THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)

$22,115,000
Public School Refunding Bonds, Series 2020

Date of Closing: February 5, 2020

BOND TRANSCRIPT

Table of Contents

BASIC DOCUMENTS

1. Inducement Resolution
2. Bond Authorizing Resolution and Order
3. Cross-Receipt for Bonds and Bond Proceeds
4. Direction to Authenticate and Deliver Bonds
5. Specimen Bonds

CERTIFICATES

6. Certificate of Determinations
7. General Certificate of Issuer
8. Tax and Non-Arbitrage Certificate of Issuer
9. Certificate of Chairman of Bond Commission and Letter Requesting Certification
10. Certificate of Registrar
11. Certificate of Paying Agent and Escrow Agent
12. Certificate of Underwriter
13. Issue Price Certificate
14. Rule 15c2-12 Certificate

DOCUMENTS RELATING TO REFUNDING OF PRIOR BONDS

15. Letter of Instructions to West Virginia Municipal Bond Commission

16. Notice of Defeasance and Redemption of Prior Bonds

17. Verification Report

18. Escrow Agreement

19. State and Local Government Securities Subscriptions

20. Letter of Instruction to Registrar Regarding Defeasance and Redemption Notices

OFFERING DOCUMENTS

21. Bond Purchase Agreement

22. Continuing Disclosure Agreement

23. Preliminary Official Statement

24. Official Statement

25. S&P Rating Letter

26. DTC Blanket Letter of Representations

OPINIONS OF COUNSEL

27. Approving Opinion of Steptoe & Johnson PLLC, Bond Counsel

28. Supplemental Opinion of Steptoe & Johnson PLLC, Bond Counsel

29. Opinion of Steptoe & Johnson PLLC, Counsel to Issuer

30. Opinion of Bowles Rice LLP, Counsel to Underwriter

MISCELLANEOUS DOCUMENTS

31. Minutes on Adoption of (i) Inducement Resolution, and (ii) Bond Authorizing Resolution and Order (Meetings of November 4, 2019, and January 6, 2020)

32. Registrar's Agreement

33. Form of Board Resolutions Requesting Disbursement

a) Surplus Funds Disbursement Following May 15, 2021

b) Surplus Funds Disbursement Following May 15, 2022

34. Copy of Enabling Act, West Virginia Code, Chapter 13, Article 2

35. IRS Information Return (Form 8038-G) and Letter of Transmittal

36. Series 2010 Bonds Election Order

37. Order Directing Issuance of Series 2010 Bonds

38. Municipal Bond Commission New Issue Report

39. Closing Memorandum

40. Bond Metrics and Pricing

41. Continuing Disclosure Compliance Procedures

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY

INDUCEMENT RESOLUTION OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (THE "BOARD") AUTHORIZING AND APPROVING THE ISSUANCE OF ITS PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020 (THE "REFUNDING BONDS"), IN AN AMOUNT SUFFICIENT TO REFUND THE BOARD'S OUTSTANDING PUBLIC SCHOOL BONDS, SERIES 2010, TO ACHIEVE DEBT SERVICE SAVINGS FOR THE BOARD AND TAXPAYERS AND OTHER BENEFITS TO THE SCHOOL DISTRICT; APPROVING AND CONFIRMING THE ENGAGEMENT OF BOND COUNSEL AND UNDERWRITER IN CONNECTION WITH THE ISSUANCE AND SALE OF THE REFUNDING BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS TO COMPLETE THE ENGAGEMENT THEREOF; AUTHORIZING AND DIRECTING THE BOARD AND ITS STAFF (INCLUDING THE SUPERINTENDENT AND THE TREASURER/CHIEF SCHOOL BUSINESS OFFICER) TO WORK WITH BOND COUNSEL AND THE UNDERWRITER TO STRUCTURE THE REFUNDING BONDS AND TO PREPARE A PRELIMINARY OFFICIAL STATEMENT AND ALL OTHER BOND DOCUMENTS AS MAY BE NECESSARY UPON THE ADVICE OF BOND COUNSEL; AND REQUIRING A FINAL BOND AUTHORIZING RESOLUTION BE PREPARED AND ACTED UPON BY THE BOARD PRIOR TO THE ISSUANCE AND SALE OF THE REFUNDING BONDS AND THE CLOSING OF THE TRANSACTION CONTEMPLATED HEREIN.

WHEREAS, at a special election held on September 26, 2009, the voters of Berkeley County, West Virginia approved the issuance of the Board's public school general obligation bonds;

WHEREAS, on February 17, 2010, the Board issued its $51,500,000 in aggregate principal amount of The Board of Education of the County of Berkeley (West Virginia) Public School Bonds, Series 2010 (the "Prior Bonds"), in accordance with Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended, and the duly adopted and entered resolutions and orders of the Board;

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 prior to 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;

WHEREAS, current low interest rates, and other aspects of the current market for municipal bonds, provide an opportunity for the Board to achieve significant savings in its annual bond debt service and achieve other related benefits for the Berkeley County School District (the "School District"), by a refunding of the Prior Bonds (the "Refunding") pursuant to the Refunding Act through the issuance of refunding bonds designated as "The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020", in an aggregate principal amount not to exceed $26,000,000 (the "Refunding Bonds"), as further provided in this Inducement Resolution (this "Resolution"); and

WHEREAS, to achieve such debt service savings and other benefits, the Board desires to adopt this Resolution in order to, among other things, approve in concept the issuance and sale of the Refunding Bonds, approve and confirm Bond Counsel (Steptoe & Johnson PLLC) and Underwriter (Crews & Associates, Inc.) in connection therewith, and to approve in concept the refunding of the Prior Bonds, by using proceeds of such Refunding Bonds plus certain other available reserve funds now held at the Commission in connection with the Prior Bonds, to provide for the payment and discharge of the Prior Bonds, and to authorize and direct Board staff including the Superintendent and the Treasurer/Chief School Business Officer to work with Bond Counsel and the Underwriter to structure the Refunding Bonds and related transactions and to prepare a preliminary official statement, a final bond approving resolution, and other bond documents as they determine to be necessary or advisable, upon the advice of Bond Counsel, to issue and sell the Refunding Bonds and accomplish the refunding/refinancing and the debt service savings and other benefits contemplated by the Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board that:

Section 1. The Board finds and determines that issuance and sale of the Refunding Bonds and the refunding of the Prior Bonds will benefit the School District and the students thereof, as well as the taxpayers of the County, through lower bond debt service savings and other benefits.

Section 2. The Board hereby approves, in concept, the proposed issuance and sale of the Refunding Bonds; provided, that (a) the aggregate principal amount of the Refunding Bonds shall not exceed $26,000,000, (b) the maximum interest rate shall not exceed six percent (6.0%) *per annum* and (c) the final maturity date of the Refunding Bonds shall not be later than May 1, 2025.

Section 3. The Board hereby approves and confirms the engagement of Steptoe & Johnson PLLC as Bond Counsel, and Crews & Associates, Inc. as Underwriter, for and in connection with the Refunding Bonds; provided, that transaction fees shall be contingent upon successful closing of the issuance and sale of the Refunding Bonds and shall be payable from the proceeds of the sale of the Refunding Bonds. The President and the Superintendent of the Board shall be, and are each hereby, authorized to execute and deliver agreements and/or engagement letters evidencing and confirming the engagement of Bond Counsel and of Underwriter.

Section 4. The Board hereby authorizes and directs the staff of the Board, including, without limitation, the Superintendent and the Treasurer/Chief School Business Officer to work

with Bond Counsel and the Underwriter to structure the Refunding Bonds and related transactions and to prepare a preliminary official statement, a final bond authorizing resolution (an "Authorizing Resolution"), and other agreements, certificates and bond documents as they determine to be necessary or advisable, upon the advice of Bond Counsel, to issue and sell the Refunding Bonds and accomplish the Refunding and the debt service savings and other benefits contemplated by this Resolution; provided, however, that the distribution of such preliminary official statement, the issuance and sale of the Refunding Bonds, and the distribution of a final official statement, respectively, shall be subject to, and shall require, the adoption by the Board of the Authorizing Resolution.

Section 5. The President, Vice President, Secretary, Superintendent, and Treasurer/Chief School Business Officer of the Board are each hereby authorized and directed to execute any agreements, resolutions, certificates, instruments, filings and/or other bond documents and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 6. This Resolution shall take effect immediately upon its adoption.

[*Signature page follows this page.*]

Adopted and entered on this 4th day of November, 2019.

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY

By: _____
Its: President

Attest:

By: _____
Its: Superintendent and Secretary

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

RESOLUTION AND ORDER

RESOLUTION AND ORDER OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (WEST VIRGINIA), AUTHORIZING THE REFUNDING OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY PUBLIC SCHOOL BONDS, SERIES 2010, OUTSTANDING IN THE AGGREGATE PRINCIPAL AMOUNT OF $24,755,000, AND THE ISSUANCE FOR SUCH PURPOSE OF NOT TO EXCEED $26,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY, PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, AN ESCROW AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT 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; APPOINTING 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, at a special election held on September 26, 2009 (the "2009 Referendum"), the voters of Berkeley County, West Virginia approved the issuance of the Board's public school general obligation bonds;

WHEREAS, on February 17, 2010, the Board issued its $51,500,000 in aggregate principal amount of The Board of Education of the County of Berkeley (West Virginia) Public School Bonds, Series 2010 (the "Prior Bonds"), in accordance with Chapter 13, Article 1 of the

Code of West Virginia, 1931, as amended, and the duly adopted and entered resolutions and orders of the Board;

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 Berkeley County School District (the "School District" or the "District") currently refund the Prior Bonds (the "Refunding") pursuant to the Refunding Act, through the issuance of its not to exceed $26,000,000 in aggregate principal amount of The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020 (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 a portion of which have been deposited by the Commission in a fund established for the payment of debt service on the Prior Bonds (the "Prior Bonds Sinking Fund") and a portion of which that is in excess of amounts needed in prior periods to pay debt service on the Prior Bonds has been deposited in a Surplus Collections Account (the "Surplus Collections Account");

WHEREAS, the monies remaining on deposit with the Commission in the Surplus Collections Account (the "Surplus Funds") and in the Prior Bonds Sinking Fund at the time of the Refunding, less an amount, if any, to be retained in the surplus collections account and in the debt service account for the Refunding Bonds, will be utilized by the District as determined pursuant to the Certificate of Determinations (hereinafter defined) or alternatively by future action of this Board;

WHEREAS, the Board has authorized and engaged Crews & Associates, Inc. as Underwriter ("Underwriter") and Steptoe & Johnson PLLC as Bond Counsel ("Bond Counsel") in connection with the Refunding Bonds and the transactions contemplated herein;

WHEREAS, 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, the Board adopted a Resolution on November 4, 2019 (the "Initial Resolution"), wherein the Board gave its initial and preliminary approval, in concept, for the issuance and sale of the Refunding Bonds provided certain parameters were met;

WHEREAS, the Initial Resolution contemplated that the Refunding Bonds could not and would not be issued and sold until a further and final authorizing resolution of the Board,

such as this Resolution and Order (which would satisfy this particular requirement of the Initial Resolution);

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 disposition of the Surplus Funds and the monies on deposit in the Prior Bonds Sinking Fund as provided for in this Resolution and in the Certificate of Determinations 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, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Escrow Agreement, to select a bond insurer, if any, and other participants, each as hereinafter defined;

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

1. There is hereby authorized and directed the redemption and refunding of the Prior Bonds, as hereinafter provided.

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 $26,000,000. The Refunding Bonds shall be designated "The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020." The Refunding Bonds shall be dated such date or dates, shall be issued in one series, not to exceed $26,000,000 in aggregate principal amount, shall mature in such principal amounts on such date or dates not later than May 1, 2025, shall bear interest at such rate or rates of interest not to exceed six percent (6.0%) 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 (i) shall not increase the total indebtedness authorized and approved by the voters of the School District (*i.e.*, the aggregate principal amount of $51,500,000) by the 2009 Referendum and (ii) shall result in debt service payments under the limitations set forth in Section 13-2-1 of

the Refunding Act. 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 referenced in Section 13-2-1 of the Refunding Act, 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 United Bank, Charleston, 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, substantially in the form attached hereto as **EXHIBIT C – FORM OF ESCROW AGREEMENT** and incorporated herein by reference, 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 Preliminary Official Statement and the Official Statement, to be substantially in the form approved by an Authorized Officer on behalf of the Board pursuant to the Certificate of Determinations, and the distribution of counterparts or copies thereof by the Underwriter in connection with the marketing and sale of the Refunding Bonds is hereby approved. An Authorized Officer shall execute and deliver the Official Statement. The execution of the Official Statement by an Authorized Officer shall be conclusive evidence of any approval required by this Section. The distribution by the Underwriter of the Preliminary Official Statement (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), in the form approved by an Authorized Officer on behalf of the Board is hereby ratified and approved. 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, the firm of The Arbitrage Group, Inc. or another firm approved by an Authorized Officer, may be engaged for the purpose of verifying yield and sufficiency of the Escrow Fund.

14. The firm of Crews & Associates, Inc., Morgantown, West Virginia, has previously been appointed by the Board as the Underwriter for the issuance of the Refunding Bonds. The firm of Steptoe & Johnson PLLC, Bridgeport, West Virginia, has previously been 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 Berkeley 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 Berkeley 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 or transfer of some or all of the monies on deposit in the Prior Bonds Sinking Fund and the Surplus Collections Account as shall be determined by the Authorized Officer executing the Certificate of Determination.

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. Surplus Funds shall be applied as determined by the Authorized Officer executing the Certificate of Determinations to either reduce the aggregate principal amount of the Refunding Bonds or to be used for capital projects within the parameters of the 2009 Referendum.

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" or alternatively any other lawful investment for the Commission as may be designed by the Authorized Offer in the Certificate of Determination.

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. An Authorized Officer 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 January 6, 2020.

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

By: _____
Title: President

Attest:

By: _____
Its: Secretary

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 Berkeley at a regular meeting of the Board held on January 6, 2020, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this February 5, 2020.

By: _____
Secretary

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

The undersigned, [President or Secretary of The Board of Education of the County of Berkeley, West Virginia (the "Board")][Superintendent of the Berkeley County School District], in accordance with a Resolution and Order adopted by the Board on January 6, 2020 (the "Order"), with respect to the $_____ The Board Of Education of the County of Berkeley, Public School Refunding Bonds, Series 2020 (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 _____, 2020.

3. The Bonds shall be issued in the aggregate principal amount of $_____ .

4. Such principal amount does not exceed $26,000,000, 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 six percent (6.0%) per annum, being the maximum interest rate authorized by the Order. Interest shall be payable on the Bonds semiannually on each May 1 and November 1, beginning on May 1, 2020 and in each year until maturity.

7. The Bonds shall not be subject to optional redemption.

8. The Bonds shall be sold to Crews & Associates, Inc. (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 $_____]).

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 2010, dated February 17, 2010, issued in the original aggregate principal amount of $51,500,000 (the "Series 2010 Bonds") shall be applied as set forth on Schedule 2 attached hereto and incorporated herein, including any additional determinations deemed necessary by the [Authorized Officer].

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 Preliminary Official Statement of the Board dated _____, 2020, 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.

[14. ("Bond Insurer") has offered Bond Insurance for the Bonds pursuant to the terms of a commitment letter dated _____, 2020 (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 _____, 2020.

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

By:_____
Its: _____

Schedule 1

Maturities

Mandatory Redemption.

Schedule 2

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

EXHIBIT 1

[Form of Bond Purchase Agreement]
(Attached Hereto)

EXHIBIT 2

[Form of Escrow Agreement]
(Attached Hereto)

EXHIBIT 3

[Form of Continuing Disclosure Agreement]
(Attached Hereto)

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 BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BOND,
SERIES 2020

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP
_____%	_____	_____	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (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 May 1, 2020 (each an "Interest Payment Date"), until maturity. United Bank, Charleston, 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, Series 2020" (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 January 6, 2020, for the purpose of refunding the Issuer's Public School Bonds, Series 2010, currently outstanding in the aggregate principal amount of $_____ (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 are not 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 BERKELEY 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 _____, 2020.

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY, 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: _____, 2020.

UNITED BANK,
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

FORM OF ESCROW AGREEMENT

ESCROW AGREEMENT

This ESCROW AGREEMENT, made and entered into as of _____, 2020, by and between THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (WEST VIRGINIA) (the "Issuer") and the WEST VIRGINIA MUNICIPAL BOND COMMISSION, as Escrow Agent (the "Commission" or the "Escrow Agent").

W I T N E S E T H T H A T:

WHEREAS, on February 17, 2010, the Issuer issued its Public School Bonds, Series 2010, in the original aggregate principal amount of **$51,500,000**, of which **$24,755,000** is presently outstanding (the "Prior Bonds");

WHEREAS, the Issuer has determined to issue its Public School Refunding Bonds, Series 2020 (the "Refunding Bonds"), pursuant to a Resolution and Order adopted and entered on January 6, 2020 (the "Order"), and contemporaneously therewith, legally defease the Prior Bonds by applying proceeds of the Refunding Bonds, together with certain moneys currently on deposit with the Escrow Agent in a Debt Service Account and in a Surplus Collections Account from tax levies imposed in connection with the Prior Bonds ("Issuer's Funds") to the purchase of obligations of the United States government to be deposited, together with certain cash amounts, in the Escrow Fund herein described;

WHEREAS, the Commission, as Escrow Agent, will cause to be purchased on behalf of the Issuer, with such Refunding Bonds proceeds and Issuer's Funds, certain United States Treasury Obligations, State and Local Government Series (the "Government Securities") described in **EXHIBIT A** attached hereto;

WHEREAS, the Government Securities, plus residual cash amounts in the Escrow Fund, shall be in such principal amount and mature and bear interest at such rates and shall be payable at such times and in such amounts as to insure the payment, when due, of the principal of and interest on the Prior Bonds to and including May 1, 2020, and on such date (the "Redemption Date") to pay the remaining principal amount thereof, being $24,755,000 (the "Redemption Price");

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 Securities, receiving payments of the principal thereof and interest thereon when due, disbursing to the Registered Owner of the Prior Bonds, on the appropriate dates, the amounts necessary to pay the principal of and interest on the Prior Bonds

as the same become due and on the Redemption Date, to pay the Redemption Price thereof, and holding and investing and reinvesting any cash balances which may at any time not be needed for immediate disbursement; and

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

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 securities or moneys in the Escrow Fund shall constitute an irrevocable deposit of said securities or moneys in trust for, and such moneys and securities, shall be applied, except as otherwise provided herein, solely to the payment of the principal of and interest on the Prior Bonds and on the Redemption Date, to pay the Redemption Price thereof, 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 Refunding Bonds proceeds in the amount of $_____, together with Issuer's Funds in the amount of $_____ (total of $_____) to be deposited in the Escrow Fund, and thereupon $_____ to be applied to the purchase of the Government Securities and to hold the remaining $____ as cash, uninvested, in the Escrow Fund. Maturing principal and interest of the Government Securities, together with the uninvested cash in the Escrow Fund, if any, shall be applied solely to the payment, when due, of the principal of and interest on the Prior Bonds and on the Redemption Date, to pay the Redemption Price thereof. The Government Securities and the uninvested cash in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Prior Bonds and to pay the Redemption Price on the Redemption Date. The Issuer hereby authorizes and directs the Escrow Agent to purchase the Government Securities.

4. Application of Escrow Fund. The Escrow Agent, without further authorization from the Issuer, shall transfer from the Escrow Fund and pay directly to the Registered Owner of the Prior Bonds, in immediately available funds on May 1, 2020, the principal of and interest on the Prior Bonds then becoming due, and on the Redemption Date, an amount sufficient to pay the Redemption Price. Any earnings on the investments in the Escrow Fund which are not needed to pay the principal of and interest on the Prior Bonds as the same becomes due and payable and to pay the Redemption Price of the Prior Bonds on the Redemption Date shall be transferred by the Paying Agent to the Debt Service Account for the

Refunding Bonds and thereupon applied to the payment of debt service on the Refunding Bonds until the termination of this Escrow Agreement pursuant to the terms hereof.

Moneys in the Escrow Fund shall, and the Escrow Agent agrees such moneys will, be used solely for the purpose as above described and the deposit of such moneys into the Escrow Fund shall be irrevocable (with the exception of the transfers to the Debt Service Account for the Refunding Bonds and the transfers upon the termination of this Agreement herein described), and the Escrow Agent agrees it will not surrender or otherwise attempt to redeem or otherwise negotiate the investments in the Escrow Fund, except as they shall come due, unless such redemption or negotiation shall be in connection with the purchase of other securities permitted by the laws of the State of West Virginia, and the Escrow Agent shall have received (a) the written request of the Issuer for such purchase and setting forth the procedures to be followed, (b) an opinion by an independent certified public accountant (the "Accountant") that after such reinvestment the principal amount of the substituted securities, together with any beginning cash balance that is being held uninvested, will be sufficient to make the payments described in the first paragraph of this Section 4, and (c) an unqualified opinion of nationally recognized bond counsel (acceptable to the Issuer) familiar with the transactions contemplated by this Escrow Agreement to the effect that (i) such reinvestment will not cause the Prior Bonds or the Refunding Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") or the regulations in effect thereunder and applicable to the Prior Bonds or the Refunding Bonds, and (ii) such reinvestment complies with the Constitution and laws of the State of West Virginia and the provisions of all relevant documents relating to the issuance of the Prior Bonds. 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 Fund and moneys and investments therein and that the Issuer shall not exercise any control or authority over and with respect to the Escrow Fund and the moneys and investments therein.

5. Deposit to Special Surplus Account. Concurrently with the delivery of the Refunding Bonds, funds on deposit with the Commission in the Surplus Collections Account for the Prior Bonds on the Closing Date in the amount of $_____ shall, on the Closing Date, or as soon thereafter as practical, be paid by check from the Escrow Agent to the Issuer and applied by the Issuer solely to payment of costs of capital improvements, repairs or replacements to school facilities in Berkeley County School District, which were specified in the bond referendum approved by the voters of Berkeley County, West Virginia, on September 26, 2009. Such funds to be released to the Issuer are not available for or pledged to the payment of debt service on the Refunding Bonds.

Funds on deposit in the Surplus Collections Account for the Prior Bonds on the Closing Date in the amount of $_____ shall be transferred on the Closing Date to the Special Surplus Account and shall be available, if needed, to pay the principal of and interest on the Refunding Bonds coming due on May 1, 2020, and thereafter, as set forth below, and shall not be used for any other purpose until May 15, 2021. On or after May 15, 2021, the Issuer shall review the balances in the Debt Service Account and Surplus Collection Account for the Refunding Bonds, and, upon a determination in writing by the Issuer that sufficient reserves are

on hand at the Bond Commission, the Issuer may withdraw a portion of the Special Surplus Account deposit so as to leave a balance therein of not less than $_____. On or after May 15, 2022, the Issuer shall again review the balances on deposit in the Debt Service Account and Surplus Collection Account for the Refunding Bonds, and, upon a determination in writing by the Issuer that sufficient funds are on hand at the Commission, the Issuer may withdraw all or any portion of the Special Surplus Account balance. All such funds withdrawn from the Special Surplus Account and not applied to the paying of debt service on the Refunding Bonds shall be applied solely by the Issuer to payment or repayment of costs of capital improvements, repairs or replacements for school facilities in Berkeley County, West Virginia, which were specified in the bond referendum approved by the voters of Berkeley County, West Virginia on September 26, 2009. Each withdrawal request of the Issuer shall be specifically authorized by resolution of the Issuer. The Special Surplus Account shall be closed by the Commission when all the funds therein have been withdrawn or used to pay debt service as provided in this section.

6. 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.

7. Timing Inefficiencies. If, at any time, the Government Securities then held as an investment in the Escrow Fund mature or payments are made thereon to the Escrow Agent or the Escrow Agent otherwise holds or receives cash in advance of the time such cash is needed to make payment on the Prior Bonds, such amounts shall be reinvested as provided in Section 4 hereof; provided that:

(a) such moneys shall be invested only in Obligations of the United States of America which mature not later than the date on which the funds invested therein will be needed to make payments on the Prior Bonds;

(b) such moneys shall be invested only in Obligations of the United States of America which mature in an amount, together with interest thereon, not less than the full amount paid by the Escrow Agent to acquire such investments; and

(c) the composite yield on such Obligations of the United States of America may not exceed the yield on the Refunding Bonds.

8. Termination of This Escrow Agreement. This Escrow Agreement shall terminate when the Prior Bonds have been discharged and cancelled in accordance with the provisions hereof and the Commission shall have disbursed all funds then on deposit with the Commission in accordance with the terms of this Agreement. If any Prior Bonds are not presented for payment when due and payable, funds for the payment of any nonpresented Prior Bonds shall be held by the Escrow Agent in accordance with the terms hereof for a period of one

(1) year following the Redemption Date of such Prior Bonds and such funds shall thereafter be released to the Issuer to be held by the Issuer in accordance with the unclaimed property laws of the State of West Virginia. Any money or Government Securities held in the Escrow Fund following the earlier of: (i) the payment in full of the Prior Bonds, or (ii) one (1) year following the Redemption Date of the Prior Bonds, and which is 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.

9. Earnings on Escrow Fund. Any earnings on the investments in the Escrow Fund which are not needed to pay the principal of and interest on the Prior Bonds as the same becomes due and payable and to pay the Redemption Price of the Prior Bonds on the Redemption Date shall be transferred by the Paying Agent to the Debt Service Account for the Refunding Bonds and thereupon applied to the payment of debt service on the Refunding Bonds until the termination of this Escrow Agreement pursuant to the terms hereof.

10. 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. Earnings from reinvestment proceeds described in Section 4 above may be used to pay Escrow Agent fees and fees for the paying agent for the Prior Bonds. To the extent such earnings are insufficient for such purposes, the Issuer will pay all Escrow Agent fees and fees of the paying agent for the Prior Bonds.

11. 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.

12. Insufficient Moneys or Investments in the Escrow Fund. The Escrow Agent shall immediately notify the Issuer by registered, first-class mail, postage prepaid, whenever, for any reason, the funds or accounts created pursuant to this Escrow Agreement plus the securities and investments therein and interest on said securities and investments, as the same accrues, 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.

13. 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 details of all income, investments, 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 years from such date the Prior Bonds have been paid in full.

(b) The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the Issuer of any obligation, or to protect any of the Issuer's rights under any bond resolution or any of said Issuer's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any corporation or individual; and the Escrow Agent shall not be liable for any act done or step taken or omitted by the Escrow Agent or any mistake of fact or law or for anything which the Escrow Agent may do or refrain from doing, except for its negligence or its willful default in the performance of any obligation imposed upon the Escrow Agent hereunder. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, or in the Prior Bonds or any proceedings taken in connection therewith, as they are made solely by the Issuer.

14. Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

15. Successors and Assigns. All of the covenants, promises and agreements in this Escrow Agreement contained by or on behalf of the Issuer or the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether or not so expressed.

16. Governing Law. This Escrow Agreement shall be governed by the applicable law of the State of West Virginia.

17. Headings. Any headings preceding the text of the several Sections hereof shall be solely for convenience of reference and shall not constitute a part of this Escrow Agreement, nor shall they affect its meaning, construction or effect.

18. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

19. Notices. Unless otherwise required herein, any notices, requests, complaints, demands, communications or other papers shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed to the parties as follows:

The Issuer:	The Board of Education of the County of Berkeley 401 South Queen Street Martinsburg, WV 25401
The Escrow Agent:	West Virginia Municipal Bond Commission 900 Pennsylvania Avenue, Suite 1117 Charleston, West Virginia 25302 ATTN: Executive Director

[Signature page follows this page.]

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 BERKELEY

By: _____
Its President

WEST VIRGINIA MUNICIPAL BOND
COMMISSION

By: _____
Its Executive Director

EXHIBIT A – DESCRIPTION OF GOVERNMENT SECURITIES

[Attach Subscription Confirmation]

Cross Receipt

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

CROSS-RECEIPT FOR BONDS AND BOND PROCEEDS

The undersigned Robert Steptoe, Director, Capital Markets Group of Crews & Associates, Inc. (the "Purchaser"), for and on behalf of the Purchaser, and Dr. William F. Queen, President of The Board of Education of the County of Berkeley (the "Issuer"), for and on behalf of the Issuer, hereby certify as follows:

1. On February 5, 2020, the Purchaser received the entire original issue of $22,115,000 in aggregate principal amount of The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020 (the "Bonds"). The Bonds, as so received on original issuance, are dated February 5, 2020, 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 Dr. William F. Queen as President of the Issuer, by his manual signature, and countersigned by Dr. Patrick K. Murphy, as 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 United Bank, as Registrar.

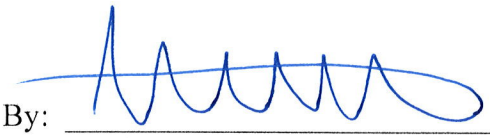
3. The Issuer has received and hereby acknowledges receipt from the Purchaser as the original purchaser of the Bonds, of the proceeds of the Bonds, as follows:

Par Amount of Bonds	$22,115,000.00
Plus: Reoffering Premium	1,302,491.60
Less: Underwriter's Discount	(77,402.50)
TOTAL	$23,340,089.10

Payment for the Bonds was made in Federal Funds in the amount of $23,340,089.10, on the date hereof.

WITNESS our respective signatures this February 5, 2020.

CREWS & ASSOCIATES, INC.



By: _____

Its: Director, Capital Markets Group

THE BOARD OF EDUCATION OF THE
COUNTY OF BERKELEY



By: _____

~~Its President~~

EXHIBIT A

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

Maturity (May 1)	Amount	Coupon	Price	Yield	CUSIP
2020	$3,430,000	3.000%	100.474%	1.000%	084239 FT4
2021	$3,455,000	3.000%	102.330%	1.100%	084239 FU1
2022	$3,595,000	4.000%	106.325%	1.130%	084239 FV9
2023	$3,780,000	2.000%	102.629%	1.170%	084239 FW7
2024	$3,885,000	2.000%	103.253%	1.210%	084239 FX5
2025	$3,970,000	5.000%	118.957%	1.250%	084239 FY3

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

DIRECTION TO AUTHENTICATE AND DELIVER BONDS

United Bank,
as Registrar
Charleston, 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-6, inclusive, constituting the entire original issue of The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020, dated February 5, 2020, in the aggregate principal amount of $22,115,000 (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 Berkeley (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 January 6, 2020 (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 Crews & Associates, Inc., as the Purchaser thereof.

Dated this February 5, 2020.

THE BOARD OF EDUCATION OF THE
COUNTY OF BERKELEY

By: _____
Its President

10854279

EXHIBIT A

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

Maturity (May 1)	Amount	Coupon	Price	Yield	CUSIP
2020	$3,430,000	3.000%	100.474%	1.000%	084239 FT4
2021	$3,455,000	3.000%	102.330%	1.100%	084239 FU1
2022	$3,595,000	4.000%	106.325%	1.130%	084239 FV9
2023	$3,780,000	2.000%	102.629%	1.170%	084239 FW7
2024	$3,885,000	2.000%	103.253%	1.210%	084239 FX5
2025	$3,970,000	5.000%	118.957%	1.250%	084239 FY3

SPECIMEN

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

$3,430,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BOND,
SERIES 2020

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP
3.000%	May 1, 2020	February 5, 2020	084239 FT4

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION FOUR HUNDRED THIRTY THOUSAND DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (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 May 1, 2020 (each an "Interest Payment Date"), until maturity. United

Bank, Charleston, 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, Series 2020" (the "Bonds"), issued by the Issuer in the aggregate principal amount of $22,115,000. 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 January 6, 2020, for the purpose of refunding the Issuer's Public School Bonds, Series 2010, currently outstanding in the aggregate principal amount of $24,755,000 (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 are not 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 BERKELEY 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 February 5, 2020.

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

(SEAL)

By: _____
President

SPECIMEN

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: February 5, 2020.

UNITED BANK,
as Registrar

By: Illegible
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.

SPECIMEN

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

$3,455,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BOND,
SERIES 2020

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP
3.000%	May 1, 2021	February 5, 2020	084239 FU1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION FOUR HUNDRED FIFTY-FIVE THOUSAND DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (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 May 1, 2020 (each an "Interest Payment Date"), until maturity. United

Bank, Charleston, 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, Series 2020" (the "Bonds"), issued by the Issuer in the aggregate principal amount of $22,115,000. 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 January 6, 2020, for the purpose of refunding the Issuer's Public School Bonds, Series 2010, currently outstanding in the aggregate principal amount of $24,755,000 (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 are not 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 BERKELEY 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 February 5, 2020.

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

(SEAL)

By: _____
President

SPECIMEN

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: February 5, 2020.

UNITED BANK,
as Registrar

By: Thomas Stevens

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.

SPECIMEN

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

$3,595,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BOND,
SERIES 2020

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP
4.000%	May 1, 2022	February 5, 2020	084239 FV9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION FIVE HUNDRED NINETY-FIVE THOUSAND DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (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 May 1, 2020 (each an "Interest Payment Date"), until maturity. United

Bank, Charleston, 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, Series 2020" (the "Bonds"), issued by the Issuer in the aggregate principal amount of $22,115,000. 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 January 6, 2020, for the purpose of refunding the Issuer's Public School Bonds, Series 2010, currently outstanding in the aggregate principal amount of $24,755,000 (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 are not 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 BERKELEY 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 February 5, 2020.

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

(SEAL)

By: _____
President

SPECIMEN

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: February 5, 2020.

UNITED BANK,
as Registrar

By: /s/ Thomas Pierenz

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.

SPECIMEN

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-4

$3,780,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BOND,
SERIES 2020

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP
2.000%	May 1, 2023	February 5, 2020	084239 FW7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION SEVEN HUNDRED EIGHTY THOUSAND DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (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 May 1, 2020 (each an "Interest Payment Date"), until maturity. United

Bank, Charleston, 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, Series 2020" (the "Bonds"), issued by the Issuer in the aggregate principal amount of $22,115,000. 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 January 6, 2020, for the purpose of refunding the Issuer's Public School Bonds, Series 2010, currently outstanding in the aggregate principal amount of $24,755,000 (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 are not 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 BERKELEY 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 February 5, 2020.

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

(SEAL)

By: _____
President

SPECIMEN

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: February 5, 2020.

UNITED BANK,
as Registrar

By: Laura S. Provence

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.

SPECIMEN

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

$3,885,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BOND,
SERIES 2020

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP
2.000%	May 1, 2024	February 5, 2020	084239 FX5

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION EIGHT HUNDRED EIGHTY-FIVE THOUSAND DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (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 May 1, 2020 (each an "Interest Payment Date"), until maturity. United

Bank, Charleston, 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, Series 2020" (the "Bonds"), issued by the Issuer in the aggregate principal amount of $22,115,000. 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 January 6, 2020, for the purpose of refunding the Issuer's Public School Bonds, Series 2010, currently outstanding in the aggregate principal amount of $24,755,000 (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 are not 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 BERKELEY 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 February 5, 2020.

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

(SEAL)

By: _____
President

SPECIMEN

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: February 5, 2020.

UNITED BANK,
as Registrar

By: Diane S. Stevens

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.

SPECIMEN

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

$3,970,000

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BOND,
SERIES 2020

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP
5.000%	May 1, 2025	February 5, 2020	084239 FY3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THREE MILLION NINE HUNDRED SEVENTY THOUSAND DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (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 May 1, 2020 (each an "Interest Payment Date"), until maturity. United

Bank, Charleston, 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, Series 2020" (the "Bonds"), issued by the Issuer in the aggregate principal amount of $22,115,000. 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 January 6, 2020, for the purpose of refunding the Issuer's Public School Bonds, Series 2010, currently outstanding in the aggregate principal amount of $24,755,000 (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 are not 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 BERKELEY 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 February 5, 2020.

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

(SEAL)

By: _____
President

SPECIMEN

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: February 5, 2020.

UNITED BANK,
as Registrar

By: Thomas Powers

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 Berkeley, West Virginia (the "Board"), in accordance with a Resolution and Order adopted by the Board on January 6, 2020 (the "Order"), with respect to the $22,115,000 The Board Of Education of the County of Berkeley, Public School Refunding Bonds, Series 2020 (the "Bonds"), hereby finds and determines as follows:

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

2. The Bonds shall be dated February 5, 2020.

3. The Bonds shall be issued in the aggregate principal amount of $22,115,000.

4. Such principal amount does not exceed $26,000,000, 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 six percent (6.0%) per annum, being the maximum interest rate authorized by the Order. Interest shall be payable on the Bonds semiannually on each May 1 and November 1, beginning on May 1, 2020 and in each year until maturity.

7. The Bonds shall not be subject to optional redemption.

8. The Bonds shall be sold to Crews & Associates, Inc. (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 $23,340,089.10 (representing par value, less an underwriting discount of $77,402.50 plus a net original issue premium of $1,302,491.60).

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 2010, dated February 17, 2010, issued in the original aggregate principal amount of $51,500,000 (the "Series 2010 Bonds") shall be applied as set forth on Schedule 2 attached hereto.

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 Preliminary Official Statement of the Board dated January 15, 2020, 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.

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.

[Remainder of Page Intentionally Blank]

WITNESS my signature this day of January 22, 2020.

