coach, effective March 27, 2013. The vote: 5-0.
- L. Mike Albertson – On motion of President Yeater and seconded by Mr. Marlow, approval was given to rescind coaching assignments due to change in program requiring posting of positions for Mike Albertson, Williamstown High School, head varsity soccer coach, effective 2013-14. The vote: 5-0.
- M. Waiver Approved – It was moved by Mr. Fox, seconded by Mr. Marlow, and carried that approval be given to West Virginia Department of Education waiver continuation for dual credit college/high school courses for 2013-14. Courses offered through WVU-P are Criminal Justice 111, Nursing 101, Psychology 101, Psychology 241, Speech 101, and Sociology 101. The vote: 5-0.
- N. Legal Invoice – On motion of Mr. Wilson and seconded by President Yeater, approval was given to legal invoice from Bowles Rice for March 2013, in the amount of \$7,561.34. The vote: 5-0.

Policy Issues.

- A. The following policies were presented for review, will be placed on comment period, and will be recommended for approval at the May 14 meeting:
1. Policy 1210 – *Parent Involvement Policy.*
 2. Policy 3430 – *Post-Issuance Compliance Policy for Tax-Exempt Bonds.*
 3. Policy 3545 – *Vehicle for Designated Employees.*
 4. Policy 4108 – *Employee Assistance Plan (EAP).*

(April 9, 2013)

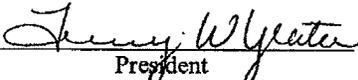
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Board Member Comments/Other Business.

- A. A request was made that the meeting scheduled for April 23, 2013, be moved to Monday, April 22, 2013, at 6:30 p.m. o'clock at the Administration Office, to conduct budget work session. This item will be placed on the April 16 agenda for recommendation to approve.

Adjournment.

President Yeater declared the meeting adjourned at 8:22 p.m. o'clock.



President



Secretary

\$19,300,000
The Board of Education of the County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

REGISTRAR'S AGREEMENT

THIS AGREEMENT, dated as of May 22, 2013, by and between THE BOARD OF EDUCATION OF THE COUNTY OF WOOD (West Virginia), a statutory corporation of the State of West Virginia (the "Issuer"), and WESBANCO BANK, INC. a West Virginia banking corporation (the "Bank"), as Registrar under a Resolution and Order of the Issuer adopted April 9, 2013 (the "Resolution").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its \$19,300,000 aggregate principal amount of Public School Refunding Bonds, Series 2013, in fully registered form (the "Bonds"), pursuant to the Resolution;

WHEREAS, capitalized words and terms used in this Agreement and not otherwise defined herein shall have the respective meanings given them in the Resolution;

WHEREAS, the Resolution provides for an appointment by the Issuer of the Bank as Registrar for the Bonds; and

WHEREAS, the Issuer desires the Bank acting as Registrar to take certain other actions hereinafter set forth;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. Upon the execution of this Agreement by the Issuer and the Bank and during the term hereof, the Bank does accept and shall have and agrees to perform all of the powers and duties of Registrar, as set forth in the Resolution, such duties including, among other things, the duties to authenticate, register and deliver Bonds upon original issuance and when properly presented for exchange or transfer, in accordance with any rules and regulations promulgated by the Municipal Securities Rulemaking Board or similar regulatory bodies as the Issuer advises it of and with generally accepted industry standards.

2. The Bank agrees to furnish the Issuer with appropriate records of all transactions carried out by it as Registrar and to furnish the Issuer with the names and specimen signatures of the Bank authorized officers for the purposes of acting as the Registrar and with such other information and reports as the Issuer may from time to time reasonably require.

3. The Bank shall have no responsibility or liability for any action taken by it at the specific direction of the Issuer.

4. As compensation for acting as Registrar pursuant to this Agreement and the Resolution, the Issuer hereby agrees to pay to the Bank from time to time, the compensation for services rendered and reimbursement for reasonable expenses incurred in connection therewith.

5. It is intended that this Agreement shall carry out and implement provisions of the Resolution with respect to the Registrar and to take such actions as are necessary in its capacity as

Registrar of the Issuer's redemption on May 1, 2015 of all of the Issuer's outstanding Public School Bonds, Series 2005 (the "Prior Bonds"). In the event of any conflict between the terms of this Agreement and the Resolution, the terms of the Resolution shall govern.

6. The Issuer and the Bank each warrants and represents that it is duly authorized and empowered to execute and enter into this Agreement and that neither such execution nor the performance of its duties hereunder or under the Resolution will violate any order, decree or agreement to which it is a party or by which it is bound.

7. This Agreement may be terminated by either party upon 60 days' written notice sent by registered or certified mail to the other party, at the following respective addresses:

ISSUER: The Board of Education of the County of Wood
1210 13th Street
Parkersburg, West Virginia 26101
Attention: President

BANK: WesBanco Bank, Inc.
One Bank Plaza
Wheeling, West Virginia
Attention: Corporate Trust Department

8. The Bank, as Registrar, is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Resolution.

9. On the date hereof, the Issuer shall cause \$96,038.66 to be deposited with the Registrar, and the Registrar hereby agrees to deposit such funds in an account and use such funds to pay costs of issuance incurred in connection with the Bonds. If on August 22, 2013 funds remain in such account, the Registrar shall transfer such funds to the West Virginia Municipal Bond Commission (the "Commission") to be applied by the Commission to the payment of interest on the Bonds on the next ensuing interest payment date.

10. On the date hereof, the Issuer shall cause the Registrar to establish a special fund designated "Rebate Fund" as required by the Tax and Non-Arbitrate Certificate dated as of the date hereof, and the Registrar hereby agrees to establish such fund on behalf of the Issuer.

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IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF WOOD and WESBANCO BANK, INC. have caused this Agreement to be signed in their respective names and on their behalf, all as of the day and year first above-written.

THE BOARD OF EDUCATION OF THE
COUNTY OF WOOD

By: Jerry W Yeater
Its: President

WESBANCO BANK, INC.

By: Grant S. Shelburne
Its: Vice President

State of West Virginia



Certificate

*I, Natalie E. Tennant, Secretary of State of the
State of West Virginia, hereby certify that*

THIS IS A TRUE COPY OF CHAPTER 13, ARTICLE 2 OF THE WEST VIRGINIA CODE, AS INDICATED BY THE RECORDS OF THIS OFFICE.



*Given under my hand and the
Great Seal of the State of
West Virginia on*

May 20, 2013

Natalie E. Tennant

Secretary of State

ARTICLE 2

REFUNDING BONDS

Section

- 13-2-1. What political divisions may issue refunding bonds; when issued.
- 13-2-2. Terms of refunding bonds; time, place and amount of payments.
- 13-2-3. Certain provisions of article one to apply to refunding bonds.
- 13-2-4. Disposition of bonds; cancellation of original bonds.
- 13-2-5. Article sufficient authority for issuing refunding bonds.
- 13-2-6. Issuance without election or notice.
- 13-2-7. Invalidity of part of article not to affect other parts.
- 13-2-8. Bonds exempt from taxation.
- 13-2-9. Funding of orders, drafts or warrants by county courts and boards of education at rate lower than six percent.

§ 13-2-1. What political divisions may issue refunding bonds; when issued

Any county, by and through its county commission, either for and on behalf of the county or for and on behalf of any magisterial district or group of magisterial districts therein; any municipal corporation, by and through its council or other governing body in lieu thereof; or any school district, or any independent school district, by and through its board of education or other fiscal body in lieu thereof, may, in the manner and subject to the limitations and conditions contained in this article, issue and sell its bonds for the purpose of refunding the bonds of such political division which have become or are becoming due and payable and for the discharge of which there are or will be when the bonds mature no funds or insufficient funds available; or when, in the opinion of the governing body of the political division obligated to the payment of such bonds, the rate of levy necessary to provide funds for their discharge will impose excessive taxes upon the taxpayers of such political division; or for the purpose of providing for the payment of outstanding bonds in advance of the maturity or redemption thereof through the making of a deposit as provided in section four of this article; or for the purpose of rendering outstanding bonds not due when such outstanding bonds are to be presented for payment before maturity by the exercise of option provisions or by agreement with the holders thereof. Such refunding bonds may be issued bearing the same or a higher or lesser rate of interest than the bonds to be refunded. Except to the extent that additional taxes for such purpose have been approved by the voters and the levy of such additional taxes provided for in the manner stipulated in sections seven through fourteen of article one of this chapter, no such refunding bonds shall be issued, bearing a higher rate of interest than the bonds being refunded or shall be issued in a principal amount exceeding the principal amount of the bonds to be refunded unless the amount of debt service payable on such refunding bonds in each year is equal to or less than the amount of taxes expected to be available therefor as shall be certified by the chairman of the West Virginia municipal bond commission prior to the issuance of such refunding bonds. The amount of taxes expected to be available in each year for purposes of this section shall be based upon the rates

of levy stipulated in the order directing the election at which the issuance of the bonds being refunded was approved by the voters and upon the most recent assessed valuation of the affected property prior to such election. In the event only a portion of the bonds provided for such order are being refunded or have been issued, an appropriate reduction shall be made in the amount of taxes expected to be available based upon the actual debt service requirements of bonds which have been issued but are not being refunded and the estimated debt service requirements of bonds which have not been issued.

Acts 1925, c. 46, § 1; Acts 1984, c. 25.

Library References

Key Numbers

Counties ⇨ 175.
 Municipal Corporations ⇨ 913.
 Schools ⇨ 97(2).
 Westlaw Key Number Searches: 104k175;
 268k913; 345k97(2).

Encyclopedias

C.J.S. Counties § 218.
 C.J.S. Municipal Corporations §§ 1651, 1653.
 C.J.S. Schools and School Districts § 524.

Notes of Decisions

- In general 2
- Bonds increasing total indebtedness 4
- Construction and application 1
- Interest rate 6
- Mandamus 7
- Nature and effect of refunding bonds 3
- Winkler decision 5

1. Construction and application

Refunding Bond Act is designed to provide some flexibility as to issuance of refunding bonds with regard to interest, maturity schedules, and sales at discount, as long as the refunding bond plan does not exceed basic constraints of original bonds approved by the voters. Code, 13-2-1 to 13-2-9. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(9)

2. In general

Fact that school board's refunding bond plan proposed a maturity schedule which was two years longer than maturity schedule of outstanding original bonds, and fact that annual debt service between the two schedules was somewhat different did not make the plan improper, since refunding bond's maturity schedule was still within 20-year schedule authorized by voters on original bond issue, and since annual debt service on refunding bonds remained within amount of annual tax levy. Code, 13-2-1 to 13-2-9. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(7)

Section of the Refunding Bond Act containing limitation that debt service on refunding bonds must be within confines of original tax levy

authorized by voters, and requiring this fact to be certified by chairman of the Bond Commission prior to issuing refunding bonds with a higher interest rate than original bonds, places a limitation on refunding bond interest and debt service, but does not preclude utilization of each current year's property valuation to set amount of that year's levy rate. Code, 13-2-1. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(9)

3. Nature and effect of refunding bonds

Refunding bonds generally do not constitute new indebtedness, because they provide method of refinancing earlier bond issue at lower interest rate. State ex rel. School Bldg. Authority of West Virginia v. Marockie, 1996, 481 S.E.2d 730, 198 W.Va. 424. Municipal Corporations ⇨ 913

Issuance of refunding bonds to retire existing bonds under the Refunding Bond Act does not create a new indebtedness, and levies to provide debt service for new refunding bonds may be laid to the same extent and with like effect as they could have been laid for the original bonds. Code, 13-1-19, 13-2-1 to 13-2-9; Const. Art. 10, §§ 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(1)

County court's issuance of refunding bonds to retire existing road bonds of magisterial district does not create "new indebtedness," and levies to provide debt service for refunding bonds may be laid as if they were original bonds. Code 1931, 13-2-1 et seq. Keeney v. Kanawha County Court, 1934, 175 S.E. 60, 115 W.Va. 243. Counties ⇨ 192

4. Bonds increasing total indebtedness

Maturity schedule and interest rates proposed for refunding bonds cannot increase total indebtedness from that originally authorized by the voters. Const. Art. 10, §§ 8, 10; Code, 13-2-1 to 13-2-9. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(3)

Rule that refunding bonds do not create a new debt, and therefore, may be issued without voter approval under State Constitution, is subject to certain qualifications, including that amount of refunding bonds cannot increase total indebtedness authorized by voters on the original bond issue. Code, 13-2-1; Const. Art. 10, §§ 1, 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(4)

Once voters have approved of a certain level of bonded indebtedness, this amount cannot be increased through issuance of refunding bonds without further voter approval. Code, 13-2-1; Const. Art. 10, §§ 1, 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(4)

5. Winkler decision

State School Building Authority was authorized to issue refunding bonds with respect to those bonds forming that part of bond issue deemed unconstitutional in Winkler v. State School Building Authority issued prior to date of such opinion; bonds issued prior to date of opinion were not invalid under principle of retroactivity, and refunding of such bonds to replace them at lower interest rate did not create new debt. Const. Art. 10, § 4. State ex rel. School Bldg. Authority of West Virginia v. Marockie, 1996, 481 S.E.2d 730, 198 W.Va. 424. States ⇨ 148

School building capital improvements fund was available to fund bonds issued for purpose of refunding bonds issued by state School Building Authority (SBA) prior to promulgation of state Supreme Court's decision in Winkler v. State School Building Authority; previously granted authority to issue refunding bonds would have no practical effect absent source of funds from which to repay such bonds. State ex rel. School Bldg. Authority of West Virginia v. Marockie, 1996, 481 S.E.2d 730, 198 W.Va. 424. States ⇨ 152

State School Building Authority (SBA) was not permitted to issue bonds alleged to be refunding bonds for redemption of obligations created before Winkler v. State School Building Authority, which had practical effect of generating cash at closing in order to make immediate-

ly available to SBA anticipated debt service savings from so-called refunding bonds; rather, SBA's authority to issue refunding bonds to redeem pre-Winkler obligations was specifically limited to encompass only those bonds, proceeds of which SBA would use to discharge its preexisting obligations. State ex rel. School Bldg. Authority of West Virginia v. Marockie, 1996, 481 S.E.2d 730, 198 W.Va. 424. States ⇨ 148

6. Interest rate

State School Building Authority (SBA) was permitted to refund bonds other than those specifically designated for refunding in Winkler v. State School Building Authority, to receive greatest benefit from lower interest rates applicable to refunding bonds; bonds and their interest rates were affected by changing economic circumstances beyond control of SBA, and denial of authority to refund pre-Winkler bonds different from those specified in such decision would render SBA unable to realize the value of redeeming earlier bonds at lower interest rates and effectively abrogate SBA's capacity to refund any of its pre-Winkler bonds. State ex rel. School Bldg. Authority of West Virginia v. Marockie, 1996, 481 S.E.2d 730, 198 W.Va. 424. States ⇨ 148

Fact that under financing plan involving school board refunding bonds, refunding bonds would bear interest rates higher than interest rate on original bonds did not render them invalid, where bonds would be liquidated within the original 20-year period and taxpayers would save over \$4 million. Const. Art. 10, §§ 8, 10; Code, 13-2-1. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(7)

7. Mandamus

In a mandamus proceeding to compel a county court, which has issued, sold, and delivered to purchasers refunding bonds under the provisions of chapter 46, Acts 1925, to cancel all its refunding orders, recall the bonds and cancel them, on the ground that they are invalid as having been issued under an unconstitutional act, and as creating a debt without the sanction of the voters as provided by the Constitution, this court will not consider and pass upon the constitutionality of the statute nor upon the validity of the bonds, unless the bondholders are made parties or have their day in court. State ex rel. Hall, v. County Court of Mercer County, 1925, 129 S.E. 712, 100 W.Va. 11. Mandamus ⇨ 151(1)

§ 13-2-2. Terms of refunding bonds; time, place and amount of payments

Upon determining to issue such refunding bonds, the governing body of such political division shall, by resolution, authorize the issuance of such bonds in an

amount not exceeding the principal amount permitted by section one of this article, fix the date thereof, the rate or rates of interest which such bonds shall bear, payable semiannually, and require that the bonds shall bear, payable at the office of the state treasurer and at such other place or places as the body issuing the same may designate. Such resolution shall also provide that such bonds shall mature serially in annual installments beginning not more than three years after the date thereof, and the last of such annual installments shall mature in not exceeding thirty-four years from the date of such bonds. The amount payable in each year on the refunding bonds, together with any unrefunded or unissued bonds of the prior issue, may be so fixed that, when the amount of interest is added to the principal amount to be paid during the respective years, the total amount payable in each year shall be as nearly equal as practicable; or such bonds may be made payable in annual installments as nearly equal in principal as may be practicable.

All or a portion of the refunding bonds may be subject to redemption prior to the maturity thereof, at the option of the body issuing the same, at such times and prices and on such terms as shall be designated in the resolution required by this section. The body issuing the refunding bonds may not levy taxes in connection with the redemption of any refunding bonds in excess of the taxes that would have been levied for the payment of principal of and interest on such refunding bonds in such year.

Acts 1925, c. 46, § 2; Acts 1984, c. 25; Acts 1994, c. 13; Acts 1998, c. 320, eff. March 14, 1998.

Library References

Key Numbers

Counties ◊183(2).
 Municipal Corporations ◊922.
 Schools ◊97(6).
 Westlaw Key Number Searches: 104k183(2);
 268k922; 345k97(6).

Encyclopedias

C.J.S. Counties § 222.
 C.J.S. Schools and School Districts § 551.

Notes of Decisions

Conformance with terms of initial bond issuance 4
Interest rates 6
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Maturity date 5
Nature and effect of refunding bonds 1
Partial issuance of original bonds 2
Partial refunding 3
Sale at discount 8
Term of bonds 7

10, §§ 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ◊ 97(1)

Rule that refunding bonds do not create a new debt, and therefore, may be issued without voter approval under State Constitution, is subject to certain qualifications, including that amount of refunding bonds cannot increase total indebtedness authorized by voters on the original bond issue. Code, 13-2-1; Const. Art. 10, §§ 1, 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ◊ 97(4)

1. Nature and effect of refunding bonds

Issuance of refunding bonds to retire existing bonds under the Refunding Bond Act does not create a new indebtedness, and levies to provide debt service for new refunding bonds may be laid to the same extent and with like effect as they could have been laid for the original bonds. Code, 13-1-19, 13-2-1 to 13-2-9; Const. Art.

2. Partial issuance of original bonds

Where school board presents a financing plan that includes refunding bonds and an additional amount of unissued original bonds, aggregate of the principal and interest payments made on original bonds prior to their refunding, when

added to amounts to be paid on refunding bonds and any outstanding original bonds that are issued but not refunded, cannot exceed original indebtedness authorized by the voters. Code, 13-2-1 to 13-2-9; Const. Art. 10, §§ 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(3)

3. Partial refunding

Section of Refunding Bond Act providing that in event only a portion of bonds provided for, in order directing election at which issuance of bonds being refunded was approved, are being refunded or have been issued, an appropriate reduction shall be made in the amount of taxes expected to be available, is applicable to those situations where the refunding bond plan leaves a debt service which, when combined with any original bonds that will not be refunded, is below the levy originally authorized by the voters, and thus, did not apply to school board's refunding plan, which was constructed to utilize all annual tax revenues during maturity schedule of the bonds. Code, 13-2-1 to 13-2-9. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 103(1)

4. Conformance with terms of initial bond issuance

Fact that school board's bond refunding plan was premised upon maintaining level debt service rather than level principal payments, which was basis for original bonds, was not objectionable, where there was no increase in tax levy rate contemplated. Code, 13-2-2. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(9)

Refunding Bond Act gives bond-issuing authorities option of structuring their refunding bond plan to maintain either level debt service or level principal payments, and where level debt service is chosen, then the test is that the total amount payable in each year should be nearly equal as practicable. Code, 13-2-2. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(9)

Reduction in debt service for first and last years of school board's bond refunding plan were not consequential enough to constitute a violation of the "nearly equal as practicable" language in section of the Refunding Bond Act providing that amount payable in each year on refunding bonds, together with any unrefunded or unissued bonds of the prior issue, may be so fixed that, when amount of interest is added to principal amount to be paid during respective years, total amount payable in each year shall be as nearly equal as practicable, where present refunding bond plan was within limits of the original voter mandate. Code, 13-2-2. Board

of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(9)

Once voters have approved of a certain level of bonded indebtedness, this amount cannot be increased through issuance of refunding bonds without further voter approval. Code, 13-2-1; Const. Art. 10, §§ 1, 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(4)

As long as school board's refunding bond plan fell within total obligation authorized by voters pursuant to approval of original bond issue, it does not require voter approval or impinge upon mandate of the voters. Code, 13-2-1 to 13-2-9; Const. Art. 10, §§ 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(4)

Section of the Refunding Bond Act containing limitation that debt service on refunding bonds must be within confines of original tax levy authorized by voters, and requiring this fact to be certified by chairman of the Bond Commission prior to issuing refunding bonds with a higher interest rate than original bonds, places a limitation on refunding bond interest and debt service, but does not preclude utilization of each current year's property valuation to set amount of that year's levy rate. Code, 13-2-1. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(9)

5. Maturity date

Maturity schedule and interest rates proposed for refunding bonds cannot increase total indebtedness from that originally authorized by the voters. Const. Art. 10, §§ 8, 10; Code, 13-2-1 to 13-2-9. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(3)

Fact that school board's refunding bond plan proposed a maturity schedule which was two years longer than maturity schedule of outstanding original bonds, and fact that annual debt service between the two schedules was somewhat different did not make the plan improper, since refunding bond's maturity schedule was still within 20-year schedule authorized by voters on original bond issue, and since annual debt service on refunding bonds remained within amount of annual tax levy. Code, 13-2-1 to 13-2-9. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(7)

6. Interest rates

Fact that under financing plan involving school board refunding bonds, refunding bonds would bear interest rates higher than interest rate on original bonds did not render them invalid, where bonds would be liquidated within the original 20-year period and taxpayers would save over \$4 million. Const. Art. 10, §§ 8, 10; Code, 13-2-1. Board of Educ. of Hancock

§ 13-2-2

Note 6

County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(7)

7. Term of bonds

Refunding bonds ordinarily may not be liquidated over a period longer than authorized for the original bond issue. Const. Art. 10, §§ 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(9)

8. Sale at discount

Discount sale of a refunding bond is not prohibited under the Refunding Bond Act. Code,

PUBLIC BONDED INDEBTEDNESS

13-2-1 to 13-2-9. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(5)

9. Mandamus

Once it is determined that a bond issue authorized by a governmental agency is lawful, mandamus will lie to compel secretary of the agency or other ministerial official responsible for executing the necessary documents to execute such documents. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Mandamus ⇨ 103

§ 13-2-3. Certain provisions of article one to apply to refunding bonds

All the provisions of sections seventeen, eighteen, nineteen and twenty of article one of this chapter, relating to bonds issued for original indebtedness, shall apply to the same extent and with equal force and effect to refunding bonds issued under the provisions of this article.

Library References

Key Numbers

Counties ⇨ 175.
Municipal Corporations ⇨ 913.
Schools ⇨ 97(2).
Westlaw Key Number Searches: 104k175;
268k913; 345k97(2).

Encyclopedias

C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1651, 1653.
C.J.S. Schools and School Districts § 524.

Notes of Decisions

In general 1
Registration of bonds 2

1. In general

Refunding Bond Act gives bond-issuing authorities option of structuring their refunding bond plan to maintain either level debt service or level principal payments, and where level debt service is chosen, then the test is that the total amount payable in each year should be nearly equal as practicable. Code, 13-2-2. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(9)

2. Registration of bonds

Statutes authorizing a bond-issuing authority to have bonds payable at the office of the State Treasurer and at such other places that the bond-issuing authority may designate provides sufficient authority to permit bonds to be registered at place of payment. Code, 13-1-14, 13-2-2; 26 U.S.C.A. § 103(j). Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Bonds ⇨ 113

"Registration of a bond" means that it is payable to a designated person rather than payable generally to the bearer. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Bonds ⇨ 113

§ 13-2-4. Disposition of bonds; cancellation of original bonds

The governing body of the political subdivision issuing bonds under this article may sell the same or any part thereof and collect the proceeds, or such bonds may be delivered to the holder or holders of the bonds to be refunded in exchange therefor.

It is the intention of this article to authorize political divisions to issue bonds for the purpose of refunding outstanding bonds without thereby contracting any additional indebtedness, and it shall be conditional upon the delivery of any refunding bonds that the bonds to be refunded be canceled and paid simulta-

neously with the issuance and delivery of such refunding bonds: Provided, That such refunding bonds shall be issued in an amount sufficient to effect the refunding and may include an amount sufficient to pay (1) the principal amount outstanding of the bonds to be refunded, (2) interest accrued or to accrue to the date of maturity or the date of redemption of the bonds to be refunded (which need not necessarily be on the first available redemption date), (3) any redemption premiums to be paid thereon, (4) any reasonable expenses incurred in connection with such refunding and (5) any other reasonable costs deemed appropriate by the state, including without limitation, the expenses of preparing and delivering the refunding bonds, legal fees, financial advisor fees, consultant fees, and other expenses incurred in connection with the issuance, sale and delivery of the refunding bonds.

For all purposes of this section, bonds shall be considered to have been canceled and paid in advance of their due date or date of redemption if there shall have been deposited with the West Virginia municipal bond commission either:

(a) Moneys, sufficient to pay when and as due at maturity or prior redemption all amounts of principal, redemption premium, if any, and interest payable on such bonds; or

(b) Direct obligations of the United State of America or the state of West Virginia, or obligations fully and irrevocably secured as to the payment of both principal and interest by such direct obligations, the payment on which when due will provide moneys, sufficient to pay when and as due at maturity or prior redemption all amounts of principal, redemption premium, if any, and interest payable on such bonds.

All such amounts shall be set aside and held in trust and irrevocably dedicated solely to the payment of such bonds, except that amount in excess of the amounts required for the payment of the bonds so refunded may be applied to the payment of costs related to the issuance, carrying, insuring or servicing the refunding bonds, including costs of credit or market enhancement services, such as letters of credit, remarketing arrangements and similar services. Any amount deposited pursuant to this section may include amounts already held on deposit by the West Virginia municipal bond commission for the payment of the bonds to be refunded.

Acts 1925, c. 46, § 7; Acts 1937, c. 118; Acts 1984, c. 25; Acts 1994, c. 13.

Library References

Key Numbers

Counties ☞175.
Municipal Corporations ☞913.
Schools ☞97(2).
Westlaw Key Number Searches: 104k175;
268k913; 345k97(2).

Encyclopedias

C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1651, 1653.
C.J.S. Schools and School Districts § 524.