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

By: _____
Its: President

Schedule 1

Maturities

Maturity Date	Principal Amount	Interest Rate	Yield	CUSIP Number
05/01/2020	$3,430,000	3.00%	1.000%	084239 FT4
05/01/2021	3,455,000	3.00	1.100	084239 FU1
05/01/2022	3,595,000	4.00	1.130	084239 FV9
05/01/2023	3,780,000	2.00	1.170	084239 FW7
05/01/2024	3,885,000	2.00	1.210	084239 FX5
05/01/2025	3,970,000	5.00	1.250	084239 FY3

Schedule 2

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

Sources of Funds:	
Par Amount of Bonds	$22,115,000.00
Reoffering Premium	$ 1,302,491.60
Transfers from Surplus Collections Account for Series 2010 Bonds	$ 1,914,305.06
Total Sources	$25,331,796.66
Total Uses of Funds:	
Deposit to Escrow Fund	$25,135,035.29
Underwriting Discount	$ 77,402.50
Costs of Issuance	$ 118,400.00
Rounding Amount	$ 958.87
Total Uses	$25,331,796.66

EXHIBIT 1

[Form of Bond Purchase Agreement]
(See Bond Transcript No. 21)

EXHIBIT 2

[Form of Escrow Agreement]
(See Bond Transcript No. 18)

EXHIBIT 3

[Form of Continuing Disclosure Agreement]
(See Bond Transcript No. 22)

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

GENERAL CERTIFICATE OF THE BOARD OF EDUCATION
OF THE COUNTY OF BERKELEY 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 6(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 Berkeley (the "Issuer"), a public corporation of the State of West Virginia (the "State"), HEREBY CERTIFY, for and on behalf of the Issuer, to Crews & Associates, Inc., as original purchaser (the "Purchaser") from the Issuer of the above-captioned bond issue, Steptoe & Johnson 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 January 6, 2020 (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 $22,115,000, plus a reoffering premium in the amount of $1,302,491.60, less an underwriting discount of $77,402.50 (total purchase price of $23,340,089.10). 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, the entire issue of the Bonds, in denominations equal to the principal amounts maturing May 1, in each of the years 2020 to 2025, and numbered R-1 to R-6, inclusive.

At the time of delivery of the Bonds, there was paid to the Issuer the agreed price therefor as follows:

Par Amount of Bonds	$22,115,000.00
Plus: Reoffering Premium	1,302,491.60
Less: Underwriter's Discount	(77,402.50)
TOTAL	$23,340,089.10

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:

Inducement Resolution

Bond Authorizing 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

Escrow Agreement

Bond Purchase Agreement

Continuing Disclosure Agreement

Preliminary Official Statement

Official Statement

S&P Rating Letter

DTC Blanket Letter of Representations

Minutes on Adoption of: (i) Inducement Resolution, and (ii) Bond Authorizing Resolution and Order (Meetings of November 4, 2019 and January 6, 2020)

IRS Information Return (Form 8038-G) and Letter of Transmittal

Accountants' Verification 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, 2019. On the date hereof, the Issuer has defeased the lien of The Board of Education of the County of Berkeley Public School Bonds, Series 2010 (the "Prior Bonds"), on the ad valorem property taxes of the Berkeley County School District. Accordingly, as of the date hereof, the Board 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 Berkeley" and it is a public corporation of the State of West Virginia, in Berkeley 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:

Name and Office			Date of Commencement of Office	Date of Termination of Office
Dr. William F. Queen	-	President and Member	July 1, 2016	June 30, 2020
Dr. Darin Gilpin	-	Vice President and Member	July 1, 2018	June 30, 2022
Michelle Barnes-Russell	-	Member	July 1, 2016	June 30, 2020
Todd Beckwith	-	Member	July 1, 2018	June 30, 2022
Patrick Murphy	-	Member	July 1, 2018	June 30, 2022

The duly appointed and acting Superintendent of Schools and Board Secretary is Dr. Patrick K. Murphy. The duly appointed and acting special project counsel to the Board is Steptoe & Johnson PLLC, Bridgeport, 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 February 5, 2020, 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 1, 2020, 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 United Bank, Charleston, West Virginia, as Registrar and The West Virginia Municipal Bond Commission as Paying Agent and Escrow Agent.

11. CERTIFICATIONS PURSUANT TO PARAGRAPH 6(c)(5) OF THE BOND PURCHASE AGREEMENT: In addition to the foregoing, the undersigned hereby certify, as follows:

(i) the Board has duly performed all of its obligations to be performed at or prior to the Closing and that each of the Board's representations and warranties contained in the Bond Purchase Agreement are true as of Closing;

(ii) the Board has authorized, by all necessary action the execution, delivery, receipt and due performance of the Bonds, the Undertaking, the Resolution, the Escrow Agreement and any and all such other agreements and documents as may be required to be executed, delivered and received by the Board in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement;

(iii) to the Board's knowledge no litigation is pending, or to the Board's knowledge 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; and

(iv) the execution, delivery, receipt and due performance of the Bonds, the Undertaking, the Resolution and the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and the Board's compliance with the provisions thereof will not conflict with or constitute on the Board's part 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 Board is subject or by which the Board is or may be bound.

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 that the Board failed to file the annual financial information for Fiscal Year 2016 in a timely fashion, which filing was made on March 30, 2017, and failed to file the annual information for Fiscal Year 2018 in a timely fashion, which filing was made on January 15, 2020.

[Remainder of Page Intentionally Blank]

WITNESS our signatures on this February 5, 2020.

THE BOARD OF EDUCATION OF THE
COUNTY OF BERKELEY

[SEAL]

By: _____
President

By: _____
Secretary

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

TAX AND NON-ARBITRAGE CERTIFICATE

The undersigned, PRESIDENT and the undersigned SUPERINTENDENT and SECRETARY of The Board of Education of the County of Berkeley, West Virginia (the "Issuer"), being officials of the Issuer duly charged with the responsibility for the issuance of the **$22,115,000** Public School Refunding Bonds, Series 2020, of the Issuer, dated February 5, 2020 (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 January 6, 2020 (the "Resolution"), pursuant to which the Bonds are issued:

A. DEFINITIONS

In addition to the terms defined in the Resolution, the following words and phrases shall have the following meanings when used herein:

"**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 which 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, 2020.

"**Bond Yield**" means the yield of 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 borrowing. Examples of costs of issuance include (but are not limited to):

(a) Underwriter's Discount;

(b) counsel fees (including Bond Counsel, Underwriter's 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 February 5, 2020.

"**Debt Service Account**" means the fund described in Section D(4) 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 specifically 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 **$23,417,491.60**, 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" is defined as any person other than an underwriter or a related party to an underwriter. 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 actual sales. 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 $23,417,491.60.

"**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 2010, dated February 17, 2010, issued in the original aggregate principal amount of $51,500,000.

"**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.

"**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 Crews & Associates, Inc., Morgantown, 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.

B. GENERAL

1. This 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 certificate may be relied upon as the certificate of the Issuer.

3. The Issuer has not been notified by the Internal Revenue Service 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 Internal Revenue Service because a certification made by it contains a material misrepresentation.

4. This certificate is based upon facts, circumstances, estimates and expectations of the Issuer in existence on February 5, 2020, the date on which the Bonds are to be physically delivered in exchange for the issue price thereof, and to the best of my 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 February 5, 2020, to Crews & Associates, Inc., Morgantown, West Virginia (the "Original Purchaser") for a purchase price of **$23,340,089.10** (representing the Issue Price of **$23,417,491.60** less an underwriting discount in the amount of **$77,402.50**).

8. The Bonds are being delivered simultaneously with the delivery of this certificate and are issued for the purposes of providing moneys necessary (i) to currently refund the Prior Bonds to their first redemption date, being May 1, 2020, 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 acquisition, construction and equipping of new public school facilities in the Berkeley County School District (the "District") and to pay costs of capital improvements, repairs or 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 July 1, 2009, 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 **$22,115,000**. The sources and uses of proceeds of the Bonds and certain funds on deposit with the Bond Commission in connection with the Prior Bonds is as follows:

Sources

Par amount of Bonds	$22,115,000.00
Reoffering premium	1,302,491.60
Amounts transferred from Bond Commission (Prior Bonds Surplus Collections Account)	1,914,305.06
Prior Bonds Surplus Collections Account Release to Board For Application to Projects Approved in Connection with Prior Bonds	1,500,000.00
Total Sources	$26,831,796.66

Uses

Escrow Fund deposit (from Bond proceeds)	$23,220,730.23
Escrow Fund deposit (from Prior Bonds Surplus Collections Account)	1,914,305.06
Prior Bonds Surplus Collections Account Release to Board For Application to Projects Approved in Connection with Prior Bonds	1,500,000.00
Underwriter's Discount	77,402.50
Rounding Amount	958.87
Costs of Issuance	118,400.00
Total Uses	$26,831,796.66

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 January 23, 2020. 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 to be **1.1969764%**, 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 **2.907** years.

C. THE REFUNDING

1. The Issuer has entered into an Escrow Agreement (the "Escrow Agreement"), dated February 5, 2020, 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 **$23,220,730.23**, together

with funds on deposit with the Bond Commission in the Surplus Collections Account in the amount of **$1,914,305.06** (total of **$25,135,035.29**) to be deposited in the Escrow Fund, and thereupon **$25,135,035.00** to be applied to the purchase of the SLGS from the United States Treasury Department and to hold the remaining **$0.29** 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 the amount of **$118,400.00** shall, within 30 days of the Closing Date, be applied to payment of Costs of Issuance of the Bonds.

3. **$1,500,000** from funds on deposit with the Bond Commission in the Surplus Collection Account for the Prior Bonds will, on the Closing Date, be withdrawn by the Issuer and deposited with a commercial bank eligible to receive such deposits, and applied solely by the Issuer to costs of capital improvements, repairs or replacements for those school facilities described in the bond election order adopted by the Issuer in connection with the issuance of the Prior Bonds, no later than February 5, 2021. Such amount shall be subject to rebate until expended.

4. Concurrently with the delivery of the Bonds, the balance of moneys then remaining in the Debt Service Account for the Prior Bonds at the Bond Commission (approximately **$2,825,672.83**) will be transferred by the Bond Commission to the new Debt Service Account for the Bonds established at the Bond Commission, and the balance of moneys then remaining in the Surplus Collection Account for the Prior Bonds at the Bond Commission (approximately **$1,156,000.00**) will be transferred by the Bond Commission to a Special Surplus Account established at the Bond Commission.

5. The funds in the Special Surplus Account will be available, if needed, to pay the principal of and interest on the Bonds and shall not be used for any other purpose until May 15, 2021. On or after May 15, 2021, the Issuer shall review the balances in the Debt Service Account for the Bonds and in the Special Surplus Account, and, upon determination in writing by the Issuer that sufficient reserves are on hand at the Bond Commission, the Issuer may withdraw a portion of the funds then remaining in the Special Surplus Account so as to leave a balance of not less than **$578,000.00**. On or after May 15, 2022, the Board shall again review the balances in the Debt Service Account for the Bonds and in the Surplus Collections Account, and upon determination in writing by the Board that sufficient funds are on hand at the Bond Commission, the Board may withdraw all or any portion of the funds then remaining in the Special Surplus Account. All such funds withdrawn from the Special Surplus Account shall be applied solely by the Issuer to costs of capital improvements, repairs or replacements for those school facilities described in the bond election order adopted by the Issuer in connection with the issuance of the Prior Bonds. Each withdrawal request of the Issuer shall be specifically authorized by resolution of the Issuer. All funds released from the Special Surplus Account will be expended for their governmental purpose within 6 months from the date of such release. The Special Surplus Account shall be closed by the Bond Commission when all the funds therein have been withdrawn or used to pay debt service.

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 **1.1969764%** (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, 2020. 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. A Surplus Collections Account for the Bonds is also established by the Bond Commission. Tax levy receipts and earnings thereon in excess of the amounts necessary to pay principal of and interest on the Bonds are transferred from the Debt Service Account and accumulated in the Surplus Collections Account for the Bonds. Moneys in the Surplus Collections Account are 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 yield on the Bonds.

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

6. Other than the Debt Service Account, the Surplus Collections Account and temporarily, the Special Surplus Account described above, 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.

7. Accrued interest with respect to the Bonds, if any, in an amount less than 6 month's interest on the Bonds will be applied within one year from the date hereof toward the payment of interest first due on the Bonds. Pending such disbursement, such monies will be invested without restriction as to yield.

8. 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. 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, Philadelphia, Pennsylvania 19255, on or before the date such payment is due and shall be accompanied by Internal Revenue Service 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 $32,000 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 $90,000 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 Internal Revenue Service 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 Internal Revenue Service in lieu of a declaration of taxability on the Bonds.

F. 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 and Arbitrage 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 Internal Revenue Service, 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. The Issuer hereby approves the use of the Tax Compliance Policies which are attached hereto as EXHIBIT D in an effort to comply with the provisions of this Certificate and in order to monitor compliance with the Code and Regulations relating to maintaining the tax-exempt status of the Bonds.

23. 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 and Arbitrage 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.

24. 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.

25. Steptoe & Johnson 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.

26. Notwithstanding any other provision hereof, any provision of this Tax and Arbitrage 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.

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

[Remainder of Page Intentionally Blank]

WITNESS our signatures on this February 5, 2020.

THE BOARD OF EDUCATION OF THE
COUNTY OF BERKELEY

By: _____
Its President

By: _____
Its Superintendent and Secretary

EXHIBIT A

Underwriter's Certificate

[See Bond Transcript Document No. 12]

EXHIBIT B

Series 2020 Bonds

Maturity (May 1)	Amount	Coupon	Price	Yield	CUSIP
2020	$3,430,000	3.000%	100.474%	1.000%	084239 FT4
2021	$3,455,000	3.000%	102.330%	1.100%	084239 FU1
2022	$3,595,000	4.000%	106.325%	1.130%	084239 FV9
2023	$3,780,000	2.000%	102.629%	1.170%	084239 FW7
2024	$3,885,000	2.000%	103.253%	1.210%	084239 FX5
2025	$3,970,000	5.000%	118.957%	1.250%	084239 FY3

EXHIBIT C

IRS Form 8038-G

[See Bond Transcript Document No. 35]

EXHIBIT D

Tax Compliance Policies

[Attached Hereto]

POST-ISSUANCE TAX COMPLIANCE PROCEDURES

WRITTEN POLICIES AND PROCEDURES FOR TAX-ADVANTAGED OBLIGATIONS

The Board of Education of the County of Berkeley, West Virginia (the "Issuer"), has issued and may in the future issue tax-exempt obligations (including, without limitation, bonds, notes, loans, leases and certificates) (together, "tax-advantaged obligations") that are subject to certain requirements under the Internal Revenue Code of 1986, as amended (the "Code").

The policies and procedures contained herein (the "Procedures") have been established in order to ensure that the Issuer complies with the requirements of the Code that are applicable to its tax-advantaged obligations. The Procedures, coupled with requirements contained in the arbitrage and tax certificate or other operative documents (the "Tax Certificate") executed at the time of issuance of the tax-advantaged obligations, are intended to constitute written procedures for ongoing compliance with the federal tax requirements applicable to the tax-advantaged obligations and for timely identification and remediation of violations of such requirements.

A. GENERAL MATTERS.

1. Responsible Officer. The Treasurer of the Issuer or his/her designee will have overall responsibility for ensuring that the ongoing requirements described in the Procedures are met with respect to tax-advantaged obligations (the "Responsible Officer").

2. Establishment of Procedures. The Procedures will be included with other written procedures of the Issuer.

3. Identify Additional Responsible Employees. The Responsible Officer shall identify any additional persons who will be responsible for each section of the Procedures, notify the current holder of that office of the responsibilities, and provide that person a copy of the Procedures. (For each section of the Procedures, this may be the Responsible Officer or another person who is assigned the particular responsibility.)

    a. Upon employee or officer transitions, new personnel should be advised of responsibilities under the Procedures and ensure they understand the importance of the Procedures.

    b. If employee or officer positions are restructured or eliminated, responsibilities should be reassigned as necessary to ensure that all Procedures have been appropriately assigned.

4. Training Required. The Responsible Officer and other responsible persons shall receive appropriate training that includes the review of and familiarity with the contents of the Procedures, review of the requirements contained in the Code applicable to each tax-advantaged obligation, identification of all tax-advantaged obligations that must be monitored, identification of all facilities (or portions thereof)

financed with proceeds of tax-advantaged obligations, familiarity with the requirements contained in the Tax Certificate or other operative documents contained in the transcript, and familiarity with the procedures that must be taken in order to correct noncompliance with the requirements of the Code in a timely manner.

5. Periodic Review. The Responsible Officer or other responsible person shall periodically review compliance with the Procedures and with the terms of the Tax Certificate to determine whether any violations have occurred so that such violations can be timely remedied through the "remedial action" regulations or the Voluntary Closing Agreement Program available through the Internal Revenue Service ("IRS") (or successor guidance). Such periodic review shall occur at least annually.

6. Change in Terms. If any changes to the terms of the tax-advantaged obligations are contemplated, bond counsel should be consulted. Such modifications could jeopardize the status of tax-advantaged obligations.

B. IRS INFORMATION RETURN FILING. The Responsible Officer will confirm that bond counsel has filed the applicable information reports (such as Form 8038-G) for such issue with the IRS on a timely basis, and maintain copies of such form including evidence of timely filing as part of the transcript of the issue. The Responsible Officer shall file the IRS From 8038-T relating to the payment of rebate or yield reduction payments in a timely manner as discussed in Section F.12. below. The Responsible Officer shall also monitor the extent to which the Issuer is eligible to receive a refund of prior rebate payments and provide for the timely filing for such refunds using an IRS Form 8038-R.

C. USE OF PROCEEDS. The Responsible Officer or other responsible person shall:

1. Consistent Accounting Procedures. Maintain or confirm maintenance of clear and consistent accounting procedures for tracking the investment and expenditures of proceeds, including investment earnings on proceeds.

2. Reimbursement Allocations at Closing. At or shortly after closing of an issue, ensure that any allocations for reimbursement expenditures comply with the Tax Certificate.

3. Timely Expenditure of Proceeds. Monitor that sale proceeds and investment earnings on sale proceeds of tax-advantaged obligations are spent in a timely fashion consistent with the requirements of the Tax Certificate.

4. Requisitions. Utilize or confirm the utilization of requisitions to draw down proceeds, and ensure that each requisition contains (or has attached to it) detailed information in order to establish when and how proceeds were spent; review requisitions carefully before submission to ensure proper use of proceeds to minimize the need for reallocations.

5. Final Allocation. Ensure that a final allocation of proceeds (including investment earnings) to qualifying expenditures is made if proceeds are to be allocated to project expenditures on a basis other than "direct tracing" (direct tracing means treating the proceeds as spent as shown in the accounting records for draws and project expenditures). An allocation other than on the basis of "direct tracing" is often made

to reduce the private business use of bond proceeds that would otherwise result from "direct tracing" of proceeds to project expenditures. *This allocation must be made within 18 months after the later of the date the expenditure was made or the date the project was placed in service, but not later than five years and 60 days after the date the tax-advantaged obligations are issued (or 60 days after the issue is retired, if earlier).* Bond counsel can assist with the final allocation of proceeds to project costs. Maintain a copy of the final allocation in the records for the tax-advantaged obligation.

6. Maintenance and Retention of Records Relating to Proceeds. Maintain or confirm the maintenance of careful records of all project and other costs (e.g., costs of issuance, credit enhancement and capitalized interest) and uses (e.g., deposits to a reserve fund) for which proceeds were spent or used. These records should be maintained separately for each issue of tax-advantaged obligations for the period indicated under Section H. below.

D. MONITORING PRIVATE BUSINESS USE. The Responsible Officer or other responsible person shall:

1. Identify Financed Facilities. Identify or "map" which outstanding issues financed which facilities and in what amounts.

2. Review of Contracts with Private Persons. Review all of the following contracts or arrangements with non-governmental persons or organizations or the federal government (collectively referred to as "private persons") with respect to the financed facilities which could result in private business use of the facilities:

   a. Sales of financed facilities;

   b. Leases of financed facilities;

   c. Management or service contracts relating to financed facilities;

   d. Research contracts under which a private person sponsors research in financed facilities; and

   e. Any other contracts involving "special legal entitlements" (such as naming rights or exclusive provider arrangements) granted to a private person with respect to financed facilities.

3. Bond Counsel Review of New Contracts or Amendments. Before amending an existing agreement with a private person or entering into any new lease, management, service, or research agreement with a private person, consult bond counsel to review such amendment or agreement to determine whether it results in private business use.

4. Establish Procedures to Ensure Proper Use and Ownership. Establish procedures to ensure that financed facilities are not used for private use without written approval of the Responsible Officer or other responsible person.

5. Analyze Use. Analyze any private business use of financed facilities and, for each issue of tax-advantaged obligations, determine whether the 10 percent limit on private business use (5 percent in the case of "unrelated or disproportionate" private business use) is exceeded, and contact bond counsel or other tax advisors if either of these limits appears to be exceeded.

6. Remediation if Limits Exceeded. If it appears that private business use limits are exceeded, immediately consult with bond counsel to determine if a remedial action is required with respect to nonqualified tax-advantaged obligations of the issue or if the IRS should be contacted under its Voluntary Closing Agreement Program. If tax-advantaged obligations are required to be redeemed or defeased in order to comply with remedial action rules, such redemption or defeasance must occur within 90 days of the date a deliberate action is taken that results in a violation of the private business use limits.

7. Maintenance and Retention of Records Relating to Private Use. Retain copies of all of the above contracts or arrangements (or, if no written contract exists, detailed records of the contracts or arrangements) with private persons for the period indicated under Section H. below.

E. LOAN OF BOND PROCEEDS. Consult bond counsel if a loan of proceeds of tax-advantaged obligations is contemplated. If proceeds of tax-advantaged obligations are permitted under the Code to be loaned to other entities and are in fact so loaned, require that the entities receiving a loan of proceeds institute policies and procedures similar to the Procedures to ensure that the proceeds of the loan and the facilities financed with proceeds of the loan comply with the limitations provided in the Code. Require the recipients of such loans to annually report to the Issuer ongoing compliance with the Procedures and the requirements of the Code.

F. ARBITRAGE AND REBATE COMPLIANCE. The Responsible Officer or other responsible person shall:

1. Review Tax Certificate. Review each Tax Certificate to understand the specific requirements that are applicable to each tax-advantaged obligation issue.

2. Arbitrage Yield. Record the arbitrage yield of the issue, as shown on IRS Form 8038-G or other applicable form. If the tax-advantaged obligations are variable rate, yield must be determined on an ongoing basis over the life of the tax-advantaged obligations as described in the Tax Certificate.

3. Temporary Periods. Review the Tax Certificate to determine the "temporary periods" for each issue, which are the periods during which proceeds of tax-advantaged obligations may be invested without yield restriction.

4. Post-Temporary Period Investments. Ensure that any investment of proceeds after applicable temporary periods is at a yield that does not exceed the applicable yield, unless yield reduction payments can be made pursuant to the Tax Certificate.

5. Monitor Temporary Period Compliance. Monitor that proceeds (including investment earnings) are expended promptly after the tax-advantaged obligations are issued in accordance with the expectations for satisfaction of three-year or five-year temporary periods for investment of proceeds and to avoid "hedge bond" status.

6. Monitor Yield Restriction Limitations. Identify situations in which compliance with applicable yield restrictions depends upon later investments (e.g., the purchase of 0 percent State and Local Government Securities from the U.S. Treasury for an advance refunding escrow). Monitor and verify that these purchases are made as contemplated.

7. Establish Fair Market Value of Investments. Ensure that investments acquired with proceeds satisfy IRS regulatory safe harbors for establishing fair market value (e.g., through the use of bidding procedures), and maintaining records to demonstrate satisfaction of such safe harbors. Consult the Tax Certificate for a description of applicable rules.

8. Credit Enhancement, Hedging and Sinking Funds. Consult with bond counsel before engaging in credit enhancement or hedging transactions relating to an issue, and before creating separate funds that are reasonably expected to be used to pay debt service. Maintain copies of all contracts and certificates relating to credit enhancement and hedging transactions that are entered into relating to an issue.

9. Grants/Donations to Governmental Entities. Before beginning a capital campaign or grant application that may result in gifts that are restricted to financed projects (or, in the absence of such a campaign, upon the receipt of such restricted gifts), consult bond counsel to determine whether replacement proceeds may result that are required to be yield restricted.

10. Bona Fide Debt Service Fund. Even after all proceeds of a given issue have been spent, ensure that debt service funds, if any, meet the requirements of a "bona fide debt service fund," i.e., one used primarily to achieve a proper matching of revenues with debt service that 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 of the debt service on the issue for the immediately preceding Bond Year. To the extent that a debt service fund qualifies as a bona fide debt service fund for a given Bond Year, the investment of amounts held in that fund is not subject to yield restriction for that year.

11. Debt Service Reserve Funds. Ensure that amounts invested in reasonably required debt service reserve funds, if any, do not exceed the least of: (i) 10 percent of the stated principal amount of the tax-advantaged obligations (or the sale proceeds of the issue if the issue has original issue discount or original issue premium that exceeds 2 percent of the stated principal amount of the issue plus, in the case of premium, reasonable underwriter's compensation); (ii) maximum annual debt service on the issue; or (iii) 125% of average annual debt service on the issue.

12. Rebate and Yield Reduction Payment Compliance. Review the arbitrage rebate covenants contained in the Tax Certificate. Subject to certain rebate exceptions

described below, investment earnings on proceeds at a yield in excess of the yield (i.e., positive arbitrage) generally must be rebated to the U.S. Treasury, even if a temporary period exception from yield restriction allowed the earning of positive arbitrage.

a. Ensure that rebate and yield reduction payment calculations will be timely performed and payment of such amounts, if any, will be timely made. Such payments are generally due 60 days after the fifth anniversary of the date of issue, then in succeeding installments every five years. The final rebate payment for an issue is due 60 days after retirement of the last obligation of the issue. The Issuer should hire a rebate consultant if necessary.

b. Review the rebate section of the Tax Certificate to determine whether the "small issuer" rebate exception applies to the issue.

c. If the 6-month, 18-month, or 24-month spending exceptions from the rebate requirement (as described in the Tax Certificate) may apply to the tax-advantaged obligations, ensure that the spending of proceeds is monitored prior to semiannual spending dates for the applicable exception.

d. Make rebate and yield reduction payments and file Form 8038-T in a timely manner.

e. Even after all other proceeds of a given issue have been spent, ensure compliance with rebate requirements for any debt service reserve fund and any debt service fund that is not exempt from the rebate requirement (see the Arbitrage Rebate covenants contained in the Tax Certificate).

13. Maintenance and Retention of Arbitrage and Rebate Records. Maintain records of investments and expenditures of proceeds, rebate exception analyses, rebate calculations, Forms 8038-T, and rebate and yield reduction payments, and any other records relevant to compliance with the arbitrage restrictions for the period indicated in Section G. below.

G. RECORD RETENTION. The Responsible Officer or other responsible person shall ensure that for each issue of obligations, the transcript and all records and documents described in these Procedures will be maintained while any of the obligations are outstanding and during the three-year period following the final maturity or redemption of that issue, or if the obligations are refunded (or re-refunded), while any of the refunding obligations are outstanding and during the three-year period following the final maturity or redemption of the refunding obligations.

DALE STEAGER
State Tax Commissioner
Chair

JOHN D. PERDUE
State Treasurer

JOHN B. McCUSKEY
State Auditor

WEST VIRGINIA
MUNICIPAL BOND COMMISSION

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

LINDA K. EPLING
Member

STEPHEN T. WILLIAMS
Member

SARA L. ROGERS
Executive Director

$22,115,000 THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (WEST VIRGINIA) PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020

CERTIFICATE OF THE CHAIRMAN OF THE WV MUNICIPAL BOND COMMISSION

I, the undersigned, Dale W. Steager, hereby certify as follows:

1. I am the duly appointed 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 January 22, 2020, from The Berkeley 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 February 5, 2020, the Berkeley County Board of Education will issue its Series 2020 Public School Refunding Bonds, dated February 5, 2020, in the principal amount of $22,115,000, with initial taxable interest rates of 2.00 to 5.00%. This issue will refund its Series 2010 Public School Bonds, dated February 17, 2010, with remaining principal outstanding of $24,755,000 and interest rates of 3.25 to 4.00%.

4. The amount of taxes expected to be available in each year for the purpose of paying debt service on the Series 2020 Refunding Bonds, and projected debt service of those bonds are as follows:

Tax Year Beginning July 1	Taxes Available	Projected Debt Service
2019	5,654,423	3,597,735.83
2020	5,654,423	4,054,250.00
2021	5,654,423	4,090,600.00
2022	5,654,423	4,131,800.00
2023	5,654,423	4,161,200.00
2024	5,654,423	4,168,500.00
		$24,204,085.83

5. The total debt service on the Series 2020 Refunding Bonds will be $24,204,085.83 or $3,398,607.92 less than the remaining debt service on the Series 2010 Bonds. The debt service due each year on the Series 2020 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 $37,026,347.37.

WITNESS my signature this 29th day of January 2020.

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

January 22, 2020

$22,115,000 The Board of Education of the County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

Honorable Dale W. Steager, Chairman
West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, West Virginia 25302

Dear Chairman Steager:

As evidenced by and in accordance with the attached Resolution and Order (the "Resolution"), The Board of Education of the County of Berkeley (the "Board") intends to issue the above-referenced bonds (the "Refunding Bonds") for the purpose of currently refunding the Board's Public School Bonds, Series 2010, dated February 17, 2010 (the "Prior Bonds"). A copy of the Resolution is attached hereto as Exhibit A. The Prior Bonds had financed the construction and equipping of new public school facilities and the renovation and improvement of existing public school facilities in the Berkeley County School District (the "District") pursuant to the authority of a special bond election held on September 26, 2009 (the "Original 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 "Original Order") directing the Original Bond Referendum and upon the most recent assessed valuation of the affected property prior to such election. A copy of the Original Order is attached hereto as Exhibit B.

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

Upon Class I property, approximately..... 4.29 cents
Upon Class II property, approximately..... 8.58 cents
Upon Class III property, approximately ..17.16 cents
Upon Class IV property, approximately ..17.16 cents

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

Board Members
Dr. William F. Queen
President
Dr. Dann L. Gilpin
Vice-President
Todd M. Beckwith
Member
Patrick H. Murphy
Member
Michelle Barnes-Russell
Member

Class I	$ -0-
Class II	3,380,515,434
Class III	1,509,926,451
Class IV	493,293,342
TOTAL	$5,383,735,227

The Prior Bonds will be paid with the proceeds of the Refunding Bonds and other available moneys.

Specifically, as referenced in the draft Closing Memorandum for this refunding prepared by Crews & Associates, Inc., the Underwriter for the refunding (a copy of which is attached hereto as Exhibit C), a portion of the net proceeds of the Refunding Bonds, in the amount of $23,220,730.23, will be wire transferred to the Commission for deposit in an Escrow Account on the morning of the date of closing (February 5, 2020).

In turn, such funds will be combined with monies currently held by the Commission in the surplus fund for the Prior Bonds in the amount of $1,914,305.06 which the Commission will transfer to the Escrow Account, and thereupon used by the Commission on such closing date to purchase State and Local Government Securities (the "SLGS") of the United States Treasury which will mature at such times and in such amounts as will pay for the debt service and redemption price of the Prior Bonds on May 1, 2020. A copy of the draft Verification Report of The Arbitrage Group, Inc., the verification agent, confirming the sufficiency of the SLGS to pay all such debt service and redemption price of the Prior Bonds on May 1, 2020, is attached hereto as Exhibit D.

Thus, after the refunding there will be no Prior Bonds issued and outstanding but not refunded or otherwise legally defeased. Further, the Board will have no bonds outstanding after the refunding aside from the Refunding Bonds.

Finally, the debt service requirements on the Refunding Bonds are set forth in Exhibit E, attached hereto, which is a copy of the final debt service schedule for the Refunding Bonds, taken from a report prepared by the Underwriter dated January 22, 2020, on the final numbers for the Refunding Bonds.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Honorable Dale W. Steager, Chairman
West Virginia Municipal Bond Commission
January 22, 2020

Respectfully yours,

THE BOARD OF EDUCATION OF THE
COUNTY OF BERKELEY

By: _____
Superintendent

cc: Sara L. Rogers
Thomas L. Aman, Esq.
Rob Steptoe (Crews & Associates, Inc.)

Honorable Dale W. Steager, Chairman
West Virginia Municipal Bond Commission
January 22, 2020

EXHIBIT A

COPY OF AUTHORIZING RESOLUTION OF THE BOARD AUTHORIZING ISSUANCE OF THE REFUNDING BONDS

(SEE ATTACHED)

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

RESOLUTION AND ORDER

RESOLUTION AND ORDER OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (WEST VIRGINIA), AUTHORIZING THE REFUNDING OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY PUBLIC SCHOOL BONDS, SERIES 2010, OUTSTANDING IN THE AGGREGATE PRINCIPAL AMOUNT OF $24,755,000, AND THE ISSUANCE FOR SUCH PURPOSE OF NOT TO EXCEED $26,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY, PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, AN ESCROW AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT 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; APPOINTING 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, at a special election held on September 26, 2009 (the "2009 Referendum"), the voters of Berkeley County, West Virginia approved the issuance of the Board's public school general obligation bonds;

WHEREAS, on February 17, 2010, the Board issued its $51,500,000 in aggregate principal amount of The Board of Education of the County of Berkeley (West Virginia) Public School Bonds, Series 2010 (the "Prior Bonds"), in accordance with Chapter 13, Article 1 of the

Code of West Virginia, 1931, as amended, and the duly adopted and entered resolutions and orders of the Board;

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 Berkeley County School District (the "School District" or the "District") currently refund the Prior Bonds (the "Refunding") pursuant to the Refunding Act, through the issuance of its not to exceed $26,000,000 in aggregate principal amount of The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020 (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 a portion of which have been deposited by the Commission in a fund established for the payment of debt service on the Prior Bonds (the "Prior Bonds Sinking Fund") and a portion of which that is in excess of amounts needed in prior periods to pay debt service on the Prior Bonds has been deposited in a Surplus Collections Account (the "Surplus Collections Account");

WHEREAS, the monies remaining on deposit with the Commission in the Surplus Collections Account (the "Surplus Funds") and in the Prior Bonds Sinking Fund at the time of the Refunding, less an amount, if any, to be retained in the surplus collections account and in the debt service account for the Refunding Bonds, will be utilized by the District as determined pursuant to the Certificate of Determinations (hereinafter defined) or alternatively by future action of this Board;

WHEREAS, the Board has authorized and engaged Crews & Associates, Inc. as Underwriter ("Underwriter") and Steptoe & Johnson PLLC as Bond Counsel ("Bond Counsel") in connection with the Refunding Bonds and the transactions contemplated herein;

WHEREAS, 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, the Board adopted a Resolution on November 4, 2019 (the "Initial Resolution"), wherein the Board gave its initial and preliminary approval, in concept, for the issuance and sale of the Refunding Bonds provided certain parameters were met;

WHEREAS, the Initial Resolution contemplated that the Refunding Bonds could not and would not be issued and sold until a further and final authorizing resolution of the Board,

such as this Resolution and Order (which would satisfy this particular requirement of the Initial Resolution);

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 disposition of the Surplus Funds and the monies on deposit in the Prior Bonds Sinking Fund as provided for in this Resolution and in the Certificate of Determinations 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, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Escrow Agreement, to select a bond insurer, if any, and other participants, each as hereinafter defined;

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

1. There is hereby authorized and directed the redemption and refunding of the Prior Bonds, as hereinafter provided.

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 $26,000,000. The Refunding Bonds shall be designated "The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020." The Refunding Bonds shall be dated such date or dates, shall be issued in one series, not to exceed $26,000,000 in aggregate principal amount, shall mature in such principal amounts on such date or dates not later than May 1, 2025, shall bear interest at such rate or rates of interest not to exceed six percent (6.0%) 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 (i) shall not increase the total indebtedness authorized and approved by the voters of the School District (*i.e.*, the aggregate principal amount of $51,500,000) by the 2009 Referendum and (ii) shall result in debt service payments under the limitations set forth in Section 13-2-1 of

the Refunding Act. 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 referenced in Section 13-2-1 of the Refunding Act, 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 United Bank, Charleston, 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, substantially in the form attached hereto as **EXHIBIT C – FORM OF ESCROW AGREEMENT** and incorporated herein by reference, 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 Preliminary Official Statement and the Official Statement, to be substantially in the form approved by an Authorized Officer on behalf of the Board pursuant to the Certificate of Determinations, and the distribution of counterparts or copies thereof by the Underwriter in connection with the marketing and sale of the Refunding Bonds is hereby approved. An Authorized Officer shall execute and deliver the Official Statement. The execution of the Official Statement by an Authorized Officer shall be conclusive evidence of any approval required by this Section. The distribution by the Underwriter of the Preliminary Official Statement (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), in the form approved by an Authorized Officer on behalf of the Board is hereby ratified and approved. 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, the firm of The Arbitrage Group, Inc. or another firm approved by an Authorized Officer, may be engaged for the purpose of verifying yield and sufficiency of the Escrow Fund.

14. The firm of Crews & Associates, Inc., Morgantown, West Virginia, has previously been appointed by the Board as the Underwriter for the issuance of the Refunding Bonds. The firm of Steptoe & Johnson PLLC, Bridgeport, West Virginia, has previously been 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 Berkeley 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 Berkeley 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 or transfer of some or all of the monies on deposit in the Prior Bonds Sinking Fund and the Surplus Collections Account as shall be determined by the Authorized Officer executing the Certificate of Determination.