Notes of Decisions

Unissued original bonds 1
Use of excess funds 2

1. Unissued original bonds

Where school board presents a financing plan that includes refunding bonds and an additional amount of unissued original bonds, aggregate of the principal and interest payments made on original bonds prior to their refunding, when added to amounts to be paid on refunding bonds and any outstanding original bonds that are issued but not refunded, cannot exceed original indebtedness authorized by the voters. Code, 13-2-1 to 13-2-9; Const. Art. 10, §§ 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(3)

Where a bond-issuing authority has been unable to market all of its original bond issue and is unable to complete the project financed by the bond issue, it may utilize for the project any unencumbered funds in its account with the Bond Commission as a part of a refunding bond plan to complete the original project. Code, 13-3-9(c). Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 92(1)

2. Use of excess funds

Statute authorizing transfer of funds remaining from liquidation of school bonds to school current fund does not preclude use of excess money from an escrow fund established with the Bond Commission and derived from sale of refunding bonds under the Bond Refunding Act, as long as the board complies with subsection of the Act enabling bond-issuing authority to withdraw excess funds held by the Bond Commission that are not needed to liquidate original

bond issue; such funds can be spent on school improvements when they are made a part of a refunding bond plan for school improvements, and it is only when last bond has been retired that any excess funds then remaining are turned back to the school board to the credit of its school current fund. Code, 13-2-1 to 13-2-9, 13-3-9(c), 18-9-2c. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(5)

School board's plan to spend some excess money from sale of refunding bonds on school improvements was not improper. Code, 13-2-1 to 13-2-9, 13-3-9(c), 18-9-2c. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(5)

School board's plan to spend some excess money from sale of refunding bonds on school improvements was not improper. Code, 13-2-1 to 13-2-9, 13-3-9(c), 18-9-2c. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(5)

Section of Bond Refunding Act providing that money received from sale of refunding bonds shall be set aside and held in trust and irrevocably dedicated solely to payment of such bonds, except that excess of amounts required for payment of bonds so refunded may be applied to payment of costs, was intended to enable school board to spend any excess money on expenses directly resulting from issuance of the refunding bonds, but does not foreclose the school board from utilizing any excess money for real purpose of the project for which bonds were issued, which was for school building improvements. Code, 13-2-4. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇐ 97(5)

§ 13-2-5. Article sufficient authority for issuing refunding bonds

This article shall, without reference to any other act of the legislature, be full authority for the issuance, sale and exchange of bonds in this article authorized. No order, ordinance, resolution or proceeding in respect to the issuance of any bonds hereunder shall be necessary except such as are required by this article. No publication of any notice, order, ordinance or proceeding relating to the issuance of such bonds shall be necessary.

Acts 1925, c. 46, § 8.

Library References

Key Numbers

Counties ⇐ 175.
Municipal Corporations ⇐ 913.
Schools ⇐ 97(2).
Westlaw Key Number Searches: 104k175;
268k913; 345k97(2).

Encyclopedias

C.J.S. Counties § 218.
C.J.S. Municipal Corporations §§ 1651, 1653.
C.J.S. Schools and School Districts § 524.

§ 13-2-6. Issuance without election or notice

The issuance and sale of exchange bonds in this article authorized may be had without an election or publication of any notice.

Acts 1925, c. 46, § 9; Acts 1937, c. 118.

Library References

Key Numbers

Counties ⇨178.
 Municipal Corporations ⇨918.
 Schools ⇨97(4).
 Westlaw Key Number Searches: 104k178;
 268k918; 345k97(4).

Encyclopedias

C.J.S. Counties § 221.
 C.J.S. Municipal Corporations §§ 1664, 1672.
 C.J.S. Schools and School Districts §§ 532 to
 545.

Notes of Decisions

In general 1

1. In general

As long as school board's refunding bond plan fell within total obligation authorized by voters

pursuant to approval of original bond issue, it does not require voter approval or impinge upon mandate of the voters. Code, 13-2-1 to 13-2-9; Const. Art. 10, §§ 8, 10. Board of Educ. of Hancock County v. Slack, 1985, 327 S.E.2d 416, 174 W.Va. 437. Schools ⇨ 97(4)

§ 13-2-7. Invalidity of part of article not to affect other parts

If any clause, sentence, paragraph or part of this article shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of the article, but shall be confined in its application to the clause, sentence, paragraph or part thereof directly involved in the controversy in which such judgment has been rendered.

Acts 1925, c. 46, § 10.

§ 13-2-8. Bonds exempt from taxation

All bonds of the State of West Virginia or of any political subdivision thereof issued hereunder shall be exempt from all taxation by the State or by any political subdivision thereof.

Cross References

Bond issues for original indebtedness, bonds exempt from taxation, see § 13-1-33.

Library References

Key Numbers

Taxation ⇨218.
 Westlaw Key Number Search: 371k218.

Encyclopedias

C.J.S. Taxation § 260.

§ 13-2-9. Funding of orders, drafts or warrants by county courts and boards of education at rate lower than six percent

County courts and boards of education may, upon the application of the owner or holder or holders, by an order entered of record, fund any indebtedness represented by orders, drafts, or warrants by taking up one or more of such orders, drafts, or warrants issued on the same fund, and issue in lieu thereof new orders, drafts or warrants to the person or persons entitled to

receive the sums of money due upon said orders, drafts, or warrants, and in which orders there shall be set out in detail the number of each order, draft, or warrant, the date thereof, to whom issued, the fund or funds on which drawn, the name of the present holder thereof, or the person or persons entitled to receive the sum due thereon, if interest-bearing the date from which interest began, the credits, if any endorsed thereon, and the date thereof, and such other information so as to completely identify the orders, drafts or warrants for which new orders, drafts or warrants are issued: Provided, however, That no power or authority herein given or contained shall be construed to make legal and binding any order, draft or warrant not legal and/or binding when originally ordered and/or issued by any county court or board of education. The court and/or boards shall, when the orders, drafts or warrants are interest-bearing, in issuing such new orders, drafts or warrants, issue them on the same fund upon which the original order, draft or warrant was issued and for the aggregate amount of unpaid principal and interest to that date, and cancel all such orders, drafts or warrants funded and file the same with the clerk of the county court of their county for preservation. All such new orders, drafts or warrants shall not become interest-bearing until the same shall have been presented to the sheriff for payment and endorsed as provided by law, and when so presented shall draw interest at five and one-half percent per annum.

Acts 1933, c. 43, § 1.

W.Va. Const., art. IX, § 9, redesignated the office of the county court as county commission.

Library References

Key Numbers

Counties 164.

Westlaw Key Number Search: 104k164.

Encyclopedias

C.J.S. Counties § 208.

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| | | Depart USPS Sort Facility | July 23, 2013 | SALT LAKE CITY, UT 84199 | |
| | | Arrival at Unit | July 23, 2013, 7:16 am | SALT LAKE CITY, UT 84199 | |
| | | Processed through USPS Sort Facility | July 23, 2013, 7:16 am | SALT LAKE CITY, UT 84199 | |
| | | Dispatched to Sort Facility | July 19, 2013, 4:18 pm | CHARLESTON, WV 25301 | |
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SPILMAN THOMAS & BATTLE, PLLC
ATTORNEYS AT LAW

July 19, 2013

John F. Allevato
304.340.3885
jallevato@spilmanlaw.com

CERTIFIED MAIL 7012 1640 0001 8659 0220
RETURN RECEIPT REQUESTED

Internal Revenue Service
Ogden, UT 84201

Re: The Board of Education of the County of Wood (West Virginia) – Public
School Refunding Bonds, Series 2013 (Tax-Exempt)

Dear Sir or Madam:

Enclosed is the Form 8038-G, Information Return for Tax-Exempt Governmental
Obligations Bonds, relative to the above-described bond issue. Please file same and send
confirmation of this filing to the Issuer.

If you have any questions, please do not hesitate to contact me.

Very truly yours,



John F. Allevato

JFA:KMM:cb2-4977997
Enclosures

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)
 ► See separate instructions.

OMB No. 1545-0720

Caution: If the issue price is under \$100,000, use Form 8038-GC.

| | | | |
|--|------------|---|--|
| Part I Reporting Authority | | If Amended Return, check here <input type="checkbox"/> | |
| 1 Issuer's name The Board of Education of the County Of Wood (West Virginia) | | 2 Issuer's employer identification number (EIN) 55-6000418 | |
| 3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) John F. Allevato, Esquire | | 3b Telephone number of other person shown on 3a 304-340-3885 | |
| 4 Number and street (or P.O. box if mail is not delivered to street address) 1210 13th Street | Room/suite | 5 Report number (For IRS Use Only) 3 | |
| 6 City, town, or post office, state, and ZIP code Parkersburg, WV 26101 | | 7 Date of issue May 22, 2013 | |
| 8 Name of issue Public School Refunding Bonds, Series 2013 | | 9 CUSIP number 978335FB8 | |
| 10a Name and title of officer or other employee of the Issuer whom the IRS may call for more information (see instructions) Connie J. Roberts, Director of Finance | | 10b Telephone number of officer or other employee shown on 10a 304-420-9663 | |

| | | | |
|---|----|------------|--------------------------|
| Part II Type of Issue (enter the issue price). See the instructions and attach schedule. | | | |
| 11 Education | 11 | 21,309,673 | 25 |
| 12 Health and hospital | 12 | | |
| 13 Transportation | 13 | | |
| 14 Public safety | 14 | | |
| 15 Environment (including sewage bonds) | 15 | | |
| 16 Housing | 16 | | |
| 17 Utilities | 17 | | |
| 18 Other. Describe ► | 18 | | |
| 19 If obligations are TANs or RANs, check only box 19a | | | <input type="checkbox"/> |
| If obligations are BANs, check only box 19b | | | <input type="checkbox"/> |
| 20 If obligations are in the form of a lease or installment sale, check box | | | <input type="checkbox"/> |

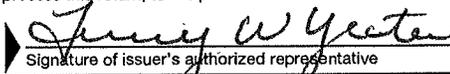
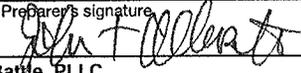
| Part III Description of Obligations. Complete for the entire issue for which this form is being filed. | | | | | |
|---|-------------------------|------------------|---|-------------------------------|-----------|
| | (a) Final maturity date | (b) Issue price | (c) Stated redemption price at maturity | (d) Weighted average maturity | (e) Yield |
| 21 | 05/01/2020 | \$ 21,309,673.25 | \$ 19,300,000.00 | 4.1856 years | 1.1789 % |

| | | | | | | |
|--|--|--|--|--|----|------------|
| Part IV Uses of Proceeds of Bond Issue (including underwriters' discount) | | | | | | |
| 22 | Proceeds used for accrued interest | | | | 22 | |
| 23 | Issue price of entire issue (enter amount from line 21, column (b)) | | | | 23 | 21,309,673 |
| 24 | Proceeds used for bond issuance costs (including underwriters' discount) | | | | 24 | 227,538 |
| 25 | Proceeds used for credit enhancement | | | | 25 | |
| 26 | Proceeds allocated to reasonably required reserve or replacement fund | | | | 26 | |
| 27 | Proceeds used to currently refund prior issues | | | | 27 | |
| 28 | Proceeds used to advance refund prior issues | | | | 28 | 21,082,134 |
| 29 | Total (add lines 24 through 28) | | | | 29 | 21,309,673 |
| 30 | Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) | | | | 30 | |

| | | |
|---|---|--------------|
| Part V Description of Refunded Bonds. Complete this part only for refunding bonds. | | |
| 31 | Enter the remaining weighted average maturity of the bonds to be currently refunded | years |
| 32 | Enter the remaining weighted average maturity of the bonds to be advance refunded | 4.1273 years |
| 33 | Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) | 05/01/2015 |
| 34 | Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY) | 03/01/2005 |

Part VI Miscellaneous

| | | | | |
|------------|--|------------|--|-------------------------------------|
| 35 | Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) | 35 | | |
| 36a | Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions) | 36a | | |
| b | Enter the final maturity date of the GIC ▶ _____ | | | |
| c | Enter the name of the GIC provider ▶ _____ | | | |
| 37 | Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units | 37 | | |
| 38a | If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information: | | | |
| b | Enter the date of the master pool obligation ▶ _____ | | | |
| c | Enter the EIN of the issuer of the master pool obligation ▶ _____ | | | |
| d | Enter the name of the issuer of the master pool obligation ▶ _____ | | | |
| 39 | If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box | | | <input type="checkbox"/> |
| 40 | If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box | | | <input type="checkbox"/> |
| 41a | If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information: | | | |
| b | Name of hedge provider ▶ _____ | | | |
| c | Type of hedge ▶ _____ | | | |
| d | Term of hedge ▶ _____ | | | |
| 42 | If the issuer has superintegrated the hedge, check box | | | <input type="checkbox"/> |
| 43 | If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box | | | <input checked="" type="checkbox"/> |
| 44 | If the issuer has established written procedures to monitor the requirements of section 148, check box | | | <input checked="" type="checkbox"/> |
| 45a | If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement ▶ _____ | | | |
| b | Enter the date the official intent was adopted ▶ _____ | | | |

| | | | | | |
|---|---|---|------------------------|---|---|
| Signature and Consent | Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above. | | | | |
| |  Signature of issuer's authorized representative | | 5/22/13 Date | | Tim Yeater, President Type or print name and title |
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | John F. Allevato |  | 7-19-13 | | P01083380 |
| | Firm's name ▶ Spilman Thomas & Battle, PLLC | Firm's EIN ▶ 55-0282458 | | | |
| Firm's address ▶ 300 Kanawha Boulevard, East, Charleston, West Virginia 25301 | | | Phone no. 304-340-3885 | | |

WOOD COUNTY BOARD OF EDUCATION
ORDER DIRECTING ELECTION

AN ORDER OF THE BOARD OF EDUCATION OF THE COUNTY OF WOOD DIRECTING THAT AN ELECTION BE HELD FOR THE PURPOSE OF SUBMITTING TO THE VOTERS OF WOOD COUNTY SCHOOL DISTRICT ALL QUESTIONS CONNECTED WITH THE CONTRACTING OF A DEBT AND THE ISSUING OF BONDS IN THE PRINCIPAL AMOUNT OF THIRTY-FIVE MILLION DOLLARS (\$35,000,000) FOR THE PURPOSE OF MODIFYING, IMPROVING, RENOVATING, RECONSTRUCTING AND EQUIPPING SCHOOLS AND OTHER BUILDINGS IN WOOD COUNTY SCHOOL DISTRICT

BE IT ORDERED AND ENTERED OF RECORD BY THE BOARD OF EDUCATION OF THE COUNTY OF WOOD:

It appears to The Board of Education of the County of Wood (herein called the "Board") and the Board does accordingly hereby find:

1. Insufficient, obsolete and inefficient school buildings and related facilities in Wood County School District (the "District"), which generally result in insufficient and ineffective space, excessive maintenance costs and lack of efficiency, are conditions which now exist and are adversely affecting proper and adequate education of students in the District to prepare them for gainful employment or further education, and those conditions, together with due regard for proper health and safety standards, make it necessary that the Board acquire, prepare or improve the sites therefor and construct, improve, expand, renovate, repair, furnish and equip certain school and other facilities, all as shown below; and such conditions and requirements have been found and are hereby determined to exist,

pursuant to investigation caused to be made by this Board. The funds derived from current levies applicable to the acquisition and construction of such new facilities which this body is now authorized by law to lay, after providing for the administration of the affairs of this Board and meeting the current expenses thereof required by law, are insufficient to finance such acquisition and construction and, therefore, Bonds should be issued to provide funds to pay such costs.