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. Surplus Funds shall be applied as determined by the Authorized Officer executing the Certificate of Determinations to either reduce the aggregate principal amount of the Refunding Bonds or to be used for capital projects within the parameters of the 2009 Referendum.

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" or alternatively any other lawful investment for the Commission as may be designed by the Authorized Offer in the Certificate of Determination.

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. An Authorized Officer 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 January 6, 2020.

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

By: _____
Title: President

Attest:

By: _____
Its: Secretary

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 Berkeley at a regular meeting of the Board held on January 6, 2020, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this February 5, 2020.

By: _____
Secretary

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

The undersigned, [President or Secretary of The Board of Education of the County of Berkeley, West Virginia (the "Board")][Superintendent of the Berkeley County School District], in accordance with a Resolution and Order adopted by the Board on January 6, 2020 (the "Order"), with respect to the $_____ The Board Of Education of the County of Berkeley, Public School Refunding Bonds, Series 2020 (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 _____, 2020.

3. The Bonds shall be issued in the aggregate principal amount of $_____ .

4. Such principal amount does not exceed $26,000,000, 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 six percent (6.0%) per annum, being the maximum interest rate authorized by the Order. Interest shall be payable on the Bonds semiannually on each May 1 and November 1, beginning on May 1, 2020 and in each year until maturity.

7. The Bonds shall not be subject to optional redemption.

8. The Bonds shall be sold to Crews & Associates, Inc. (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 $_____]).

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 2010, dated February 17, 2010, issued in the original aggregate principal amount of $51,500,000 (the "Series 2010 Bonds") shall be applied as set forth on Schedule 2 attached hereto and incorporated herein, including any additional determinations deemed necessary by the [Authorized Officer].

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 Preliminary Official Statement of the Board dated _____, 2020, 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.

[14. ("Bond Insurer") has offered Bond Insurance for the Bonds pursuant to the terms of a commitment letter dated _____, 2020 (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 _____, 2020.

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

By:_____
Its: _____

Schedule 1

Maturities

Mandatory Redemption.

Schedule 2

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

EXHIBIT 1

[Form of Bond Purchase Agreement]
(Attached Hereto)

EXHIBIT 2

[Form of Escrow Agreement]
(Attached Hereto)

EXHIBIT 3

[Form of Continuing Disclosure Agreement]
(Attached Hereto)

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 BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BOND,
SERIES 2020

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP
_____%	_____	_____	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (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 May 1, 2020 (each an "Interest Payment Date"), until maturity. United Bank, Charleston, 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, Series 2020" (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 January 6, 2020, for the purpose of refunding the Issuer's Public School Bonds, Series 2010, currently outstanding in the aggregate principal amount of $_____ (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 are not 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 BERKELEY 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 _____, 2020.

THE BOARD OF EDUCATION OF THE COUNTY
OF BERKELEY, 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: _____, 2020.

UNITED BANK,
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

FORM OF ESCROW AGREEMENT

ESCROW AGREEMENT

This ESCROW AGREEMENT, made and entered into as of _____, 2020, by and between THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (WEST VIRGINIA) (the "Issuer") and the WEST VIRGINIA MUNICIPAL BOND COMMISSION, as Escrow Agent (the "Commission" or the "Escrow Agent").

W I T N E S E T H T H A T:

WHEREAS, on February 17, 2010, the Issuer issued its Public School Bonds, Series 2010, in the original aggregate principal amount of **$51,500,000**, of which **$24,755,000** is presently outstanding (the "Prior Bonds");

WHEREAS, the Issuer has determined to issue its Public School Refunding Bonds, Series 2020 (the "Refunding Bonds"), pursuant to a Resolution and Order adopted and entered on January 6, 2020 (the "Order"), and contemporaneously therewith, legally defease the Prior Bonds by applying proceeds of the Refunding Bonds, together with certain moneys currently on deposit with the Escrow Agent in a Debt Service Account and in a Surplus Collections Account from tax levies imposed in connection with the Prior Bonds ("Issuer's Funds") to the purchase of obligations of the United States government to be deposited, together with certain cash amounts, in the Escrow Fund herein described;

WHEREAS, the Commission, as Escrow Agent, will cause to be purchased on behalf of the Issuer, with such Refunding Bonds proceeds and Issuer's Funds, certain United States Treasury Obligations, State and Local Government Series (the "Government Securities") described in **EXHIBIT A** attached hereto;

WHEREAS, the Government Securities, plus residual cash amounts in the Escrow Fund, shall be in such principal amount and mature and bear interest at such rates and shall be payable at such times and in such amounts as to insure the payment, when due, of the principal of and interest on the Prior Bonds to and including May 1, 2020, and on such date (the "Redemption Date") to pay the remaining principal amount thereof, being $24,755,000 (the "Redemption Price");

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 Securities, receiving payments of the principal thereof and interest thereon when due, disbursing to the Registered Owner of the Prior Bonds, on the appropriate dates, the amounts necessary to pay the principal of and interest on the Prior Bonds

as the same become due and on the Redemption Date, to pay the Redemption Price thereof, and holding and investing and reinvesting any cash balances which may at any time not be needed for immediate disbursement; and

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

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 securities or moneys in the Escrow Fund shall constitute an irrevocable deposit of said securities or moneys in trust for, and such moneys and securities, shall be applied, except as otherwise provided herein, solely to the payment of the principal of and interest on the Prior Bonds and on the Redemption Date, to pay the Redemption Price thereof, 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 Refunding Bonds proceeds in the amount of $_____, together with Issuer's Funds in the amount of $_____ (total of $_____) to be deposited in the Escrow Fund, and thereupon $_____ to be applied to the purchase of the Government Securities and to hold the remaining $____ as cash, uninvested, in the Escrow Fund. Maturing principal and interest of the Government Securities, together with the uninvested cash in the Escrow Fund, if any, shall be applied solely to the payment, when due, of the principal of and interest on the Prior Bonds and on the Redemption Date, to pay the Redemption Price thereof. The Government Securities and the uninvested cash in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Prior Bonds and to pay the Redemption Price on the Redemption Date. The Issuer hereby authorizes and directs the Escrow Agent to purchase the Government Securities.

4. Application of Escrow Fund. The Escrow Agent, without further authorization from the Issuer, shall transfer from the Escrow Fund and pay directly to the Registered Owner of the Prior Bonds, in immediately available funds on May 1, 2020, the principal of and interest on the Prior Bonds then becoming due, and on the Redemption Date, an amount sufficient to pay the Redemption Price. Any earnings on the investments in the Escrow Fund which are not needed to pay the principal of and interest on the Prior Bonds as the same becomes due and payable and to pay the Redemption Price of the Prior Bonds on the Redemption Date shall be transferred by the Paying Agent to the Debt Service Account for the

Refunding Bonds and thereupon applied to the payment of debt service on the Refunding Bonds until the termination of this Escrow Agreement pursuant to the terms hereof.

Moneys in the Escrow Fund shall, and the Escrow Agent agrees such moneys will, be used solely for the purpose as above described and the deposit of such moneys into the Escrow Fund shall be irrevocable (with the exception of the transfers to the Debt Service Account for the Refunding Bonds and the transfers upon the termination of this Agreement herein described), and the Escrow Agent agrees it will not surrender or otherwise attempt to redeem or otherwise negotiate the investments in the Escrow Fund, except as they shall come due, unless such redemption or negotiation shall be in connection with the purchase of other securities permitted by the laws of the State of West Virginia, and the Escrow Agent shall have received (a) the written request of the Issuer for such purchase and setting forth the procedures to be followed, (b) an opinion by an independent certified public accountant (the "Accountant") that after such reinvestment the principal amount of the substituted securities, together with any beginning cash balance that is being held uninvested, will be sufficient to make the payments described in the first paragraph of this Section 4, and (c) an unqualified opinion of nationally recognized bond counsel (acceptable to the Issuer) familiar with the transactions contemplated by this Escrow Agreement to the effect that (i) such reinvestment will not cause the Prior Bonds or the Refunding Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") or the regulations in effect thereunder and applicable to the Prior Bonds or the Refunding Bonds, and (ii) such reinvestment complies with the Constitution and laws of the State of West Virginia and the provisions of all relevant documents relating to the issuance of the Prior Bonds. 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 Fund and moneys and investments therein and that the Issuer shall not exercise any control or authority over and with respect to the Escrow Fund and the moneys and investments therein.

5. Deposit to Special Surplus Account. Concurrently with the delivery of the Refunding Bonds, funds on deposit with the Commission in the Surplus Collections Account for the Prior Bonds on the Closing Date in the amount of $_____ shall, on the Closing Date, or as soon thereafter as practical, be paid by check from the Escrow Agent to the Issuer and applied by the Issuer solely to payment of costs of capital improvements, repairs or replacements to school facilities in Berkeley County School District, which were specified in the bond referendum approved by the voters of Berkeley County, West Virginia, on September 26, 2009. Such funds to be released to the Issuer are not available for or pledged to the payment of debt service on the Refunding Bonds.

Funds on deposit in the Surplus Collections Account for the Prior Bonds on the Closing Date in the amount of $_____ shall be transferred on the Closing Date to the Special Surplus Account and shall be available, if needed, to pay the principal of and interest on the Refunding Bonds coming due on May 1, 2020, and thereafter, as set forth below, and shall not be used for any other purpose until May 15, 2021. On or after May 15, 2021, the Issuer shall review the balances in the Debt Service Account and Surplus Collection Account for the Refunding Bonds, and, upon a determination in writing by the Issuer that sufficient reserves are

on hand at the Bond Commission, the Issuer may withdraw a portion of the Special Surplus Account deposit so as to leave a balance therein of not less than $_____. On or after May 15, 2022, the Issuer shall again review the balances on deposit in the Debt Service Account and Surplus Collection Account for the Refunding Bonds, and, upon a determination in writing by the Issuer that sufficient funds are on hand at the Commission, the Issuer may withdraw all or any portion of the Special Surplus Account balance. All such funds withdrawn from the Special Surplus Account and not applied to the paying of debt service on the Refunding Bonds shall be applied solely by the Issuer to payment or repayment of costs of capital improvements, repairs or replacements for school facilities in Berkeley County, West Virginia, which were specified in the bond referendum approved by the voters of Berkeley County, West Virginia on September 26, 2009. Each withdrawal request of the Issuer shall be specifically authorized by resolution of the Issuer. The Special Surplus Account shall be closed by the Commission when all the funds therein have been withdrawn or used to pay debt service as provided in this section.

6. 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.

7. Timing Inefficiencies. If, at any time, the Government Securities then held as an investment in the Escrow Fund mature or payments are made thereon to the Escrow Agent or the Escrow Agent otherwise holds or receives cash in advance of the time such cash is needed to make payment on the Prior Bonds, such amounts shall be reinvested as provided in Section 4 hereof; provided that:

(a) such moneys shall be invested only in Obligations of the United States of America which mature not later than the date on which the funds invested therein will be needed to make payments on the Prior Bonds;

(b) such moneys shall be invested only in Obligations of the United States of America which mature in an amount, together with interest thereon, not less than the full amount paid by the Escrow Agent to acquire such investments; and

(c) the composite yield on such Obligations of the United States of America may not exceed the yield on the Refunding Bonds.

8. Termination of This Escrow Agreement. This Escrow Agreement shall terminate when the Prior Bonds have been discharged and cancelled in accordance with the provisions hereof and the Commission shall have disbursed all funds then on deposit with the Commission in accordance with the terms of this Agreement. If any Prior Bonds are not presented for payment when due and payable, funds for the payment of any nonpresented Prior Bonds shall be held by the Escrow Agent in accordance with the terms hereof for a period of one

(1) year following the Redemption Date of such Prior Bonds and such funds shall thereafter be released to the Issuer to be held by the Issuer in accordance with the unclaimed property laws of the State of West Virginia. Any money or Government Securities held in the Escrow Fund following the earlier of: (i) the payment in full of the Prior Bonds, or (ii) one (1) year following the Redemption Date of the Prior Bonds, and which is 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.

9. Earnings on Escrow Fund. Any earnings on the investments in the Escrow Fund which are not needed to pay the principal of and interest on the Prior Bonds as the same becomes due and payable and to pay the Redemption Price of the Prior Bonds on the Redemption Date shall be transferred by the Paying Agent to the Debt Service Account for the Refunding Bonds and thereupon applied to the payment of debt service on the Refunding Bonds until the termination of this Escrow Agreement pursuant to the terms hereof.

10. 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. Earnings from reinvestment proceeds described in Section 4 above may be used to pay Escrow Agent fees and fees for the paying agent for the Prior Bonds. To the extent such earnings are insufficient for such purposes, the Issuer will pay all Escrow Agent fees and fees of the paying agent for the Prior Bonds.

11. 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.

12. Insufficient Moneys or Investments in the Escrow Fund. The Escrow Agent shall immediately notify the Issuer by registered, first-class mail, postage prepaid, whenever, for any reason, the funds or accounts created pursuant to this Escrow Agreement plus the securities and investments therein and interest on said securities and investments, as the same accrues, 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.

13. 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 details of all income, investments, 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 years from such date the Prior Bonds have been paid in full.

(b) The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the Issuer of any obligation, or to protect any of the Issuer's rights under any bond resolution or any of said Issuer's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any corporation or individual; and the Escrow Agent shall not be liable for any act done or step taken or omitted by the Escrow Agent or any mistake of fact or law or for anything which the Escrow Agent may do or refrain from doing, except for its negligence or its willful default in the performance of any obligation imposed upon the Escrow Agent hereunder. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, or in the Prior Bonds or any proceedings taken in connection therewith, as they are made solely by the Issuer.

14. Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

15. Successors and Assigns. All of the covenants, promises and agreements in this Escrow Agreement contained by or on behalf of the Issuer or the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether or not so expressed.

16. Governing Law. This Escrow Agreement shall be governed by the applicable law of the State of West Virginia.

17. Headings. Any headings preceding the text of the several Sections hereof shall be solely for convenience of reference and shall not constitute a part of this Escrow Agreement, nor shall they affect its meaning, construction or effect.

18. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

19. Notices. Unless otherwise required herein, any notices, requests, complaints, demands, communications or other papers shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed to the parties as follows:

The Issuer:	The Board of Education of the County of Berkeley 401 South Queen Street Martinsburg, WV 25401
The Escrow Agent:	West Virginia Municipal Bond Commission 900 Pennsylvania Avenue, Suite 1117 Charleston, West Virginia 25302 ATTN: Executive Director

[Signature page follows this page.]

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 BERKELEY

By: _____
Its President

WEST VIRGINIA MUNICIPAL BOND
COMMISSION

By: _____
Its Executive Director

EXHIBIT A – DESCRIPTION OF GOVERNMENT SECURITIES

[Attach Subscription Confirmation]

Honorable Dale W. Steager, Chairman
West Virginia Municipal Bond Commission
January 22, 2020

EXHIBIT B

COPY OF THE ORIGINAL ORDER AUTHORIZING THE ORIGINAL BOND REFERENDUM REGARDING THE ISSUANCE AND SALE OF THE PRIOR BONDS

(SEE ATTACHED)

BERKELEY COUNTY BOARD OF EDUCATION
BOND ELECTION ORDER

AN ORDER OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY DIRECTING THAT A SPECIAL ELECTION BE HELD FOR THE PURPOSE OF SUBMITTING TO THE VOTERS OF BERKELEY COUNTY SCHOOL DISTRICT ALL QUESTIONS CONNECTED WITH THE CONTRACTING OF A DEBT AND THE ISSUING OF BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN FIFTY-ONE MILLION FIVE HUNDRED THOUSAND DOLLARS ($51,500,000) FOR SITE PREPARATION, CONSTRUCTION, EQUIPPING AND FURNISHING OF NEW SCHOOLS AND ADDITIONS, RENOVATIONS AND IMPROVEMENTS FOR EXISTING SCHOOLS IN BERKELEY COUNTY SCHOOL DISTRICT

BE IT ORDERED AND ENTERED OF RECORD BY THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY:

It appears to The Board of Education of the County of Berkeley (herein called the "Board") and the Board does accordingly hereby find:

1. As a result of continued growth in student enrollment, and inadequate school buildings and related facilities in Berkeley County School District (the "District") in the State of West Virginia (the "State"), 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, construct, erect, furnish and equip two new schools and undertake renovation and improvements for certain other existing schools, 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 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 therefor.

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 the acquisition, construction, erection, equipping and furnishing of two new schools, together with site preparation costs, and additions, renovations and improvements for certain existing schools and all necessary appurtenances (collectively, the "Project"), to pay interest during the period of construction of the Project and for up to six months thereafter, to pay architectural, engineering and inspection costs and to pay costs of issuance of the Bonds, all as more fully hereinafter described. Investigation and studies by this Board show that at least the sum of **$96,500,000** should be spent for such purposes, **$51,500,000** of which would be provided from proceeds of the hereinafter described Bonds and **$45,000,000** of which would be provided by a grant or grants from the School Building Authority of West Virginia (the "SBA"), **$25,000,000** of which grant or grants from the SBA has been committed, contingent upon passage of the bond election described herein, with the remaining **$20,000,000** not yet committed, but expected (but not guaranteed) to be committed, subject to certain conditions having been met by the Board, or a grant or grants from another source, all to the end of providing adequate, safe and convenient school 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 **$5,383,735,227**, and the valuation of each class of property within the District is as follows:

Class I	**$ -0-**
Class II	**3,380,515,434**
Class III	**1,509,926,451**
Class IV	**493,293,342**
TOTAL	**$5,383,735,227**

4. There is bonded indebtedness for school purposes in the District in the outstanding amount of **$18,900,000.** The unbonded indebtedness of the District is negligible and can be paid from current levy funds. Accordingly, Bonds in the aggregate principal amount of **$51,500,000,** together with the existing bonded indebtedness of **$18,900,000,** being 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 not more than **$51,500,000,** 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, that if any part of the bond proceeds should not be needed for completion of the Project, such unneeded part shall be deposited with the West Virginia Municipal Bond Commission to be used

solely for the purchase or redemption of any Bonds of this issue outstanding 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.

6. The Bonds shall bear interest at a rate or rates not exceeding **7.0% per annum**, payable semiannually, but it is anticipated that the best bid for the Bonds will provide a much lower interest rate (which will result in a lower levy rate needed to pay the Bonds and the interest thereon), and the Bonds shall be payable for a maximum term of **15-1/2 years** from the date of issuance thereof.

7. It is further hereby ordered by the Board of Education of the County of Berkeley 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 Berkeley County School District at a special election to be held in the District on **Saturday, September 26, 2009.**

(B) The names of the Commissioners for holding said election shall be as follows (provided that, if any of such Commissioners are unavailable or otherwise unable to serve, substitutes will be appointed):

Willard Wynn

Ronald Wasson

(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 Berkeley 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 (**$51,500,000**), if authorized by the voters and the expected grants from the School Building Authority of West Virginia (**$45,000,000**), are to be expended are as follows:

	PROJECT	LOCATION	ESTIMATED COST
1.	**NEW SPRING MILLS AREA HIGH SCHOOL** Site preparation and construct, furnish and equip a new high school to house approximately 1,500 students containing approximately 228,000 square feet, together with all necessary furnishings, fixtures, equipment and appurtenances.	Site adjacent to existing Spring Mills Area Middle School	**$53,500,000***
2.	**NEW MOUNTAIN RIDGE AREA MIDDLE SCHOOL** Site preparation and construct, furnish and equip a new middle school to house approximately 600 students containing approximately 84,000 square feet, together with all necessary furnishings, fixtures, equipment and appurtenances.	Site adjacent to existing Mountain Ridge Intermediate School	**$20,000,000**
3.	**EXISTING MUSSELMAN HIGH SCHOOL** Construct new classrooms, new science labs, restrooms, stairwells, and other improvements to existing building, together with all necessary furnishings, fixtures, equipment and appurtenances.	Existing Musselman High School	**$ 7,000,000**
4.	**EXISTING NORTH MIDDLE SCHOOL** Construct new classrooms, new science labs, restrooms and other improvements to existing building, together with all necessary furnishings, fixtures, equipment and appurtenances.	Existing North Middle School	**$16,000,000**

APPROXIMATE TOTAL COST TO BE PAID FROM BOND PROCEEDS	**$51,500,000**
APPROXIMATE TOTAL COST TO BE PAID FROM SBA (OR OTHER) GRANTS	**$45,000,000**
APPROXIMATE TOTAL COST OF ALL PROJECTS	**$96,500,000**

*$25,000,000 of the $53,500,000 would be provided by a grant currently committed by the School Building Authority of West Virginia, which grant is contingent upon passage of this bond issue as submitted to the voters of Berkeley County.

The above amounts include costs of site improvement, construction, erection, renovation, repair, furnishing, equipping and improving of such projects, architectural, engineering and other professional 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, whether any such sum remains unused upon such completion by reason of lower than estimated costs for such project or projects or a grant or grants 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 at the approximate rates as follows:

Upon Class I property, approximately **4.29** cents
Upon Class II property, approximately **8.58** cents
Upon Class III property, approximately **17.16** cents
Upon Class IV property, approximately **17.16** 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 not exceeding 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 BERKELEY
SPECIAL SCHOOL BOND ELECTION
SATURDAY, SEPTEMBER 26, 2009

Shall the Board of Education of the County of Berkeley incur debt and issue Bonds in the amount of not more than **FIFTY-ONE MILLION FIVE HUNDRED THOUSAND DOLLARS ($51,500,000)**, maturities on such Bonds to run not more than **15-1/2 years** from the date of such Bonds, with interest not exceeding the rate of **7% per annum**, payable semi-annually, for the purpose of making the following improvements in Berkeley County School District (Estimated Costs to include both Bond proceeds and proceeds of grants expected to be received from the School Building Authority of West Virginia or other source, as shown below) to provide adequate, safe and convenient educational facilities for the School District, and levy taxes sufficient to pay the interest on and the principal of such Bonds?

	PROJECT	LOCATION	ESTIMATED COST
1.	**NEW SPRING MILLS AREA HIGH SCHOOL** Site preparation and construct, furnish and equip a new high school to house approximately 1,500 students containing approximately 228,000 square feet, together with all necessary furnishings, fixtures, equipment and appurtenances.	Site adjacent to existing Spring Mills Area Middle School	**$53,500,000***
2.	**NEW MOUNTAIN RIDGE AREA MIDDLE SCHOOL** Site preparation and construct, furnish and equip a new middle school to house approximately 600 students containing approximately 84,000 square feet, together with all necessary furnishings, fixtures, equipment and appurtenances.	Site adjacent to existing Mountain Ridge Intermediate School	**$20,000,000**

3.	**EXISTING MUSSELMAN HIGH SCHOOL** Construct new classrooms, new science labs, restrooms, stairwells, and other improvements to existing building, together with all necessary furnishings, fixtures, equipment and appurtenances.	Existing Musselman High School	$ 7,000,000
4.	**EXISTING NORTH MIDDLE SCHOOL** Construct new classrooms, new science labs, restrooms and other improvements to existing building, together with all necessary furnishings, fixtures, equipment and appurtenances.	Existing North Middle School	$16,000,000

APPROXIMATE TOTAL COST TO BE PAID FROM BOND PROCEEDS	**$51,500,000**
APPROXIMATE TOTAL COST TO BE PAID FROM SBA (OR OTHER) GRANTS	**$45,000,000**
APPROXIMATE TOTAL COST OF ALL PROJECTS	**$96,500,000**

*$25,000,000 of the $53,500,000 would be provided by a grant currently committed by the School Building Authority of West Virginia, which grant is contingent upon passage of this bond issue as submitted to the voters of Berkeley County.

The above amounts include costs of site improvement, construction, erection, renovation, repair, furnishing, equipping and improving of such projects, architectural, engineering and other professional 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, whether any such sum remains unused upon such completion by reason of lower than estimated costs for such project or projects or a grant or grants 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

INSTRUCTIONS TO VOTERS: To vote in favor of the proposition submitted on this ballot, place an X mark in the square before the word "YES".

To vote against the proposition, place a similar mark in the square before the word "NO".

* * * * * * * * * * * *

8. The Secretary of the Board with the assistance of the Clerk of the County Commission of Berkeley 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 Friday, October 2, 2009**, that being the 5th day, Sunday excepted, after such 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 Berkeley in accordance with the laws of the State of West Virginia, 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 such 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 *Martinsburg Journal*, being the only qualified newspaper published or of general circulation in Berkeley County, West Virginia, the publication dates to be September 15, 2009 and September 22, 2009.

Given under my hand this July 1, 2009.

THE BOARD OF EDUCATION OF
THE COUNTY OF BERKELEY

By: _____
Its President

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 Berkeley at a regular meeting thereof duly and regularly called and held upon lawful notice to all members thereof and to the public and news media, on July 1, 2009, at Martinsburg, Berkeley 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 February 17, 2010.

By: _____
Secretary of The Board of Education of the County of Berkeley

EXHIBIT C

COPY OF THE DRAFT CLOSING MEMORANDUM FOR THE REFUNDING
(PREPARED BY UNDERWRITER)

(SEE ATTACHED)

Honorable Dale W. Steager, Chairman
West Virginia Municipal Bond Commission
January 22, 2020

EXHIBIT D

COPY OF THE DRAFT VERIFICATION REPORT OF THE ARBITRAGE GROUP, INC.
(VERIFICATION AGENT)

(SEE ATTACHED)

The Arbitrage Group, Inc.

$22,115,000
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

The Arbitrage Group, Inc.

99 Detering Street
Suite 120
Houston, Texas 77007

Telephone 713 522 8527
Facsimile 713 522 8471

www.thearbitragegroup.com

February 5, 2020

The Board of Education of the County of Berkeley (West Virginia)
Martinsburg, West Virginia

Steptoe & Johnson PLLC
Bridgeport, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

$22,115,000
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

The Board of Education of the County of Berkeley (West Virginia) (the "Board") proposes to issue the above referenced bonds (the "Bonds") which are dated and will be issued on February 5, 2020.

A portion of the proceeds of the Bonds, together with other monies, will be used to purchase United States Treasury Securities -- State and Local Government Series (the "Acquired Obligations") which will be placed in an irrevocable trust together with an initial cash deposit to be used solely to refund that portion of the Board's Public School Bonds, Series 2010 (the "Refunded Bonds") described below:

Series	Original Amount Issued	Dated Date	Amount to be Refunded	Maturities and Sinking Fund Dates to be Refunded	Maturities and Sinking Fund Dates to be Optionally Redeemed	Optional Redemption Date and Price
2010	$51,500,000	02-17-2010	$24,755,000	05-01-2020 - 05-01-2025, Inclusive	05-01-2021 - 05-01-2025, Inclusive	05-01-2020 @ 100%

At your request, we have independently verified the arithmetical accuracy of the computations provided to us by Crews & Associates, Inc. which indicate: (1) the sufficiency of the receipts from the Acquired Obligations together with an initial cash deposit to pay to and at early redemption the principal of and interest on the Refunded Bonds; and, (2) the "yields" to be considered by bond counsel in its determination that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended. The term "yield," as used herein, means that discount rate which, when used in computing the present value of all payments of principal and interest on an obligation compounded semiannually using a 30/360-day year basis, produces an amount equal to: in the case of the Acquired Obligations, the purchase price of such securities; and, in the case of the Bonds, the Issue Price to the Public.

The original computations, along with certain assumptions and information, were furnished to us by Crews & Associates, Inc. on behalf of the Board. We have relied solely on the assumptions and information provided to us and have not made any study or evaluation of them, except as noted below. We express no opinion on the reasonableness of the assumptions, or the likelihood that the debt service requirements of the Refunded Bonds will be paid as described in the accompanying Exhibits.

In the course of our engagement, we were furnished by Crews & Associates, Inc. with excerpts from the Official Statement for the Refunded Bonds, the Official Statement for the Bonds and copies of the subscription forms for the purchase of the Acquired Obligations. We understand that the subscription form was filed on January 23, 2020. We compared the information contained in the schedules provided by Crews & Associates, Inc. with certain information set forth in such documents with respect to prices, principal payment dates and amounts, interest payment dates and rates, yields, and redemption dates and prices. We found that the information contained in such schedules provided to us by Crews & Associates, Inc. was in agreement with the above-mentioned information set forth in such documents. In addition, we have verified that, based upon the table of interest rates payable on United States Treasury Securities -- State and Local Government Series for use on January 23, 2020, the interest rates payable on the Acquired Obligations are at or below the maximum allowable interest rate for each maturity date.

In our opinion, based on the assumptions and information provided by Crews & Associates, Inc. on behalf of the Board, the computations in the schedules provided to us are arithmetically accurate. The computations in the accompanying Exhibits prepared by us and the comparable schedules provided to us indicate that:

(1) the receipts from the Acquired Obligations together with an initial cash deposit of $0.29 will be sufficient to pay to and at early redemption the principal of and interest on the Refunded Bonds; and,

(2) the yield of the Bonds is 1.196976% and the yield of the Acquired Obligations is 1.196947%.

This engagement was performed in accordance with standards established by the American Institute of Certified Public Accounts for consulting services. The terms of our engagement are such that we have no obligation to update this report or to verify any revised computation because of events and transactions occurring subsequent to the date of this report. This report is issued solely for your information and assistance in connection with the issuance of the Bonds. This report is not to be quoted or referred to without our prior written consent.

Very truly yours,

The Arbitrage Group, Inc.

Exhibits

A. Sources and Uses of Funds
B. Escrow Cash Flow
C-1. Debt Service Requirements of the Refunded Bonds to Maturity
C-2. Debt Service Requirements of the Refunded Bonds to Early Redemption
D. Receipts from Acquired Obligations and Proof of Yield
E. Debt Service Requirements and Proof of Yield on the Bonds
F. Computation of Original Issue Premium

Sources and Uses of Funds

The Board of Education of the County of Berkeley (West Virginia)

SOURCES	
Principal Amount of the Bonds	$22,115,000.00
Original Issue Premium	1,302,491.60
Transfer from Surplus Account	1,914,305.06
	$25,331,796.66
USES	
Purchase Price of Acquired Obligations	$25,135,035.00
Initial Cash Deposit	0.29
Costs of Issuance	118,400.00
Underwriter's Discount	77,402.50
Contingency	958.87
	$25,331,796.66

Escrow Cash Flow

The Board of Education of the County of Berkeley (West Virginia)

Date	Beginning Cash Balance	Receipts from Acquired Obligations	Debt Service Requirements of the Refunded Bonds to Early Redemption	Ending Cash Balance
02/05/20	$0.29			$0.29
05/01/20	$0.29	$25,206,793.46	$25,206,793.75	$0.00
		$25,206,793.46	$25,206,793.75	

Debt Service Requirements of the Refunded Bonds to Maturity

The Board of Education of the County of Berkeley (West Virginia)

Date	Principal	Coupon Rate	Interest	Debt Service Requirements of the Refunded Bonds to Maturity
05/01/20	$3,710,000.00	4.000%	$451,793.75	$4,161,793.75
11/01/20			377,593.75	377,593.75
05/01/21	3,865,000.00	3.250%	377,593.75	4,242,593.75
11/01/21			314,787.50	314,787.50
05/01/22	4,030,000.00	3.375%	314,787.50	4,344,787.50
11/01/22			246,781.25	246,781.25
05/01/23	4,205,000.00	3.500%	246,781.25	4,451,781.25
11/01/23			173,193.75	173,193.75
05/01/24	4,380,000.00	4.000%	173,193.75	4,553,193.75
11/01/24			85,593.75	85,593.75
05/01/25	4,565,000.00	3.750%	85,593.75	4,650,593.75
	$24,755,000.00		$2,847,693.75	$27,602,693.75

Debt Service Requirements of the Refunded Bonds to Early Redemption

The Board of Education of the County of Berkeley (West Virginia)

Date	Principal	Coupon Rate	Interest	Debt Service Requirements of the Refunded Bonds to Early Redemption
05/01/20	$24,755,000.00	*	$451,793.75	$25,206,793.75

* Coupon rates are as shown in the Debt Service Requirements of the Refunded Bonds to Maturity.

Receipts from Acquired Obligations and Proof of Yield

The Board of Education of the County of Berkeley (West Virginia)

Date	Principal	Coupon Rate	Interest	Receipts from Acquired Obligations	Present Value of Future Receipts at 02/05/20 Using a Rate of 1.196947%
05/01/20	$25,135,035.00	1.215%	$71,758.46	$25,206,793.46	$25,135,035.00
			Purchase Price of Acquired Obligations		$25,135,035.00

Debt Service Requirements and Proof of Yield on the Bonds

The Board of Education of the County of Berkeley (West Virginia)

Date	$22,115,000 Serial Bonds			Debt Service Requirements of the Bonds	Present Value of Future Payments at 02/05/20 Using a Rate of 1.196976%
	Principal	Coupon Rate	Interest		
05/01/20	$3,430,000.00	3.000%	$167,735.83	$3,597,735.83	$3,587,493.58
11/01/20			299,625.00	299,625.00	296,994.53
05/01/21	3,455,000.00	3.000%	299,625.00	3,754,625.00	3,699,521.19
11/01/21			247,800.00	247,800.00	242,710.63
05/01/22	3,595,000.00	4.000%	247,800.00	3,842,800.00	3,741,483.43
11/01/22			175,900.00	175,900.00	170,243.46
05/01/23	3,780,000.00	2.000%	175,900.00	3,955,900.00	3,805,909.35
11/01/23			138,100.00	138,100.00	132,073.40
05/01/24	3,885,000.00	2.000%	138,100.00	4,023,100.00	3,824,644.33
11/01/24			99,250.00	99,250.00	93,792.75
05/01/25	3,970,000.00	5.000%	99,250.00	4,069,250.00	3,822,624.95
	$22,115,000.00		$2,089,085.83	$24,204,085.83	$23,417,491.60

Principal Amount of the Bonds	$22,115,000.00
Original Issue Premium	1,302,491.60
	$23,417,491.60

Computation of Original Issue Premium

The Board of Education of the County of Berkeley (West Virginia)

Date	Principal	Coupon Rate	Yield	Price	Purchase Price	Accrued Interest	Original Issue Premium
05/01/20	$3,430,000.00	3.000%	1.000%	100.474%	$3,446,258.20	$0.00	$16,258.20
05/01/21	3,455,000.00	3.000%	1.100%	102.330%	3,535,501.50	0.00	80,501.50
05/01/22	3,595,000.00	4.000%	1.130%	106.325%	3,822,383.75	0.00	227,383.75
05/01/23	3,780,000.00	2.000%	1.170%	102.629%	3,879,376.20	0.00	99,376.20
05/01/24	3,885,000.00	2.000%	1.210%	103.253%	4,011,379.05	0.00	126,379.05
05/01/25	3,970,000.00	5.000%	1.250%	118.957%	4,722,592.90	0.00	752,592.90
	$22,115,000.00				$23,417,491.60	$0.00	$1,302,491.60

Honorable Dale W. Steager, Chairman
West Virginia Municipal Bond Commission
January 22, 2020

EXHIBIT E

DEBT SERVICE FOR THE REFUNDING BONDS TAKEN FROM FINAL NUMBERS REPORT PREPARED BY UNDERWRITER

(SEE ATTACHED)

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S	Fiscal Total
02/05/2020	-	-	-	-	-	-
05/01/2020	3,430,000.00	3.000%	167,735.83	3,597,735.83	3,597,735.83	-
06/30/2020	-	-	-	-	-	3,597,735.83
11/01/2020	-	-	299,625.00	299,625.00	299,625.00	-
05/01/2021	3,455,000.00	3.000%	299,625.00	3,754,625.00	3,754,625.00	-
06/30/2021	-	-	-	-	-	4,054,250.00
11/01/2021	-	-	247,800.00	247,800.00	247,800.00	-
05/01/2022	3,595,000.00	4.000%	247,800.00	3,842,800.00	3,842,800.00	-
06/30/2022	-	-	-	-	-	4,090,600.00
11/01/2022	-	-	175,900.00	175,900.00	175,900.00	-
05/01/2023	3,780,000.00	2.000%	175,900.00	3,955,900.00	3,955,900.00	-
06/30/2023	-	-	-	-	-	4,131,800.00
11/01/2023	-	-	138,100.00	138,100.00	138,100.00	-
05/01/2024	3,885,000.00	2.000%	138,100.00	4,023,100.00	4,023,100.00	-
06/30/2024	-	-	-	-	-	4,161,200.00
11/01/2024	-	-	99,250.00	99,250.00	99,250.00	-
05/01/2025	3,970,000.00	5.000%	99,250.00	4,069,250.00	4,069,250.00	-
06/30/2025	-	-	-	-	-	4,168,500.00
Total	**$22,115,000.00**	**-**	**$2,089,085.83**	**$24,204,085.83**	**$24,204,085.83**	**-**

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

CERTIFICATE OF REGISTRAR

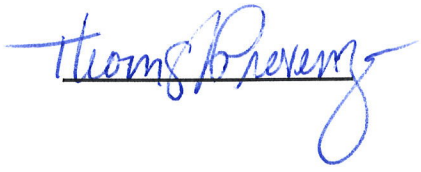
The undersigned Stacy A. Miller, a Vice President of United Bank, Charleston, West Virginia (the "Bank"), as Registrar for the above-captioned Bonds (the "Bonds"), hereby certifies as follows, all capitalized terms used herein to have the meanings set forth in the Resolution and Order of The Board of Education of the County of Berkeley (West Virginia) (the "Issuer") adopted January 6, 2020 (the "Resolution"):

1. The Bank is a Virginia banking corporation authorized to transact business in West Virginia, 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, such person, 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.

Name	Title	Signature
Thomas Provenzano	Vice President	

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, United Bank has caused this Certificate to be executed by a duly authorized officer, this February 5, 2020.

UNITED BANK

By: Stacy A Miller

Its Vice President

SCHEDULE A

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

Maturity (May 1)	Amount	Coupon	Price	Yield	CUSIP
2020	$3,430,000	3.000%	100.474%	1.000%	084239 FT4
2021	$3,455,000	3.000%	102.330%	1.100%	084239 FU1
2022	$3,595,000	4.000%	106.325%	1.130%	084239 FV9
2023	$3,780,000	2.000%	102.629%	1.170%	084239 FW7
2024	$3,885,000	2.000%	103.253%	1.210%	084239 FX5
2025	$3,970,000	5.000%	118.957%	1.250%	084239 FY3

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020

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 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 on January 6, 2020, pursuant to which they were issued, and of Escrow Agent under the Escrow Agreement dated February 5, 2020, between the Board of Education of the County of Berkeley (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.

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 $25,135,035, and the sum of $0.29 which will remain uninvested in the Escrow Fund to pay on May 1, 2020, the principal of and interest on the Issuer's Public School Refunding Bonds, Series 2010, all as set forth in the Escrow Agreement.

WITNESS my signature as of this 5th day of February, 2020.

WEST VIRGINIA MUNICIPAL BOND COMMISSION

By: _____
Name: Sara Rogers
Title: Executive Director

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

UNDERWRITER'S CERTIFICATE

The undersigned Robert Steptoe, Director, Capital Markets Group, Crews & Associates, Inc. (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 January 23, 2020, between The Board of Education of the County of Berkeley, 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 January 23, 2020, relating to the Bonds. We have made a bona fide public offering of all Bonds at the public offering price. 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 2.907 years.

3. The weighted average maturity of the Issuer's Public School Bonds, Series 2010, dated February 17, 2010 (the "Prior Bonds") which are being currently refunded with the proceeds of the Bonds (par basis, from the date hereof) is 2.860 years.

4. The arbitrage yield on the Bonds is 1.1969764%.

This certificate may be relied upon by the Issuer with respect to its Tax and Non-Arbitrage Certificate relating to the Bonds and by Steptoe & Johnson PLLC, Bond Counsel, in rendering their tax opinion that the interest on the Bonds is not includible in gross income of the owners thereof for federal income tax purposes.

WITNESS my signature this February 5, 2020.

CREWS & ASSOCIATES, INC.

By:_____
Its Director, Capital Markets Group

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of CREWS & ASSOCIATES INC. (the "Underwriter"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Series 2020 Bonds").

1. **Sale of the General Rule Maturities.** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Series 2020 Bonds was sold to the Public is the respective price listed in Schedule A.

2. **Initial Offering Price of the Hold-the-Offering-Price Maturities.**

(a) Select Maturities Use Hold-the-Offering-Price Rule: The Underwriter has offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Series 2020 Bonds is attached to this certificate as Schedule B.

(b) Select Maturities Use Hold-the-Offering-Price Rule: As set forth in the Bond Purchase Agreement the Underwriter has agreed in writing that for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the unsold Series 2020 Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "Hold-the-Offering-Price Rule"). Pursuant to such agreement, no Underwriter has offered or sold any unsold Series 2020 Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Series 2020 Bonds during the Holding Period.

3. **Defined Terms.**

(a) General Rule Maturities means those Maturities of the Series 2020 Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) Hold-the-Offering-Price Maturities means those Maturities of the Series 2020 Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (January 23, 2020), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) Board means the Board of Education of the County of Berkeley (West Virginia).

(e) Maturity means Series 2020 Bonds with the same credit and payment terms. Series 2020 Bonds with different maturity dates, or Series 2020 Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Series 2020 Bonds. The Sale Date of the Series 2020 Bonds is January 23, 2020.

(h) Underwriter means (i) any person that agrees pursuant to a written contract with the Board (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2020 Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2020 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2020 Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Board with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Series 2020 Bonds, and by Steptoe & Johnson PLLC in connection with rendering its opinion that the interest on the Series 2020 Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Board from time to time relating to the Series 2020 Bonds.

CREWS & ASSOCIATES INC.

By: _____

Name: Rob Steptoe

Dated: February 5, 2020

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

GENERAL RULE MATURITIES

$3,430,000.00 3.000% Series 2020 Bonds due 05/01/2020 priced at 100.474%
$3,455,000.00 3.000% Series 2020 Bonds due 05/01/2021 priced at 102.330%
$3,595,000.00 4.000% Series 2020 Bonds due 05/01/2022 priced at 106.325%
$3,780,000.00 2.000% Series 2020 Bonds due 05/01/2023 priced at 102.629%
$3,885,000.00 2.000% Series 2020 Bonds due 05/01/2024 priced at 103.253%
$3,970,000.00 5.000% Series 2020 Bonds due 05/01/2025 priced at 118.957%

HOLD-THE-OFFERING-PRICE MATURITIES

NONE

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(attached hereto)

FINAL PRICING WIRE

$22,115,000 WV BERKELEY CO BOARD OF ED REF - FINAL PRICING

FINAL PRICING

THE 10% RULE HAS BEEN MET FOR EACH MATURITY

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

WV

Public School Refunding Bonds, Series 2020

Series: **2020**

PAR AMT (000): **22,115**
Dated Date: **2/5/2020**
First Coupon: **5/1/2020**
Settlement Date: **2/5/2020**

Underlying Rating - Moody's: **NR**
Enhanced Rating - Moody's: **NR** S&P: **AA-**
Credit Enhancement: **WV MBC School Program**
Tax Status: **Tax Exempt**

**********FINAL**********

TYPE	PAR AMT (000)	MAT DATE	CPN	YIELD	YTM	PRICE	AVG LIFE
Serial	3,430	5/1/2020	3.000	1.00000		100.474	
Serial	3,455	5/1/2021	3.000	1.10000		102.330	
Serial	3,595	5/1/2022	4.000	1.13000		106.325	
Serial	3,780	5/1/2023	2.000	1.17000		102.629	
Serial	3,885	5/1/2024	2.000	1.21000		103.253	
Serial	3,970	5/1/2025	5.000	1.25000		118.957	

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY

PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents to Crews & Associates, Inc. (the "Underwriter") that he is the duly appointed Chief School Business Official and Treasurer of the Board of Education of the County of Berkeley (West Virginia) (the "Issuer") authorized to execute and deliver this Certificate and further certifies on behalf of the Issuer to the Underwriter as follows:

1. This Certificate is delivered to enable the Underwriter to comply with Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the above-referenced bonds (the "Bonds").

2. In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated January 15, 2020, setting forth information concerning the Bonds, the Issuer and the Berkeley County School District (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, the identity of the Underwriter and other terms of the Bonds and any underlying obligations depending on such matters, all with respect to the Bonds and any underlying obligations.

4. The Preliminary Official Statement is, except for the Permitted Omissions, final as of its date, and the information therein is accurate and complete except for the 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 Issuer shall promptly notify the Underwriter thereof.

IN WITNESS WHEREOF, the Issuer has caused this Certificate to be executed by its Chief School Business Official and Treasurer as of the 15th day of January, 2020.

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (WEST VIRGINIA)

By: J. V. Buttrey, Jr., CPA.
Its: Chief School Business Official and Treasurer

January 22, 2020

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

RE: $ 22,115,000 The Board of Education of Berkeley County (West Virginia) Public School Refunding Bonds, Series 2020 (the "**Refunding Bonds**") – Requested Uses of Certain Funds Maintained at the West Virginia Municipal Bond Commission in Connection with the Refunding to be Accomplished by Issuance and Sale of the Refunding Bonds (Including Requested Use of Certain Surplus Funds)

Dear Ms. Rogers:

Board Members
Dr. William F. Queen
President
Dr. Darin L. Gilpin
Vice-President
Todd M. Beckwith
Member
Patrick H. Murphy
Member
Michelle Barnes-Russell
Member

As evidenced by and in accordance with the attached Resolution and Order (the "***Resolution***"), the Board of Education of the County of Berkeley (the "***Board***") intends to issue the above-referenced Refunding Bonds for the purpose of refunding the Board's Public School Bonds, Series 2010 (the "***Prior Bonds***"). A copy of the Resolution is attached hereto as Exhibit A hereto. The Prior Bonds financed the construction of new public school facilities and improvements to existing public school facilities in the Berkeley County School District (the "***District***") pursuant to the authority of a bond election held on September 26, 2009 (the "***Original Bond Referendum***").

The anticipated closing of the refunding is February 5, 2020. Please see the draft Closing Memorandum for the refunding which is attached as Exhibit B hereto.

To pay debt service on the Prior Bonds, the Board levied $4,613,588 (after allowance for uncollectibles, exonerations and delinquencies) for Fiscal Year ending June 30, 2020. Please see a copy of the Board's final signed Levy Order and Rate Sheet that is attached as Exhibit C hereto.

The maximum annual debt service for the Refunding Bonds is $4,168,500.00, which occurs in Fiscal Year 2025. Please see Exhibit D attached hereto, which is a copy of the final debt service schedule for the Refunding Bonds, taken from a report dated January 22, 2020 on the final numbers for the Refunding Bonds, which report was prepared by Crews & Associates, Inc., the Underwriter for the Refunding Bonds.

Based on the December 31, 2019 financial information posted by the West Virginia Municipal Bond Commission (the "WVMBC") on its website, the WVMBC reported that there was a balance on December 31, 2019, of $2,825,672.83 in the Prior Bonds debt service fund or account (the "***Prior Bonds/2010 Debt Service Fund***").

The Board has determined that the balance in the Prior Bonds/2010 Debt Service Fund as of the closing of the issuance and sale of the Refunding Bonds (scheduled for February 5, 2020), should be transferred to the new debt service fund/account for the new Refunding Bonds upon the completion of the refunding (the "***Series 2020 Refunding Bonds Debt Service Fund***"). The Board hereby requests that the WVMBC make such transfer.

Such transferred funds, together with ongoing bond levy revenues collected by the Board, should be used to pay debt service on the Refunding Bonds that will be due on May 1, 2020.

Finally, as of December 31, 2019, the WVMBC reported a balance of $4,570,305.06 in the surplus collection reserve fund or account for the Prior Bonds (referred to herein as the "***Series 2010 Surplus Collection Reserve Account***"). With respect to such Series 2010 Surplus Collection Reserve Account, the Board has determined to retain $1,156,000.00 (hereinafter referred to as the "***Minimum Balance***" and which equals 25% of the annual debt service which would have come due on the Prior Bonds during the period from July 1, 2020 to June 30, 2021) in the Series 2010 Surplus Collection Reserve Account to serve as a surplus collection reserve account with respect to the Refunding Bonds.

It is the Board's understanding that retaining the Minimum Balance with the WVMBC will allow the Board to levy taxes to pay debt service on the Refunding Bonds at the level equal to 105% of the annual debt service on the Refunding Bonds in each applicable fiscal year, including for FY 2021. The Board wishes levy taxes for FY 2021 at the level equal to 105% of the annual debt service on the Refunding Bonds to allow for delinquent taxes and exonerations.

The Board requests that the funds currently on deposit with the WVMBC, and any funds remaining in the Series 2010 Surplus Collection Reserve Account, less any applicable WVMBC fees, less amount of $1,914,305.06 to be transferred to the Escrow Account, and less the Minimum Balance (to be retained in a surplus collection reserve account with respect to the Refunding Bonds, as requested above), be transferred to the Board to be used to complete projects that are within the project categories approved by voters for the Prior Bonds in the Original Bond Referendum.

Finally, the Board requests and authorizes the WVMBC to utilize the funds to be deposited in an Escrow Fund to be established by the WVMBC from proceeds of the Refunding Bonds and monies on deposit in the Series 2010 Surplus Collection Reserve Account in the amount of $1,914,305.06 to purchase United States Treasury Securities, State and Local Government Series (the "Securities") as indicated in the subscription and schedule for such Securities filed by the Board with the WVMBC the proceeds of which upon maturity will be used to effect the redemption of the Prior Bonds.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Thank you for your consideration and assistance.

Respectfully yours,

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY

By: _____
Superintendent

cc: Thomas L. Aman, Esq.
Rob Steptoe (Crews & Associates, Inc.)

EXHIBIT A

COPY OF AUTHORIZING RESOLUTION OF THE BOARD AUTHORIZING ISSUANCE OF THE REFUNDING BONDS

(SEE ATTACHED)

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

RESOLUTION AND ORDER

RESOLUTION AND ORDER OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (WEST VIRGINIA), AUTHORIZING THE REFUNDING OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY PUBLIC SCHOOL BONDS, SERIES 2010, OUTSTANDING IN THE AGGREGATE PRINCIPAL AMOUNT OF $24,755,000, AND THE ISSUANCE FOR SUCH PURPOSE OF NOT TO EXCEED $26,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY, PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020; AUTHORIZING AND APPROVING A BOND PURCHASE AGREEMENT, AN ESCROW AGREEMENT, A PRELIMINARY OFFICIAL STATEMENT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE AGREEMENT 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; APPOINTING 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, at a special election held on September 26, 2009 (the "2009 Referendum"), the voters of Berkeley County, West Virginia approved the issuance of the Board's public school general obligation bonds;

WHEREAS, on February 17, 2010, the Board issued its $51,500,000 in aggregate principal amount of The Board of Education of the County of Berkeley (West Virginia) Public School Bonds, Series 2010 (the "Prior Bonds"), in accordance with Chapter 13, Article 1 of the

Code of West Virginia, 1931, as amended, and the duly adopted and entered resolutions and orders of the Board;

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 Berkeley County School District (the "School District" or the "District") currently refund the Prior Bonds (the "Refunding") pursuant to the Refunding Act, through the issuance of its not to exceed $26,000,000 in aggregate principal amount of The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020 (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 a portion of which have been deposited by the Commission in a fund established for the payment of debt service on the Prior Bonds (the "Prior Bonds Sinking Fund") and a portion of which that is in excess of amounts needed in prior periods to pay debt service on the Prior Bonds has been deposited in a Surplus Collections Account (the "Surplus Collections Account");

WHEREAS, the monies remaining on deposit with the Commission in the Surplus Collections Account (the "Surplus Funds") and in the Prior Bonds Sinking Fund at the time of the Refunding, less an amount, if any, to be retained in the surplus collections account and in the debt service account for the Refunding Bonds, will be utilized by the District as determined pursuant to the Certificate of Determinations (hereinafter defined) or alternatively by future action of this Board;

WHEREAS, the Board has authorized and engaged Crews & Associates, Inc. as Underwriter ("Underwriter") and Steptoe & Johnson PLLC as Bond Counsel ("Bond Counsel") in connection with the Refunding Bonds and the transactions contemplated herein;

WHEREAS, 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, the Board adopted a Resolution on November 4, 2019 (the "Initial Resolution"), wherein the Board gave its initial and preliminary approval, in concept, for the issuance and sale of the Refunding Bonds provided certain parameters were met;

WHEREAS, the Initial Resolution contemplated that the Refunding Bonds could not and would not be issued and sold until a further and final authorizing resolution of the Board,

such as this Resolution and Order (which would satisfy this particular requirement of the Initial Resolution);

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 disposition of the Surplus Funds and the monies on deposit in the Prior Bonds Sinking Fund as provided for in this Resolution and in the Certificate of Determinations 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, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Escrow Agreement, to select a bond insurer, if any, and other participants, each as hereinafter defined;

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

1. There is hereby authorized and directed the redemption and refunding of the Prior Bonds, as hereinafter provided.

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 $26,000,000. The Refunding Bonds shall be designated "The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020." The Refunding Bonds shall be dated such date or dates, shall be issued in one series, not to exceed $26,000,000 in aggregate principal amount, shall mature in such principal amounts on such date or dates not later than May 1, 2025, shall bear interest at such rate or rates of interest not to exceed six percent (6.0%) 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 (i) shall not increase the total indebtedness authorized and approved by the voters of the School District (*i.e.*, the aggregate principal amount of $51,500,000) by the 2009 Referendum and (ii) shall result in debt service payments under the limitations set forth in Section 13-2-1 of

the Refunding Act. 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 referenced in Section 13-2-1 of the Refunding Act, 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 United Bank, Charleston, 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, substantially in the form attached hereto as **EXHIBIT C – FORM OF ESCROW AGREEMENT** and incorporated herein by reference, 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 Preliminary Official Statement and the Official Statement, to be substantially in the form approved by an Authorized Officer on behalf of the Board pursuant to the Certificate of Determinations, and the distribution of counterparts or copies thereof by the Underwriter in connection with the marketing and sale of the Refunding Bonds is hereby approved. An Authorized Officer shall execute and deliver the Official Statement. The execution of the Official Statement by an Authorized Officer shall be conclusive evidence of any approval required by this Section. The distribution by the Underwriter of the Preliminary Official Statement (which is a "deemed final" official statement in accordance with SEC Rule 15c2-12), in the form approved by an Authorized Officer on behalf of the Board is hereby ratified and approved. 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, the firm of The Arbitrage Group, Inc. or another firm approved by an Authorized Officer, may be engaged for the purpose of verifying yield and sufficiency of the Escrow Fund.

14. The firm of Crews & Associates, Inc., Morgantown, West Virginia, has previously been appointed by the Board as the Underwriter for the issuance of the Refunding Bonds. The firm of Steptoe & Johnson PLLC, Bridgeport, West Virginia, has previously been 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 Berkeley 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 Berkeley 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 or transfer of some or all of the monies on deposit in the Prior Bonds Sinking Fund and the Surplus Collections Account as shall be determined by the Authorized Officer executing the Certificate of Determination.

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. Surplus Funds shall be applied as determined by the Authorized Officer executing the Certificate of Determinations to either reduce the aggregate principal amount of the Refunding Bonds or to be used for capital projects within the parameters of the 2009 Referendum.

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" or alternatively any other lawful investment for the Commission as may be designed by the Authorized Offer in the Certificate of Determination.

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. An Authorized Officer 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 January 6, 2020.

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

By: _____
Title: President

Attest:

By: _____
Its: Secretary

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 Berkeley at a regular meeting of the Board held on January 6, 2020, pursuant to proper notice, at which meeting a quorum was present and acting throughout.

Dated this February 5, 2020.

By: _____
Secretary

EXHIBIT A

FORM OF CERTIFICATE OF DETERMINATIONS

The undersigned, [President or Secretary of The Board of Education of the County of Berkeley, West Virginia (the "Board")][Superintendent of the Berkeley County School District], in accordance with a Resolution and Order adopted by the Board on January 6, 2020 (the "Order"), with respect to the $_____ The Board Of Education of the County of Berkeley, Public School Refunding Bonds, Series 2020 (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 _____, 2020.

3. The Bonds shall be issued in the aggregate principal amount of $_____ .

4. Such principal amount does not exceed $26,000,000, 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 six percent (6.0%) per annum, being the maximum interest rate authorized by the Order. Interest shall be payable on the Bonds semiannually on each May 1 and November 1, beginning on May 1, 2020 and in each year until maturity.

7. The Bonds shall not be subject to optional redemption.

8. The Bonds shall be sold to Crews & Associates, Inc. (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 $_____]).

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 2010, dated February 17, 2010, issued in the original aggregate principal amount of $51,500,000 (the "Series 2010 Bonds") shall be applied as set forth on Schedule 2 attached hereto and incorporated herein, including any additional determinations deemed necessary by the [Authorized Officer].

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 Preliminary Official Statement of the Board dated _____, 2020, 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.

[14. ("Bond Insurer") has offered Bond Insurance for the Bonds pursuant to the terms of a commitment letter dated _____, 2020 (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 _____, 2020.

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

By:_____
Its: _____

Schedule 1

Maturities

Mandatory Redemption.

Schedule 2

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

EXHIBIT 1

[Form of Bond Purchase Agreement]
(Attached Hereto)

EXHIBIT 2

[Form of Escrow Agreement]
(Attached Hereto)

EXHIBIT 3

[Form of Continuing Disclosure Agreement]
(Attached Hereto)

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 BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL REFUNDING BOND,
SERIES 2020

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP
_____%	_____	_____	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (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 May 1, 2020 (each an "Interest Payment Date"), until maturity. United Bank, Charleston, 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, Series 2020" (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 January 6, 2020, for the purpose of refunding the Issuer's Public School Bonds, Series 2010, currently outstanding in the aggregate principal amount of $_____ (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 are not 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 BERKELEY 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 _____, 2020.

THE BOARD OF EDUCATION OF THE COUNTY
OF BERKELEY, 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: _____, 2020.

UNITED BANK,
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

FORM OF ESCROW AGREEMENT

ESCROW AGREEMENT

This ESCROW AGREEMENT, made and entered into as of _____, 2020, by and between THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (WEST VIRGINIA) (the "Issuer") and the WEST VIRGINIA MUNICIPAL BOND COMMISSION, as Escrow Agent (the "Commission" or the "Escrow Agent").

W I T N E S E T H T H A T:

WHEREAS, on February 17, 2010, the Issuer issued its Public School Bonds, Series 2010, in the original aggregate principal amount of **$51,500,000**, of which **$24,755,000** is presently outstanding (the "Prior Bonds");

WHEREAS, the Issuer has determined to issue its Public School Refunding Bonds, Series 2020 (the "Refunding Bonds"), pursuant to a Resolution and Order adopted and entered on January 6, 2020 (the "Order"), and contemporaneously therewith, legally defease the Prior Bonds by applying proceeds of the Refunding Bonds, together with certain moneys currently on deposit with the Escrow Agent in a Debt Service Account and in a Surplus Collections Account from tax levies imposed in connection with the Prior Bonds ("Issuer's Funds") to the purchase of obligations of the United States government to be deposited, together with certain cash amounts, in the Escrow Fund herein described;

WHEREAS, the Commission, as Escrow Agent, will cause to be purchased on behalf of the Issuer, with such Refunding Bonds proceeds and Issuer's Funds, certain United States Treasury Obligations, State and Local Government Series (the "Government Securities") described in **EXHIBIT A** attached hereto;

WHEREAS, the Government Securities, plus residual cash amounts in the Escrow Fund, shall be in such principal amount and mature and bear interest at such rates and shall be payable at such times and in such amounts as to insure the payment, when due, of the principal of and interest on the Prior Bonds to and including May 1, 2020, and on such date (the "Redemption Date") to pay the remaining principal amount thereof, being $24,755,000 (the "Redemption Price");

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 Securities, receiving payments of the principal thereof and interest thereon when due, disbursing to the Registered Owner of the Prior Bonds, on the appropriate dates, the amounts necessary to pay the principal of and interest on the Prior Bonds

as the same become due and on the Redemption Date, to pay the Redemption Price thereof, and holding and investing and reinvesting any cash balances which may at any time not be needed for immediate disbursement; and

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

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 securities or moneys in the Escrow Fund shall constitute an irrevocable deposit of said securities or moneys in trust for, and such moneys and securities, shall be applied, except as otherwise provided herein, solely to the payment of the principal of and interest on the Prior Bonds and on the Redemption Date, to pay the Redemption Price thereof, 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 Refunding Bonds proceeds in the amount of $_____, together with Issuer's Funds in the amount of $_____ (total of $_____) to be deposited in the Escrow Fund, and thereupon $_____ to be applied to the purchase of the Government Securities and to hold the remaining $____ as cash, uninvested, in the Escrow Fund. Maturing principal and interest of the Government Securities, together with the uninvested cash in the Escrow Fund, if any, shall be applied solely to the payment, when due, of the principal of and interest on the Prior Bonds and on the Redemption Date, to pay the Redemption Price thereof. The Government Securities and the uninvested cash in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Prior Bonds and to pay the Redemption Price on the Redemption Date. The Issuer hereby authorizes and directs the Escrow Agent to purchase the Government Securities.

4. Application of Escrow Fund. The Escrow Agent, without further authorization from the Issuer, shall transfer from the Escrow Fund and pay directly to the Registered Owner of the Prior Bonds, in immediately available funds on May 1, 2020, the principal of and interest on the Prior Bonds then becoming due, and on the Redemption Date, an amount sufficient to pay the Redemption Price. Any earnings on the investments in the Escrow Fund which are not needed to pay the principal of and interest on the Prior Bonds as the same becomes due and payable and to pay the Redemption Price of the Prior Bonds on the Redemption Date shall be transferred by the Paying Agent to the Debt Service Account for the

Refunding Bonds and thereupon applied to the payment of debt service on the Refunding Bonds until the termination of this Escrow Agreement pursuant to the terms hereof.

Moneys in the Escrow Fund shall, and the Escrow Agent agrees such moneys will, be used solely for the purpose as above described and the deposit of such moneys into the Escrow Fund shall be irrevocable (with the exception of the transfers to the Debt Service Account for the Refunding Bonds and the transfers upon the termination of this Agreement herein described), and the Escrow Agent agrees it will not surrender or otherwise attempt to redeem or otherwise negotiate the investments in the Escrow Fund, except as they shall come due, unless such redemption or negotiation shall be in connection with the purchase of other securities permitted by the laws of the State of West Virginia, and the Escrow Agent shall have received (a) the written request of the Issuer for such purchase and setting forth the procedures to be followed, (b) an opinion by an independent certified public accountant (the "Accountant") that after such reinvestment the principal amount of the substituted securities, together with any beginning cash balance that is being held uninvested, will be sufficient to make the payments described in the first paragraph of this Section 4, and (c) an unqualified opinion of nationally recognized bond counsel (acceptable to the Issuer) familiar with the transactions contemplated by this Escrow Agreement to the effect that (i) such reinvestment will not cause the Prior Bonds or the Refunding Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") or the regulations in effect thereunder and applicable to the Prior Bonds or the Refunding Bonds, and (ii) such reinvestment complies with the Constitution and laws of the State of West Virginia and the provisions of all relevant documents relating to the issuance of the Prior Bonds. 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 Fund and moneys and investments therein and that the Issuer shall not exercise any control or authority over and with respect to the Escrow Fund and the moneys and investments therein.

5. Deposit to Special Surplus Account. Concurrently with the delivery of the Refunding Bonds, funds on deposit with the Commission in the Surplus Collections Account for the Prior Bonds on the Closing Date in the amount of $_____ shall, on the Closing Date, or as soon thereafter as practical, be paid by check from the Escrow Agent to the Issuer and applied by the Issuer solely to payment of costs of capital improvements, repairs or replacements to school facilities in Berkeley County School District, which were specified in the bond referendum approved by the voters of Berkeley County, West Virginia, on September 26, 2009. Such funds to be released to the Issuer are not available for or pledged to the payment of debt service on the Refunding Bonds.

Funds on deposit in the Surplus Collections Account for the Prior Bonds on the Closing Date in the amount of $_____ shall be transferred on the Closing Date to the Special Surplus Account and shall be available, if needed, to pay the principal of and interest on the Refunding Bonds coming due on May 1, 2020, and thereafter, as set forth below, and shall not be used for any other purpose until May 15, 2021. On or after May 15, 2021, the Issuer shall review the balances in the Debt Service Account and Surplus Collection Account for the Refunding Bonds, and, upon a determination in writing by the Issuer that sufficient reserves are

on hand at the Bond Commission, the Issuer may withdraw a portion of the Special Surplus Account deposit so as to leave a balance therein of not less than $_____. On or after May 15, 2022, the Issuer shall again review the balances on deposit in the Debt Service Account and Surplus Collection Account for the Refunding Bonds, and, upon a determination in writing by the Issuer that sufficient funds are on hand at the Commission, the Issuer may withdraw all or any portion of the Special Surplus Account balance. All such funds withdrawn from the Special Surplus Account and not applied to the paying of debt service on the Refunding Bonds shall be applied solely by the Issuer to payment or repayment of costs of capital improvements, repairs or replacements for school facilities in Berkeley County, West Virginia, which were specified in the bond referendum approved by the voters of Berkeley County, West Virginia on September 26, 2009. Each withdrawal request of the Issuer shall be specifically authorized by resolution of the Issuer. The Special Surplus Account shall be closed by the Commission when all the funds therein have been withdrawn or used to pay debt service as provided in this section.

6. 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.

7. Timing Inefficiencies. If, at any time, the Government Securities then held as an investment in the Escrow Fund mature or payments are made thereon to the Escrow Agent or the Escrow Agent otherwise holds or receives cash in advance of the time such cash is needed to make payment on the Prior Bonds, such amounts shall be reinvested as provided in Section 4 hereof; provided that:

(a) such moneys shall be invested only in Obligations of the United States of America which mature not later than the date on which the funds invested therein will be needed to make payments on the Prior Bonds;

(b) such moneys shall be invested only in Obligations of the United States of America which mature in an amount, together with interest thereon, not less than the full amount paid by the Escrow Agent to acquire such investments; and

(c) the composite yield on such Obligations of the United States of America may not exceed the yield on the Refunding Bonds.

8. Termination of This Escrow Agreement. This Escrow Agreement shall terminate when the Prior Bonds have been discharged and cancelled in accordance with the provisions hereof and the Commission shall have disbursed all funds then on deposit with the Commission in accordance with the terms of this Agreement. If any Prior Bonds are not presented for payment when due and payable, funds for the payment of any nonpresented Prior Bonds shall be held by the Escrow Agent in accordance with the terms hereof for a period of one

(1) year following the Redemption Date of such Prior Bonds and such funds shall thereafter be released to the Issuer to be held by the Issuer in accordance with the unclaimed property laws of the State of West Virginia. Any money or Government Securities held in the Escrow Fund following the earlier of: (i) the payment in full of the Prior Bonds, or (ii) one (1) year following the Redemption Date of the Prior Bonds, and which is 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.

9. Earnings on Escrow Fund. Any earnings on the investments in the Escrow Fund which are not needed to pay the principal of and interest on the Prior Bonds as the same becomes due and payable and to pay the Redemption Price of the Prior Bonds on the Redemption Date shall be transferred by the Paying Agent to the Debt Service Account for the Refunding Bonds and thereupon applied to the payment of debt service on the Refunding Bonds until the termination of this Escrow Agreement pursuant to the terms hereof.

10. 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. Earnings from reinvestment proceeds described in Section 4 above may be used to pay Escrow Agent fees and fees for the paying agent for the Prior Bonds. To the extent such earnings are insufficient for such purposes, the Issuer will pay all Escrow Agent fees and fees of the paying agent for the Prior Bonds.

11. 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.

12. Insufficient Moneys or Investments in the Escrow Fund. The Escrow Agent shall immediately notify the Issuer by registered, first-class mail, postage prepaid, whenever, for any reason, the funds or accounts created pursuant to this Escrow Agreement plus the securities and investments therein and interest on said securities and investments, as the same accrues, 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.

13. 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 details of all income, investments, 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 years from such date the Prior Bonds have been paid in full.

(b) The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the Issuer of any obligation, or to protect any of the Issuer's rights under any bond resolution or any of said Issuer's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any corporation or individual; and the Escrow Agent shall not be liable for any act done or step taken or omitted by the Escrow Agent or any mistake of fact or law or for anything which the Escrow Agent may do or refrain from doing, except for its negligence or its willful default in the performance of any obligation imposed upon the Escrow Agent hereunder. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, or in the Prior Bonds or any proceedings taken in connection therewith, as they are made solely by the Issuer.

14. Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

15. Successors and Assigns. All of the covenants, promises and agreements in this Escrow Agreement contained by or on behalf of the Issuer or the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether or not so expressed.

16. Governing Law. This Escrow Agreement shall be governed by the applicable law of the State of West Virginia.

17. Headings. Any headings preceding the text of the several Sections hereof shall be solely for convenience of reference and shall not constitute a part of this Escrow Agreement, nor shall they affect its meaning, construction or effect.

18. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

19. Notices. Unless otherwise required herein, any notices, requests, complaints, demands, communications or other papers shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed to the parties as follows:

The Issuer:	The Board of Education of the County of Berkeley 401 South Queen Street Martinsburg, WV 25401
The Escrow Agent:	West Virginia Municipal Bond Commission 900 Pennsylvania Avenue, Suite 1117 Charleston, West Virginia 25302 ATTN: Executive Director

[Signature page follows this page.]

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 BERKELEY

By: _____
Its President

WEST VIRGINIA MUNICIPAL BOND
COMMISSION

By: _____
Its Executive Director

EXHIBIT A – DESCRIPTION OF GOVERNMENT SECURITIES

[Attach Subscription Confirmation]

EXHIBIT B

**COPY OF THE DRAFT CLOSING MEMORANDUM
FOR THE REFUNDING
(PREPARED BY UNDERWRITER)**

(SEE ATTACHED)

EXHIBIT C

FINAL FY 2020 LEVY ORDER AND RATE SHEET

(SEE ATTACHED)

SCHEDULE OF PROPOSED LEVY RATES

BERKELEY COUNTY BOARD OF EDUCATION

For the Fiscal Year Ended June 30, 2020

The following is a true copy from the record of orders entered by BERKELEY COUNTY BOARD OF EDUCATION on the 18th day of March 2019:

	Excess Levy		Permanent Improvement		Bond Levy	
	Levy Rate/$100	Taxes Levied	Levy Rate/$100	Taxes Levied	Levy Rate/$100	Taxes Levied
Class I						
Personal Property	22.50	$ -	-	$ -	2.90	$ -
Public Utilities		-		-		-
Total Class I		-		-		-
Class II						
Real Estate	45.00	15,555,360	-	-	5.80	2,004,913
Personal Property		45,012		-		5,802
Total Class II		15,600,372		-		2,010,715
Class III						
Real Estate	90.00	9,290,109	-	-	11.60	1,197,392
Personal Property		5,258,824		-		677,804
Public Utilities		1,228,190		-		158,300
Total Class III		15,777,123		-		2,033,496
Class IV						
Real Estate	90.00	3,326,712	-	-	11.60	428,776
Personal Property		859,996		-		110,844
Public Utilities		354,699		-		45,717
Total Class IV		4,541,409		-		585,337
Total Assessed Valuation and Projected Gross Tax Collections		**$ 35,918,904**		**$ -**		**$ 4,629,548**
Less Allowance for Uncollectibles, Exonerations and Delinquencies	5.00%	(1,795,945)	5.00%	-	-0.34%	($15,960)
Less Allowance for Tax Discounts	2.00%	(682,459)	2.00%	-		
Less Allowance for Tax Increment Financing				-		
See Worksheet P/I						
Net Projected Tax Collections before Asessor's Fund				-		
Less - Allowance for Assessor's Valuation Fund				-		
Projected Net Taxes to be Collected		**$ 33,440,600**		**$ -**		**$4,613,588**
Total Projected Net Taxes from Regular and Excess Levies		**$ 61,608,343**				

SIGNED THIS 18th DAY OF MARCH, 2019, BY

Harold L. Hatfield — SECRETARY OF THE BOARD OF EDUCATION

Signature

WVDE 11-20-36 (Revised 3-10-15)

EXHIBIT D

NEW DEBT SERVICE
(DEBT SERVICE FOR THE REFUNDING BONDS)
TAKEN FROM FINAL NUMBERS REPORT
PREPARED BY UNDERWRITER

(SEE ATTACHED)

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S	Fiscal Total
02/05/2020	-	-	-	-	-	-
05/01/2020	3,430,000.00	3.000%	167,735.83	3,597,735.83	3,597,735.83	-
06/30/2020	-	-	-	-	-	3,597,735.83
11/01/2020	-	-	299,625.00	299,625.00	299,625.00	-
05/01/2021	3,455,000.00	3.000%	299,625.00	3,754,625.00	3,754,625.00	-
06/30/2021	-	-	-	-	-	4,054,250.00
11/01/2021	-	-	247,800.00	247,800.00	247,800.00	-
05/01/2022	3,595,000.00	4.000%	247,800.00	3,842,800.00	3,842,800.00	-
06/30/2022	-	-	-	-	-	4,090,600.00
11/01/2022	-	-	175,900.00	175,900.00	175,900.00	-
05/01/2023	3,780,000.00	2.000%	175,900.00	3,955,900.00	3,955,900.00	-
06/30/2023	-	-	-	-	-	4,131,800.00
11/01/2023	-	-	138,100.00	138,100.00	138,100.00	-
05/01/2024	3,885,000.00	2.000%	138,100.00	4,023,100.00	4,023,100.00	-
06/30/2024	-	-	-	-	-	4,161,200.00
11/01/2024	-	-	99,250.00	99,250.00	99,250.00	-
05/01/2025	3,970,000.00	5.000%	99,250.00	4,069,250.00	4,069,250.00	-
06/30/2025	-	-	-	-	-	4,168,500.00
Total	$22,115,000.00	-	$2,089,085.83	$24,204,085.83	$24,204,085.83	-

NOTICE OF DEFEASANCE

CUSIP NO.	PRINCIPAL AMOUNT	INTEREST RATE	MATURITY DATE
084239FG2	$3,710,000	4.00%	May 1, 2020
084239FH0	$3,865,000	3.25%	May 1, 2021
084239FJ6	$4,030,000	3.375%	May 1, 2022
084239FK3	$4,205,000	3.50%	May 1, 2023
084239FL1	$4,380,000	4.00%	May 1, 2024
084239FM9	$4,565,000	3.75%	May 1, 2025
TOTAL	***$24,755,000***		

$51,500,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (WEST VIRGINIA) PUBLIC SCHOOL BONDS, SERIES 2010

TO ALL HOLDERS OF THE ABOVE-CAPTIONED BONDS:

You are hereby notified that all the above-captioned Public School Bonds, Series 2010 (the "Bonds") issued by The Board of Education of the County of Berkeley (West Virginia) (the "Board"), that are outstanding on the date hereof in the aggregate principal amount of $24,755,000, have been refunded to their next redemption date, being May 1, 2020 and are deemed to have been paid in accordance with the provisions of Chapter 13, Article 2, of the Code of West Virginia, 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 interest on such Bonds as the same become due and payable to and including May 1, 2020, 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 BERKELEY

By: UNITED BANK

Dated: February 5, 2020

NOTICE OF OPTIONAL REDEMPTION

CUSIP NO.	PRINCIPAL AMOUNT	INTEREST RATE	MATURITY DATE
084239FG2	$3,710,000	4.00%	May 1, 2020
084239FH0	$3,865,000	3.25%	May 1, 2021
084239FJ6	$4,030,000	3.375%	May 1, 2022
084239FK3	$4,205,000	3.50%	May 1, 2023
084239FL1	$4,380,000	4.00%	May 1, 2024
084239FM9	$4,565,000	3.75%	May 1, 2025
TOTAL	***$24,755,000***		

$51,500,000
THE BOARD OF EDUCATION OF THE
COUNTY OF BERKELEY (WEST VIRGINIA)
PUBLIC SCHOOL BONDS, SERIES 2010

Pursuant to the provisions of the Resolution and Order dated October 19, 2009 (the "Resolution") of the Board of Education of the County of Berkeley, West Virginia (the "Issuer"), $24,755,000 (comprising all) of the outstanding, above-referenced Series 2010 Bonds are hereby called for optional redemption at par on **May 1, 2020**.