2. Funds should be obtained for the purposes mentioned above and described below and it will be necessary to incur debt and issue Bonds for modifying, improving, renovating, reconstructing and equipping of certain existing school facilities and other buildings (the "Project"), all as more fully described herein, and to pay interest during construction of the Project for up to 6 months thereafter, and to pay costs of issuance of the Bonds. Investigation and studies by this Board show that at least the sum of \$50,000,000 must be spent for such purposes, \$35,000,000 of which would be provided from proceeds of the hereinafter-described Bonds, and \$15,000,000 of which would be provided from a grant or grants from the School Building Authority of West Virginia (the "SBA") a portion of which (\$7,500,000) has been committed and the remainder of which (\$7,500,000) is expected to be committed in 2005, all to the end of providing adequate, safe and convenient school and other facilities in the District to meet and improve the educational needs and opportunities of the students in the District.

3. The valuation of the taxable property in the District, as shown by the last assessment thereof for state and county taxation purposes, is **\$2,616,211,938**, and the valuation of each class of property within the District is as follows:

| | |
|-----------|------------------------|
| Class I | \$ 2,901,280 |
| Class II | \$ 1,207,615,220 |
| Class III | \$ 700,901,159 |
| Class IV | \$ 704,794,279 |
| TOTAL | <u>\$2,616,211,938</u> |

4. There is general obligation bonded indebtedness for school purposes in the District outstanding in the aggregate principal amount of **\$2,280,000**. Other than such general obligation debt, the indebtedness of the District is negligible and can be paid from current levy funds. Accordingly, Bonds in the aggregate amount of **\$35,000,000**, which together with the principal amount of all bonds outstanding, is less than 5% of the value of such taxable property as ascertained by the last assessment thereof for state and county taxes, may be issued for the purposes herein provided without exceeding any constitutional or statutory limitation.

5. Bonds in the principal amount of **\$5,000** each, or integral multiples thereof, aggregating **\$35,000,000**, shall be issued and sold, in whole, or from time to time in part, as the Board may, in its discretion, deem proper, advisable and in the best interests of the inhabitants of the District, the proceeds of which sale shall be used for the Project, provided, however, that the Board, in its discretion,

may allocate and expend for any one or more of the facilities constituting the Project, or for additions, renovations or improvements to existing school facilities in the District, any sum remaining unused upon completion of any of such facilities, whether any such sum remains unused upon completion by reason of lower than estimated costs for such facility or facilities or a grant-in-aid upon the cost of such facility or facilities received by the Board from the State or Federal Government, or any State or Federal governmental agency, or from any other source; and provided, further, that in the event that any part of the bond proceeds should not be needed for completion of the Project, or for additions, renovations or improvements to existing school facilities in the District, such unneeded part shall be deposited with the Municipal Bond Commission of West Virginia to be used solely for the purchase of any Bonds of this issue outstanding at not more than the par value thereof plus accrued interest to the date of purchase or for the payment of such Bonds and the interest thereon at the maturities thereof. The proceeds of sale of the Bonds will not be used except as herein specified, provided that the Board shall have the authority to pay matured interest and the principal amount of any matured Bonds from Bond proceeds until levy money is available to pay the same and thereafter, the bond proceeds expended for this purpose may be reimbursed from levy moneys collected.

The Bonds shall not be issued or sold unless the District receives a written commitment (which may be subject to certain conditions) of the SBA to

provide a grant or grants to the District for such Project in the amount of not less than \$15,000,000.

6. The Bonds shall bear interest at a rate or rates not exceeding 7.50% per annum, payable semiannually, but it is hoped that the best bid for the Bonds will provide a lower interest rate (which might result in lower levy rates needed to pay the Bonds and the interest thereon), and the Bonds shall be payable for a maximum term of 15 ½ years from the date thereof.

7. It is further hereby ordered by the Board of Education of the County of Wood that:

(A) The question of incurring said debt and issuing said Bonds and all other questions properly connected therewith shall be submitted to the voters of Wood County School District at a school bond election to be held in the District on Tuesday, November 2, 2004.

(B) The names of the Commissioners for holding said election shall be as follows (provided that if any such Commissioners are unavailable or otherwise unable to serve, substitutes will be appointed):

Rick Modesitt
Ken Merritt
Robert K. Tebay, Jr.

(C) The registration of voters and the use of the registration books shall be governed by the permanent registration laws of the State of West Virginia

and the Board hereby adopts the registration lists of the County of Wood as the official registration lists of the District for such school bond election.

(D) The purposes or projects for which the proceeds of sale of the Bonds, (\$35,000,000), if authorized by the voters and grants from the School Building Authority of West Virginia (\$15,000,000) are to be expended are as follows:

PROJECTS

IMPROVEMENTS TO EXISTING SCHOOLS

| | | <u>ESTIMATED COST</u> | |
|---|--|---------------------------------|-----------------------------|
| <u>PROJECT</u> | <u>LOCATION</u> | <u>BOND PROCEEDS</u> | <u>SBA GRANT</u> |
| 1. WILLIAMSTOWN SCHOOL | HIGH Existing Williamstown High School | | |
| Building improvements includes fire alarm/security, sprinklers, heating and air conditioning, and new lockers | | \$1,394,280.00 | |
| Land and site renovations | | \$1,276,250.00 | |
| School renovations includes science, corridors, classroom/planning, stairwells, locker rooms, cafeteria/kitchen, media center, administrative/student services, lobby and gymnasium areas | | \$2,771,200.00 | |
| School additions are a gymnasium, science, commons/kitchen, art/special education, | | \$4,433,970.00 | |

computer/business,
F.A.C.S./technical education,
teacher planning, classroom and
music

Furnishings and equipment \$621,350.00

2. PARKERSBURG SOUTH HIGH SCHOOL Existing
Parkersburg
South High
School \$4,371,140.00

Building improvements includes fire
alarm/security, sprinklers, heating
and air conditioning, and new
lockers

Site development which includes
construction of bus loop road, site
additions,
additional/parking/paving/sidewalks,
and water service upgrade \$731,280.00

School renovations includes the
following: classrooms, corridors,
vocational technical, gymnasiums,
weight/varsity locker rooms, little
theater, locker areas and
kitchen/dining areas \$3,060,180

School additions include the
following: science laboratories,
classroom additions, music
classroom media center, student
service/administrative commons
expansion, lobby, wrestling
gymnasium and corridors \$3,246,060.00 \$7,500,000

Furnishings and equipment \$941,700.00

3. PARKERSBURG HIGH SCHOOL Existing
Parkersburg
High School \$4,156,440.00

Building improvements include fire

alarm/security, sprinklers, heating and air conditioning and lockers

Renovations includes lighting, painting, repairs, physical education locker rooms, band and choral rooms and site renovations \$4,545,550.00

Additions include science rooms, media center, auxiliary gymnasium, commons, kitchen and vending \$2,227,250.00 \$7,500,000

Furnishings and equipment \$1,223,350.00

TOTALS \$35,000,000 \$15,000,000

APPROXIMATE TOTAL COST TO BE PAID FROM BOND PROCEEDS \$35,000,000

APPROXIMATE TOTAL COST TO BE PAID FROM SBA GRANTS \$15,000,000

APPROXIMATE TOTAL COST OF ALL PROJECTS \$50,000,000

* The Bonds will not be issued or sold unless the District receives a written commitment (which may be subject to certain conditions) of the School Building Authority of West Virginia to provide a grant or grants to the District for such project in the amount of not less than \$15,000,000.

The above amounts include costs of land acquisition, site improvement, construction, erection, renovation, repair, furnishing, equipping and improving of such projects, architectural and engineering fees and costs, interest during construction of the Project and for a period of up to six months thereafter, expenses

of issuance and sale of the Bonds, including bond insurance and rating agency fees, if appropriate, and such other costs as may be necessary for properly carrying out the foregoing projects. The Board may, in its discretion, allocate to and expend for any one or more of the above projects, or for additions, renovations, or improvements to existing school facilities in the District, any sum remaining unused upon completion of any other project or projects, whether any such sum remains unused upon such completion by reason of lower than estimated costs for such project or projects or a grant-in-aid upon the cost of any such project or projects received by the Board from the State or Federal Government, or any State or Federal Governmental agency, or from any other source.

(E) If the voters of the District approve such debt and the issuance of said Bonds, the Board shall lay annually upon the assessed valuation of all the taxable property within the District a levy sufficient to provide funds for the payment of the annual interest upon said Bonds as it accrues semiannually, and the principal of said Bonds at the maturities thereof, for which purpose a levy upon each \$100 valuation, based upon the last assessment of such property for state and county purposes, will be required as follows:

Upon Class I property, approximately 5.52 cents

Upon Class II property, approximately 11.04 cents

Upon Class III property, approximately 22.08 cents

Upon Class IV property, approximately 22.08 cents

(F) In the laying of such levy, the assessment levy authorized to be laid by the Board for the District by the Constitution of West Virginia and the statutes enacted pursuant thereto shall not be exceeded; provided, however, that the rates hereinabove set forth may, whenever necessary, be exceeded in making the annual levy for interest and principal of such Bonds within any statutory and constitutional limitations; and in the levy, collection and disbursement of taxes within constitutional and statutory limitations, such levy for interest and principal upon such proposed Bonds shall have preference over all other taxes collected by the Board for any purpose whatever, except the payment of interest and sinking fund requirements on other Bond issues which heretofore have been authorized or which may hereafter be authorized.

(G) If the debt and the Bond issue shall be approved by the voters, the Bonds, together with all existing bonded indebtedness, including any other bonds heretofore issued and payable from taxes levied outside the limitations fixed by Section 1, Article X of said Constitution, will not exceed in the aggregate 5% of the valuation of the taxable property in the District ascertained in accordance with Sections 8 and 10, Article X of said Constitution, and such Bonds and the interest thereon will be payable from a direct annual tax levied and collected each year on all taxable property in the District sufficient to pay the principal and interest maturing and becoming due on such Bonds in each year, together with any deficiencies for prior years, within, and will not exceed 34 years, which tax levies will be laid

separate and apart from, and in addition to, the maximum rates provided for tax levies for school districts on the several classes of property in Section 1, Article X of said Constitution, but in the same proportions as such maximum rates are levied on the several classes of property; and said tax will be levied outside the limits fixed by Section 1, Article X of said Constitution.

(H) If the debt and Bond issue submitted to the voters shall be approved, by virtue of Section 8, Article X of the Constitution, known as the "School Bond Amendment," and Section 10, Article X of the Constitution, known as the "Better Schools Amendment," and the enabling legislation enacted by the Legislature of West Virginia, Regular Session, 1951, amending and re-enacting Sections 3 and 4, Article 1, Chapter 13 of the Code of West Virginia, 1931, the levies hereinbefore provided will not violate any constitutional or statutory provisions of this State establishing maximum levies; said levies herein provided shall be levied and allocated each year for the purpose of discharging the interest and principal of the Bonds to be authorized, and for such purposes shall be laid separate and apart from all other levies made for all other purposes of the District, and the Board does further find that after laying and allocating said special levies for payment of the principal and interest requirements of said Bonds, there will be, out of the levies authorized by law, moneys which, when added to other income, will be sufficient to carry on the proper requisite functions of the Board and of the District.

(I) The form of ballot to be used for such school bond election shall be as follows:

OFFICIAL BALLOT
BOARD OF EDUCATION OF THE COUNTY OF WOOD
SCHOOL BOND ELECTION
TUESDAY, NOVEMBER 2, 2004

Shall the Board of Education of the County of Wood incur debt and issue Bonds in the amount of \$35,000,000, maturities on such Bonds to run not more than 15 ½ years from the date of such Bonds, with interest not exceeding the rate of 7.50% per annum, payable semi-annually, for the purpose of making the following improvements in Wood County School District for the purpose of providing adequate, safe and convenient educational facilities for the School District, and levy taxes sufficient to pay the principal of and interest on such Bonds.

| <u>PROJECT</u> | | <u>LOCATION</u> | <u>BOND PROCEEDS</u> | <u>SBA GRANT</u> |
|---|------|-----------------------------------|----------------------|------------------|
| 1. WILLIAMSTOWN SCHOOL | HIGH | Existing Williamstown High School | | |
| Building improvements includes fire alarm/security, sprinklers, heating and air conditioning, and new lockers | | | \$1,394,280.00 | |
| Land and site renovations | | | \$1,276,250.00 | |

School renovations includes science, corridors, classroom/planning, stairwells, locker rooms, cafeteria/kitchen, media center, administrative/student services, lobby and gymnasium areas \$2,771,200.00

School additions are a gymnasium, science, commons/kitchen, art/special education, computer/business, F.A.C.S./technical education, teacher planning, classroom and music \$4,433,970.00

Furnishings and equipment \$621,350.00

2. PARKERSBURG SOUTH HIGH SCHOOL Existing Parkersburg South High School

Building improvements includes fire alarm/security, sprinklers, heating and air conditioning, and new lockers \$4,371,140.00

Site development which includes construction of bus loop road, site additions, additional/parking/paving/sidewalks, and water service upgrade \$731,280.00

School renovations includes the following: classrooms, corridors, vocational technical, gymnasiums, weight/varsity locker rooms, little theater, locker areas and kitchen/dining areas \$3,060,180

School additions include the following: science laboratories, \$3,246,060.00 \$7,500,000

classroom additions, music
 classroom media center, student
 service/administrative commons
 expansion, lobby, wrestling
 gymnasium and corridors

Furnishings and equipment \$941,700.00

3. PARKERSBURG HIGH SCHOOL Existing
 Parkersburg
 Building improvements include fire High School \$4,156,440.00
 alarm/security, sprinklers, heating
 and air conditioning and lockers

Renovations includes lighting, \$4,545,550.00
 painting, repairs, physical education
 locker rooms, band and choral
 rooms and site renovations

Additions include science rooms, \$2,227,250.00 \$7,500,000
 media center, auxiliary gymnasium,
 commons, kitchen and vending

Furnishings and equipment \$1,223,350.00

TOTALS \$35,000,000 \$15,000,000

**APPROXIMATE TOTAL COST TO BE
 PAID FROM BOND PROCEEDS** \$35,000,000

**APPROXIMATE TOTAL COST TO BE
 PAID FROM SBA GRANTS** \$15,000,000

**APPROXIMATE TOTAL COST OF ALL
 PROJECTS** \$50,000,000

* The Bonds will not be issued or sold unless the District receives a written commitment (which may be subject to certain conditions) of the School Building Authority of West Virginia to provide a grant or grants to the District for such project in the amount of not less than \$15,000,000.

The above amounts include acquiring, preparing or improving the sites and to construct, improve, expand, renovate, repair, furnish and equip certain school and other facilities, architectural and engineering fees and costs, interest during construction of the Project and for up to six months thereafter, expenses of issuance and sale of the Bonds, including bond insurance and rating agency fees, if appropriate, and such other costs as may be necessary for properly carrying out the foregoing projects. The Board may, in its discretion, allocate to and expend for any one or more of the above projects or for additions, renovations or improvements to existing school facilities in the District any sum remaining unused upon completion of any other project or projects, or for additions, renovations or improvements to existing school facilities in the District whether any such sum remains unused upon such completion by reason of lower than estimated costs for such project or projects or a grant-in-aid upon the cost of any such project or projects received by the Board from the State or Federal Government, or any State or Federal Governmental agency, or from any other source.

YES

NO

NOTICE TO VOTERS: To vote in favor of the proposition submitted on this ballot,
place an X mark in the box before the word "YES".

To vote against the proposition, place a similar mark in the box before
the word "NO".

* * * * *

8. The Secretary of the Board with the assistance of the Clerk of the County Commission of Wood County, which Clerk is hereby designated and appointed as an agent of the Board for this election, is hereby authorized and directed to procure and furnish to the election commissioners at each voting precinct, insofar as practicable, the ballots, poll books, tally sheets and other supplies and things necessary for conducting the election as provided by West Virginia Code, Chapter 13, Article 1, Section 11, and perform all duties imposed by law upon Clerks of the Circuit Court and County Commission in relation to general elections insofar as practicable; and, in accordance with Section 13, Article 1 of said Chapter 13, the Board shall canvass the election returns, and shall meet on Saturday, November 6, 2004, that being the 5th day, Sunday excepted, after such school bond election for such purposes.

9. Absentee ballots shall be applied for, obtained from and returned to the Clerk of the Circuit Court of the County of Wood in accordance with the provisions of West Virginia Code, Chapter 13, Article 1, Section 11, and said Clerk is hereby appointed the agent of the Board to perform all duties relating to absentee ballots in this election.

10. Notice of the school bond election hereby ordered shall be given, as required by law, by the publication of this order within the 14 consecutive days next preceding the date of the election, with an interval of at least 6 full days between the first and second publications, once a week for 2 successive weeks in

The Parkersburg News and *The Parkersburg Sentinel*, being two qualified newspapers of opposite politics published or of general circulation in the District, the publication dates to be **Tuesday, October 19** and **Monday, October 25, 2004**.

Given under my hand this 25th day of May, 2004.

By: *Ami Yeater*
President of the Board of Education of the
County of Wood

CERTIFICATE

Certified a true and correct copy of the Order Directing Election, made and entered of record by The Board of Education of the County of Wood at a regular meeting thereof duly and properly called and held upon lawful notice to the public and all members thereof on the 25th day of May, 2004, at Parkersburg, Wood County, West Virginia, a quorum of said members being present at said meeting and acting throughout the same. Such order is in full force and effect.

Given under my hand this 25th day of May, 2004.

By: Walter A. Hasty
Secretary of the Board of Education of the
County of Wood

NOTICE OF SCHOOL BOND ELECTION

A SCHOOL BOND ELECTION WILL BE HELD ON TUESDAY, NOVEMBER 2, 2004, IN WOOD COUNTY, WEST VIRGINIA, ON THE MATTERS SET FORTH IN AN ORDER OF THE BOARD OF EDUCATION OF THE COUNTY OF WOOD, AS FULLY SET FORTH AS FOLLOWS:

WV MUNICIPAL BOND COMMISSION

900 Pennsylvania Avenue, Suite 1117
 Charleston, WV 25302
 (304) 558-3971

NEW ISSUE REPORT FORM

Date of Report: May 22, 2013

| | |
|--|--|
| ISSUE: The Board of Education of the County of Wood (West Virginia) | |
| ADDRESS: 1210 13 th Street Parkersburg, WV 26101 | COUNTY: Wood |
| PURPOSE OF ISSUE: New Money: Refunding: X | REFUNDS ISSUE(S) DATED: March 1, 2005 |
| ISSUE DATE: May 22, 2013 | CLOSING DATE: May 22, 2013 |
| ISSUE AMOUNT: \$19,300,000 | RATE: 1.1789% |
| 1ST DEBT SERVICE DUE: November 1, 2013 | 1ST PRINCIPAL DUE: May 1, 2014 |
| 1ST DEBT SERVICE AMOUNT: \$295,982.92 | PAYING AGENT: WV Municipal Bond Commission |
| BOND COUNSEL: Spilman Thomas & Battle, PLLC Contact Person: Brian C. Helmick, Esquire Phone: (304) 340-3826 | UNDERWRITER'S COUNSEL: White Law Offices Contact Person: Ryan White, Esquire Phone: (304) 720-1400 |
| CLOSING BANK: WesBanco Bank, Inc. Contact Person: Jan Shelburne Phone: 304-234-9436 | ESCROW TRUSTEE: WV Municipal Bond Commission Contact Person: Sara Rogers, Executive Director Phone: 304-558-3971 |
| KNOWLEDGEABLE ISSUER CONTACT Contact Person: Connie Roberts Position: Director of Finance Phone: 304-420-9663 | OTHER: Piper Jaffray & Co. Contact Person: Marie Prezioso, Sr. Vice President Function: Underwriter Phone: 304-343-7102 |
| DEPOSITS TO MBC AT CLOSE: By: <input checked="" type="checkbox"/> Wire <input type="checkbox"/> Check <input type="checkbox"/> In-House Transfer <input type="checkbox"/> Other | Accrued Interest: \$ Capitalized Interest: \$ Reserve Account: \$ Other: Escrow to Refund <u>\$21,082,134.59*</u> |
| REFUNDS & TRANSFERS BY MBC AT CLOSE By: <input type="checkbox"/> Wire <input checked="" type="checkbox"/> Check <input type="checkbox"/> IGT <input type="checkbox"/> To Other: _____ | <input type="checkbox"/> To Escrow Trustee: \$ <input checked="" type="checkbox"/> To Issuer \$2,419,089.82 (less any fees) (Release of Surplus Funds)** <input type="checkbox"/> To Cons. Invest. Fund \$ |
| NOTES: * \$21,082,134.59 Bond proceeds received from Underwriter on Closing Date to be transferred to Escrow Fund. ** \$809,900.00 to be transferred by Bond Commission from Debt Service Account for Series 2005 Bonds to the Surplus Collections Account for Series 2013 Bonds. The remaining balance in the 2005 Debt Service Account of \$971,389.53 plus all funds on deposit in the Surplus Collection Account for Series 2005 Bonds (balance of \$1,447,700.29 as of May 13, 2013 less any fees (estimated to be \$6,000)) on the Closing Date are to be transferred by check to Issuer. On and after May 22, 2013, all 2013 tax collections received by the Bond Commission should be transferred to the Debt Service Account for the Series 2013 Bonds. | |
| FOR MUNICIPAL BOND COMMISSION USE ONLY: Documents Required: _____ Transfers Required: _____ | |

The purpose of the NEW ISSUE REPORT FORM is to provide the WV Municipal Bond Commission with an early warning of three basic facts no later than the day of closing on any issue for which the Commission is to act as fiscal agent. These are:

1. Formal notification that a new issue is outstanding.
2. Date of first action or debt service.
3. Contact people should we lack documents, information, or funds needed to administer the issue by the date of the first action or debt service.

The commission recognizes that as bond transcripts become increasingly long and complex, it has become more difficult to assemble and submit them to the Commission within the 30 days specified by the West Virginia Code 13-3-8. This notice is not intended to provide all the information needed to administer an issue, but to alert the Commission and ensure that no debt service payments are missed due to delays in assembling bond transcripts. If, at the time of closing, documents such as the ordinance and all supplements, debt service schedules, and a specimen bond or photostat are available and submitted with this form, it will greatly aid the Commission in the performance of its duties. These documents are needed to set up the proper accounts and to advise the issuer of monthly deposit requirements as far in advance of the first debt service as possible.

It is not necessary to complete all items if they are not pertinent to your issue. Indicate the County of the issuer. With PSDs that overlap more than one county, indicate the county of their business office. Complete "Rate" only if the issue has only one rate. Please complete a separate form for each series of an issue. Other important information can be recorded under "Notes."

Again, please submit this form on each new issue on the day of closing. If fund transfers into or out of the Commission at closing are required, please submit this form before closing. If no significant facts change by closing, no resubmission at closing is required. If, however, there are changes, please submit an updated form, with changes noted, at closing.

If you should have any questions concerning this form, please call the Commission.

A. NOTICE TO THE PUBLIC AND NEWS MEDIA OF BOARD MEETINGS

Once during July of each year, the Superintendent shall cause a schedule of regular meetings adopted by the Board for the current fiscal year to be published as a Class I legal advertisement in the Parkersburg News and Sentinel.

During the seven calendar days before each meeting of the Board, the Superintendent shall cause a notice of the meeting to be prepared in accordance with part B of this policy and distribute copies in accordance with part C of this policy. However, if in the event of an emergency requiring immediate official action it is not practically possible to comply with the provisions of this policy, the Superintendent is to give such notice to the public and news media as is reasonable under the circumstances.

If, after the notice of a meeting has been distributed, the Superintendent has reason to ask the Board to consider an additional item at the meeting or is advised in writing that a Board member will ask the Board to consider an additional item, then the Superintendent shall cause an addendum to or revision of the notice to be prepared and made available to the public at the place of the meeting before the meeting starts.

B. CONTENTS OF MEETING NOTICE

The notice of a meeting shall contain:

- (1) the date of the meeting;
- (2) the time at which the meeting is to convene;
- (3) the name and address of the place where the meeting is to be held;
- (4) a "tentative agenda," which is to include a brief description of each item of business which, at the time the notice is distributed, the Superintendent either has reason to ask the Board to consider at the meeting or has been advised in writing that a Board member will ask the Board to consider; and
- (5) a statement that any subsequent addition to or other revision of the notice shall be available at the place of the meeting before the meeting starts.

Except as noted below with respect to the Superintendent's contract, the notice of a meeting may refer generally to "personnel items recommended for approval" as an item of business, and it need not set forth the individual personnel items to be considered by the Board. However, a separate list of any such individual personnel items shall be prepared. Such separate list shall not be a part of the notice of a meeting, but the notice shall make reference to it and shall state that a copy of such list is posted on a bulletin board inside the 13th Street entrance to the Board's offices at 1210 - 13th Street, Parkersburg, West Virginia.

If, at the time the notice is distributed, the Superintendent either has reason to ask the Board to consider an item in executive session or has been advised in writing that a Board member intends to ask the Board to consider an item in executive session, then any such executive session item of business listed in the notice of the meeting may be designated by language limited to the specific language of the appropriate authorization contained in West Virginia Code §6-9A-4. In such case, the notice of the meeting shall state whether the matter may be considered by the Board in executive session and whether it is a matter upon which the Superintendent or, to the Superintendent's knowledge, the Board member will ask the Board to vote at the meeting.