The Depository Trust Company is hereby directed to return each global certificate for each maturity of the above-referenced Series 2010 Bonds, each dated May 1, in the respective principal amounts for each maturity as set forth on the table above (in the aggregate principal amount of $24,755,000).

The West Virginia Municipal Bond Commission shall act as Paying Agent and the Issuer has appointed United Bank as Registrar for the above-referenced Series 2010 Bonds.

No representation is made as to the correctness of the CUSIP number on the bonds or in this notice.

Paying Agent: West Virginia Municipal Bond Commission
900 Pennsylvania Avenue, Suite 1117
Charleston, WV 25302

Registrar: United Bank
500 Virginia Street East
Charleston, WV 25301

THE BOARD OF EDUCATION OF THE
COUNTY OF BERKELEY

By: UNITED BANK

Dated: April 1, 2020

The Arbitrage Group, Inc.

$22,115,000
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

The Arbitrage Group, Inc.

99 Detering Street
Suite 120
Houston, Texas 77007

Telephone 713 522 8527
Facsimile 713 522 8471

www.thearbitragegroup.com

February 5, 2020

The Board of Education of the County of Berkeley (West Virginia)
Martinsburg, West Virginia

Steptoe & Johnson PLLC
Bridgeport, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

$22,115,000
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

The Board of Education of the County of Berkeley (West Virginia) (the "Board") proposes to issue the above referenced bonds (the "Bonds") which are dated and will be issued on February 5, 2020.

A portion of the proceeds of the Bonds, together with other monies, will be used to purchase United States Treasury Securities -- State and Local Government Series (the "Acquired Obligations") which will be placed in an irrevocable trust together with an initial cash deposit to be used solely to refund that portion of the Board's Public School Bonds, Series 2010 (the "Refunded Bonds") described below:

Series	Original Amount Issued	Dated Date	Amount to be Refunded	Maturities and Sinking Fund Dates to be Refunded	Maturities and Sinking Fund Dates to be Optionally Redeemed	Optional Redemption Date and Price
2010	$51,500,000	02-17-2010	$24,755,000	05-01-2020 - 05-01-2025, Inclusive	05-01-2021 - 05-01-2025, Inclusive	05-01-2020 @ 100%

At your request, we have independently verified the arithmetical accuracy of the computations provided to us by Crews & Associates, Inc. which indicate: (1) the sufficiency of the receipts from the Acquired Obligations together with an initial cash deposit to pay to and at early redemption the principal of and interest on the Refunded Bonds; and, (2) the "yields" to be considered by bond counsel in its determination that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended. The term "yield," as used herein, means that discount rate which, when used in computing the present value of all payments of principal and interest on an obligation compounded semiannually using a 30/360-day year basis, produces an amount equal to: in the case of the Acquired Obligations, the purchase price of such securities; and, in the case of the Bonds, the Issue Price to the Public.

The original computations, along with certain assumptions and information, were furnished to us by Crews & Associates, Inc. on behalf of the Board. We have relied solely on the assumptions and information provided to us and have not made any study or evaluation of them, except as noted below. We express no opinion on the reasonableness of the assumptions, or the likelihood that the debt service requirements of the Refunded Bonds will be paid as described in the accompanying Exhibits.

In the course of our engagement, we were furnished by Crews & Associates, Inc. with excerpts from the Official Statement for the Refunded Bonds, the Official Statement for the Bonds and copies of the subscription forms for the purchase of the Acquired Obligations. We understand that the subscription form was filed on January 23, 2020. We compared the information contained in the schedules provided by Crews & Associates, Inc. with certain information set forth in such documents with respect to prices, principal payment dates and amounts, interest payment dates and rates, yields, and redemption dates and prices. We found that the information contained in such schedules provided to us by Crews & Associates, Inc. was in agreement with the above-mentioned information set forth in such documents. In addition, we have verified that, based upon the table of interest rates payable on United States Treasury Securities -- State and Local Government Series for use on January 23, 2020, the interest rates payable on the Acquired Obligations are at or below the maximum allowable interest rate for each maturity date.

In our opinion, based on the assumptions and information provided by Crews & Associates, Inc. on behalf of the Board, the computations in the schedules provided to us are arithmetically accurate. The computations in the accompanying Exhibits prepared by us and the comparable schedules provided to us indicate that:

(1) the receipts from the Acquired Obligations together with an initial cash deposit of $0.29 will be sufficient to pay to and at early redemption the principal of and interest on the Refunded Bonds; and,

(2) the yield of the Bonds is 1.196976% and the yield of the Acquired Obligations is 1.196947%.

This engagement was performed in accordance with standards established by the American Institute of Certified Public Accounts for consulting services. The terms of our engagement are such that we have no obligation to update this report or to verify any revised computation because of events and transactions occurring subsequent to the date of this report. This report is issued solely for your information and assistance in connection with the issuance of the Bonds. This report is not to be quoted or referred to without our prior written consent.

Very truly yours,

The Arbitrage Group, Inc.

Exhibits

A. Sources and Uses of Funds
B. Escrow Cash Flow
C-1. Debt Service Requirements of the Refunded Bonds to Maturity
C-2. Debt Service Requirements of the Refunded Bonds to Early Redemption
D. Receipts from Acquired Obligations and Proof of Yield
E. Debt Service Requirements and Proof of Yield on the Bonds
F. Computation of Original Issue Premium

Sources and Uses of Funds

The Board of Education of the County of Berkeley (West Virginia)

SOURCES	
Principal Amount of the Bonds	$22,115,000.00
Original Issue Premium	1,302,491.60
Transfer from Surplus Account	1,914,305.06
	$25,331,796.66
USES	
Purchase Price of Acquired Obligations	$25,135,035.00
Initial Cash Deposit	0.29
Costs of Issuance	118,400.00
Underwriter's Discount	77,402.50
Contingency	958.87
	$25,331,796.66

Escrow Cash Flow

The Board of Education of the County of Berkeley (West Virginia)

Date	Beginning Cash Balance	Receipts from Acquired Obligations	Debt Service Requirements of the Refunded Bonds to Early Redemption	Ending Cash Balance
02/05/20	$0.29			$0.29
05/01/20	$0.29	$25,206,793.46	$25,206,793.75	$0.00
		$25,206,793.46	$25,206,793.75	

Debt Service Requirements of the Refunded Bonds to Maturity

The Board of Education of the County of Berkeley (West Virginia)

Date	Principal	Coupon Rate	Interest	Debt Service Requirements of the Refunded Bonds to Maturity
05/01/20	$3,710,000.00	4.000%	$451,793.75	$4,161,793.75
11/01/20			377,593.75	377,593.75
05/01/21	3,865,000.00	3.250%	377,593.75	4,242,593.75
11/01/21			314,787.50	314,787.50
05/01/22	4,030,000.00	3.375%	314,787.50	4,344,787.50
11/01/22			246,781.25	246,781.25
05/01/23	4,205,000.00	3.500%	246,781.25	4,451,781.25
11/01/23			173,193.75	173,193.75
05/01/24	4,380,000.00	4.000%	173,193.75	4,553,193.75
11/01/24			85,593.75	85,593.75
05/01/25	4,565,000.00	3.750%	85,593.75	4,650,593.75
	$24,755,000.00		$2,847,693.75	$27,602,693.75

Debt Service Requirements of the Refunded Bonds to Early Redemption

The Board of Education of the County of Berkeley (West Virginia)

Date	Principal	Coupon Rate	Interest	Debt Service Requirements of the Refunded Bonds to Early Redemption
05/01/20	$24,755,000.00	*	$451,793.75	$25,206,793.75

* Coupon rates are as shown in the Debt Service Requirements of the Refunded Bonds to Maturity.

Receipts from Acquired Obligations and Proof of Yield

The Board of Education of the County of Berkeley (West Virginia)

Date	Principal	Coupon Rate	Interest	Receipts from Acquired Obligations	Present Value of Future Receipts at 02/05/20 Using a Rate of 1.196947%
05/01/20	$25,135,035.00	1.215%	$71,758.46	$25,206,793.46	$25,135,035.00
			Purchase Price of Acquired Obligations		$25,135,035.00

Debt Service Requirements and Proof of Yield on the Bonds

The Board of Education of the County of Berkeley (West Virginia)

Date	$22,115,000 Serial Bonds			Debt Service Requirements of the Bonds	Present Value of Future Payments at 02/05/20 Using a Rate of 1.196976%
	Principal	Coupon Rate	Interest		
05/01/20	$3,430,000.00	3.000%	$167,735.83	$3,597,735.83	$3,587,493.58
11/01/20			299,625.00	299,625.00	296,994.53
05/01/21	3,455,000.00	3.000%	299,625.00	3,754,625.00	3,699,521.19
11/01/21			247,800.00	247,800.00	242,710.63
05/01/22	3,595,000.00	4.000%	247,800.00	3,842,800.00	3,741,483.43
11/01/22			175,900.00	175,900.00	170,243.46
05/01/23	3,780,000.00	2.000%	175,900.00	3,955,900.00	3,805,909.35
11/01/23			138,100.00	138,100.00	132,073.40
05/01/24	3,885,000.00	2.000%	138,100.00	4,023,100.00	3,824,644.33
11/01/24			99,250.00	99,250.00	93,792.75
05/01/25	3,970,000.00	5.000%	99,250.00	4,069,250.00	3,822,624.95
	$22,115,000.00		$2,089,085.83	$24,204,085.83	$23,417,491.60

Principal Amount of the Bonds	$22,115,000.00
Original Issue Premium	1,302,491.60
	$23,417,491.60

Computation of Original Issue Premium

The Board of Education of the County of Berkeley (West Virginia)

Date	Principal	Coupon Rate	Yield	Price	Purchase Price	Accrued Interest	Original Issue Premium
05/01/20	$3,430,000.00	3.000%	1.000%	100.474%	$3,446,258.20	$0.00	$16,258.20
05/01/21	3,455,000.00	3.000%	1.100%	102.330%	3,535,501.50	0.00	80,501.50
05/01/22	3,595,000.00	4.000%	1.130%	106.325%	3,822,383.75	0.00	227,383.75
05/01/23	3,780,000.00	2.000%	1.170%	102.629%	3,879,376.20	0.00	99,376.20
05/01/24	3,885,000.00	2.000%	1.210%	103.253%	4,011,379.05	0.00	126,379.05
05/01/25	3,970,000.00	5.000%	1.250%	118.957%	4,722,592.90	0.00	752,592.90
	$22,115,000.00				$23,417,491.60	$0.00	$1,302,491.60

ESCROW AGREEMENT

This ESCROW AGREEMENT, made and entered into as of February 5, 2020, by and between THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (WEST VIRGINIA) (the "Issuer") and the WEST VIRGINIA MUNICIPAL BOND COMMISSION, as Escrow Agent (the "Commission" or the "Escrow Agent").

W I T N E S E T H T H A T:

WHEREAS, on February 17, 2010, the Issuer issued its Public School Bonds, Series 2010, in the original aggregate principal amount of **$51,500,000**, of which **$24,755,000** is presently outstanding (the "Prior Bonds");

WHEREAS, the Issuer has determined to issue its Public School Refunding Bonds, Series 2020 (the "Refunding Bonds"), pursuant to a Resolution and Order adopted and entered on January 6, 2020 (the "Order"), and contemporaneously therewith, legally defease the Prior Bonds by applying proceeds of the Refunding Bonds, together with certain moneys currently on deposit with the Escrow Agent in a Surplus Collections Account from tax levies imposed in connection with the Prior Bonds ("Issuer's Funds") to the purchase of obligations of the United States government to be deposited, together with certain cash amounts, in the Escrow Fund herein described;

WHEREAS, the Commission, as Escrow Agent, will cause to be purchased on behalf of the Issuer, with such Refunding Bonds proceeds and Issuer's Funds, certain United States Treasury Obligations, State and Local Government Series (the "Government Securities") described in **EXHIBIT A** attached hereto;

WHEREAS, the Government Securities, plus residual cash amounts in the Escrow Fund, shall be in such principal amount and mature and bear interest at such rates and shall be payable at such times and in such amounts as to insure the payment, when due, of the principal of and interest on the Prior Bonds to and including May 1, 2020, and on such date (the "Redemption Date") to pay the remaining principal amount thereof, being $24,755,000 (the "Redemption Price");

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 Securities, receiving payments of the principal thereof and interest thereon when due, disbursing to the Registered Owner of the Prior Bonds, on the appropriate dates, the amounts necessary to pay the principal of and interest on the Prior Bonds as the same become due and on the Redemption Date, to pay the Redemption Price thereof, and holding and investing and reinvesting any cash balances which may at any time not be needed for immediate disbursement; and

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

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 securities or moneys in the Escrow Fund shall constitute an irrevocable deposit of said securities or moneys in trust for, and such moneys and securities, shall be applied, except as otherwise provided herein, solely to the payment of the principal of and interest on the Prior Bonds and on the Redemption Date, to pay the Redemption Price thereof, 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 Refunding Bonds proceeds in the amount of **$23,220,730.23**, together with Issuer's Funds in the amount of **$1,914,305.06** (total of **$25,135,035.29**) to be deposited in the Escrow Fund, and thereupon **$25,135,035** to be applied to the purchase of the Government Securities and to hold the remaining **$0.29** as cash, uninvested, in the Escrow Fund. Maturing principal and interest of the Government Securities, together with the uninvested cash in the Escrow Fund, if any, shall be applied solely to the payment, when due, of the principal of and interest on the Prior Bonds and on the Redemption Date, to pay the Redemption Price thereof. The Government Securities and the uninvested cash in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Prior Bonds and to pay the Redemption Price on the Redemption Date. The Issuer hereby authorizes and directs the Escrow Agent to purchase the Government Securities.

4. Application of Escrow Fund. The Escrow Agent, without further authorization from the Issuer, shall transfer from the Escrow Fund and pay directly to the Registered Owner of the Prior Bonds, in immediately available funds on May 1, 2020, the principal of and interest on the Prior Bonds then becoming due, and on the Redemption Date, an amount sufficient to pay the Redemption Price. Any earnings on the investments in the Escrow Fund which are not needed to pay the principal of and interest on the Prior Bonds as the same becomes due and payable and to pay the Redemption Price of the Prior Bonds on the Redemption Date shall be transferred by the Paying Agent to the Debt Service Account for the Refunding Bonds and thereupon applied to the payment of debt service on the Refunding Bonds until the termination of this Escrow Agreement pursuant to the terms hereof.

Moneys in the Escrow Fund shall, and the Escrow Agent agrees such moneys will, be used solely for the purpose as above described and the deposit of such moneys into the Escrow Fund shall be irrevocable (with the exception of the transfers to the Debt Service Account for the Refunding Bonds and the transfers upon the termination of this Agreement herein described), and the Escrow Agent agrees it will not surrender or otherwise attempt to redeem or otherwise negotiate the investments in the Escrow Fund, except as they shall come due, unless such redemption or negotiation shall be in connection with the purchase of other securities permitted by the laws of the State of West Virginia, and the Escrow Agent shall have received (a) the written request of the Issuer for such purchase and setting forth the procedures to be followed, (b) an opinion by an independent certified public accountant (the "Accountant") that after such reinvestment the principal amount of the substituted securities, together with any beginning cash balance that is being held uninvested, will be sufficient to make the payments described in the first paragraph of this Section 4, and (c) an unqualified opinion of nationally recognized bond counsel (acceptable to the Issuer) familiar with the transactions contemplated by this Escrow Agreement to the effect that (i) such reinvestment will not cause the Prior Bonds or the Refunding Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") or the regulations in effect thereunder and applicable to the Prior Bonds or the Refunding Bonds, and (ii) such reinvestment complies with the Constitution and laws of the State of West Virginia and the provisions of all relevant documents relating to the issuance of the Prior Bonds. 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 Fund and moneys and investments therein and that the Issuer shall not exercise any control or authority over and with respect to the Escrow Fund and the moneys and investments therein.

5. Deposit to Special Surplus Account. Concurrently with the delivery of the Refunding Bonds, funds on deposit with the Commission in the Surplus Collections Account for the Prior Bonds on the Closing Date in the amount of **$1,500,000** shall, on the Closing Date, or as soon thereafter as practical, be paid by check from the Escrow Agent to the Issuer and applied by the Issuer solely to payment of costs of capital improvements, repairs or replacements to school facilities in Berkeley County School District, which were specified in the bond referendum approved by the voters of Berkeley County, West Virginia, on September 26, 2009. Such funds to be released to the Issuer are not available for or pledged to the payment of debt service on the Refunding Bonds.

Funds on deposit in the Surplus Collections Account for the Prior Bonds on the Closing Date in the amount of **$1,156,000** shall be transferred on the Closing Date to the Special Surplus Account and shall be available, if needed, to pay the principal of and interest on the Refunding Bonds coming due on May 1, 2020, and thereafter, as set forth below, and shall not be used for any other purpose until May 15, 2021. On or after May 15, 2021, the Issuer shall review the balances in the Debt Service Account and Surplus Collection Account for the Refunding Bonds, and, upon a determination in writing by the Issuer that sufficient reserves are on hand at the Bond Commission, the Issuer may withdraw a portion of the Special Surplus Account deposit so as to leave a balance therein of not less than **$578,000**. On or after May 15, 2022, the Issuer shall again review the balances on deposit in the Debt Service Account and Surplus Collection Account for the Refunding Bonds, and, upon a determination in writing by the Issuer that sufficient

funds are on hand at the Commission, the Issuer may withdraw all or any portion of the Special Surplus Account balance. All such funds withdrawn from the Special Surplus Account and not applied to the paying of debt service on the Refunding Bonds shall be applied solely by the Issuer to payment or repayment of costs of capital improvements, repairs or replacements for school facilities in Berkeley County, West Virginia, which were specified in the bond referendum approved by the voters of Berkeley County, West Virginia on September 26, 2009. Each withdrawal request of the Issuer shall be specifically authorized by resolution of the Issuer. A signed copy of each such Resolution shall be provided by the Issuer to the Commission. The Special Surplus Account shall be closed by the Commission when all the funds therein have been withdrawn or used to pay debt service as provided in this section.

6. 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.

7. Timing Inefficiencies. If, at any time, the Government Securities then held as an investment in the Escrow Fund mature or payments are made thereon to the Escrow Agent or the Escrow Agent otherwise holds or receives cash in advance of the time such cash is needed to make payment on the Prior Bonds, such amounts shall be reinvested as provided in Section 4 hereof; provided that:

(a) such moneys shall be invested only in Obligations of the United States of America which mature not later than the date on which the funds invested therein will be needed to make payments on the Prior Bonds;

(b) such moneys shall be invested only in Obligations of the United States of America which mature in an amount, together with interest thereon, not less than the full amount paid by the Escrow Agent to acquire such investments; and

(c) the composite yield on such Obligations of the United States of America may not exceed the yield on the Refunding Bonds.

8. Termination of This Escrow Agreement. This Escrow Agreement shall terminate when the Prior Bonds have been discharged and cancelled in accordance with the provisions hereof and the Commission shall have disbursed all funds then on deposit with the Commission in accordance with the terms of this Agreement. If any Prior Bonds are not presented for payment when due and payable, funds for the payment of any nonpresented Prior Bonds shall be held by the Escrow Agent in accordance with the terms hereof for a period of one (1) year following the Redemption Date of such Prior Bonds and such funds shall thereafter be released to the Issuer to be held by the Issuer in accordance with the unclaimed property laws of the State of West Virginia. Any money or Government Securities held in the Escrow Fund following the earlier of: (i) the payment in full of the Prior Bonds, or (ii) one (1) year following the Redemption

Date of the Prior Bonds, and which is 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.

9. Earnings on Escrow Fund. Any earnings on the investments in the Escrow Fund which are not needed to pay the principal of and interest on the Prior Bonds as the same becomes due and payable and to pay the Redemption Price of the Prior Bonds on the Redemption Date shall be transferred by the Paying Agent to the Debt Service Account for the Refunding Bonds and thereupon applied to the payment of debt service on the Refunding Bonds until the termination of this Escrow Agreement pursuant to the terms hereof.

10. 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. Earnings from reinvestment proceeds described in Section 4 above may be used to pay Escrow Agent fees and fees for the paying agent for the Prior Bonds. To the extent such earnings are insufficient for such purposes, the Issuer will pay all Escrow Agent fees and fees of the paying agent for the Prior Bonds.

11. 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.

12. Insufficient Moneys or Investments in the Escrow Fund. The Escrow Agent shall immediately notify the Issuer by registered, first-class mail, postage prepaid, whenever, for any reason, the funds or accounts created pursuant to this Escrow Agreement plus the securities and investments therein and interest on said securities and investments, as the same accrues, 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.

13. 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 details of all income, investments, 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 years from such date the Prior Bonds have been paid in full.

(b) The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the Issuer of any obligation, or to protect any of the Issuer's rights under any bond resolution or any of said Issuer's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any corporation or individual; and the Escrow Agent shall not be liable for any act done or step taken or omitted by the Escrow Agent or any mistake of fact or law or for anything which the Escrow Agent may do or refrain from doing, except for its negligence or its willful default in the performance of any obligation imposed upon the Escrow Agent hereunder. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, or in the Prior Bonds or any proceedings taken in connection therewith, as they are made solely by the Issuer.

14. Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements

herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

15. Successors and Assigns. All of the covenants, promises and agreements in this Escrow Agreement contained by or on behalf of the Issuer or the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, whether or not so expressed.

16. Governing Law. This Escrow Agreement shall be governed by the applicable law of the State of West Virginia.

17. Headings. Any headings preceding the text of the several Sections hereof shall be solely for convenience of reference and shall not constitute a part of this Escrow Agreement, nor shall they affect its meaning, construction or effect.

18. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

19. Notices. Unless otherwise required herein, any notices, requests, complaints, demands, communications or other papers shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed to the parties as follows:

The Issuer:	The Board of Education of the County of Berkeley 401 South Queen Street Martinsburg, WV 25401
The Escrow Agent:	West Virginia Municipal Bond Commission 900 Pennsylvania Avenue, Suite 1117 Charleston, West Virginia 25302 ATTN: Executive Director

[Signature page follows this page.]

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 BERKELEY

By: _____
Its President

WEST VIRGINIA MUNICIPAL BOND
COMMISSION

By: _____
Its Executive Director

EXHIBIT A – DESCRIPTION OF GOVERNMENT SECURITIES

[Attach Subscription Confirmation]

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

400 White Oaks Boulevard
Bridgeport, WV 26330
(304) 933-8000 (304) 933-8183 Fax
www.steptoe-johnson.com

Writer's Contact Information

February 5, 2020

Defeasance and Redemption of The Board of Education
of the County of Berkeley Public School Bonds,
Series 2010
Dated: February 17, 2010

United Bank
Corporate Trust Services
Attn: Thomas Provenzano
500 Virginia Street, East
Charleston, West Virginia 25392

Dear Mr. Provenzano:

As bond counsel for The Board of Education of the County of Berkeley (the "Issuer"), we wish to advise you that on February 5, 2020 (the "Closing Date"), the Issuer will deliver its Public School Refunding Bonds, Series 2020 (the "Bonds") to Crews & Associates, Inc. (the "Purchaser"). Proceeds of the Bonds will be used to currently refund the Issuer's Public School Bonds, Series 2010, dated February 17, 2010, originally issued in the aggregate principal amount of $51,500,000 (the "Refunded Bonds"). United Bank is the Registrar for the Refunded Bonds.

On the Closing Date, the Issuer will fund an Escrow Fund, pursuant to an Escrow Agreement, dated February 5, 2020, by and between the Issuer and the West Virginia Municipal Bond Commission (the "Commission"), as Escrow Agent. 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 and funds currently on deposit with the Commission in connection with the Refunded Bonds. The amounts deposited in the Escrow Fund will be applied in accordance with the Escrow Agreement. 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, 2020, and on such date, to redeem the remaining Refunded Bonds at a redemption price of 100% of the par amount.

As Registrar for the Refunded Bonds, you are hereby authorized and directed to mail and post on EMMA (i) on the Closing Date, a defeasance notice substantially in the form attached hereto and (ii) on April 1, 2020, a redemption notice substantially in the form attached hereto, at the times, to the addressees and otherwise in accordance with provisions of the Refunded Bonds. Please send your invoice for such services to me and I will promptly forward it to the Issuer for payment.

United Bank
February 5, 2020

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

Very truly yours,

Thomas L. Aman, Jr.

TLA
Copy of letter to:
Honorable Dale W. Steager, Commission Chairman
Mr. Robert Steptoe, Director
Dr. Patrick K. Murphy, Superintendent

$22,115,000

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020

BOND PURCHASE AGREEMENT

January 23, 2020

The Board of Education of the County of Berkeley
1453 Winchester Avenue
Martinsburg, WV 25405

Ladies and Gentlemen:

Crews & Associates, Inc. (the "Underwriter"), offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with The Board of Education of the County of Berkeley (the "Board"). This offer is made subject to acceptance and execution of this Purchase Agreement by the Board prior to 11:59 p.m., local prevailing time on the date hereof, or until withdrawn by the Underwriter upon written notice to the Board as permitted herein, whichever shall occur earlier. Upon such acceptance and approval, as evidenced by the signature of the President of the Board or the Board's Superintendent in the space provided below, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Board and the Underwriter.

All capitalized terms used in this Purchase Agreement and not otherwise defined herein shall have the meanings set forth in the hereinafter described Resolution.

1. The Board of Education of the County of Berkeley, Public School Refunding Bonds, Series 2020 (the "Bonds") are being issued, along with other available funds, (i) to refund the Board's Public School Bonds, Series 2010, issued in the original principal amount of $51,500,000 (the "Refunded Bonds"); and (ii) to pay the costs of issuance of the Bonds and related costs.

The Bonds shall be as described in and shall be issued and secured under and pursuant to the provisions of a Resolution and Order of the Board adopted on January 6, 2020 (the "Resolution"). The Resolution shall be substantially in the form previously submitted to the Underwriter with such changes and amendments as the Board's and Underwriter's counsel shall approve.

Upon the terms and conditions and upon the basis of the representations and warranties set forth in this Purchase Agreement, the Underwriter agrees to purchase from the Board, and the Board agrees to sell to the Underwriter, the Bonds, at an aggregate purchase price of $23,340,089.10 (principal par amount of the bonds, $22,115,000.00, minus Underwriter's Discount of $77,402.50 plus an original issue premium of $1,302,491.60). The Bonds shall mature on the dates and in the amounts, and shall bear interest from their date (each an "Interest Payment Date"), until maturity and payment on such date is provided for, payable semiannually on May 1 and November 1 of each year, commencing May 1, 2020, as more fully described on Exhibit A attached hereto and incorporated herein by reference.

The Underwriter agrees to make a bona fide public offering of the Bonds at the initial offering prices as set forth in the Official Statement (as hereinafter defined) and in Exhibit A, which prices may be changed from time to time by the Underwriter.

2. Concurrently with the acceptance of this Purchase Agreement by the Board, the Board shall deliver or cause to be delivered to the Underwriter two copies of the Official Statement relating to the Bonds, substantially in the form of the Preliminary Official Statement dated January 15, 2020 (the "Preliminary Official Statement") and prior to delivery of the Bonds, two copies of the Official Statement (the "Official Statement") dated the date of this Purchase Agreement, signed on behalf of the Board by its President as requested below.

3. The Official Statement has been approved for distribution by the Resolution. The Board authorizes the use of copies of the Official Statement and the Resolution in connection with the public offering and sale of the Bonds.

On January 15, 2020, the Board delivered to the Underwriter the Preliminary Official Statement, and the Underwriter has received a certificate dated as of January 15, 2020 from the Board which deemed the Preliminary Official Statement "final" as of such date within the meaning of clause (b)(1) of Rule 15c2-12 ("Rule 15c2-12") under the Securities and Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) and Rule G-32 and all other rules of the Municipal Securities Rulemaking Board. The Board shall deliver or cause to be delivered to the Underwriter, after the acceptance by the Board of this Purchase Agreement, and within the time required by Rule 15c2-12, an adequate number of copies of the Official Statement.

Unless otherwise notified in writing by the Underwriter on or prior to the date of Closing, the "End of the Underwriting Period" for the Bonds for all purposes of Rule 15c2-12 is the date of the Closing, as hereinafter defined. In the event such notice is given in writing by the Underwriter, the Underwriter agrees to notify the Board in writing following the occurrence of the End of the Underwriting Period for the Bonds as defined in Rule 15c2-12.

The Board covenants and agrees that, if after the date of this Purchase Agreement and until after the End of the Underwriting Period (as determined above), any event shall occur or information comes to the attention of the Board as a result of which it is necessary to amend or supplement the Official Statement to make the Official Statement not misleading in any material respect in light of the circumstances then existing, or if it is necessary to amend or supplement the

Official Statement to comply with law, the Board shall notify the Underwriter (and for the purposes hereof to provide the Underwriter with such information as they may from time to time reasonably request), and to cooperate in the preparation of a reasonable number of copies of either amendments or supplements to the Official Statement (in form and substance satisfactory to the Underwriter and its counsel) at the expense of the Board so that the Official Statement as so amended and supplemented will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading in any material respect.

For the purposes of this paragraph and for only so long as required by this paragraph, the Board will furnish such information with respect to itself as the Underwriter from time to time reasonably requests. The Underwriter hereby agrees that it will deposit or cause to be deposited with EMMA a copy of the Official Statement at or prior to the time contemplated by Rule 15c2-12.

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 Board and the Underwriter. If the Official Statements have been prepared in electronic form, the Board hereby confirms that it does not object to distribution of the Official Statement in electronic form.

The Underwriter acknowledges and agrees that any liability of the Board that may arise from its representations and agreements made in this paragraph 3 shall be limited to the proceeds of the Bonds (provided that the foregoing shall not be deemed to prevent the Underwriter or the Board from seeking to enforce such agreements).

4. At 10:00 a.m. prevailing time, on February 5, 2020, or such other dates as shall be agreed upon by the parties to this Purchase Agreement (the "Closing"), the Board will deliver or cause to be delivered to the Underwriter, (a) the Bonds in the form of one certificate for each maturity fully registered in the name of CEDE & CO., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), duly executed by the Board and authenticated by the Registrar, and (b) at such other place as mutually agreed upon, will deliver to the Underwriter the other documents required in this Purchase Agreement and by the Resolution. Upon such delivery of the Bonds, the Underwriter will accept such delivery and pay the purchase price therefor, plus any accrued interest thereon, in immediately available funds, in two separate payments consisting of (1) $23,220,730.23 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, hereinafter defined; and (2) $119,358.87 to the order of United Bank, as Registrar, for payment of the costs of issuance (including the rounding amount) of the Bonds. Such delivery shall be made at DTC, with the payment and other requisite actions to be taken at the place designated by the parties to this Purchase Agreement. The respective Bonds shall be made available to the Underwriter at DTC at least forty-eight (48) hours before the Closing for the purpose of inspection and packaging; provided that if DTC Fast delivery is used, then the Bonds shall be made available to the Registrar by 4:00 p.m. on February 4, 2020. The Board also agrees that it shall deliver to The Depository Trust Company the letter of representations, in the

form required by The Depository Trust Company (the "DTC Letter of Representations") at the time required by The Depository Trust Company.

5. The Board represents and warrants to the Underwriter and agrees that:

(a) The Board is duly organized and validly existing as a public corporation of the State of West Virginia authorized to administer the county school district pursuant to Chapter 18, Article 5 of the Code of West Virginia, 1931, as amended (the "Act");

(b) The Board shall have complied and will comply at the Closing in all respects with all applicable statutes and laws, including the Act;

(c) The Board has full legal right, power and authority to issue bonds for purposes provided in the Resolution and to enter into this Purchase Agreement, to adopt the Resolution and to issue, sell and deliver the Bonds to the Underwriter as provided herein and to carry out and consummate all other transactions contemplated by each of the aforesaid documents;

(d) The Board shall on or before the Closing have entered into an Escrow Agreement dated as of the date of the Bonds (the "Escrow Agreement") by and among the Board and the West Virginia Municipal Bond Commission (the "Escrow Agent" or "Paying Agent"), pursuant to which an escrow fund (the "Escrow Fund") shall be created. The Escrow Fund is to be held by the Escrow Agent in trust for the payment of the Refunded Bonds to be redeemed and currently refunded on May 1, 2020, and for the benefit of the holders thereof. The Escrow Fund is to be invested as described in the Escrow Agreement;

(e) The cash deposited in the Escrow Fund, and the income to be derived from the investment thereof, shall be sufficient to defease the Refunded Bonds described in the Escrow Agreement and the liens of the resolutions authorizing such bonds, all in accordance with the provisions of Chapter 13, Article 2 of the Code of West Virginia, 1931, as amended (the "Refunding Act"), and a written verification report confirming the sufficiency thereof (the "Verification Report") shall be delivered to the Board and the Underwriter on or before the Closing by The Arbitrage Group Inc., Buhl, Alabama (the "Verification Agent");

(f) The information contained in the Preliminary Official Statement dated January 15, 2020, and in the Official Statement, is and, as of the Closing Date (as hereinafter defined), will be true and does not contain and will not contain any untrue statement of a material fact and does not omit and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(g) At the time of the Board's acceptance hereof and (unless an event occurs of the nature described in subparagraph (i)) at all times during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Bonds (as determined in accordance with subparagraph (i) hereof), the Official Statement does not and will not contain any untrue statement of a material

fact or 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;

(h) If the Official Statement is supplemented or amended pursuant to subparagraph (i) at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Bonds (as determined in accordance with subparagraph (i) hereof), the Official Statement as so supplemented or amended, will not contain any untrue statement of a material fact or 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;

(i) If during the period from the date of this Purchase Agreement to and including the date which is twenty-five (25) days following the End of the Underwriting Period for the Bonds (as determined in accordance with subparagraph (k) hereof) any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Board shall notify the Underwriter of any such event of which it has knowledge and, if in the reasonable opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Board will prepare and furnish to the Underwriter (i) a reasonable number of copies of the supplement or amendment to the Official Statement in form and substance approved by the Board and acceptable to the Underwriter, and (ii) if such notification shall be subsequent to the Closing, such legal opinion, certification, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement;

(j) Prior to the Board's acceptance hereof, the Board delivered to the Underwriter copies of the Preliminary Official Statement which the Board deemed final (for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934) as of the date thereof; provided, however, that in making the representation and warranty contained in this paragraph (j) the Board shall not be deemed to have made any additional representation or warranty as to the Preliminary Official Statement other than the representation and warranty contained in paragraph (f);

(k) For purposes of this Purchase Agreement, the End of the Underwriting Period for the Bonds shall mean the earlier of (a) the day of the Closing unless the Board has been notified in writing by the Underwriter, on or prior to the day of the Closing, that the "end of the underwriting period" for the Bonds for all purposes of Rule 15c2-12 of the Securities and Exchange Commission promulgated under the Securities Exchange Act of 1934 (the "Rule") will not occur on the day of the Closing, or (b) the date on which notice is given to the Board by the Underwriter in accordance with the following sentence. In the event that the Underwriter has given notice to the Board pursuant to clause (a) above that the "end of the underwriting period" for the Bonds will not occur on the day of the Closing, the Underwriter agrees to notify the Board

in writing as soon as practicable following the "end of the underwriting period" for the Bonds for all purposes of the Rule;

(l) At or prior to the Closing, the Board shall have duly authorized, executed and delivered a written continuing disclosure undertaking (an "Undertaking") which complies with the provisions of Rule 15c2-12(b)(5) and which shall be substantially in the form described in the Preliminary Official Statement;

(m) Except as described in the Official Statement or set forth below, the Board 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;

(n) The Board shall disclose any failures during the previous five years to comply with any previous undertakings;

(o) The Board has duly authorized all necessary action to be taken by the Underwriter for: (1) the issuance and sale of the Bonds upon the terms set forth herein, in the Resolution and in the Official Statement; (2) the execution and delivery of the Resolution and the Undertaking; (3) the approval of the Official Statement and the execution of the Official Statement by the President of the Board; (4) the execution, delivery, receipt and due performance of this Purchase Agreement, the Bonds, the Undertaking, the Resolution, the Escrow Agreement and any and all such other agreements and documents as may be required to be executed, delivered and received by the Board in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement; and (5) the carrying out, giving effect to and consummation of the transactions contemplated hereby and by the Resolution and the Official Statement;

(p) When delivered to and paid for by the Underwriter in accordance with the terms of this Purchase Agreement, the Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute valid and binding general obligations of the Board payable from the ad valorem taxes levied upon all taxable property within the School District and moneys pledged therefor under the Resolution and will be entitled to the benefit of the Resolution;

(q) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to our knowledge, threatened against or affecting the Board (or, to our knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Official Statement or the validity of the Bonds, the Resolution, the Undertaking, this Purchase Agreement, the Escrow Agreement or any agreement or instrument to which you are a party and which is used or contemplated hereby or by the Official Statement or the validity of the Bonds, the Resolution, this Purchase Agreement, the Undertaking, the Escrow Agreement or any agreement or instrument to which you are a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement;

(r) The execution and delivery of the Official Statement, this Purchase Agreement, the Bonds, the Undertaking, the Resolution, the Escrow Agreement and the other agreements contemplated hereby and by the Official Statement, and compliance with the provisions thereof, will not conflict with or constitute on the Board's part 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 Board is subject or by which the Board is or may be bound, and to our knowledge all consents, approvals, authorizations and orders of governmental or regulatory authorities which are required for the consummation of the transactions contemplated thereby have been obtained;

(s) All financial statements of the Board included as a part of the Preliminary Official Statement and the Official Statement (the "Financial Statements"), fairly present the financial condition of the Board 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 Board or any material adverse change in the general affairs, management, financial position, or results of the Board and no material transactions or obligations other than in the ordinary course of business have been entered into with respect to the Board, except as reflected in or contemplated by the Official Statement; and

(t) Any certificate signed by the President or any of the Board's authorized officers and delivered to the Underwriter shall be deemed a representation and warranty by the Board to the Underwriter as to the statements made therein.

6. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and agreements of the Board made herein. The Underwriter's obligations under this Purchase Agreement are and shall be subject to the following further conditions:

(a) At or prior to the time of the Closing, the Resolution, the Escrow Agreement and the Undertaking, as approved by the Underwriter or its counsel, shall have been approved by the appropriate parties, shall have been duly executed, acknowledged, sealed and delivered, shall be in full force and effect and shall not have been amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Underwriter;

(b) The Underwriter shall have the right to cancel their obligations hereunder to purchase the Bonds (such cancellation shall not constitute a default hereunder) by notifying the Board in writing of their election to do so between the date hereof and the Closing Date, if at any time hereafter and prior to the Closing Date:

(i) Any legislation, rule or regulation shall be introduced in, or enacted by, the United States House of Representatives or the United States Senate or any committee thereof, or a decision by a court established under Article III of the Constitution of the United States of America, or the Tax Court of the United States, shall be rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be

made or proposed, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Bonds;

(ii) Any legislation, resolution, rule or regulation shall be introduced in or enacted by any governmental body, department or agency of the State of West Virginia or political subdivision thereof, or a decision by any court of competent jurisdiction within the State of West Virginia shall have been rendered which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Bonds;

(iii) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other government agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering for sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all the underlying obligations, as contemplated hereby or by the Official Statement, is in violation of any provisions of the Securities Act of 1933, as amended and as then in effect, or the registration provisions of the Securities and Exchange Act of 1934, as amended and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(iv) Any event shall have occurred or information becomes known which, in the Underwriter's reasonable opinion, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement or the Underwriter shall have reasonably determined that the Preliminary Official Statement or the Official Statement contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(v) A general banking moratorium shall have been established by Federal, New York State or West Virginia authorities;

(vi) In the reasonable opinion of the Underwriter, the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, has been adversely affected because (1) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange, (2) the New York Stock Exchange, other national securities exchange or any governmental authority shall have imposed as to the Bonds or similar obligations any material restrictions not now in force, or increased materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter, or (3) war or any outbreak of hostilities or other national or international calamity or crisis shall have occurred or any armed conflict shall have occurred or escalated to such a magnitude as in the reasonable opinion of the Underwriter to have a materially adverse effect on the ability of the Underwriter to market the Bonds;

(vii) A material disruption in securities settlement, payment or clearance services affecting the Securities shall have occurred and is reasonably anticipated to last for more than 2 full Business Days;

(viii) There shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the Board's obligations; or

(ix) There shall have been any materially adverse change in the affairs of the Board; and

(c) At or prior to the Closing, the Underwriter and the Board shall receive the following documents, in each case in form and substance satisfactory the Board, the Underwriter and legal counsel:

(1) The unqualified approving opinion, dated as of the Closing Date, of Steptoe & Johnson, PLLC, Bridgeport, West Virginia, 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 B;

(2) The opinion of Steptoe & Johnson, PLLC, Bridgeport, West Virginia, Counsel to the Board in this bond issue, dated as of the Closing Date and addressed to the Underwriter and the Board, in the form attached hereto as Exhibit E;

(3) The opinion of Bowles Rice LLP, Charleston, West Virginia, counsel for the Underwriter, dated as of the Closing Date, substantially in the form attached hereto as Exhibit C;

(4) 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 Refunded 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 Board and Paying Agent, the Escrow Agreement constitutes a valid and legally binding obligation of the Escrow Agent, enforceable in accordance with its terms;

(5) A certificate of the President of the Board or any other duly authorized officers, satisfactory to the Underwriter, dated as of the Closing, to the effect that: (i) you have duly performed all of your obligations to be performed at or prior to the Closing and that each of your representations and warranties contained herein are true as of Closing, (ii) you have authorized, by all necessary action the execution, delivery, receipt and due performance of the Bonds, the Undertaking, the Resolution, the Escrow Agreement and any and all such other agreements and documents as may be required to be executed, delivered and received by you in order to carry out, give effect to and consummate the transactions contemplated hereby and by the Official Statement, (iii) to your knowledge no litigation is pending, or to your knowledge

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, (iv) the execution, delivery, receipt and due performance of the Bonds, the Undertaking, the Resolution, the Escrow Agreement and the other agreements contemplated hereby and by the Official Statement under the circumstances contemplated thereby and your compliance with the provisions thereof will not conflict with or constitute on your part 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 you are subject or by which you are or may be bound;

(6) Copies of this Purchase Agreement and the Escrow Agreement executed by the parties thereto;

(7) Executed copies of the Undertaking described in paragraph 5(l), in form and substance satisfactory to the Underwriter and counsel to the Underwriter;

(8) A certificate of the Board executed by an authorized officer thereof, dated the Closing Date and in form and substance satisfactory to the Underwriter and counsel to the Underwriter, to the effect that the Board is obligated by such Undertaking and, except as disclosed in the Official Statement, 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);

(9) The Resolution, certified by the Secretary under the seal of the Board, as having been duly adopted by the Board and as being in full force and effect, with only such amendments, modifications or supplements as may have been agreed to by the Underwriter;

(10) Evidence of an "AA–" rating from Standard & Poor's;

(11) The approving opinion of Bond Counsel or a reliance opinion from Bond Counsel providing that the Underwriter may rely on the Bond Counsel Opinion;

(12) An executed copy of the Verification Report from the Verification Agent.

(13) An executed copy of Internal Revenue Service Form 8038-G;

(14) Evidence that the Series 2010 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 verification report from the Verification Agent confirming that the escrow deposit amount is sufficient to defease the Series 2010 Bonds.; and

(15) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Bond Counsel may reasonably request.

If the Board shall be unable to satisfy or cause to be satisfied the conditions to the Underwriter's obligations in this Purchase Agreement or if the Underwriter's obligations shall be

terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriter and the Board shall not have any further obligations, claims or rights hereunder. However, the Underwriter may in its discretion waive in writing one or more conditions imposed by this Purchase Agreement for the protection of the Underwriter and proceed with the Closing.

7. The Underwriter shall be under no obligation to pay, and, if the Bonds are issued, the Board shall pay or cause to be paid from the proceeds of the Bonds, any fees and expenses incident to the performance of the Board's obligations hereunder including (i) all expenses in connection with the printing and distribution of the Preliminary Official Statement, the Official Statement and any amendment or supplement to either; (ii) all expenses in connection with the preparation, printing, issuance and delivery of the Bonds; (iii) the fees and disbursements of Steptoe & Johnson PLLC, Bond Counsel; (iv) the fees and disbursements of Steptoe & Johnson PLLC, Counsel for the Board; (v) rating agency fees; (vi) all advertising expenses in connection with the public offering of the Bonds; (vii) the fees and disbursements of the Registrar; (viii) the fees and expenses of Counsel to the Underwriter; (ix) the fees and expenses of the Escrow Agent and Paying Agent, if any; (x) the fees and expenses of the Verification Agent; and (xi) all other expenses and cost (including the fees and expenses of the Board) for the authorization, issuance, sale and distribution of the Bonds.

8. For so long as the Underwriter, or dealers or banks, if any, participating in the distribution of the Bonds, are offering the Bonds which constitute the whole or a part of their unsold participations, the Board will: (a) not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall object in writing or which shall be disapproved by Counsel for the Underwriter, unless, in the opinion of the Counsel to the Board for this bond issue, such amendment or supplement is required to make the Official Statement not misleading, and (b) if any event relating to or affecting the Board shall occur as a result of which it is necessary, in the opinion of Bond Counsel or Counsel for the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, forthwith prepare and furnish to the Underwriter a reasonable number of copies of an amendment or a supplement to the Official Statement (in form and substance satisfactory to the Counsel for the Underwriter) which will amend or supplement the Official Statement so that it will not contain an 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 existing at the time the Official Statement is delivered to a purchaser, not misleading. The expense of preparing such amendment or supplement shall be borne by the Board. For the purposes of this paragraph, the Board will furnish such information with respect to themselves as the Underwriter from time to time may request.

9. Neither the officials of the Board nor its employees shall be personally liable for breach of any representation, agreement or warranty made by the Board within this Purchase Agreement. Without limitation, (a) no covenants contained in this Purchase Agreement shall be deemed to be the covenant or agreement of any officer, director, member, attorney, agent or employee of the Board in an individual capacity; and, further, (b) no recourse shall be had for

the payment of the principal of, premium, if any, or interest on the Bonds, or for any claim based herein or on any instruments and documents executed and delivered by the Board in connection with the Bonds, against any officer, director, member, attorney, agent or employee, past, present or future, of the Board or of any successor body, or their respective heirs, personal representatives or successors as such either directly or through the Board or any such successor body whether by virtue of any constitutional provision, statute or rule of law, or by enforcement of any assessment or penalty, or otherwise, all of such liability being hereby released as a condition of and as a consideration for the execution and delivery of this Purchase Agreement.

10. Any notice or other communication to be given under this Purchase Agreement may be given by delivering the same in writing as follows:

To the Board:

The Board of Education of the County of Berkeley
1453 Winchester Ave.
Martinsburg, WV 25405
Attention: President

To the Underwriter:

Crews & Associates, Inc.
First Security Center
521 President Clinton Ave., Ste. 800
Little Rock, AR 72201

11. (a) The Underwriter agrees to assist the Board in establishing the issue price of the Bonds and shall execute and deliver to the Board at Closing an "issue price" or similar certificate substantially in the form attached hereto as Exhibit D, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Board and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) The Board will treat the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test).

(c) With respect to the maturities of the Bonds for which the 10% test has not been satisfied, set forth on Schedule A of the attached Exhibit D, if any, the Underwriter agrees that the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the Sale Date, as defined in the attached Exhibit D, and ending on the earlier of the following:

(i) the close of the fifth (5th) business day after the Sale Date; or

(ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public (the "Hold-the-Offering-Price Rule").

The Underwriter shall promptly advise the Board or the Board's municipal advisor, if any, when the Underwriter has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

12. This Purchase Agreement is made solely for the benefit of the Board and the Underwriter (including the successors or assigns of the Underwriter) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. All agreements of the Board in this Purchase 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 Bonds.

13. The Board acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the Board and the Underwriter; (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Board; (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the Board with respect to the offering of the Bonds or the process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising the Board on other matters) or any other obligation to the Board except the obligations expressly set forth in this Purchase Agreement, (iv) the Underwriter has financial and other interests that differ from those of the Board; and (v) the Board has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

14. The Board acknowledges and agrees that: (i) the primary role of Crews & Associates, Inc., as an underwriter, is to purchase securities for resale to investors in an arms-length commercial transaction between the Board and Crews & Associates, Inc. and that Crews & Associates, Inc. has financial and other interests that differ from those of the Board (ii) Crews & Associates, Inc. is not acting as a municipal advisor, financial advisor or fiduciary to the Board or any other person or entity and has not assumed any advisory or fiduciary responsibility to the Board with respect to the transaction contemplated hereby and the discussion, undertakings and proceedings leading thereto (irrespective of whether Crews & Associates, Inc. has provided other services or is currently providing other services to the Board on other matters) (iii) the only obligations Crews & Associates, Inc. has to the Board with respect to the transaction contemplated hereby expressly are set forth in this Agreement and (iv) the Board 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.

15. This Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

16. The approval of the Underwriter when required hereunder or the determination of its satisfaction with any document referred to herein shall be in writing signed by the Representative and delivered to the Board. This Purchase Agreement shall become legally effective upon its acceptance by the Board, as evidenced by the signature of the President of the Board in the space provided hereinafter therefor.

[Signature Page Follows this Page.]

Crews & Associates, Inc.

By: _____
Its: Director

ACCEPTED at 3:54 p.m. on this
23rd Day of January, 2020.

The Board of Education of the County of Berkeley

By: _____
Its: President

EXHIBIT A

SERIES 2020 BONDS

MATURITIES, AMOUNTS, RATES, YIELDS AND CUSIPS*

Maturing (May 1)	Principal Amount* ($)	Interest Rate (%)	Yield (%)	CUSIP*
2020	3,430,000	3.000	1.000	084239FT4
2021	3,455,000	3.000	1.100	084239FU1
2022	3,595,000	4.000	1.130	084239FV9
2023	3,780,000	2.000	1.170	084239FW7
2024	3,885,000	2.000	1.210	084239FX5
2025	3,970,000	5.000	1.250	084239FY3

* CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services is managed on behalf of the American Bankers Association by S&P Capital IQ. CUSIP data herein are provided by CUSIP Global Services. 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 Series 2020 Bonds only at the time of issuance of the Series 2020 Bonds. The Board makes no representation with respect to the accuracy of such CUSIP numbers as indicated in the above table and undertakes no 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 Series 2020 Bonds.

EXHIBIT B

SUPPLEMENTAL BOND COUNSEL OPINION OF
STEPTOE & JOHNSON PLLC

[LETTERHEAD OF STEPTOE & JOHNSON PLLC]

January __, 2020

The Board of Education of the
County of Berkeley
1453 Winchester Ave.
Martinsburg, West Virginia 25405

Crews & Associates, Inc.
First Security Center
521 President Clinton Ave., Ste. 800
Little Rock, AR 72201

Re: $22,115,000 The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020

Ladies and Gentlemen:

We have served as bond counsel to the Board (hereinafter defined) in connection with the issuance and sale by The Board of Education of the County of Berkeley (West Virginia) (the "Board") of its $22,115,000 aggregate principal amount of Public School Refunding Bonds, Series 2020 (the "Series 2020 Bonds"). In our capacity as Bond Counsel, we are delivering an opinion of even date herewith concerning the legality of the Series 2020 Bonds (the "Bond Opinion"). We have examined the documents and instruments as described in the Bond Opinion, the Official Statement 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 January 23, 2020, between the Board and Crews & Associates, Inc. (the "Underwriter").

Based upon the foregoing, we are of opinion that:

(1) The Purchase Agreement has been duly authorized, executed and delivered by the Board, and, assuming due authorization, execution and delivery by the other party thereto, is a legal, valid, binding and enforceable obligation of the Board (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 Board, 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 Board has duly ratified the distribution of the Preliminary Official Statement, the Official Statement has been duly approved, executed and delivered by the Board, and the Board has authorized the distribution of the Official Statement and the use thereof by the Underwriter in connection with the sale of the Series 2020 Bonds.

(4) The statements and information contained in the Official Statement under the captions or subcaptions "Introduction," "The Bonds," "Tax Matters," "Legal Matters," "Ratings," "Concluding Statement" and "Appendix C" do not 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.

(5) The Series 2020 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 Series 2010 Bonds are deemed to have been paid and the covenants, agreements and other obligations of the Board to the holders of the Series 2010 Bonds have been discharged and satisfied, and that such refunding will not adversely affect the excludability of the interest on the Series 2010 Bonds or the Series 2020 Bonds from gross income for federal income taxation.

Very truly yours,

STEPTOE & JOHNSON PLLC

EXHIBIT C

[LETTERHEAD OF BOWLES RICE LLP]

January __, 2020

Crews & Associates, Inc.
First Security Center
521 President Clinton Ave., Ste. 800
Little Rock, AR 72201

Re: $22,115,000 The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020

Ladies and Gentlemen:

We have acted as counsel to you (the "Underwriter") in connection with the issuance and sale by The Board of Education of the County of Berkeley (the "Board") of its Public School Refunding Bonds, Series 2020 (the "Series 2020 Bonds") in the aggregate principal amount of $22,115,000. In connection with rendering this opinion, we have examined the Official Statement dated January 15, 2020, the Bond Purchase Agreement dated January 23, 2020 (the "Purchase Agreement"), the Continuing Disclosure Agreement between you and the Board dated as of the Closing Date (the "Undertaking"), and Rule 15c2-12 of the Securities Exchange Commission promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"). Capitalized terms used but not defined herein shall have the meanings set forth in the Purchase Agreement.

Based upon the foregoing, we are of the opinion that the Undertaking complies as to form in all material respects with the requirements of paragraph (b)(5) of the Rule.

Without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of our conferences with representatives of the Board, counsel for the Board, Bond Counsel and the Underwriter, and our examination of certain documents referred to in the Official Statement, nothing has come to our attention that would lead us to believe that the Official Statement (excluding therefrom the financial and statistical data included in the Official Statement, as to which we express no opinion) contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in 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 its transcript of closing documents pertaining to the delivery of the Series 2020 Bonds.

Very truly yours,

Bowles Rice LLP

EXHIBIT D

FORM OF ISSUE PRICE CERTIFICATE

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of CREWS & ASSOCIATES INC. (the "Underwriter"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Series 2020 Bonds").

1. **Sale of the General Rule Maturities.** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Series 2020 Bonds was sold to the Public is the respective price listed in Schedule A.

2. **Initial Offering Price of the Hold-the-Offering-Price Maturities.**

(a) Select Maturities Use Hold-the-Offering-Price Rule: The Underwriter has offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Series 2020 Bonds is attached to this certificate as Schedule B.

(b) Select Maturities Use Hold-the-Offering-Price Rule: As set forth in the Bond Purchase Agreement the Underwriter has agreed in writing that for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the unsold Series 2020 Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "Hold-the-Offering-Price Rule"). Pursuant to such agreement, no Underwriter has offered or sold any unsold Series 2020 Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Series 2020 Bonds during the Holding Period.

3. **Defined Terms.**

(a) General Rule Maturities means those Maturities of the Series 2020 Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) Hold-the-Offering-Price Maturities means those Maturities of the Series

2020 Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (January 23, 2020), or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) Board means the Board of Education of the County of Berkeley (West Virginia).

(e) Maturity means Series 2020 Bonds with the same credit and payment terms. Series 2020 Bonds with different maturity dates, or Series 2020 Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Series 2020 Bonds. The Sale Date of the Series 2020 Bonds is January 23, 2020.

(h) Underwriter means (i) any person that agrees pursuant to a written contract with the Board (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2020 Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2020 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2020 Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Board with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Series 2020 Bonds, and by Steptoe & Johnson PLLC in connection with rendering its opinion that the interest on the Series 2020 Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Board from time to time relating to the Series 2020 Bonds.

CREWS & ASSOCIATES INC.

By:_____

Name:_____

Dated: _____, 2020

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

GENERAL RULE MATURITIES

$3,430,000.00 3.000% Series 2020 Bonds due 05/01/2020 priced at 100.474%
$3,455,000.00 3.000% Series 2020 Bonds due 05/01/2021 priced at 102.330%
$3,595,000.00 4.000% Series 2020 Bonds due 05/01/2022 priced at 106.325%
$3,780,000.00 2.000% Series 2020 Bonds due 05/01/2023 priced at 102.629%
$3,885,000.00 2.000% Series 2020 Bonds due 05/01/2024 priced at 103.253%
$3,970,000.00 5.000% Series 2020 Bonds due 05/01/2025 priced at 118.957%

HOLD-THE-OFFERING-PRICE MATURITIES

NONE

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION

FINAL PRICING WIRE



FINAL PRICING

THE 10% RULE HAS BEEN MET FOR EACH MATURITY

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

WV

Public School Refunding Bonds, Series 2020

Series: **2020**

PAR AMT (000): **22,115**
Dated Date: **2/5/2020**
First Coupon: **5/1/2020**
Settlement Date: **2/5/2020**

Underlying Rating - Moody's: **NR**
Enhanced Rating - Moody's: **NR** S&P: **AA-**
Credit Enhancement: **WV MBC School Program**
Tax Status: **Tax Exempt**

**********FINAL**********

TYPE	PAR AMT (000)	MAT DATE	CPN	YIELD	YTM	PRICE	AVG LIFE
Serial	3,430	5/1/2020	3.000	1.00000		100.474	
Serial	3,455	5/1/2021	3.000	1.10000		102.330	
Serial	3,595	5/1/2022	4.000	1.13000		106.325	
Serial	3,780	5/1/2023	2.000	1.17000		102.629	
Serial	3,885	5/1/2024	2.000	1.21000		103.253	
Serial	3,970	5/1/2025	5.000	1.25000		118.957	

EXHIBIT E

[LETTERHEAD OF STEPTOE & JOHNSON PLLC
COUNSEL TO BOARD IN THIS BOND ISSUE]

January __, 2020

The Board of Education of the
County of Berkeley
1453 Winchester Ave.
Martinsburg, West Virginia 25405

Crews & Associates, Inc.
First Security Center
521 President Clinton Ave., Ste. 800
Little Rock, AR 72201

Re: $22,115,000 The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020

Ladies and Gentlemen:

We have served as counsel to The Board of Education of the County of Berkeley, West Virginia (the "Board") in connection with the sale of the above-referenced bonds (the "Series 2020 Bonds"), which are being delivered and sold pursuant to a Bond Purchase Agreement dated as of January 23, 2020 (the "Purchase Agreement"), between Crews & Associates, Inc. (the "Underwriter") and the Board. 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 Series 2020 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 of the Board, the Escrow Agreement, the Purchase Agreement, the Preliminary Official Statement dated January 15, 2020, and the Final Official Statement dated _____, with respect to the issuance and offering of the Series 2020 Bonds (collectively, the "Official Statement") and a closing certificate of the Board. 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 Board is a validly existing statutory corporation charged with the supervision and control of the Berkeley 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 Series 2020 Bonds. The Board 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 Resolution, the Escrow Agreement and the Purchase Agreement.

2. The Board has full power and authority to consummate all transactions contemplated by the Series 2020 Bonds, the Purchase Agreement, the Escrow Agreement and any and other agreements relating thereto, to which the Board is a party.

3. The Board has duly authorized all action necessary to be taken by it or on its behalf for (i) the execution and delivery of the Escrow Agreement and the Purchase Agreement; (ii) the approval of the distribution of the Official Statement; (iii) the ratification of the actions of the Board and the issuance and delivery of the Series 2020 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 Escrow Agreement and the Purchase Agreement have been duly and validly authorized, executed and delivered by the Board and the same are in full force and effect as of the date hereof and are valid and legally binding obligations of the Board, enforceable against the Board 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 Series 2020 Bonds has been duly adopted and entered at meetings of the Board 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 Escrow Agreement and the Purchase Agreement by the Board 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 Board or, to the best of our knowledge , any agreement or other instrument to which the Board is a party or by which it or its properties are bound.

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

8. To our knowledge based on reasonable inquiry, there are no legal or governmental actions, proceedings, inquiries or investigations pending or threatened by governmental authorities or to which the Board is a party or of which any property of the Board is

subject, except as described in the Official Statement, which, if determined adversely to the Board, would individually or in the aggregate (i) materially and adversely affect the validity or the enforceability of the Series 2020 Bonds, the Escrow Agreement or the Purchase Agreement, (ii) otherwise materially or adversely affect the ability of the Board to comply with its obligations under the Escrow Agreement or the Purchase Agreement, or (iii) materially and adversely affect the transactions contemplated by the Official Statement to be engaged in by the Board.

9. Based upon our experience as counsel to the Board in this bond issue and on our review of the Official Statement, and after diligent inquiry, but without having undertaken to verify the same through independent investigation, the statements and information contained in the Official Statement under the captions or subcaptions "Berkeley County School District," "Certain Financial Information," "Litigation in the State Concerning the School Financing System," "Litigation," "Legal Matters," "Continuing Disclosure," and "Appendix E" do not 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 with respect to statistical data, financial statements, operating statistics and other financial data in the Official Statement, including Appendix A thereto.

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,

STEPTOE & JOHNSON PLLC

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Agreement") dated as of February 5, 2020, is by and between the Board of Education of the County of Berkeley (the "Board") and United Bank, as Disclosure Agent (the "Disclosure Agent"), in connection with the issuance of the $22,115,000 The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020 (the "Series 2020 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 January 6, 2020, authorizing issuance of the Series 2020 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 2020 Bonds and in order to assist the Underwriter (as hereinafter defined) in complying with SEC Rule 15c2-12(b)(5) (the "Rule").

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 2020 Bonds in Appendix A entitled "Audit Report of Berkeley County Board of Education for Fiscal Year Ended June 30, 2019," 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 or the West Virginia Auditor's Office.

"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 2020 Bonds (including persons holding Series 2020 Bonds through nominees, depositories or other intermediaries).

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement dated January 23, 2020, entered into between Crews & Associates, Inc. (the "Underwriter"), and the Board, by which the Underwriter agreed to purchase the Series 2020 Bonds from the Board upon the terms set forth therein.

"Disclosure Agent" shall initially mean United Bank 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.

"Financial Obligation" shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a

guarantee of either (a) or (b). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the Repository consistent with 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 2020 Bonds which is required to comply with the Rule in connection with the offering of the Series 2020 Bonds.

"Repository" shall mean the Municipal Securities Rulemaking Board, Washington, D.C. or any other repository that may be designated for such purpose.

"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 2020 Bonds" shall mean the $22,115,000 The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020.

SECTION 3. Provision of Annual Reports.

(a) The Board shall, or shall cause the Disclosure Agent to, not later than the last day of the Fiscal Year (presently June 30) immediately following the end of the Board's Fiscal Year for which disclosure is due, commencing with the report for the Fiscal Year ending June 30, 2019, provide to the Repository by filing the same with EMMA or in such other manner as may be required from time to time by the Rule: 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 year changes, 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 this 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.

(e) 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 4. Content of Annual Financial Information and Audited Financial Statements. Not later than the last day of the Fiscal Year immediately following the end of the Board's Fiscal Year for which disclosure is due, the Disclosure Representative on its behalf shall submit to EMMA the Annual Financial Information and Audited Financial Statements of the Board for the prior fiscal year. If the Audited Financial Statements are not then available, the Board or the Disclosure Agent shall submit the unaudited financial statements of the Board for such fiscal year and shall submit the Audited Financial Statements as soon as they become available.

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 2020 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 2020 Bonds, or other events affecting the tax status of the Series 2020 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 2020 Bonds, if material;

11. rating changes;

12. bankruptcy, insolvency, receivership, or similar event of the Board[3];

[3] 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.

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;

14. appointment of a successor or additional trustee or the change of name of a trustee, if material.

15. incurrence of a Financial Obligation of the Board, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Board, any of which affect Bondholders, if material; and

16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Board, any of which reflect financial difficulties.

(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), (13), (14) or (15), 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), (14) or (15), 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), (12) or (16), 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), (14) or (15), 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 2020 Bonds. If such termination occurs prior to the final maturity of the Series 2020 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. United Bank 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 2020 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 2020 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 2020 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 2020 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 2020 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 on the Series 2020 Bonds or pursuant to the Resolution, 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 Berkeley
1453 Winchester Avenue

Martinsburg, WV 25405

To the Disclosure Agent: United Bank
ATTN: Corporate Trust
500 Virginia Street, East
Charleston, WV 25392

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 2020 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.

[SIGNATURE PAGE FOLLOWS THIS PAGE]

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 BERKELEY

By: _____
Its: Board President

UNITED BANK, as Disclosure Agent

By: _____

Its: _____

Date: February 5, 2020

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 BERKELEY

By: _____
Its: Board President

UNITED BANK, as Disclosure Agent

By: Thomas B Lorenz
Its: Vice President

Date: February 5, 2020

EXHIBIT A

NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	The Board of Education of the County of Berkeley (the "Board")
Name of Bond Issue:	$22,115,000 The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020
Date of Bond Issue:	February 5, 2020

NOTICE IS HEREBY GIVEN that the Board has not provided Annual Financial Information with respect to the above-named Series 2020 Bonds as required by Section 3(b) of that certain Continuing Disclosure Agreement dated as of February 5, 2020. The Board anticipates that the Annual Financial Information will be filed by _____, 20__.

Dated: _____, 20___.

United Bank, as Disclosure Agent
on behalf of the Board

cc: Board

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. The Issuer deems this Preliminary Official Statement to be final for the purposes of the Securities and Exchange Commission Rule 15c2-12(b)(1), except for certain information on the cover page hereof and certain pages herein which have been omitted in accordance with said Rule and which will be supplied in the final Official Statement.

PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 15, 2020

NEW ISSUE
BOOK-ENTRY ONLY

Rating: Standard & Poor's "AA–"
(See "Rating" herein)

In the opinion of Steptoe & Johnson PLLC, Bond Counsel, under existing law, assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2020 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and regulations thereunder (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the opinion of Bond Counsel, under existing laws of the State of West Virginia, the Series 2020 Bonds and the interest thereon are exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof. See "TAX MATTERS" herein and the form of Opinion of Bond Counsel attached hereto as APPENDIX C.

$21,380,000*
The Board of Education of the County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

Dated: Date of Delivery

Due: May 1 and November 1, as shown on the inside cover

The Bonds are general obligations of The Board of Education of the County of Berkeley, West Virginia (the "Board"), which Board has the power and is obligated to levy ad valorem taxes upon all the taxable property within the Berkeley 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 of 1931, as amended, 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 Paying Agent. The Board has designated United Bank, Charleston, West Virginia, as Registrar.

Interest on the Bonds will be payable May 1, 2020 and semiannually thereafter (each November 1 and May 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, as described herein.

The Bonds are subject to mandatory sinking fund redemption as described in the section entitled "**THE BONDS** - Redemption" herein.

The Bonds shall be issued in the principal amounts and have the maturities, interest rates, yields and CUSIP numbers as indicated on the inside cover hereof.

The Bonds are offered for delivery when, as and if issued, subject to approval of legality by Steptoe & Johnson PLLC, Bridgeport, West Virginia, Bond Counsel. Certain legal matters will be passed upon for the Board by Steptoe & Johnson PLLC, Bridgeport, West Virginia, Counsel to the Board. Certain legal matters will be passed upon for the Underwriter by Bowles Rice LLP, Charleston, West Virginia, as Counsel to the Underwriter. It is expected that the Bonds will be available for delivery to DTC, New York, New York on or about February 5, 2020.

Dated: January 15, 2020

*Preliminary, subject to change.

Crews&Associates
A First Security Company

SERIES 2020 BONDS

MATURITIES, AMOUNTS, RATES, YIELDS AND CUSIPS**

Maturing (May 1)	Principal Amount* ($)	Interest Rate (%)	Yield (%)	CUSIP**
2020	3,380,000			
2021	3,190,000			
2022	3,390,000			
2023	3,600,000			
2024	3,810,000			
2025	4,010,000			

[$_____* ____% Term Bond due May 1, 20__ Yield ____% Price ____% CUSIP No. _____**]

---

*Preliminary, subject to change.

** CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services is managed on behalf of the American Bankers Association by S&P Capital IQ. CUSIP data herein are provided by CUSIP Global Services. 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 Series 2020 Bonds only at the time of issuance of the Series 2020 Bonds. The Board makes no representation with respect to the accuracy of such CUSIP numbers as indicated in the above table and undertakes no 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 Series 2020 Bonds.

$21,380,000*
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

ELECTED OFFICIALS
Dr. William Queen, President
Dr. Darin Gilpin, Vice President
Michelle Barnes-Russell
Todd Beckwith
Patrick Murphy

APPOINTED OFFICIALS
Dr. Patrick K. Murphy, Ed.D., Superintendent
James V. Butts, Jr., CPA, Chief School Business Official and Treasurer
Donald Dellinger, Jr. , Deputy Superintendent
Dr. Justin L. Schooley, Assistant Superintendent
Ronald E. Stephens, Assistant Superintendent
David E. Dilly, Assistant Superintendent
Dr. Veronique N. Walker, Associate Superintendent

BOARD'S COUNSEL
Steptoe & Johnson PLLC
Bridgeport, West Virginia

BOND COUNSEL
Steptoe & Johnson PLLC
Bridgeport, West Virginia

UNDERWRITER
Crews & Associates, Inc.
Morgantown, West Virginia

UNDERWRITER'S COUNSEL
Bowles Rice LLP
Charleston, West Virginia

*Preliminary, subject to change.

No dealer, broker, salesman or other person has been authorized by The Board of Education of the County of Berkeley, 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.

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 Resolution, as hereinafter defined, has not been qualified under the Trust Indenture Act of 1939, as amended, because of available exemptions therefrom.

TABLE OF CONTENTS

INTRODUCTION 1
THE BONDS 2
General 2
Authority and Purpose 2
Redemption Provisions for Bonds 3
Plan of Financing 3
Sources and Uses of Funds 4
Nature of Obligation, Security and Source of Payments 4
Debt Administration 4
BERKELEY COUNTY SCHOOL DISTRICT
General 5
Historical School Enrollment 6
Projected Enrollment 6
Facilities 7
Tax Collection Procedures 8
Tax Levies and Collections 8
Assessment Procedure. 9
Property Classification 9
Assessed Valuations 9
Assessed Valuation by Property Class 10
Assessed Valuation by Property Category 10
Largest Assessed Valuations 10
Tax Rate Comparisons 11
County Tax Rates 11
School Tax Rates 11
Rates of Levy 12
Summary of Statistical Debt Information 12
Debt Service Requirements 13
Overlapping Debt 13
CERTAIN FINANCIAL INFORMATION 14
Description of Funds 14
Investment of Certain Funds 14
Accounting Practices 15
Annual Audit 15
Budgetary Procedures 15
Internal Control 16
Statement of Revenues and Expenditures -- Budget and Actual 16
Teachers' Retirement System 17
Teachers' Defined Contribution Retirement System 17
TDC Transfer to TRS 17
Other Post-Employment Benefits (OPEB) 17
Insurance Coverage 19
TAX MATTERS 20
West Virginia Tax 20
LITIGATION IN THE STATE CONCERNING THE SCHOOL FINANCING SYSTEM 22
LITIGATION 23
CONTINUING DISCLOSURE 24
LEGAL MATTERS 25
RATINGS 25
VERIFICATION AGENT 25
UNDERWRITING 25
CONCLUDING STATEMENT 25

APPENDIX A
Audit Report of Berkeley County Board of Education for the Fiscal Year Ended June 30, 2019
APPENDIX B
Economic and Demographic Data – County of Berkeley (West Virginia)
APPENDIX C
Proposed Form of Legal Opinion
APPENDIX D
Book-Entry Only System
APPENDIX E
Elected Officials of the Board
Appointed Officials of the Board
APPENDIX F
Continuing Disclosure Agreement

Forward-Looking Statements

This Official Statement, and particularly the information contained in the caption "BERKELEY 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."

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

OFFICIAL STATEMENT
RELATING TO

$21,380,000*
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

INTRODUCTION

This Official Statement provides certain information in connection with the sale of $21,380,000* in aggregate principal amount of The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020 (the "Bonds"). A brief description of The Board of Education of the County of Berkeley, West Virginia (the "Board"), the Berkeley County School District (the "School District") and the County of Berkeley, West Virginia (the "County" or "Berkeley 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 2010 Bonds, as hereinafter defined, to provide for the current refunding of the Board's Public School Bonds, Series 2010 issued in the original aggregate principal amount of $51,500,000 (the "Series 2010 Bonds") of which $24,755,000 is outstanding. Proceeds of the Bonds will also be used to pay legal, consulting and other professional fees, printing and other issuance costs.

The Series 2010 Bonds were issued to fund a portion of the cost of certain improvements in the School District, including site preparation and construction of Spring Mills High School, site preparation and construction of Mountain Ridge Middle School, improvements to Musselman High School and improvements to North Middle School (collectively, the "Projects"), which facilities are all located within Berkeley County and the School District. Proceeds of the Series 2010 Bonds were also used to pay legal, consulting and other professional fees, printing and other issuance costs related to the issuance of the Series 2010 Bonds.