Notwithstanding any of the foregoing provisions, an item of business consisting of any consideration of the Superintendent or the position of superintendent including the formal evaluation of the Superintendent or a vote on the Superintendent's contract shall be specifically identified in a meeting notice as such, and shall not be designated by language limited to the specific language of any of the authorizations contained in West Virginia Code §6-9A-4.

Nothing in this policy is intended or is to be construed to prohibit the Board from considering "other business" or the like if such an item appears in the meeting notice, provided that, at the time the notice was distributed, the Superintendent had no reason to ask the Board to consider the item at the meeting and had not been advised in writing that a Board member would ask the Board to consider such item. No provision of this policy is intended or is to be construed to prohibit the Board from considering an emergency item of business requiring immediate official action at a meeting.

C. DISTRIBUTION OF MEETING NOTICE

Not less than 123 hours preceding the time at which a meeting is to begin, the notice of the meeting shall be distributed in the following manner:

1. By posting a copy continuously until the time of the meeting within 20 feet of the 13th Street entrance to the Board's offices at 1210 - 13th Street, Parkersburg, West Virginia, in a manner which allows members of the public to read the notice from outside the building.
2. By providing an electronic copy or depositing a copy in the United States mail, postpaid, addressed to the president or chairman of the Wood County Education Association, the Wood County Federation of Teachers, the Wood County Principals Association, the Wood County School Service Personnel Association, the Wood County PTA Council, and the Wood County Teachers Retirement Association, and the president or chairperson of any other employee group who requests the same. At the same time there shall be sent to each such person any separate list of personnel items prepared in accordance with part B of this policy.
3. By providing an electronic copy or depositing a copy in the United States mail, postpaid, addressed to the Parkersburg News and Sentinel, the Marietta Times, WTAP-TV, every other television station listed in a then-current Parkersburg and Vicinity Telephone Directory, every radio station listed in said directory, and every other newspaper, television station, and radio station which, within the 12 months preceding said meeting, has requested in writing that meeting notices be mailed to it under this policy. At the same time there shall be sent to each such newspaper, television station, and radio station any separate list of personnel items prepared in accordance with part B of this policy.
4. By providing an electronic copy or depositing copies in the school system's internal mail system, for delivery to all schools and departments, with instructions to post a copy of the notice in a public place at each school and department as soon as possible. At the same time there shall be deposited in the school system's internal mail system for delivery to all schools and departments, copies of any separate list of personnel items prepared in accordance with part B of this policy, with instructions that one copy of it be posted at the same time and place.

Adopted: June 11, 1991

Revised: September 13, 1994

Amended: August 26, 1997; January 12, 2010; November 9, 2010

Reviewed: August 24, 1999; September 11, 2001; October 14, 2003; November 7, 2005; December 13, 2007; December 11, 2012

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|---|--|
| <p>WOOD COUNTY BOARD OF EDUCATION Policy 1120.2 - Rules and Regulations Governing the Wood County Board of Education and the Rules Governing the Conducting of Board Meetings</p> | <p>Last Reviewed: March 12, 2013 Next Review: March 12, 2015</p> |
|---|--|

RULE I. GOVERNING RULES

Except as otherwise provided in the Constitution of the United States, the Constitution of the State of West Virginia, the policies and procedures of the State Board of Education, and the policies and procedures of the Wood County Board of Education, all questions of order, the method of organization and the conduct of business of the Wood County Board of Education shall be governed by Roberts Rules of Order (Revised Edition) in all cases to which they are applicable and in which they are not inconsistent with the following governing rules of the Board.

RULE II. MEETING TIME AND PLACE ESTABLISHED

(A)

The Board shall hold regular meetings on the second and fourth Tuesdays of each month at 6:30 p.m.; provided, however, that the regular meeting date and time may be changed to a different date and time upon a motion duly passed by the majority of the members present and voting.

(B)

Special meetings may be called by the President of the Board of Education, and shall be called by the Board President upon request of the Superintendent or a majority of the Board members. The special meeting call must meet the requirements of reasonable notice of the time and place of the meeting and contain a brief statement of the purpose of the meeting in a method provided for by law or Board policy.

(C)

All meetings of the Wood County Board of Education shall be held at the Board Office at 1210 Thirteenth Street, Parkersburg, West Virginia 26101, unless otherwise specified by the President of the Board in the meeting call or by the Board in its meeting notice that is prepared and distributed in accordance with Wood County Board of Education Policy 1120.1, Notice to the Public and News Media of Board Meetings. Board meetings may also be moved after the meeting has been called to order, e.g., when it becomes evident the scheduled meeting place is not adequate to accommodate those in attendance.

(D)

All regular and special meetings of the Board of Education shall be open to the public. However, the Board may go into executive session as specified in Chapter VI, Article 9A, Section 4 of the West Virginia Code, as amended, and only for the purpose therein stated. The motion to go into executive session requires a majority vote of those Board members present and voting, and the motion must pass before an executive session can be held.

RULE III. PROCESS AND SELECTION OF THE PRESIDING OFFICER

(A)

The presiding officer of the Wood County Board of Education shall be the President. The President shall be elected at the organizational meeting held on the first Monday in July following the primary election. The Board shall organize and elect for a two-year term a President and Vice President from its own membership and report the same to the State Superintendent of Schools.

(B)

The Superintendent or designee shall act as temporary chairman of such organizational meeting. The Chairman shall call the meeting to order then call the roll of the Board.

(C)

Following the swearing in of any newly-elected members, the Chairman shall entertain nominations from the Board for the position of President of the Board.

(D)

After the nominations for the President have been closed, the Chairman shall distribute ballots to the Board, collect same, and canvass in the open forum. Ballots will be available for inspection.

(E)

In case no nominee receives a majority of the votes, additional ballots will be distributed and counted until one nominee receives a majority.

(F)

After the President has been elected, the Chairman will yield the chair to the President who will in the same manner cause to be elected a Board Vice President.

(G)

After electing a Board President and Vice President, a motion to adjourn the organizational meeting will be in order.

(H)

In the absence of the President and Vice President at any regular or special meeting of the Board, the presiding officer for the meeting shall be elected by the majority of the members present and voting. The Superintendent or designee shall conduct this election.

RULE IV.

PARLIAMENTARIAN

The Superintendent or designee shall act as parliamentarian, and when requested, shall advise and assist the presiding officer in matters of parliamentary law.

RULE V. CALL TO ORDER

(A)

The President, Vice President, or Presiding Officer shall take the chair at the hour appointed for the meeting and shall immediately call the Board to order. Upon the arrival of the President, the presiding officer shall relinquish the chair upon the conclusion of the business immediately before the Board.

(B)

Before proceeding with the business of the Board, the secretary or designee shall call the roll of the members, and the names of those present shall be entered in the minutes. Board members attending by video or electronic conference will be entered into minutes as attending electronically.

RULE VI. QUORUM

A majority of the total number of the Board members physically present shall constitute a quorum. Should no quorum attend within thirty (30) minutes after the hour appointed for the meeting of the Board, the Presiding Officer, or in his/her absence the Superintendent or designee, will adjourn the meeting until the next day at the same hour and place.

Two members may attend by means of video or electronic conference. If more than two members request to attend a meeting electronically, a new date will be agreed on.

Board members are to make every attempt to be present. If they are not able to attend, every effort will be made to electronically send information included on the addendum.

A Board member will be deemed authorized to attend any meeting electronically unless a motion objecting to the member's electronic attendance is made, seconded, and approved by a majority of the members of the Board physically present at the meeting.

RULE VII. READING OF THE MINUTES

At each regular meeting of the Board, a copy of the minutes of the proceedings of the last meeting shall be read and corrected, if erroneous. The reading of the minutes of the proceedings of the last meeting may be dispensed with by a majority vote of the Board if the members thereof have received and examined a copy of the minutes prior to the meeting.

RULE VIII. ORDER OF BUSINESS

All business of the Board shall be taken up for consideration and disposition in the following manner:

- * Prayer.
- (1) Pledge of Allegiance.

- (2) Call meeting to order.
- (3) Roll call.
- (4) Discussion of conference items.
 - (a) Recognition of delegations and individuals.
 - (b) Receive and consider reports.
 - (c) Receive and consider proposals, petitions, etc.
 - (d) Receive and consider messages from the Superintendent and any employee of the Wood County Schools.
- (5) Public discussion and comments.

At this time comments may be made by Wood County citizens regarding agenda items or any item of interest or concern to them. These items must be items that may properly come before the Board. RULE X (MANNER OF ADDRESSING THE WOOD COUNTY BOARD OF EDUCATION AND TIME LIMITS) will apply.
- (6) Presentation of items for consideration and action.

Items presented for consideration and action may be placed on the regular or consent agenda. Items placed on the consent agenda may be moved to the regular agenda by any member of the Board or the Superintendent by notifying the Board President or the Superintendent by noon on the day of a regular or special meeting of the Board of Education. Prior to the Board voting on the consent agenda, the public will be afforded an opportunity to comment on any agenda item in accordance with paragraph (4), Rules VIII, Order of Business, of Board Policy 1120.2. The consent agenda consolidates routine matters. Public discussion is allowed first, then, where minutes would normally follow, the consent agenda is placed. This way, since it is on the agenda, any Board members or citizens wishing to comment about something on the consent agenda may do so prior to the Board vote on the consent agenda. Board members may also request that an item be excluded from the consent agenda at this point, prior to the actual vote. Any excluded items are held for discussion/consideration under "Board member comments/Other Business" on the regular agenda or tabled until the next meeting, if not urgent in nature.
- (7) Board member comments/Other business.
- (8) Adjournment.
- * Optional.

RULE IX.

RULES OF DEBATE

- (A)

A member of the Board, once recognized, shall not be interrupted when speaking unless it be to call said member to order or as herein otherwise provided. If a member of the Board, while speaking, is called to order, he or she shall cease speaking until the question of order is determined by the presiding officer, and if in order, shall be permitted to proceed.
- (B)

Privilege of closing debate. Any member of the Board may close debate by moving the previous question which requires a majority vote of the members present and voting.

RULE X. MANNER OF ADDRESSING THE WOOD COUNTY
BOARD OF EDUCATION AND TIME LIMITS

(A)

Persons desiring to address the Board shall stand, give their name and address in an audible tone of voice for the record. Persons addressing the Board should limit their remarks to five (5) minutes. If an excessive number of speakers are present, the President may allocate a total number of minutes for discussion of the particular issue; thus, the number of minutes granted to individual speakers may be reduced by the President to a number less than five minutes allowance, to provide all persons wishing to speak with an opportunity to do so. Formal proposals presented to the Board for consideration are granted ten (10) minutes time. Generally, formal proposals should be submitted to the Board President or Superintendent three work days prior to the meeting, for inclusion on the regular meeting agenda. Speakers' cards are available at the back of the meeting room for individuals wishing to address the Board.

(B)

All remarks shall be addressed to the presiding officer and the Board as a body and not to any individual member of the Board or to anyone in attendance unless permission is granted by the presiding officer. No person other than members of the Board and the person having the floor shall be permitted to enter into any discussion without the permission of the presiding officer.

RULE XI. DECORUM

(A)

By presiding officer.

The presiding officer shall preserve strict order and decorum at all times during every meeting of the Wood County Board of Education. The presiding officer shall state every question coming before the Board and announce the decision of the Board on all matters coming before it. A majority vote of the Board shall govern and conclusively determine all questions of order not otherwise provided for by law, Board policy, or Roberts Rules of Order (Revised Edition).

(B)

By Board members.

While the Board is in session, the members must preserve order and decorum. A Board member shall not, by conversation or otherwise except as herein provided, delay or interrupt the proceedings or the peace of the Board or disturb any member while speaking or refuse to obey the orders of the Board or its presiding officer.

(C)

By other persons.

Any person making personal, impertinent, or slanderous remarks, or remarks that are deemed out of order while addressing the Board, shall be prohibited by the presiding officer from further audience before the Board during the remainder of said Board meeting. Permission to continue or again address the Board may be granted by a majority vote of the Board.

RULE XII. PUBLIC INPUT AFTER THE BOARD HAS
COMPLETED ITS AGENDA ITEMS

(A)

After concluding the agenda items, the Board members and the administrative staff shall remain for up to thirty (30) minutes, if necessary, to allow public input and discussion on matters of concern and interest to the citizens of Wood County in regard to the school system.

(B)

This additional discussion would require a written request to speak to the Board after the agenda items have been completed, and each request must be presented to the Board President prior to or during the Board meeting. All rules that govern addressing the Board will apply to this request.

(C)

Every effort shall be put forth by the Board and the administration to provide an answer to the questions and the concerns that are generated from these discussions. The answers would be provided at this or future Board meetings by the presiding officer of the Board or a representative of the administration.

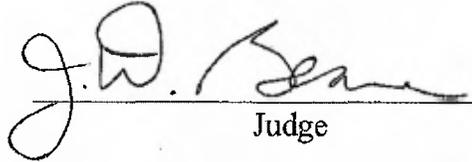
Adopted: September 24, 1991
Amended: August 25, 1992; November 29, 1994; August 29, 1995; August 12, 1997;
January 24, 2006; March 12, 2013
Revised: January 13, 2009
Reviewed: October 26, 1999; November 27, 2001; December 9, 2003; February 12, 2008;
February 8, 2011

CERTIFICATE OF OATH

I, DR. J. PATRICK LAW, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia and that I will faithfully discharge the duties of Superintendent of the Wood County Schools to the best of my skill and judgment, so help me God.