At a special election held on September 26, 2009, the issuance of the Series 2010 Bonds and the levy of taxes sufficient to pay principal of and interest on such bonds were authorized and approved by the qualified voters of the School District for the purposes of paying costs of the Projects and paying costs of issuance of the Series 2010 Bonds. The Series 2020 Bonds will refund the outstanding Series 2010 Bonds.

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.

*Preliminary, subject to change.

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

THE BONDS

General

The Bonds will be dated the date of delivery thereof and are issued as fully registered bonds in $5,000 denominations, or integral multiples thereof, and are payable on May 1 as set forth on the cover of this Official Statement.

Pursuant to Chapter 13, Article 1 of the Code of West Virginia of 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 the Paying Agent therefore (the "Paying Agent"). The Board has designated United Bank, Charleston, West Virginia, as the Registrar.

Interest on the Bonds will be payable on May 1, 2020 and semi-annually thereafter (each November 1 and May 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 $1,000,000 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 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. 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 an order duly entered by the Board on July 1, 2009, the issuance of bonds in the aggregate principal amount of $51,500,000 and the levy of taxes sufficient to pay principal of and interest on such bonds were authorized and approved at a special election by 63.6% of the participating voters. Proceeds of the Series 2010 Bonds were applied, together with certain funds received by the Board from the State of West Virginia (the "State") and other sources, to the cost of acquisition and construction of the Projects in the School District. The ballot question limited the term of the bonds to fifteen years and six months from their date and limited the rate of interest on the bonds to a rate not exceeding 7% per annum. Pursuant to the Bond Act, the Series 2010 Bonds were issued on February 17, 2010 and designated Public School Bonds, Series 2010.

The Board is issuing the Bonds pursuant to Article 2 of Chapter 13 of the Code of West Virginia, as amended (the "Refunding Act") and a resolution of the Board adopted on January 6, 2020 (the "Resolution"). The Board is issuing the Bonds for the purpose of refunding the Series 2010 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 2010 Bonds will be deemed paid upon the completion of the current refunding. Certain funds of the Board on deposit with the West Virginia Municipal Bond Commission (the "Bond Commission") relating to the Series 2010 Bonds will become surplus funds as a result of the current refunding and will be available for release to the Board.

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

Redemption Provisions for Bonds

[Mandatory Redemption

The Bonds maturing on May 1, 20__, and May 1, 20__ (the "Series 2020 Term Bonds") are subject to mandatory redemption prior to maturity in part from moneys on deposit with the Bond Commission in the Debt Service Account for the Bonds at a Redemption Price equal to 100% of the principal amount thereof, plus accrued interest to the Mandatory Redemption Date, in the years and in the annual principal amounts as follows:

For the Series 2020 Term Bonds maturing on May 1, 20__:

Year	Amount

* Final Maturity

For the Series 2020 Term Bonds maturing on May 1, 20__:

Year	Amount

*Final Maturity]

Optional Redemption

The Bonds are not subject to optional redemption prior to maturity.

Plan of Financing

Net proceeds of the Bonds in the amount of $_____ (consisting of $_____ of original issue premium and $21,380,000.00* of original principal par amount of the Bonds, less Underwriter's Discount, costs of issuance and the rounding amount totaling $_____) will be combined with the sum of $_____, which will be transferred from accounts of the Board held at the Bond Commission in connection with the Series 2010 Bonds and applied towards the funding of an escrow to refund the Series 2010 Bonds. Such escrow funds, totaling $_____, will be used to pay the redemption price of the Series 2010 Bonds called for redemption, together with the interest that will accrue on the Series 2010 Bonds to the redemption date thereof. The above referenced escrow funds in the total amount of $_____ will be held by the Bond Commission, as Escrow Agent under an Escrow Agreement to be entered into on or about February 5, 2020* (the "Escrow Agreement"), by and among the Board and the Bond Commission. The Series 2010 Bonds are expected to be called for redemption on or about April 1, 2020, and the redemption date is expected to be May 1, 2020 (the "Redemption Date"). During the period in which the proceeds of the Bonds and other funds of the Issuer are deposited with the Bond Commission pursuant to the Escrow Agreement (except amounts necessary for costs of issuance), such funds will be invested in United States Government 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.

*Preliminary, subject to change.

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

Sources and Uses of Funds

Sources

Proceeds of the Bonds	$21,380,000.00*
Reoffering Premium	$_____
Amounts Transferred from Bond Commission (Funds and Accounts for Series 2010 Bonds)	$_____
TOTAL	$_____

Uses

Deposit to Escrow Fund [1]	$_____
Underwriter's Discount	$_____
Costs of Issuance[2]	$_____
Rounding Amount	$_____
TOTAL	$_____

*Preliminary, subject to change.

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, the West Virginia Municipal Bond Commission (the "Bond Commission") shall serve as fiscal agent for all issues of general obligation bonds issued by counties, municipalities, and school districts of the State when appointed by the issuer for such purpose 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 of Berkeley County (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 for such bonds 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 2019 Budget Bill is indicative:

---

[1] The amount set forth in the Escrow Agreement as required, to affect the current refunding of the Series 2010 Bonds as described herein.

[2] Includes fees and expenses of Rating Agency, Bond Counsel, Underwriter's Counsel, Printing, Accounts' Verification Report, Registrar and other fees and expenses associated with the issuance of the Bonds.

Sec. 16. 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 municipal bond commission as provided by W. Va. Code §31-18-20b, or in the funds of the 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 municipal bond commission as may be necessary for these purposes. The municipal bond commission shall reimburse the state of West Virginia through the Governor from the first remittance collected from the West Virginia housing development fund or from any state agency or local taxing district for which the Governor advanced funds, with interest at the rate carried by the bonds for security or payment of which the advance was made.

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 Berkeley. 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.

BERKELEY 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 2020, the terms of two (2) 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 2019-2020, the Berkeley County school system had a central office professional staff of 48 with the overall responsibility to coordinate and supervise the activities of 74 school administrators, 1,503 instructional staff (teachers and other professionals), and 1,021 service personnel. Total Full Time Equivalent positions are 2,619.

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

Historical School Enrollment (School Year)

Grades	2016	2017	2018	2019	2020
Pre-K/Early Childhood	850	879	989	892	1,080
K	1,356	1,359	1,347	1,421	1,196
1	1,383	1,372	1,356	1,374	1,454
2	1,452	1,379	1,403	1,359	1,380
3	1,467	1,443	1,391	1,397	1,384
4	1,386	1,443	1,493	1,451	1,413
5	1,415	1,421	1,466	1,499	1,462
6	1,406	1,407	1,438	1,528	1,540
7	1,428	1,398	1,418	1,471	1,543
8	1,416	1,418	1,388	1,438	1,496
9	1,539	1,590	1,578	1,556	1,575
10	1,442	1,469	1,546	1,507	1,493
11	1,215	1,220	1,255	1,307	1,336
12	1,122	1,202	1,225	1,271	1,302
Total	18,877	19,000	19,293	19,471	19,654

Rate of Increase (Decrease) in Enrollment	
2016-2020	4.12%
Annualized	1.03%

Source: Berkeley County Board of Education

Projected Enrollment (School Year)

Year (October)	Enrollment
2020	19,700
2021	19,850
2022	19,900
2023	20,050
2024	20,200

Source: West Virginia Department of Education

Facilities (Table on Next Page)

School	Grades	Construction Type	Construction Date	Renovation or Addition Date
Back Creek Valley	K-2	Masonry/Frame	1955	1968, 1975, 1981, 1984, 1989, 2002
Bedington Elem.	K-2	Masonry	1929	1971, 1975, 1989
Berkeley Heights Elem.	K-3	Masonry	1971	1975
Bunker Hill Elem.	K-3	Masonry	1962	1971, 1975, 1989
Burke Street Elem.	K-3	Masonry	1929	1951
Eagle School Intermediate	3-5	Masonry	2001	N/A
Gerrardstown Elem.	K-2	Masonry	1961	1971, 1976, 1989
Hedgesville Elem.	K-2	Masonry	1949	1955, 1976, 2004, 2007
Hedgesville High	9-12	Masonry	1977	1981, 1983, 1989, 1995, 2004, 2006
Hedgesville Middle	6-8	Masonry	1926	1962, 1969, 1989, 1995
Inwood Primary	K-2	Masonry	1924	1951, 1960
Marlowe Elem.	K-2	Masonry	1922	1971, 1975, 1989
Martinsburg High	9-12	Masonry	1927	1958, 1960, 1964, 1971, 1976, 1991, 1993, 2006
Martinsburg North Middle	6-8	Masonry	1962	1975, 1982, 2011
Martinsburg South Middle	6-8	Masonry	1955	1971, 1985, 2006, 2007
Mill Creek Intermediate	3-5	Masonry	1987	1989, 2005
Mountain Ridge Intermed.	3-5	Masonry	2005	N/A
Mountain Ridge Middle	6-8	Masonry	2014	N/A
Musselman High	9-12	Masonry	1998	2004, 2011
Opequon Elem.	K-2	Masonry	1971	1975
Orchard View Interm.	4-5	Masonry	2002	N/A
Pikeside Learning Center	All	Masonry	1925	1975
Potomack Intermediate	3-5	Masonry	1998	2016
Rosemont Elem.	K-3	Masonry	1960	1970, 1975
Spring Mills High	9-12	Masonry	2013	N/A
Spring Mills Middle	6-8	Masonry	2004	N/A
Spring Mills Primary	K-2	Masonry	2012	N/A
Tomahawk Intermediate	3-5	Masonry	1998	2016
Tuscarora Elem.	K-2	Masonry	1976	2004, 2009
Valley View Elem.	K-2	Masonry	1970	1975
Winchester Ave. Elem.	K-3	Masonry	1921	1999

Source: Berkeley County Board of Education

Tax Collection Procedures

All taxes for real estate and personal property are collected by the Berkeley County Sheriff (the "Sheriff") and are remitted by him to the State and other local levying bodies. Public utility taxes are collected directly by the State Auditor (the "Auditor") and are remitted by him 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 his office during the preceding month. The Auditor, each month, draws his warrant upon the State treasury payable to the Sheriff of the County for that part of the taxes, interest and charges received by him upon the redemption of the property included in his 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 him 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
2014-2015				
General Current	25,437,760	23,113,995	25,911,048	112.10%
Bond Levy	7,618,215	6,926,318	7,537,823	108.83%
Excess Levy	29,502,557	27,466,880	30,756,909	111.98%
2015-2016				
General Current	26,038,951	23,654,627	26,700,257	112.87%
Bond Levy	7,570,086	6,991,518	7,553,949	108.04%
Excess Levy	30,199,814	28,116,027	31,675,051	112.66%
2016-2017				
General Current	26,858,100	24,415,017	27,024,943	110.69%
Bond Levy	5,579,285	5,280,379	5,702,322	107.99%
Excess Levy	31,149,859	29,000,519	32,052,663	110.52%
2017-2018				
General Current	28,048,414	25,498,981	28,242,508	110.76%
Bond Levy	4,828,954	4,597,588	4,785,786	104.09%
Excess Levy	32,530,376	30,285,780	33,495,795	110.60%
2018-2019				
General Current	29,771,517	27,078,889	29,846,265	110.22%
Bond Levy	4,603,844	4,605,988	4,532,042	98.39%
Excess Levy	34,528,822	32,146,333	35,359,267	109.99%

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 2020 assessment year valuations are made as of July 1, 2019, with taxes levied and collected during the fiscal year July 1, 2020, through June 30, 2021.

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 State 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 of 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 of 1931, as amended, provides 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 Berkeley County School District includes all of Berkeley 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. 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. The legislation limits the increase in property taxes that could result from the new calculations to one percent per year, unless, in the case of school boards, the legislature, after a public hearing, deems a greater increase is necessary. The legislation specifically provided that assessors should not implement the reappraisal described

above. The legislation requires that all property except farms and managed timberlands be assessed at 60% of Fair Market Value at the end of the 3-year reappraisal cycle, which became effective July 1, 1994.

Assessed Valuation By Property Class*

Class	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
I	0	0	0	0	0
II	2,870,447,820	2,990,095,228	3,107,892,480	3,271,534,930	3,466,749,404
III	1,487,548,515	1,527,473,628	1,606,836,471	1,722,784,311	1,753,013,597
IV	432,762,534	438,574,137	453,703,454	477,984,003	504,601,022
Total	4,790,758,869	4,956,142,993	5,168,432,405	5,472,303,244	5,724,364,023

Assessed Valuation By Property Category*

Category	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Real	4,037,636,940	4,180,063,810	4,351,174,590	4,613,396,620	4,858,615,660
Personal	578,343,526	606,457,299	642,016,790	678,603,097	689,871,808
Public Utility	174,778,403	169,621,884	175,241,025	180,303,527	175,876,555
Total	4,790,758,869	4,956,142,993	5,168,432,405	5,472,303,244	5,724,364,023

*Excludes property from ad valorem property taxation pursuant to the Homestead and Taxation Amendment. The amount of Class II property so excluded amounted to:

$152,434,174 in 2015-2016
$157,766,948 in 2016-2017
$161,659,122 in 2017-2018
$164,313,876 in 2018-2019
$167,799,412 in 2019-2020

Largest Real Property Assessed Valuations (tax year 2019)

Property Owner	Assessed Valuation ($)
Berkeley Business Park Assoc.	23,363,740
Argos USA LLC	16,378,830
Martinsburg IRS OC LLC	16,164,150
Knauf Insulation Inc	15,150,170
BRE RC Commons WV LLC	14,384,350
Distribution Center of America (WV) LLC	13,970,340
Martinsburg Development Partners LLC	13,648,600
DAR LLC	10,941,440
Walmart Real Estate Business Trust	10,821,160
Boyd Kearneysville GSA II LLC	10,754,490

Source: Berkeley County Assessor and West Virginia State Auditor's Office

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

Tax Rate Comparisons (Source: West Virginia State Auditor)

The following shows Berkeley 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 2019; Fiscal Year 2019 - 2020.

Rates of Levy*

County	Class I	Class II	Class III/IV
BERKELEY	14.06	28.12	56.24
Morgan	14.30	28.60	57.20
Jefferson	14.30	28.60	57.20
Hampshire	14.30	28.60	57.20

*Includes the total levy for State, County and schools in each County.

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 (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 of 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.

Tax Rates - By Property Class (Cents Per $100)

School Current Levy

Class	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
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

Class	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
I	22.50	22.50	22.50	22.50	22.5
II	45.00	45.00	45.00	45.00	45.0
III and IV	90.00	90.00	90.00	90.00	90.0

School Bonds

Class	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
I	5.64	4.03	3.34	3.00	2.90
II	11.28	8.06	6.68	6.00	5.80
III and IV	22.56	16.12	13.36	12.00	11.60

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 of 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 Berkeley County Board of Education, but not including those relating to the proposed bond issue, in cents per $100 assessed valuation for the 2019-2020 fiscal year, are as follows:

Tax Type	Class I	Class II	Class III/IV
State Current	0.25	0.5	1.0
County Current	14.06	28.12	56.24
School Current	19.40	38.80	77.60
School Bonds	2.9	5.8	11.6
School Excess	22.5	45.0	90.0

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 2019-2020 fiscal year.

Municipality	Class I	Class II	Class III/IV
Martinsburg	12.37	24.74	49.48
Hedgesville	5.43	10.86	21.72

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:

[TABLE IS SET FORTH ON THE FOLLOWING PAGE]

Summary of Statistical Debt Information

Population (2018)	117,123
Assessed Valuation*	$5,724,364,023
Debt Limit (5% of Assessed Valuation)	$286,218,201
Outstanding Debt (including the existing principal balances of the Series 2010 Bonds and of capital lease obligations, at June 30, 2019, per Audit of FY 2019)**	$45,723,630
Debt Contracting Margin**	$240,494,571
Per Capita Debt**	$390.39
Outstanding Debt as percentage of Assessed Valuation**	0.799%

*The assessed valuation provided by the Assessor of Berkeley County for the Fiscal Year ending June 30, 2020 (FY 2020). The assessed value is 60% of appraised or market value, under West Virginia law (Assessment Year 2019, Fiscal Year 2020).

**If the outstanding debt is calculated using the estimated principal par amount of the refunding Bonds ($21,380,000) (preliminary, subject to change) and the existing principal balance of the Board's capital lease obligations ($26,198,630), then outstanding debt would be $47,578,630; and, in turn, the Debt Contracting Margin would be $238,639,571, the Per Capita Debt would be $406.23, and the Outstanding Debt as percentage of Assessed Valuation would be 0.831%, respectively.

Debt Service Requirements

Upon issuance of the Bonds, based on the interest rates and yields set forth on the inside cover page, the Board will have the following debt:

Schedule of Bond Indebtedness
Public School Bonds

Year Ending June 30	Series 2020 Principal*	Series 2020 Interest	Total
2020	$3,380,000		
2021	3,190,000		
2022	3,390,000		
2023	3,600,000		
2024	3,810,000		
2025	4,010,000		
TOTAL	$21,380,000		

*Preliminary, subject to change.

Overlapping Debt

There is no overlapping county or city general obligation debt.

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

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 State 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 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").

The Bonds will not have a debt service reserve facility.

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 Berkeley County Board of Education for the Fiscal Year Ended June 30, 2019."

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 (Source: Berkeley County Board of Education)

Revenues, Expenditures and Changes in Fund Balance – Regulatory Basis
Budget and Actual
General Current Expense Fund
Year ended June 30

	2018 Budget	2018 Actual	2019 Budget	2019 Actual	2020 Budget
Revenues Collected:					
Local Sources:					
Property Taxes	62,951,761	61,687,028	66,011,213	64,572,188	69,283,186
Other Local Sources	1,848,387	1,826,907	2,318,344	1,932,487	2,041,002
State Sources					
Other Unrestricted	117,684,193	117,609,854	125,229,901	125,295,297	143,011,388
Federal Sources	2,295,793	3,092,758	5,073,807	5,336,406	2,121,984
Miscellaneous Sources					
Total Revenues Collected	184,780,134	184,216,547	198,633,265	197,136,378	216,457,560
Expenditures Paid:					
Instruction	112,577,124	106,074,721	117,724,651	113,177,246	129,577,014
Supporting Services:					
Students	12,539,085	12,326,841	13,981,113	13,040,875	13,684,989
Instructional Staff	5,063,868	4,990,189	5,590,742	5,355,497	4,891,852
General Administration	1,638,255	1,580,019	1,834,921	1,742,079	1,431,373
School Administration	11,830,053	11,724,256	12,660,818	12,401,087	11,517,208
Central Services	4,152,807	3,991,761	5,296,615	4,849,485	5,466,507
Operation & Maintenance of Facilities	16,382,365	16,184,489	17,963,073	16,994,570	17,005,577
Student Transportation	21,706,963	21,454,421	23,831,490	23,236,026	22,632,236
Food Services	705,115	705115	784,122	784,122	807,433
Community Services	321,500	321,500	321,500	321,500	321,500
Capital Outlay	726,185	687,022	527,675	477,070	2,885,935
Debt Service:					
Principal Retirement	500,000	500,000	1,260,000	1,260,000	1,240,000
Interest & Fiscal Charges	636,470	636,467	622,137	622,137	792,282
Reserves					
Total Expenditures	188,780,420	181,176,801	202,399,037	194,261,874	212,189,500
Excess (Deficiency) of Revenues over Expenditures	(4,000,286)	3,039,746	(3,765,772)	2,874,504	4,203,654

Total Other Financing Sources (Uses)	(4,512,574)	(4,413,353)	(4,972,547)	(4,571,435)	(4,203,654)
Net change in Fund Balance	(8,512,860)	(1,373,607)	(8,738,319)	(1,696,931)	0
Fund Balance at July 1,	8,512,860	10,111,926	8,738,319	8,738,319	7,041,388
Fund Balance at June 30,	0	8,738,319	0	7,041,388	7,041,388

Retirement Plans (Source: State of West Virginia Consolidated Public Retirement Board)

Teachers' Retirement System (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. According to the 2018 Comprehensive Annual Financial Report, the plan currently has approximately 33,891 members and 35,911 retirees receiving annuity benefits. 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, 2018 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, 2017, the unfunded liability of TRS was $7.720 billion. The funded percentage was 71.2%. Under the current funding arrangement, the State expects the TRS unfunded accrued liability to be extinguished on or about June 30, 2034.

During the 2015 First Regular Session of the 82nd Legislature, the State Legislature passed Senate Bill 529 which ultimately created a Tier II retirement benefit structure for those employees who are hired for the first time on or after July 1, 2015. Some distinctions of Tier II of TRS are that (i) qualification for normal retirement age is increased from 60 with 5 years of contributory service to 62 with 10 years of contributory service and deferred retirement age is increased from 62 with 5 years of contributory service to 64 with 10 years of contributory service, all as described above; (ii) it changes military service provisions from current noncontributory military service for draft era service to permitting members to purchase up to five years of active military service with the Armed Forces or National Guard by paying the actuarial reserve purchase amount within 48 months of the member's date of hire; (iii) it removes the provisions for members to receive additional retirement service credit based upon their unused sick and/or annual leave; (iv) it removes the current eligibility provisions of any age with 35 years of service or age 55 with 30 years of service; and (vii) it removes the reciprocity provisions between TRS and the Public Employees Retirement System if one changes employment and no longer permits highest salary in either plan to be used for final average salary.

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, 2018, there were approximately 3,407 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.

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.

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.

On February 10, 2010, the West Virginia Legislature passed Senate Bill 469, granting relief to the 55 county boards of education regarding liability for OPEBs effective 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. 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 compliance with Senate Bill 469, for fiscal year 2010, the RHBT transferred $715 million in annual required contribution liability from the county boards of education to the State.

Senate Bill 419, adopted by the West Virginia Legislature on February 26, 2016, requires $30 million of annual personal income tax proceeds to be dedicated to the payment of RHBT's unfunded liability until such time

as the Governor certifies to the Legislature that an independent actuarial study has determined that the unfunded liability of RHBT has been provided for in its entirety or July 1, 2037, whichever date is later. Presently, the RHBT expects to receive the aforementioned $30 million transfer beginning in fiscal year 2017. The first payment of $5 million was received in October 2016 and then $5 million per month was received for the five months subsequent.

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.

Effective July 1, 2018, the Board adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension. The Statement addresses accounting and financial reporting for OPEB provided to Board employees who participate in the State OPEB plan. The Statements also requires various note disclosures and required supplementary information. As a result, beginning net position has been restated.

For additional information regarding the Board's liabilities and expenses, see "APPENDIX A - Audit Report of Berkeley County Board of Education for the Fiscal Year Ended June 30, 2019" and the accompanying notes to the financial statements.

Sources: West Virginia Public Employees Insurance Agency; Berkeley County Board of Education

Insurance Coverage (Source: Berkeley County Board of Education)

1. Type		Amount in Force (FY 2020)
Deductible per occurrence		$2,500
Machinery and Equipment insurance		$10,000,000 per occurrence
Deductible per occurrence		$2,500
Flood insurance		$1,000,000 per specified locations
Deductible per occurrence		$2,500
Earthquake insurance		$1,000,000 per specified locations
Deductible per occurrence		$2,500
Public official position bond:	Superintendent	$10,000
	Board President	$10,000
	Treasurer	$600,000
Fidelity Honesty Bond		$100,000

Liability Insurance: The Board is insured for the coverage indicated below under a general liability policy and an automobile policy issued to the State of West Virginia by National Union Fire Insurance Co. of Pittsburgh, Pennsylvania. The Board is an Additional Insured under the policies for a coverage period July 1, 2019 to July 1, 2020. The Board is insured for the following coverages:

Comprehensive general liability insurance
Personal injury liability insurance
Professional liability insurance
Stop gap liability insurance
Wrongful act liability insurance
Comprehensive auto liability insurance
Auto physical damage insurance, including comprehensive and collision, and
Garagekeepers insurance.

2. Limits of Liability

EACH OCCURRENCE: $1,000,000 each occurrence for all coverage combined. This limit is not increased if a claim is insured under more than one coverage or if claim is made against more than one insured.

SPECIAL LIMITS: The auto physical damage limit is the actual cash value of each vehicle subject to a deductible of $2,500.

DEFENSE COSTS: Defense costs are in addition to each occurrence limit of liability.

TAX MATTERS

The following discussion of "Tax Matters" is a brief discussion of certain income tax matters with respect to the Series 2020 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 Series 2020 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 Series 2020 Bonds.

In the opinion of Bond Counsel, under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Series 2020 Bonds (i) is excludable from gross income of the holders thereof for federal income tax purposes, assuming compliance with certain provisions described herein pertaining to the Code; and (ii) is not a specific item of tax preference, under Section 57(a)(5) of the Code, in computing the federal alternative minimum tax imposed on individuals. A complete copy of the proposed opinion of Bond Counsel is set forth in Appendix C hereto.

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 Series 2020 Bonds. The Board has covenanted to comply with certain restrictions designed to ensure that interest on the Series 2020 Bonds will not be included in federal gross income. Failure to comply with these covenants may result in interest on the Series 2020 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2020 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 Series 2020 Bonds may adversely affect the value of, or the tax status of interest on, the Series 2020 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 Series 2020 Bonds. Prospective purchasers of the Series 2020 Bonds are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Although Bond Counsel is of the opinion that interest on the Series 2020 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 Series 2020 Bonds may otherwise affect an owner's federal tax 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 legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2020 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 Series 2020 Bonds. Prospective purchasers of the Series 2020 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 and represents Bond Counsel's judgment as to the proper treatment of the Series 2020 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 Board, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Board has covenanted, however, to comply with the requirements of the Code.

Ownership of the Series 2020 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Series 2020 Bonds. Bond Counsel will express no opinion regarding any such consequences.

Bond Counsel's engagement with respect to the Series 2020 Bonds ends with the issuance of the Series 2020 Bonds, and unless separately engaged, Bond Counsel is not obligated to defend the Board or the beneficial owners regarding the tax-exempt status of the Series 2020 Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Board and its 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 Board legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2020 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 Series 2020 Bonds, and may cause the Board or the beneficial owners to incur significant expense.

Original Issue Premium

The Bonds maturing in May 1, 2020 through May 1, 2025 (each a "Premium Obligation" and collectively, the "Premium Obligations") are being sold at a premium. An amount equal to the excess of the issue price of a Premium Obligation over its stated redemption price at maturity constitutes premium on such Premium Obligation. An initial purchaser of a Premium Obligation must amortize any premium over such Premium Obligation's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium Obligations callable prior to their maturity, by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period and the purchaser's basis in such Premium Obligation is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Obligation prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed.

Owners of Premium Obligations should consult their own tax advisors as to the determination for federal income tax purposes of the premium properly accruable in any period with respect to such Premium Obligations and as to other federal tax consequences and the premium for state and local tax purposes.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on debt obligations of state and local governments, including the Series 2020 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 and Certification," or the recipient is one of a limited class of exempt recipients. 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 inclusion of the interest on the Series 2020 Bonds in gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding may be allowed as a refund or credit against the owner's Federal income tax liability, depending on the purchaser's federal tax liability once the required information is furnished to the Internal Revenue Service.

West Virginia Tax

In the opinion of Bond Counsel, under existing laws of the State of West Virginia, the Series 2020 Bonds are exempt from all taxation by the State of West Virginia or any political subdivision thereof.

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. The Secretary of the Board has reviewed the current status of all pending and threatened litigation with such counsel, and expresses the opinion of the Board 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.

On February 22, 2010, forty-nine (49) county boards of education, including the Board, filed a Complaint in the Circuit Court of Kanawha County against the West Virginia Public Employees Insurance Agency ("PEIA"), the PEIA Finance Board and the West Virginia State Auditor (the "OPEB Litigation") seeking legislative funding through the Public School Support Program (the "Program") to offset the costs of providing other post-employment benefits to employees otherwise funded through the Program. The Circuit Court of Kanawha County dismissed the suit on the grounds that it was a political question better answered by the West Virginia Legislature. The county boards of education appealed this decision to the West Virginia Supreme Court. The West Virginia Supreme Court upheld the Circuit Court of Kanawha County's decision to dismiss the suit.

The West Virginia Legislature enacted Senate Bill 469 subsequent to the West Virginia Supreme Court's decision in the OPEB Litigation above described. Senate Bill 469 provides that OPEB premiums associated with the PEIA for certain County School Board employees which are employed within the foundation allowance of the State school aid formula are to be charged to the State of West Virginia rather than the County School Boards. However, the County School Boards retain liability for such OPEB premiums for employees which are employed outside of the foundation allowance of the State school aid formula (see Other Post Employment Benefits discussion in this Official Statement for additional detail).

The State of West Virginia's OPEB liability and the Board's OPEB liability may be subject to additional lawsuits and legislative action in the future which could have an effect on the amount of the Board's OPEB liability. No representation can be made regarding the potential outcome of any such lawsuits, if initiated, or the likelihood of any future legislative actions and any effect on the amount of the Board's OPEB liability.

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 (the "Continuing Disclosure Agreement"), to provide financial information not later than the last day of the fiscal year immediately following the end of the Board's fiscal year for which the disclosure is due, commencing with the report for the fiscal year ended June 30, 2019, and to provide notice of the occurrence of the enumerated events listed therein, if material (for those enumerated events which specify a materiality determination). The Annual Information and each notice of enumerated events will be filed electronically on behalf of the Board by United Bank, Charleston, West Virginia, as dissemination agent (the "Dissemination Agent"), with the Electronic Municipal Markets Access system maintained by the Municipal Securities Rulemaking Board ("EMMA").

This continuing disclosure obligation is being undertaken to comply with Rule 15c2-12 (the "Rule") promulgated by the Securities Exchange Commission. The Dissemination Agent has agreed to give notice in a timely manner to EMMA of any failure to supply the required information. However, any failure to supply information pursuant to the terms of the Continuing Disclosure Agreement will not constitute a default under the terms of the Bonds or any document executed and delivered in connection therewith. 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 Board issued its Series 2010 Bonds in the amount of $51,500,000 on February 17, 2010. In connection with the issuance of the Series 2010 Bonds, the Board entered into a Continuing Disclosure Agreement dated as of February 17, 2010 (the "2010 Disclosure Agreement"), by and between the Board and United Bank, as dissemination agent. Pursuant to the 2010 Disclosure Agreement, the Board agreed to provide its annual audited financial statements to the Dissemination Agent for filing with EMMA for purposes of the Rule within 270 days

following the completion of the Board's June 30 Fiscal Year end. The Board also agreed in the 2010 Disclosure Agreement to file notice of the enumerated events listed therein, if material, to EMMA for purposes of the Rule.

In the past five years, the Board (i) filed notice of its failure to timely file its annual financial information for the fiscal year ending June 30, 2016 to EMMA on January 4, 2017, and has since filed such information to EMMA on March 30, 2017; and (ii) failed to timely file its annual financial information for the fiscal year ending June 30, 2018, filed such information to EMMA on December 19, 2019, and filed notice of its failure to timely file such information to EMMA on January 15, 2020.

LEGAL MATTERS

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Steptoe & Johnson PLLC, Bridgeport, 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 Steptoe & Johnson PLLC, Bridgeport, West Virginia, Counsel to the Board and for the Underwriter by its counsel, Bowles Rice LLP, Charleston, West Virginia.

RATINGS

S&P Global Ratings, a division of S&P Global, Inc., 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 West Virginia 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

The Arbitrage Group Inc., Buhl, Alabama, has been retained as verification agent for the Bonds (the "Verification Agent"). The Verification Agent shall provide a verification of the sufficiency of the escrow for the repayment of the Series 2010 Bonds on the redemption date thereof.

UNDERWRITING

The Bonds are being purchased by Crews & Associates, Inc., 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 of $21,380,000*, less an Underwriter's Discount of $_____, plus original issue premium in the amount of $_____).

*Preliminary, subject to change.

CONCLUDING STATEMENT

The information furnished in this Official Statement is set forth for the benefit of prospective purchasers of the Bonds. The material contained in the Official Statement was compiled for and at the direction of The Board of Education of the County of Berkeley.

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 undersigned at 1453 Winchester Avenue, Martinsburg, West Virginia, 25405, telephone (304) 267-3500.

[SIGNATURE PAGE FOLLOWS THIS PAGE]

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY

By: /s/ Dr. William Queen
President

APPENDIX A

AUDIT REPORT OF BERKELEY COUNTY BOARD OF EDUCATION FOR THE FISCAL YEAR ENDED JUNE 30, 2019

PERRY & Associates

Certified Public Accountants, A.C.

BERKELEY COUNTY BOARD OF EDUCATION
BERKELEY COUNTY
Single Audit
For the Year Ended June 30, 2019

RFP# 18-015

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., #A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., #300
Wheeling, WV 26003
304 232 1358

749 Wheeling Ave., #300
Cambridge, OH 43725
740 435 3417

www.perrycpas.com

BERKELEY COUNTY BOARD OF EDUCATION
TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Governmental Fund Financial Statements:	
Balance Sheet - Governmental Funds	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Fiduciary Net Position – Fiduciary Funds	20
Notes to the Basic Financial Statements	21
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Current Expense Fund	54
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Fund	55
Schedule of the Board's Proportionate Share of the Net Pension Liability	56
Schedule of Board Contributions – Teachers Retirement System	57
Schedule of the Board's Proportionate Share of the Net OPEB Liability	58
Schedule of Board Contributions – Retiree Health Benefit Trust Fund	59
Notes to the Required Supplementary Information	60
Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Debt Service Fund	64
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Bond Construction Fund	65

TITLE	PAGE
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Capital Projects Fund	66
Schedule of Changes in School Activity Funds	67
Schedule of Excess Levy Revenues and Expenditures	68
Notes to the Other Supplementary Information	69
Other Information	
Schedule of Expenditures of Federal Awards	70
Notes to the Schedule of Expenditures of Federal Awards	71
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*	72
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	74
Schedule of Audit Findings - 2 CFR § 200.515	76

PERRY & Associates
Certified Public Accountants, A.C.

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., Suite A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., Suite 300
Wheeling, WV 26003
304 232 1358

749 Wheeling Ave., Suite 300
Cambridge, OH 43725
740 435 3417

INDEPENDENT AUDITOR'S REPORT

December 20, 2019

Berkeley County Board of Education
Berkeley County
401 S. Queen Street
Martinsburg, WV 25401

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Berkeley County Board of Education**, Berkeley County, West Virginia (the Board), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Board's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation. We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Berkeley County Board of Education, Berkeley County, West Virginia, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, schedules of net pension liabilities and pension contributions and required budgetary comparisons for the General Current Expense and Special Revenue Funds, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Board's basic financial statements taken as a whole.