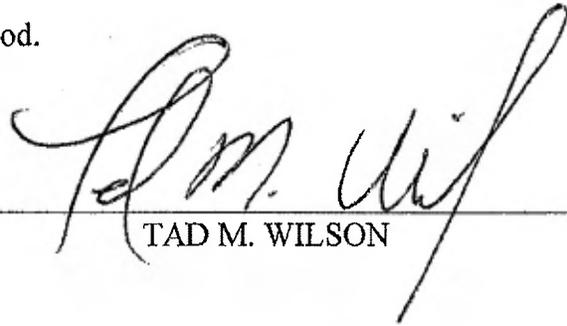

DR. J. PATRICK LAW

Sworn to and subscribed before me, J.D. BEANE, Judge of the Fourth Judicial Circuit Court of West Virginia, a Court of Record, this 29th day of June, 2010.


Judge

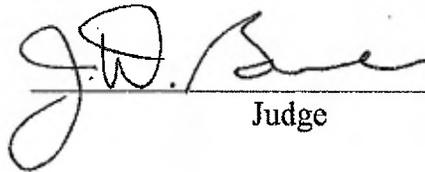
CERTIFICATE OF OATH

I, TAD M. WILSON, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia and that I will faithfully discharge the duties of Board Member of the Wood County Board of Education to the best of my skill and judgment, so help me God.



TAD M. WILSON

Sworn to and subscribed before me, J.D. BEANE, Judge of the Fourth Judicial Circuit Court of West Virginia, a Court of Record, this 29th day of June, 2010.



Judge

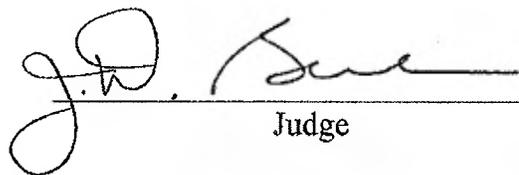
CERTIFICATE OF OATH

I, JAMES M. FOX, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia and that I will faithfully discharge the duties of Board Member of the Wood County Board of Education to the best of my skill and judgment, so help me God.



JAMES M. FOX

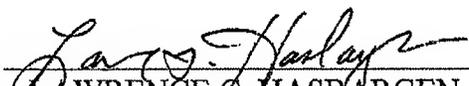
Sworn to and subscribed before me, J.D. BEANE, Judge of the Fourth Judicial Circuit Court of West Virginia, a Court of Record, this 29th day of June, 2010.



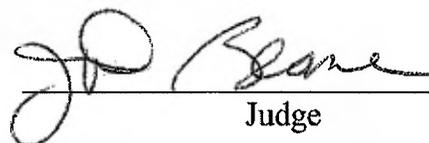
Judge

CERTIFICATE OF OATH

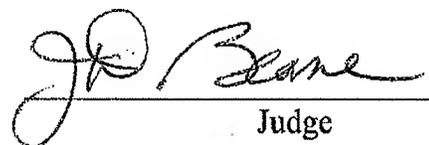
I, LAWRENCE G. HASBARGEN, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia and will faithfully discharge the duties of Board Member of the Wood County Board of Education to the best of my skill and judgment, so help me God.


LAWRENCE G. HASBARGEN

Sworn to and subscribed before me, J.D. BEANE, Judge of the Fourth Judicial Circuit Court of West Virginia, a Court of Record, this 2nd day of July, 2012.

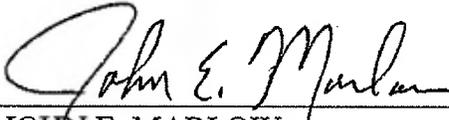

Judge

Which Oath of Office is hereby ORDERED filed with the secretary of the Board of Education, pursuant to W.Va. Code, Section 18-5-3.


Judge

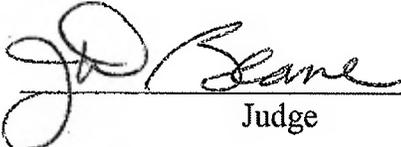
CERTIFICATE OF OATH

I, JOHN E. MARLOW, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia and will faithfully discharge the duties of Board Member of the Wood County Board of Education to the best of my skill and judgment, so help me God.



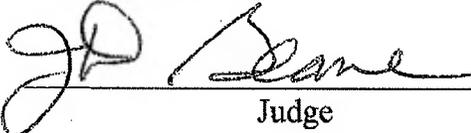
JOHN E. MARLOW

Sworn to and subscribed before me, J.D. BEANE, Judge of the Fourth Judicial Circuit Court of West Virginia, a Court of Record, this 2nd day of July, 2012.



Judge

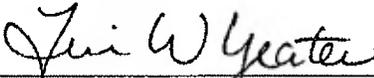
Which Oath of Office is hereby ORDERED filed with the secretary of the Board of Education, pursuant to W.Va. Code, Section 18-5-3.



Judge

CERTIFICATE OF OATH

I, TIM W. YEATER, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of West Virginia and will faithfully discharge the duties of Board Member of the Wood County Board of Education to the best of my skill and judgment, so help me God.



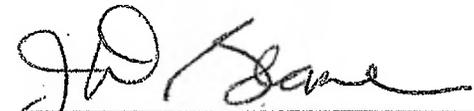
TIM W. YEATER

Sworn to and subscribed before me, J.D. BEANE, Judge of the Fourth Judicial Circuit Court of West Virginia, a Court of Record, this 2nd day of July, 2012.



Judge

Which Oath of Office is hereby ORDERED filed with the secretary of the Board of Education, pursuant to W.Va. Code, Section 18-5-3.



Judge

BOND PRICING

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| Bond Component | Maturity Date | CUSIP ID | Amount | Rate | Yield | Price | Premium (-Discount) |
|----------------|---------------|-----------|------------|--------|--------|---------|---------------------|
| Serial Bond: | | | | | | | |
| | 05/01/2014 | 978335EV5 | 2,505,000 | 2.000% | 0.350% | 101.549 | 38,802.45 |
| | 05/01/2015 | 978335EW3 | 2,525,000 | 2.000% | 0.490% | 102.914 | 73,578.50 |
| | 05/01/2016 | 978335EX1 | 2,600,000 | 4.000% | 0.680% | 109.652 | 250,952.00 |
| | 05/01/2017 | 978335EY9 | 2,725,000 | 4.000% | 0.870% | 112.101 | 329,752.25 |
| | 05/01/2018 | 978335FC6 | 850,000 | 1.500% | 1.100% | 101.918 | 16,303.00 |
| | 05/01/2018 | 978335EZ6 | 2,000,000 | 5.000% | 1.100% | 118.707 | 374,140.00 |
| | 05/01/2019 | 978335FA0 | 2,980,000 | 4.000% | 1.370% | 114.957 | 445,718.60 |
| | 05/01/2020 | 978335FB8 | 3,115,000 | 4.000% | 1.640% | 115.423 | 480,426.45 |
| | | | 19,300,000 | | | | 2,009,673.25 |

| | | |
|------------------------|---------------|-------------|
| Dated Date | 05/22/2013 | |
| Delivery Date | 05/22/2013 | |
| First Coupon | 11/01/2013 | |
| Par Amount | 19,300,000.00 | |
| Premium | 2,009,673.25 | |
| Production | 21,309,673.25 | 110.412815% |
| Underwriter's Discount | (131,500.00) | (0.681347%) |
| Purchase Price | 21,178,173.25 | 109.731468% |
| Accrued Interest | | |
| Net Proceeds | 21,178,173.25 | |

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

SAVINGS

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| Date | Prior Debt Service | Refunding Debt Service | Savings @ | Present Value to 05/22/2013 @ 1.4575882% |
|------------|-----------------------|---------------------------|------------|--|
| 05/01/2014 | 3,218,050.00 | 3,136,057.92 | 81,992.08 | 81,637.14 |
| 05/01/2015 | 3,231,450.00 | 3,145,050.00 | 86,400.00 | 84,303.73 |
| 05/01/2016 | 3,255,450.00 | 3,169,550.00 | 85,900.00 | 82,432.82 |
| 05/01/2017 | 3,274,450.00 | 3,190,550.00 | 83,900.00 | 79,348.69 |
| 05/01/2018 | 3,293,450.00 | 3,206,550.00 | 86,900.00 | 80,990.09 |
| 05/01/2019 | 3,309,987.50 | 3,223,800.00 | 86,187.50 | 79,132.97 |
| 05/01/2020 | 3,325,575.00 | 3,239,600.00 | 85,975.00 | 77,766.26 |
| | 22,908,412.50 | 22,311,157.92 | 597,254.58 | 565,611.70 |

Savings Summary

| | |
|------------------------------|------------|
| Dated Date | 05/22/2013 |
| Delivery Date | 05/22/2013 |
| PV of savings from cash flow | 565,611.70 |
| Net PV Savings | 565,611.70 |

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

SUMMARY OF REFUNDING RESULTS

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| | |
|--|---------------|
| Dated Date | 05/22/2013 |
| Delivery Date | 05/22/2013 |
| Arbitrage yield | 1.178909% |
| Escrow yield | 0.208605% |
| | |
| Bond Par Amount | 19,300,000.00 |
| True Interest Cost | 1.339453% |
| Net Interest Cost | 1.432994% |
| All-In TIC | 1.457588% |
| Average Coupon | 3.808499% |
| Average Life | 4.097 |
| | |
| Par amount of refunded bonds | 19,505,000.00 |
| Average coupon of refunded bonds | 4.169535% |
| Average life of refunded bonds | 4.127 |
| | |
| PV of prior debt to 05/22/2013 @ 1.457588% | 21,647,746.29 |
| Net PV Savings | 565,611.70 |
| Percentage savings of refunded bonds | 2.899829% |
| Percentage savings of refunding bonds | 2.930631% |

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

SOURCES AND USES OF FUNDS

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

Dated Date 05/22/2013
Delivery Date 05/22/2013

Sources:

| | |
|-----------------------|---------------|
| Bond Proceeds: | |
| Par Amount | 19,300,000.00 |
| Premium | 2,009,673.25 |
| | <hr/> |
| | 21,309,673.25 |

Uses:

| | |
|-----------------------------------|---------------|
| Refunding Escrow Deposits: | |
| Cash Deposit | 0.59 |
| SLGS Purchases | 21,082,134.00 |
| | <hr/> |
| | 21,082,134.59 |

| | |
|-----------------------------|-----------|
| Cost of Issuance: | |
| Bond Counsel | 38,500.00 |
| Underwriter's Counsel | 15,000.00 |
| Disclosure Counsel | 15,000.00 |
| Official Statement Printing | 1,700.00 |
| Registrar / CDA | 1,500.00 |
| Paying Agent / Trustee | 2,000.00 |
| Rating Agency (S&P) | 15,000.00 |
| CUSIP Assignment | 298.00 |
| Verification Agent | 2,490.00 |
| Miscellaneous | 4,550.66 |
| | <hr/> |
| | 96,038.66 |

| | |
|--------------------------------|---------------|
| Delivery Date Expenses: | |
| Underwriter's Discount | 131,500.00 |
| | <hr/> |
| | 21,309,673.25 |

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

BOND DEBT SERVICE

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|------------------|------------|--------|--------------|---------------|------------------------|
| 11/01/2013 | | | 295,982.92 | 295,982.92 | |
| 05/01/2014 | 2,505,000 | 2.000% | 335,075.00 | 2,840,075.00 | 3,136,057.92 |
| 11/01/2014 | | | 310,025.00 | 310,025.00 | |
| 05/01/2015 | 2,525,000 | 2.000% | 310,025.00 | 2,835,025.00 | 3,145,050.00 |
| 11/01/2015 | | | 284,775.00 | 284,775.00 | |
| 05/01/2016 | 2,600,000 | 4.000% | 284,775.00 | 2,884,775.00 | 3,169,550.00 |
| 11/01/2016 | | | 232,775.00 | 232,775.00 | |
| 05/01/2017 | 2,725,000 | 4.000% | 232,775.00 | 2,957,775.00 | 3,190,550.00 |
| 11/01/2017 | | | 178,275.00 | 178,275.00 | |
| 05/01/2018 | 2,850,000 | ** % | 178,275.00 | 3,028,275.00 | 3,206,550.00 |
| 11/01/2018 | | | 121,900.00 | 121,900.00 | |
| 05/01/2019 | 2,980,000 | 4.000% | 121,900.00 | 3,101,900.00 | 3,223,800.00 |
| 11/01/2019 | | | 62,300.00 | 62,300.00 | |
| 05/01/2020 | 3,115,000 | 4.000% | 62,300.00 | 3,177,300.00 | 3,239,600.00 |
| | 19,300,000 | | 3,011,157.92 | 22,311,157.92 | 22,311,157.92 |

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

ESCROW REQUIREMENTS

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| Period Ending | Principal | Interest | Principal Redeemed | Redemption Premium | Total |
|------------------|--------------|--------------|-----------------------|-----------------------|---------------|
| 11/01/2013 | | 401,525.00 | | | 401,525.00 |
| 05/01/2014 | 2,415,000.00 | 401,525.00 | | | 2,816,525.00 |
| 11/01/2014 | | 353,225.00 | | | 353,225.00 |
| 05/01/2015 | 2,525,000.00 | 353,225.00 | 14,565,000.00 | 145,650.00 | 17,588,875.00 |
| | 4,940,000.00 | 1,509,500.00 | 14,565,000.00 | 145,650.00 | 21,160,150.00 |

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

ESCROW STATISTICS

The Board of Education of the
 County of Wood (West Virginia)
 Public School Refunding Bonds, Series 2013

| Total Escrow Cost | Modified Duration (years) | Yield to Receipt Date | Yield to Disbursement Date | Perfect Escrow Cost | Value of Negative Arbitrage | Cost of Dead Time |
|--|---------------------------------|-----------------------------|----------------------------------|---------------------------|-----------------------------------|----------------------|
| Global Proceeds Escrow: 21,082,134.59 | 1.770 | 0.208605% | 0.208605% | 20,724,242.33 | 357,892.25 | 0.01 |
| 21,082,134.59 | | | | 20,724,242.33 | 357,892.25 | 0.01 |

Delivery date 05/22/2013
 Arbitrage yield 1.178909%

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

SUMMARY OF BONDS REFUNDED

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| Bond | Maturity Date | Interest Rate | Par Amount | Call Date | Call Price |
|--|---------------|---------------|---------------|------------|------------|
| \$35,000,000 Public School Bonds, Series 2005: | | | | | |
| SERIAL | 05/01/2014 | 4.000% | 2,415,000.00 | | |
| | 05/01/2015 | 4.000% | 2,525,000.00 | | |
| | 05/01/2016 | 4.000% | 2,650,000.00 | 05/01/2015 | 101.000 |
| | 05/01/2017 | 4.000% | 2,775,000.00 | 05/01/2015 | 101.000 |
| | 05/01/2018 | 4.250% | 2,905,000.00 | 05/01/2015 | 101.000 |
| | 05/01/2019 | 4.250% | 3,045,000.00 | 05/01/2015 | 101.000 |
| | 05/01/2020 | 4.250% | 3,190,000.00 | 05/01/2015 | 101.000 |
| | | | 19,505,000.00 | | |

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

BOND SUMMARY STATISTICS

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| | |
|---------------------------------|---------------|
| Dated Date | 05/22/2013 |
| Delivery Date | 05/22/2013 |
| Last Maturity | 05/01/2020 |
| Arbitrage Yield | 1.178909% |
| True Interest Cost (TIC) | 1.339453% |
| Net Interest Cost (NIC) | 1.432994% |
| All-In TIC | 1.457588% |
| Average Coupon | 3.808499% |
| Average Life (years) | 4.097 |
| Duration of Issue (years) | 3.877 |
| Par Amount | 19,300,000.00 |
| Bond Proceeds | 21,309,673.25 |
| Total Interest | 3,011,157.92 |
| Net Interest | 1,132,984.67 |
| Total Debt Service | 22,311,157.92 |
| Maximum Annual Debt Service | 3,239,600.00 |
| Average Annual Debt Service | 3,214,092.38 |
| Underwriter's Fees (per \$1000) | |
| Average Takedown | 5.000000 |
| Management Fee | 1.554404 |
| Other Fee | 0.259067 |
| Total Underwriter's Discount | 6.813472 |
| Bid Price | 109.731468 |

| Bond Component | Par Value | Price | Average Coupon | Average Life |
|----------------|---------------|---------|----------------|--------------|
| Serial Bond | 19,300,000.00 | 110.413 | 3.808% | 4.097 |
| | 19,300,000.00 | | | 4.097 |

| | TIC | All-In TIC | Arbitrage Yield |
|----------------------------|---------------|---------------|-----------------|
| Par Value | 19,300,000.00 | 19,300,000.00 | 19,300,000.00 |
| + Accrued Interest | | | |
| + Premium (Discount) | 2,009,673.25 | 2,009,673.25 | 2,009,673.25 |
| - Underwriter's Discount | (131,500.00) | (131,500.00) | |
| - Cost of Issuance Expense | | (96,038.66) | |
| - Other Amounts | | | |
| Target Value | 21,178,173.25 | 21,082,134.59 | 21,309,673.25 |
| Target Date | 05/22/2013 | 05/22/2013 | 05/22/2013 |
| Yield | 1.339453% | 1.457588% | 1.178909% |

Notes:
FINAL
Based on market conditions as of May 8, 2013.
'AA' rated by Standard & Poor's.

ESCROW DESCRIPTIONS

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| Type of Security | Type of SLGS | Maturity Date | First Int Pmt Date | Par Amount | Rate | Max Rate |
|------------------|--------------|---------------|--------------------|------------|--------|----------|
| May 22, 2013: | | | | | | |
| SLGS | Certificate | 11/01/2013 | 11/01/2013 | 384,097 | 0.050% | 0.050% |
| SLGS | Certificate | 05/01/2014 | 05/01/2014 | 2,794,841 | 0.080% | 0.080% |
| SLGS | Note | 11/01/2014 | 11/01/2013 | 333,648 | 0.150% | 0.150% |
| SLGS | Note | 05/01/2015 | 11/01/2013 | 17,569,548 | 0.220% | 0.220% |
| | | | | 21,082,134 | | |

SLGS Summary

| | |
|------------------------------------|---------------|
| SLGS Rates File | 08MAY13 |
| Total Certificates of Indebtedness | 3,178,938.00 |
| Total Notes | 17,903,196.00 |
| Total original SLGS | 21,082,134.00 |

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

ESCROW COST

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| Type of Security | Maturity Date | Par Amount | Rate | Total Cost |
|------------------|---------------|------------|------------|---------------|
| SLGS | 11/01/2013 | 384,097 | 0.050% | 384,097.00 |
| SLGS | 05/01/2014 | 2,794,841 | 0.080% | 2,794,841.00 |
| SLGS | 11/01/2014 | 333,648 | 0.150% | 333,648.00 |
| SLGS | 05/01/2015 | 17,569,548 | 0.220% | 17,569,548.00 |
| | | | 21,082,134 | 21,082,134.00 |

| Purchase Date | Cost of Securities | Cash Deposit | Total Escrow Cost | Yield |
|---------------|--------------------|--------------|-------------------|---------------|
| 05/22/2013 | 21,082,134 | 0.59 | 21,082,134.59 | 0.208605% |
| | | 21,082,134 | 0.59 | 21,082,134.59 |

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

FORM 8038 STATISTICS

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

Dated Date 05/22/2013
Delivery Date 05/22/2013

| Bond Component | Date | Principal | Coupon | Price | Issue Price | Redemption at Maturity |
|----------------|------------|---------------|--------|---------|---------------|------------------------|
| Serial Bond: | | | | | | |
| | 05/01/2014 | 2,505,000.00 | 2.000% | 101.549 | 2,543,802.45 | 2,505,000.00 |
| | 05/01/2015 | 2,525,000.00 | 2.000% | 102.914 | 2,598,578.50 | 2,525,000.00 |
| | 05/01/2016 | 2,600,000.00 | 4.000% | 109.652 | 2,850,952.00 | 2,600,000.00 |
| | 05/01/2017 | 2,725,000.00 | 4.000% | 112.101 | 3,054,752.25 | 2,725,000.00 |
| | 05/01/2018 | 850,000.00 | 1.500% | 101.918 | 866,303.00 | 850,000.00 |
| | 05/01/2018 | 2,000,000.00 | 5.000% | 118.707 | 2,374,140.00 | 2,000,000.00 |
| | 05/01/2019 | 2,980,000.00 | 4.000% | 114.957 | 3,425,718.60 | 2,980,000.00 |
| | 05/01/2020 | 3,115,000.00 | 4.000% | 115.423 | 3,595,426.45 | 3,115,000.00 |
| | | 19,300,000.00 | | | 21,309,673.25 | 19,300,000.00 |

| | Maturity Date | Interest Rate | Issue Price | Stated Redemption at Maturity | Weighted Average Maturity | Yield |
|----------------|---------------|---------------|---------------|-------------------------------|---------------------------|---------|
| Final Maturity | 05/01/2020 | 4.000% | 3,595,426.45 | 3,115,000.00 | | |
| Entire Issue | | | 21,309,673.25 | 19,300,000.00 | 4.1856 | 1.1789% |

| | |
|---|---------------|
| Proceeds used for accrued interest | 0.00 |
| Proceeds used for bond issuance costs (including underwriters' discount) | 227,538.66 |
| Proceeds used for credit enhancement | 0.00 |
| Proceeds allocated to reasonably required reserve or replacement fund | 0.00 |
| Proceeds used to currently refund prior issues | 0.00 |
| Proceeds used to advance refund prior issues | 21,082,134.59 |
| Remaining weighted average maturity of the bonds to be currently refunded | 0.0000 |
| Remaining weighted average maturity of the bonds to be advance refunded | 4.1273 |

Notes:

FINAL

Based on market conditions as of May 8, 2013.

'AA' rated by Standard & Poor's.

FINAL

*** CLOSING MEMORANDUM***

To: Distribution List

From: Marie Prezioso
Joe Nassif

Office: Charleston

Re: \$19,300,000

Date: May 16, 2013

The Board of Education of the
County of Wood(West Virginia)
Public School Refunding Bonds,
Series 2013**CLOSING DATE, TIME & LOCATION:**Wednesday, May 22, 2013
10:00 a.m. Eastern Time
By Telephone**CLOSING DTC FAST****SOURCES AND USES OF SERIES 2013 BONDS****SOURCES OF FUNDS:**

| | |
|--------------------------------|-------------------------------|
| Principal Amount | \$19,300,000.00 |
| Plus: Original Issue Premium | 2,009,673.25 |
| Total Sources of Funds: | <u>\$21,309,673.25</u> |

USES OF FUNDS:

| | |
|-------------------------------|-----------------------------|
| Deposit to Escrow Account | |
| Cash Deposit | 0.59 |
| SLGS Purchases | 21,082,134.00 |
| Underwriter's Discount | 131,500.00 |
| Costs of Issuance (Estimated) | 96,038.66 |
| Total Uses of Funds: | <u>21,309,673.25</u> |

Closing Memorandum

\$19,300,000, The Board of Education of the County of Wood (West Virginia), Public School Refunding Bonds, Series 2013

Page 2

TRANSFER OF FUNDS

1. On the morning of closing, May 22, 2013, Piper Jaffray shall initiate two electronic transfers as follows:

a. **Wire Amount:** \$21,082,134.59
Bank: BB&T WV
 250 East Second Avenue
 Williamson, WV 25661
ABA #: 051503394
Account #: 5270517317
Account Name: State of West Virginia
Ref: Municipal Bond Commission (Sara Rogers 304.558.3971)
Bank Contact: Michael Holtsclow (304.348.7078)

b. **Wire Amount:** \$96,038.66
Bank: WesBanco Trust & Investment Services
ABA #: 043400036
Attn: J. Shelburne
GL A/C #: 20520700 for further
Account #: 1085006406
i/n/o: Wood County BOE 2013
Bank Contact: Jan Shelburne (304.234.9436)
 ShelburneJ@wesbanco.com

Total of Two Wires = \$21,178,173.25

2. SLGS will be purchased for the escrow by the MBC through the WVBTI in the amount of \$21,082,134.00; \$0.59 will be a cash deposit in the escrow.

| Purchase Date | Type of Security | Type of SLGS | Maturity Date | First Int Pmt Date | Par Amount | Rate | Max Rate |
|---------------|------------------|--------------|---------------|--------------------|--------------|--------|----------|
| May 22, 2013: | | | | | | | |
| | SLGS | Certificate | 11/1/2013 | 11/1/2013 | 384,097 | 0.050% | 0.050% |
| | SLGS | Certificate | 5/1/2014 | 5/1/2014 | 2,794,841 | 0.080% | 0.080% |
| | SLGS | Note | 11/1/2014 | 11/1/2013 | 333,648 | 0.150% | 0.150% |
| | SLGS | Note | 5/1/2015 | 11/1/2013 | 17,569,548 | 0.220% | 0.220% |
| | | | | | \$21,082,134 | | |

Closing Memorandum

\$19,300,000, The Board of Education of the County of Wood (West Virginia), Public School Refunding Bonds, Series 2013

Page 3

3. The Board shall use the wired funds to pay issuance costs upon proper invoice. Said costs are estimated as follows:

| | |
|-----------------------------|------------------|
| Bond Counsel | 38,500.00 |
| Underwriter's Counsel | 15,000.00 |
| Disclosure Counsel | 15,000.00 |
| Official Statement Printing | 1,700.00 |
| Registrar / CDA | 1,500.00 |
| Paying Agent / Trustee | 2,000.00 |
| Rating Agency (S&P) | 15,000.00 |
| CUSIP Assignment | 298.00 |
| Verification Agent | 2,490.00 |
| Miscellaneous | <u>4,550.66</u> |
| TOTAL | 96,038.66 |

MISCELLANEOUS

Upon confirmation that the electronic transfer has been received and that other required activities have been completed, Spilman Thomas & Battle, WesBanco and Piper Jaffray will authorize the release and distribution of the Bonds.

Because of the redelivery requirements of the Depository Trust Company, it is imperative that the above activities be completed no later than 12:30 p.m. Eastern Time on May 22, 2013.

BOND PRICING

\$19,300,000

The Board of Education of the
County of Wood (West Virginia)
Public School Refunding Bonds, Series 2013

| Maturity | CUSIP ID | Amount | Rate | Yield | Price |
|----------|-----------|---------------------|-------|-------|---------|
| 5/1/2014 | 978335EV5 | 2,505,000 | 2.00% | 0.35% | 101.549 |
| 5/1/2015 | 978335EW3 | 2,525,000 | 2.00% | 0.49% | 102.914 |
| 5/1/2016 | 978335EX1 | 2,600,000 | 4.00% | 0.68% | 109.652 |
| 5/1/2017 | 978335EY9 | 2,725,000 | 4.00% | 0.87% | 112.101 |
| 5/1/2018 | 978335FC6 | 850,000 | 1.50% | 1.10% | 101.918 |
| 5/1/2018 | 978335EZ6 | 2,000,000 | 5.00% | 1.10% | 118.707 |
| 5/1/2019 | 978335FA0 | 2,980,000 | 4.00% | 1.37% | 114.957 |
| 5/1/2020 | 978335FB8 | 3,115,000 | 4.00% | 1.64% | 115.423 |
| | | \$19,300,000 | | | |