The budgetary comparison information for the Debt Service Fund, Bond Construction Fund, Capital Projects Fund and the Schedule of Changes in School Activity Funds, and Schedule of Excess Levy Revenues and Expenditures provide additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

The schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected the schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2019, on our consideration of the Board'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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

BERKELEY COUNTY BOARD OF EDUCATION
STATEMENT OF NET POSITION
June 30, 2019

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Assets:	
Cash and cash equivalents	$ 24,654,054
Investments	8,030,035
Taxes receivable, net of allowance for uncollectible taxes	1,396,155
Food service receivable	274,518
Other receivables	138,000
Other prepaid expenses	31,766
Due from other governments:	
PEIA allocation receivable	2,488,595
Reimbursements receivable	4,454,105
Capital Assets:	
Land	4,856,659
Land improvements	7,180,223
Buildings and improvements	261,290,879
Furniture and equipment	9,445,414
Vehicles	23,998,930
Construction in process	392,144
Less accumulated depreciation	(91,449,745)
Total capital assets, net of depreciation	215,714,504
Total assets	257,181,732
Deferred outflows of resources:	
Pension	4,145,479
Other post employment benefit (OPEB)	8,099,127
Total deferred outflows of resources	12,244,606
Total assets and deferred outflows of resources	$ 269,426,338
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND NET POSITION	
Liabilities:	
Salaries payable and related payroll liabilities	$ 19,840,703
PEIA premiums payable	3,493,568
Compensated absences	207,424
Accounts payable	1,680,392
Long-term obligations:	
Due within one year:	
Bonds, capital leases, and contracts	4,950,000
Due beyond one year:	
Bonds, capital leases, and contracts	40,773,630
Net pension liability - Proportionate Share	13,626,640
Net other post employment benefit (OPEB) liability - Proportionate Share	17,598,768
Total liabilities	102,171,125
Deferred inflows of resources:	
Pension	2,063,983
Other post employment benefit (OPEB)	3,271,001
Total deferred inflows of resources	5,334,984
Total liabilities and deferred inflows of resources	$ 107,506,109
Net Position:	
Net Investment in Capital Assets	169,990,874
Restricted for:	
Debt service	4,775,348
Special projects	1,991,453
Capital projects	1,036,191
Unrestricted (Deficit)	(15,873,637)
Total net position	$ 161,920,229

The accompanying notes are an integral part of the financial statements

BERKELEY COUNTY BOARD OF EDUCATION

STATEMENT OF ACTIVITIES

For The Fiscal Year Ended June 30, 2019

Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense), Revenue & Changes in Net Position Governmental Activities
Governmental activities:					
Instruction	$ 124,680,560	$ 2,822,266	$ 9,382,508	$ -	$ (112,475,786)
Supporting services:					
Students	13,708,228	452,007	1,031,577	685,850	(11,538,794)
Instructional staff	6,336,495	208,936	476,836	317,028	(5,333,695)
General administration	1,651,504	54,456	124,280	82,628	(1,390,140)
School administration	11,753,137	387,541	884,451	588,033	(9,893,112)
Central services	4,762,485	157,035	358,388	238,277	(4,008,785)
Operation and maintenance of facilities	19,578,890	645,583	1,473,358	979,571	(16,480,378)
Student transportation	22,306,140	735,509	1,678,590	1,116,021	(18,776,020)
Other support services	263,744	8,697	19,847	13,196	(222,004)
Food services	15,824,154	1,032,446	6,512,538	-	(8,279,170)
Community services	321,500	-	-	-	(321,500)
Interest on long-term debt	1,670,304	-	-	-	(1,670,304)
Total governmental activities	222,857,141	6,504,476	21,942,373	4,020,604	(190,389,688)
General revenues:					
Property taxes					68,386,298
Unrestricted state aid					111,144,870
Unrestricted investment earnings					696,792
Unrestricted grants and contributions					1,433,018
Gain (loss) on disposal of capital assets					30,089
Total general revenues, extraordinary items and transfers					181,691,067
Change in net position					(8,698,621)
Net position - beginning					170,618,850
Net position - ending					$ 161,920,229

The accompanying notes are an integral part of the financial statements

BERKELEY COUNTY BOARD OF EDUCATION

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2019

	General Current Expense	Special Revenue Fund	Debt Service Fund	Bond Construction Fund	Capital Projects Fund	Total Governmental
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets:						
Cash and cash equivalents	$ 21,178,592	$ 2,335,728	$ -	$ 910,933	$ 228,801	$ 24,654,054
Investments	3,303,723	-	4,726,054	258	-	8,030,035
Taxes receivable, net	1,229,222	-	166,933	-	-	1,396,155
Food service receivable, net	-	274,518	-	-	-	274,518
Other receivables	138,000	-	-	-	-	138,000
Other prepaid expenses	31,766					31,766
Due from other governments:						
PEIA allocation receivable	2,488,595	-	-	-	-	2,488,595
Reimbursements receivable	1,669,640	2,511,669	-	-	282,806	4,464,105
Due from other funds	264,287	-	-	-	-	264,287
Total assets	30,293,825	5,121,905	4,892,987	911,191	511,607	41,731,515
Deferred outflows of resources	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS PLUS DEFERRED OUTFLOWS OF RESOURCES	$ 30,293,825	$ 5,121,905	$ 4,892,987	$ 911,191	$ 511,607	$ 41,731,515
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Salaries payable and related payroll liabilities	$ 17,873,469	$ 1,967,234	$ -	$ -	$ -	$ 19,840,703
PEIA premiums payable	2,828,639	664,729	-	-	-	3,493,368
Accounts payable & Payable to others	1,334,101	117,490	-	-	228,801	1,680,392
Due to other funds	-	106,481	-	-	157,806	264,287
Total liabilities	22,036,409	2,855,934	-	-	386,607	25,278,950
Deferred inflows of resources	1,216,028	274,518	117,639	-	-	1,608,185
Total deferred inflows of resources	1,216,028	274,518	117,639	-	-	1,608,185
Fund Balances:						
Restricted	-	1,991,453	4,775,348	911,191	125,000	7,802,992
Assigned	115,038	-	-	-	-	115,038
Unassigned	6,926,350	-	-	-	-	6,926,350
Total fund balances	7,041,388	1,991,453	4,775,348	911,191	125,000	14,844,380
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 30,293,825	$ 5,121,905	$ 4,892,987	$ 911,191	$ 511,607	$ 41,731,515

Amounts reported for governmental activities in the statement of net position differ due to:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	215,714,604
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	1,608,185
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds	
Deferred outflows of resources related to pensions	4,145,479
Deferred inflows of resources related to pensions	(2,063,983)
Deferred outflows of resources related to OPEB	6,099,127
Deferred inflows of resources related to OPEB	(3,271,001)
Some liabilities, including net pension and OPEB obligations, are not due and payable in the current period and, therefore, are not reported in the funds	
Bonds payable, due within one year	(3,710,000)
Bonds payable, due beyond one year	(21,045,000)
Capital leases payable	(20,968,630)
Compensated absences	(207,424)
Net pension liability - proportionate share	(13,626,640)
Net OPEB liability - proportionate share	(17,598,768)
Net position of governmental activities	$ 161,920,229

The accompanying notes are an integral part of the financial statements

BERKELEY COUNTY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For The Fiscal Year Ended June 30, 2019

	General Current Expense	Special Revenue	Debt Service Fund	Bond Construction Fund	Capital Projects Fund	Total Governmental
Revenues:						
Property taxes	$ 64,572,188	$ -	$ 4,888,245	$ -	$ -	$ 69,460,433
Other Local sources	1,932,487	1,889,872	-	19,891	80,509	3,922,759
State sources	125,295,297	9,293,621	-	-	58,602	134,647,520
Federal sources	5,336,406	19,563,531	-	-	-	24,899,937
Total revenues	197,136,378	30,747,024	4,888,245	19,891	139,111	232,930,649
Expenditures:						
Instruction	113,177,246	12,803,257	-	-	-	125,980,503
Supporting services:						
Students	13,040,875	1,381,941	-	-	-	14,422,816
Instructional staff	5,355,497	1,349,206	-	-	-	6,704,703
General administration	1,742,079	-	-	-	-	1,742,079
School administration	12,401,087	14,496	-	-	-	12,415,583
Central Services	4,849,485	187,713	-	-	-	5,037,198
Operation and maintenance of facilities	16,994,570	8,926	-	-	-	17,003,496
Student transportation	23,236,026	118,124	-	-	-	23,354,150
Food services	784,122	14,492,909	-	-	-	15,277,031
Community services	321,500	-	-	-	-	321,500
Capital outlay	477,070	2,583,996	-	50,102	375,782	3,486,950
Debt service:						
Principal retirement	1,260,000	799,533	3,560,000	-	-	5,619,533
Interest and fiscal charges	622,317	-	1,047,987	-	-	1,670,304
Total expenditures	194,261,874	33,740,101	4,607,987	50,102	375,782	233,035,846
Excess (deficiency) of revenues over expenditures	2,874,504	(2,993,077)	280,258	(30,211)	(236,671)	(105,197)
Other financing sources (uses):						
Proceeds from disposal of real or personal property	35,755	-	-	-	-	35,755
Proceeds from capital lease	-	-	-	-	263,180	263,180
Total other financing sources (uses)	(4,571,435)	4,508,699	-	-	361,671	298,935
Net change in fund balances	(1,696,931)	1,515,622	280,258	(30,211)	125,000	193,738
Fund balances - beginning	8,738,319	475,831	4,495,090	941,402	-	14,650,642
Fund balances - ending	$ 7,041,388	$ 1,991,453	$ 4,775,348	$ 911,191	$ 125,000	$ 14,844,380

The accompanying notes are an integral part of the financial statements

BERKELEY COUNTY BOARD OF EDUCATION

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, 2019

Net change in fund balances - total governmental funds	$	193,738
Amounts reported for governmental activities in the statement of activities are different due to:		
Governmental funds report capital outlays as expenditures. However, in the statement of net position, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The effect on net position is the amount by which capital outlays exceed depreciation in the current period.		
Depreciation expense		(8,791,458)
Capital outlays		3,442,609
Certain receivables will be collected this year but are not available soon enough to pay for the current period's expenditures. This is the amount by which such receivables increased (decreased).		
Property taxes receivable		(953,610)
Operating Grants and Contributions		(357,561)
A portion of the change in fund balances is the proceeds from capital leases. Those proceeds are not considered revenue items for the purpose of this statement		(263,180)
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 position.		5,619,533
Differences in the cost and accumulated depreciation on disposed capital assets are reported as a loss and reduction in net position in the statement of activities.		
Cost of assets disposed		(1,491,214)
Accumulated depreciation of assets disposed		1,485,548
Compensated absences are reported as liabilities in the statement of net position, 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		157,043
Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense		
District pension contributions		777,242
Cost of benefits earned net of employee contributions		(3,460,513)
Governmental funds report district OPEB contributions as expenditures. However, in the Statement of Activities, the cost of OPEB benefits earned net of employee contributions is reported as OPEB expense		
District OPEB contributions		629,571
Cost of benefits earned net of employee contributions		(5,686,369)
Change in net position of governmental activities	$	(8,698,621)

The accompanying notes are an integral part of the financial statements

BERKELEY COUNTY BOARD OF EDUCATION

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

June 30, 2019

	Agency Funds		
	Dental Funds	School Activity Funds	Multi County Vocational Center
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and cash equivalents	$ 69,343	$ 4,273,011	$ 633,223
Total assets	69,343	4,273,011	633,223
Deferred outflows of resources:			
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	$ 69,343	$ 4,273,011	$ 633,223
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Due to other funds	$ 69,343	$ 4,273,011	$ 633,223
Total liabilities	69,343	4,273,011	633,223
Deferred inflows of resources:			
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	$ 69,343	$ 4,273,011	$ 633,223

The accompanying notes are an integral part of the financial statements

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 Berkeley 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 position 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 Position 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.

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 School 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 School 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.

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 School 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 School 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.

Agency Funds: Agency funds are used to account for assets that the School Board holds for others in an agency capacity. These include: Regional education service agencies (RESA's) and multi-county vocational centers (MCVC's) for the purpose of providing high quality, cost effective educational programs and to provide vocational training, respectively, in which the county board of education serves as the fiscal agent; 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 Position 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, and 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 School Board considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded generally when the related fund liability is incurred, except for un-matured 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.

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 or other highly liquid investments with an original maturity of three months or less are presented as cash in the accompanying financial statements.

Boards of education are authorized by statute to provide excess funds to either the State Consolidated Investment Pool or the West Virginia Municipal Bond Commission (MBC) 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 School Board are temporarily invested by the MBC specifically on behalf of the School Board as part of the MBC's consolidated investment pool. Deposits with the State Consolidated Investment Pool are held by the West Virginia Board of Treasury Investments (BTI). The deposits with the MBC are held for debt service requirements of the School Board. The deposits with the BTI and MBC are not separately identifiable as to specific types of securities. Investment income is prorated to the School Board at rates specified by the BTI and MBC. The amounts on deposit are available for immediate withdrawal and, accordingly, are presented as cash and cash equivalents in the accompanying basic financial statements. These investments are considered cash and cash equivalents due to their liquid nature. The BTI is directed by the State Treasurer to invest the funds in specific external investment pools in accordance with West Virginia code, policies set by the BTI, and by provisions of bond indentures and trust agreements, when applicable. Balances in the investment pools are recorded at fair value or amortized cost which approximates fair value. Fair value is determined by a third-party pricing service based on asset portfolio pricing models and other sources, in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. The BTI was established by the State Legislature and is subject to oversight by the State Legislature.

All deposit accounts and investments of the School Board at June 30, 2019 consisted of the following:

	Carrying Amount	Estimated Fair Value	Bank Balance
State Investment Pool	$ 3,303,982	$ 3,303,982	$ 3,303,982
Municipal Bond Commission	4,726,053	4,726,053	4,726,053
Deposits with financial institutions - Individual Schools	4,273,011	4,273,011	4,161,169
Deposits with financial institutions - Board of Education	24,654,054	24,654,054	24,654,054
Total investments	$ 32,684,089	$ 32,684,089	$ 32,684,089

Deposits 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 School Board's name. Custodian credit risk is the risk that in event of a bank failure, the School Board's deposits may not be returned to it. The School Board has limited its custodial credit risk by assuring that these deposits with financial institutions are adequately collateralized.

Cash on deposit with the MBC is held by the BTI in the West Virginia Government Money Market Pool and is subject to the following BTI policies and limits.

The BTI has adopted an investment policy in accordance with the "Uniform Prudent Investor Act." The "prudent investor rule" guides those with responsibility for investing the money for others. Such fiduciaries must act as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income; preserve capital; and, in general, avoid speculative investments. The BTI's investment policy is to invest assets in a manner that strives for maximum safety, provides adequate liquidity to meet all operating requirements, and achieves the highest possible investment return consistent with the primary objectives of safety and liquidity. The BTI recognizes that risk, volatility, and the possibility of loss in purchasing power are present to some degree in all types of investments. Due to the short-term nature of BTI's Consolidated Fund, the BTI believes that it is imperative to review and adjust the investment policy in reaction to interest rate market fluctuations/trends on a regular basis and has adopted a formal review schedule. Investment policies have been established for each investment pool and account of the BTI's Consolidated Fund. Of the BTI's Consolidated Fund pools and accounts in which the School Board invests, all are subject to credit risk. The following BTI investment risk information has been extracted from the notes to BTI's financial statements.

WV Government Money Market Pool - *Credit Risk* - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. For the year ended June 30, 2018, the WV Government Money Market Pool has been rated AAAm by Standard & Poor's. A fund rated "AAAm" has extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market, and/or liquidity risks. "AAAm" is the highest principal stability fund rating assigned by Standard & Poor's.

The BTI limits the exposure to credit risk in the WV Government Money Market Pool by limiting the pool to U.S. Treasury issues, U.S. government agency issues, money market funds investing in 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 obligations or obligations guaranteed as to repayment of interest and principal by the United States of America.

The BTI limits the exposure to credit risk in the WV Government Money Market Pool by limiting the pool to U.S. Treasury issues, U.S. government agency issues, money market funds investing in 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 obligations or obligations guaranteed as to repayment of interest and principal by the United States of America.

At June 30, 2018, the WV Government Money Market Pool investments had a total carrying value of $212,304,000 of which the School Board's ownership represents 15%.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. All the BTI's Consolidated Fund pools and accounts are subject to interest rate risk.

The overall weighted average maturity of the investments of the WV Government Money Market Pool cannot exceed 60 days. Maximum maturity of individual securities cannot exceed 397 days from date of purchase, except for government floating rate notes, which can be up to 762 days.

The following table provides information on the weighted average maturities for the various asset types in the WV Government Money Market Pool:

	2018	
Security Type	**Carrying Value (In thousands)**	**WAM (Days)**
Repurchase agreements	$ 10,973	76
U.S. Treasury notes	23,950	43
U.S. Treasury bills	52,300	17
U.S. agency discount notes	76,734	20
U.S. agency bonds and notes	48,100	3
Money market funds	247	3
	$ 212,304	21

Other Investment Risks - Other investment risks include concentration of credit risk, custodial credit risk, and foreign currency risk.

Concentration of credit risk is the risk of loss attributed to the magnitude of the BTI's Consolidated Fund pool or account's investment in a single corporate issuer. The BTI investment policy prohibits those pools and accounts permitted to hold corporate securities from investing more than 5% of their assets in any one corporate name or one corporate issue.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the BTI will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Repurchase agreements are required to be collateralized by at least 102% of their value, and the collateral is held in the name of the BTI. The BTI or its agent does not release cash or securities until the counterparty delivers its side of the transaction.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. None of the BTI's Consolidated Fund's investment pools or accounts holds interests in foreign currency or interests valued in foreign currency.

Deposits - Custodial credit risk of deposits is the risk that in the event of failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. Deposits include nonnegotiable certificates of deposit. WV Government Money Market Pool does not contain nonnegotiable certificates of deposit. The BTI does not have a deposit policy for custodial credit risk.

F. Food Service receivables:

The accounts receivable for the Food Service Program has been reduced by $148,657 for uncollectible accounts. The allowance for uncollectible accounts was calculated based upon historical data maintained by the School Board.

G. Inter-fund 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 inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund 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.

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.

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 School 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 acqusition 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 School Board are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Site Improvements	20 – 35
Furniture and Equipment	5 – 20
Vehicles	8 – 12

K. Deferred Outflow of Resources:

A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period.

L. Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Teacher Retirement System (TRS) and additions to/deductions from the TRS fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 10 for further discussion.

M. Compensated Absences and Other Post Employment Benefit Liability:

Compensated Absences:

It is the School Board's policy to permit employees to accumulate earned but unused vacation pay benefits. Vacation benefits can be accumulated up to 20 days and carried forward to the subsequent fiscal year. All vacation pay is accrued when incurred and the liability for these amounts is reported in the general long-term debt account group. Upon termination employees may be compensated for vacation benefits accumulated. In lieu of a cash payment at retirement, employees hired prior to July 1, 2015 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.

Other Post Employment Benefit (OPEB) Liability:

It is the School Board's policy to permit employees to accumulate earned but unused sick pay benefits. Sick benefits can be accumulated for unlimited days and carried forward to the subsequent fiscal year. When separated from employment, employees' sick leave benefits are considered ended and no reimbursement is provided. However, upon retirement, an employee's accumulated annual sick leave may be converted to a greater retirement benefit or payment of the retired employee's health insurance premiums. The cost of the increased retirement option is the liability of the West Virginia Consolidated Public Retirement Board. The payment of health insurance premiums must be absorbed by the last agency employing the retiree and is included as part of the OPEB liability.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by West Virginia Retiree Health Benefit Trust Fund (RHBT). For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 11 for further discussion.

N. 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 position. Bond premiums and discounts 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses during the period in which the bonds were issued.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

O. Deferred Inflow of Resources

A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future reporting period.

P. Net Position:

Net position is classified into four categories according to external donor restrictions or availability of assets for satisfaction of School Board obligations. The School Board's net position is classified as follows:

- **Net investment capital assets -** This represents the School Board's total investment in capital assets, net of accumulated depreciation and reduced by the balances of any outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested capital assets, net of related debt.

- **Restricted net position, expendable -** This includes resources in which the School Board is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties including grantors, donors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

- **Unrestricted net position -** This represents resources derived from other than capital assets or restricted net position. These resources are used for transactions relating to the general operation of the School Board, and may be used at the discretion of the School Board to meet current expenses for any lawful purpose.

Q. Fund Equity:

Effective July 1, 2010, the School 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 School 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:

- Nonspendable fund balances include amounts that cannot be spent because they are in a nonspendable 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.

- 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 School Board minutes of the fiscal year ended June 30, 2019. 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 which 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 School 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.

R. Elimination and Reclassifications:

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as inter-fund activity and balances in the funds were eliminated or reclassified. Inter-fund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

S. 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.

T. Restricted Resources:

Restricted resources should be applied first when an expense is incurred for purposes for which both restricted and unrestricted net positions 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.

U. Newly Adopted Statements Issued by the GASB:

The Governmental Accounting Standards Board has also issued Statement No. 83, *Certain Asset Retirement Obligations*, effective for fiscal years beginning after June 15, 2018. The objective of this Statement is to enhance comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure asset retirement obligations (AROs), including obligations that may not have been previously reported. This statement will also enhance the decision-usefulness of the information provided to financial statement users by requiring disclosures related to those AROs. The School Board has not yet determined the effect that the adoption of GASB Statement No. 83 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, effective for fiscal years beginning after June 15, 2018. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The School Board has not yet determined the effect that the adoption of GASB Statement No. 88 may have on its financial statements.

V. Recent Statements Issued by the GASB:

The Governmental Accounting Standards Board has also issued Statement No. 84, *Fiduciary Activities*, effective for fiscal years beginning after December 15, 2018. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The School Board has not yet determined the effect that the adoption of GASB Statement No. 84 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 87, *Leases*, effective for fiscal years beginning after December 15, 2019. This Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements. The School Board has not yet determined the effect that the adoption of GASB Statement No. 87 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for fiscal years beginning after December 15, 2019. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. The School Board has not yet determined the effect that the adoption of GASB Statement No. 89 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 90, *Majority Equity Interests*, effective for fiscal years beginning after December 15, 2018. The primary objectives of the I Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The School Board has not yet determined the effect that the adoption of GASB Statement No. 90 may have on its financial statements.

Note 2 - Stewardship, Compliance and Accountability:

Deficiencies in Net Changes in Fund Balances and Deficit Fund Balances:

The following funds had deficiencies in net changes in fund balances for the year ended June 30, 2019:

Fund	Amount
General Current Expense Fund	$1,696,931
Bond Construction Fund	30,211

Funds sufficient to provide for the excess expenditures were made available from other sources within each fund and the deficiency had no impact on the financial results of the Funds.

Note 3 - Risk Management:

The School 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 School 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 School 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 School 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.

Health coverage under these programs has no lifetime maximum benefit, while life insurance coverage is limited to $10,000. 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): Traveler's Insurance Company provides workers' compensation coverage to Berkeley 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's risk pool retains the risk related to the compensation of injured employees under the program.

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 School Board per $100 of assessed valuation for each class of property for the fiscal year ended June 30, 2019 were:

Class of Property	Assessed Valuations For Tax Purposes	Current Expense	Excess Levy	Bond Purposes
Class I	$	19.40¢	22.50¢	3.00¢
Class II	$ 3,271,534,930	38.80¢	45.00¢	6.00¢
Class III	$ 1,722,784,311	77.60¢	90.00¢	12.00¢
Class IV	$ 477,984,003	77.60¢	90.00¢	12.00¢

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 June 30, 2019 for the School Board's funds are as follows:

	General Current Expense Fund	Debt Service Fund
Taxes receivable	$ 4,572,007	$ 361,230
Less: allowance for uncollectible	(3,342,785)	(194,297)
Taxes receivable, net	$ 1,229,222	$ 166,933

Note 5 - Excess Levy:

The School Board had an excess levy in effect during the fiscal year ended June 30, 2019. The levy was authorized by the voters of the county at an election held on August 29, 2014 for the fiscal years ended June 30, 2016 through June 30, 2020 to provide funds for the following purposes:

A total of $34,078,153 was received by the School Board from the excess levy during the fiscal year ended June 30, 2019.

Note 6 – Tax Abatement:

During the fiscal year ended June 30, 2017, the School Board's property tax revenues were reduced by $4,458,503 pursuant to agreements entered into by the County Commission of Berkeley County. Authority is given to the Tax Commissioner under WVC 11-10-7A and is given to the County Commission under WVC 31-15-17 for corporations developed under the economic development authority. Under the agreements, payments in lieu of taxes (PILOTs) are remitted to the sheriff of Berkeley County by property owners who are parties to the agreement(s). The sheriff is then required to remit the PILOTs to all public bodies within the County in the same proportion as property taxes. The School Board received $1,340,680 for its share of PILOT collections during the fiscal year ended June 30, 2019.

Note 7 - Capital Assets:

Capital asset balances and activity for the year ended June 30, 2019, is as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets, non-depreciable:				
Land	$ 4,856,659	$ -	$ -	$ 4,856,659
Construction in process	-	392,144	-	392,144
Total non-depreciable capital assets	4,856,659	392,144	-	5,248,803
Capital assets, depreciable:				
Land improvements	7,180,223	-	-	7,180,223
Buildings and improvements	261,290,879	-	-	261,290,879
Furniture and equipment	8,581,938	883,058	(19,582)	9,445,414
Vehicles	23,303,155	2,167,407	(1,471,632)	23,998,930
Total depreciable capital assets	300,356,195	3,050,465	(1,491,214)	301,915,446
Less accumulated depreciation for:				
Land improvements	(3,076,841)	(220,315)	-	(3,297,156)
Buildings and improvements	(62,831,407)	(5,684,265)	-	(68,515,672)
Furniture and equipment	(4,262,721)	(1,110,344)	13,918	(5,359,147)
Vehicles	(13,972,866)	(1,776,534)	1,471,630	(14,277,770)
Total accumulated depreciation	(84,143,835)	(8,791,458)	1,485,548	(91,449,745)
Total depreciable capital assets, net	216,212,360	(5,740,993)	(5,666)	210,465,701
Total capital assets, net	$ 221,069,019	$ (5,348,849)	$ (5,666)	$ 215,714,504

Depreciation expense was charged to functions/programs of the governmental activities as follows:

Instruction	$ 4,835,302
Supporting Services:	
Central administration	175,829
Operation and maintenance of facilities	703,317
Transportation	1,934,120
Other support services	263,744
Food services	879,146
Total Depreciation expense - governmental activities	$ 8,791,458

Note 8 - Long-term Debt:

Long-term liability activity for the year ended June 30, 2019 is as follows:

	Balance, Beginning of Year	Additions	Deductions	Balance, End of Year	Amounts due within one year	Amounts due past one year
General obligation debt	$ 28,315,000	$ -	$ 3,560,000	$ 24,755,000	$ 3,710,000	$ 21,045,000
Proportionate share of net pension liability	11,141,847	2,484,793	-	13,626,640	-	13,626,640
Proportionate share of net OPEB liability	8,125,456	9,473,312	-	17,598,768	-	17,598,768
Capital lease payable	22,764,983	263,180	2,059,533	20,968,630	1,240,000	19,728,630
Long-term liabilities	$ 70,347,286	$ 12,221,285	$ 5,619,533	$ 76,949,038	$ 4,950,000	$ 71,999,038

General Obligation Bonds – General obligation bonds payable at June 30, 2019, with their outstanding balance are comprised of the following individual issues:

Bond Issue of 2010	$51,500,000

The School Board's future debt service requirements for bonded debt is as follows:

Year Ending June 30	Interest Rate	Principal	Interest	Total
2020	4.00%	3,710,000	903,588	4,613,588
2021	3.25%	3,865,000	755,188	4,620,188
2022	3.75%	4,030,000	629,575	4,659,575
2023	3.50%	4,205,000	493,563	4,698,563
2024 - 2025	3.5-4.00%	8,945,000	517,576	9,462,576
Total		$ 24,755,000	$ 3,299,490	$ 28,054,490

Bond Issue of 2010:

On February 17, 2010, the School Board issued $51,500,000 in general obligation bonds to provide funds for the improvement of existing facilities and the construction of new schools. The bonds mature in varying annual increments through May, 2025 and interest is payable semiannually at 3.5 to 4.0%. Payments on the general obligation bonds payable during the year were made from the debt service fund.

Of the total amount required to amortize all general obligation bonds outstanding as of June 30, 2019, including interest payments, the following summarizes the current and long-term portions:

Total bonds payable at June 30, 2019	$24,755,000
Less: Current portion	(3,710,000)
Long-term bonds payable	$21,045,000

Note 9 - Leases:

The School 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. Operating lease expenditures for the year ended June 30, 2019 were $408,192.

The School Board has entered into a capital lease-purchase agreement pursuant to the provisions of West Virginia Code §18-5-9a whereby energy conservation equipment has been installed in several of the schools The equipment is leased from Bank of America Public Capital Corporation for a period of 15 years beginning November 19, 2016. At the end of the contract period, the School Board will have ownership of the equipment. By contract, the School 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, 2019, are as follows:

Year Ending June 30	Interest Rate	Principal	Interest	Total
2020	2.83%	1,240,000.00	586,659.00	1,826,659.00
2021	2.83%	1,325,000.00	551,567.00	1,876,567.00
2022	2.83%	1,410,000.00	514,069.50	1,924,069.50
2023	2.83%	1,480,000.00	474,166.50	1,954,166.50
2024	2.83%	1,570,000.00	432,282.50	2,002,282.50
2025	2.83%	1,675,000.00	387,851.50	2,062,851.50
2026	2.83%	1,780,000.00	340,449.00	2,120,449.00
2027	2.83%	1,885,000.00	290,075.00	2,175,075.00
2028	2.83%	2,000,000.00	236,729.50	2,236,729.50
2029	2.83%	2,060,000.00	180,129.50	2,240,129.50
2030	2.83%	2,115,000.00	121,831.50	2,236,831.50
2031	2.83%	2,165,450.00	61,977.00	2,227,427.00
2032		263,180.00	-	263,180.00
Total		$ 20,968,630.00	$ 4,177,787.50	$ 25,146,417.50

The assets acquired through capital leases are as follows:

Asset:	
Building Improvements	$28,097,036
Less: Accumulated Depreciation	
Building Improvements	(2,231,310)
Total Assets, net accumulated depreciation	$25,865,726

The Board has entered into a capital lease-purchase agreement pursuant to the provisions of West Virginia Code §18-5-9a whereby iPad classroom equipment has been installed in all elementary schools. The equipment is leased from Apple Inc. for a period of three years beginning February 23, 2017. At the end of the contract period, the School 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, 2019, is $0.

The assets acquired through capital leases are as follows:

Asset:	
Furniture and equipment	$ 2,398,599
Less: Accumulated Depreciation	
Furniture and equipment	(1,039,393)
Total Assets, net accumulated depreciation	$ 1,359,206

The following is a summary of the future minimum required lease payments by year under operating leases as of June 30, 2019:

Year	
2020	$197,760
2021	197,760
Total minimum operating lease payments	$395,520

Note 10 - 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' Retirement System (TRS) or the Teachers' Defined Contribution Retirement System (TDC). For the year ended June 30, 2019, the School Board's total payroll for all employees was $120,284,308 and the payroll was $95,616,188 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 School Board's financial statements prepared using the current financial resources measurement focus and the modified accrual basis of accounting. 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 School Board's financial statements prepared using the current financial resources measurement focus and the modified accrual basis of accounting. The State's contribution to TRS on-behalf of the School Board meets the GASB Statement No. 68 definition of a special funding source. Therefore, the School Board has recorded pension expense and revenue for the portion of the State's total proportionate share of collective pension expense that is associated with the School Board in the financial statements prepared on the economic resources focus and accrual basis of accounting.

Conversion of leave for post-retirement: For employees hired for the first time and first becoming a member of the Teachers' Retirement System (TRS) before July 1, 2016, 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. For employees hired for the first time and first becoming a member of the Teachers' Retirement System (TRS) on or after July 1, 2016, there is no provision to convert an employee's unused vacation and sick leave to a greater retirement benefit or payment of health insurance premiums.

A. Teachers' Retirement System (TRS):

Plan Description:

The Teachers' 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. The West Virginia Legislature passed Senate Bill 529 in 2015 essentially adding a second tier of retirement benefits for those eligible to be a member of TRS who are hired for the first time and first become a member of TRS on or after July 1, 2015. Chapter 18, Article 7A of the West Virginia State Code assigns the authority to establish and amend the provisions of the plan to the State Legislature.

Benefits provided: Prior to the passage of Senate Bill 529, 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. With the passage of Senate Bill 529, to qualify for full benefits, employees hired for the first time and first becoming a member of TRS on or after July 1, 2015 must meet the following conditions:

- age 62 for an employee who goes directly into retirement with no break in service,
- age 64 for employees with a break in service between employment and retirement and less than 20 years of TRS service,
- age 63 for those with a break in service between employment and retirement and 20 or more years of TRS service,

With the passage of Senate Bill 529, to qualify for reduced annuity benefits employees hired for the first time and first becoming a member of TRS on or after July 1, 2015 must meet the following conditions:

- between the ages of 60 and 62 and having a minimum of 10 years of contributing service,
- between the ages of 57 and 62 and having 20 or more years of contributing service.
- between the ages of 55 and 62 and having 30 or more years of contributing service.

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.

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.

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.

Net Pension Liability, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources:

At June 30, 2019, the School Board reported a liability for its proportionate share of the TRS net pension liability that reflected a reduction for State pension support provided to the School Board. The amount recognized by the School Board as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the School Board were as follows:

School Board's proportionate share of the net pension liability	$ 13,626,640
State's proportionate share of the net pension liability associated with the School Board.	243,435,287
Total portion of net pension liability associated with the school board	$ 257,061,927

The TRS net pension liability was measured as of June 30, 2018, and the total pension liability was determined by an actuarial valuation as of July 1, 2017 rolled forward to the measurement date. The School Board's proportion of the net pension liability was based on its proportionate share of employer and non-employer contributions to the TRS Plan for the fiscal year ended on the measurement date.

For the year ended June 30, 2018, the School Board's proportion was .436436 percent, which was an increase of .1139479% from its proportion measured as of June 30, 2017 .322487 percent.

For the year ended June 30, 2019, the School Board recognized pension expense of $20,466,651 and for support provided by the State, revenue of $17,006,139. At June 30, 2019, the School Board reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resource	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 709,439
Differences between expected and actual experience	97,988	274,727
Changes in proportion and differences between School Board contributions and proportionate share of contributions	2,846,840	1,079,816
Changes in assumptions	423,408	-
District contributions subsequent to the measurement date	777,242	-
Total	**$ 4,145,478**	**$ 2,063,982**

School Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30,	
2020	$ 1,030,694
2021	437,100
2022	(62,119)
2023	(237,745)
2024	136,324
Thereafter	-
Total	**$ 1,304,254**

Actuarial Assumptions:

For TRS, the actuarial assumptions used in the July 1, 2017 valuation, with update procedures used to roll forward the total pension liability to June 30, 2018, were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2015. These assumptions are as follows:

Inflation – 3.0%

Salary increases – For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.50%.

Investment rate of return – 7.5%, net of pension plan investment expense, including inflation.

Mortality – Active: RP-2000, Non-Annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis, healthy females – 94% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96 % of RP-2000

Disabled Annuitant table, projected with Scale AA on a fully generational basis, disabled females – 101% of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis.

Discount Rate – 7.5%

Investment Asset Allocation:

The long-term rate of return on pension plan investments was determined using the building block method in which estimates of expected real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class ae summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.5%	4.5%
International Equity	27.5%	8.6%
Core Fixed Income	15.0%	3.3%
Real Estate	10.0%	6.0%
Private Equity	10.0%	6.4%
Hedge Funds	10.0%	4.0%
Total	**100.0%**	

Discount Rate:

The discount rate used to measure the total pension liability was 7.5%. The projections of cash flows used to determine the discount rates assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position of the TRS Plan was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rates of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liability.

The following table presents the School Board's proportionate share of its net pension liability calculated using the discount rate of 7.5% and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease 6.50%	Current Discount Rate 7.50%	1.0% Increase 8.50%
School Board's proportionate share of the TRS net pension liability	$ 18,393,468	$ 13,626,640	$ 9,551,349

Payables to the pension plan:

At June 30, 2019, the School Board reported a liability of $13,626,640 for its unpaid legally required contributions to the pension plan. The liability is included in the balance of salaries payable and related payroll liabilities on the Governmental Funds Balance Sheet and the Statement of Net Position.

6 - B. Teachers' Defined Contribution Retirement System:

Plan Description: All School 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 were 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: Great-West SF Balanced Trust, Great-West Lifetime 2015 Trust II, Great-West Lifetime 2025 Trust II, Great-West Lifetime 2035 Trust II, Great-West Lifetime 2045 Trust II, Great-West Lifetime 2055 Trust II, American Funds EuroPacific R5, Franklin Mutual Global Discovery Fund – Z, DFA US Targeted Value R1, T. Rowe Price Diversified Small Cap Growth, Vanguard Small-Cap Index Fund – Inv, American Century Heritage Inv, Scout Mid Cap, Fidelity New Millennium, Putnam Equity Income Y, Vanguard Large Cap Index Inv, Western Asset Core Plus Bond A, TIAA-CREF High-Yield Inst, Vanguard Interm-Term Bond Index Fund, and VALIC Fixed Annuity Option.

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, 2018, this plan had approximately $516.9 million in net position held in trust 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 Great West Retirement Services, 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.

Total payments reflected in the School Board's financial statements to the defined contribution plan for the fiscal year ended June 30, 2019 were:

Employees' contributions (4.5%)	$	585,399
Employer's contributions (7.5%)		1,087,888
Total contributions	$	1,673,287

In 2017, W. Va. Code § 18-2-26 was amended and reenacted by the State legislature, leading to the ultimate abolishment and dissolution of all regional education service agencies (RESAs) by no later than July 1, 2018.

The School Board is a formal fiscal agent of RESA VIII. For financial statement purposes up through the fiscal year ended June 30, 2018, the amounts presented on the audited CPRB allocation schedules for the fiscal agent county board of education were split proportionately between the School Board and the RESA by estimating the RESA amount of the net pension liability, pension expense, deferred inflows, and deferred outflows. This estimate was based on the breakdown of payroll data available to the School Board. Specifically, each entities' contributions for the fiscal year pertaining to the measurement date to the plan were used to estimate their proportionate share of the net pension liability, pension expense, deferred inflows, and deferred outflows.

For the year-ended June 30, 2019, the audited allocation schedules from CPRB will be based on a measurement date of June 30, 2018; therefore, the amounts for the School Board will continue to include the final year of RESA-related amounts, but the dissolved RESAs are no longer preparing financial statements to report these amounts. For the net pension liability, pension expense, deferred inflows, and deferred outflows required by GASB 68 to be properly reported on the 2019 financial statements, the School Board will no longer estimate the RESA portion of the net pension liability, pension expense, deferred inflows, and deferred outflows. Instead, the School Board will include the total amount of the net pension liability, pension expense, deferred inflows, and outflows reported on the audited allocation schedules on their June 30, 2019 financial statements.

The fiscal year 2018 RESA financial statements reported the following amounts related to pensions:

Net Pension Liability: $2,758,646

Deferred Outflows of Resources: $713,828

Deferred Inflows of Resources: $456,690

The estimated result of including these amounts and the changes to these amounts during fiscal year 2019, was a decrease of $1,564,761 in General Revenue/Unrestricted State Aid.

Certain deferred inflows/outflows related to pension amounts are amortized over the average service life reported on the respective years' actuarial report. Due to the dissolution of the RESAs, the School Board will report the deferred inflows/outflows that would have been amortized by the RESA. The prior year RESA proportionate share amounts and average service lives used to calculate the deferred inflows/outflows amortization amounts are as follows: *(amounts come from the RSI schedule titled "Schedule of the District Proportionate Share of the Net Pension Liability")*

	2017	2016	2015	2014
RESA Proportionate Share	.079846%	.028049%	.022636%	.196560%
Average Service Life	5.98	5.96	6.00	5.91

Note 11 - Post-Employment Benefits Other Than Pension:

General Information:

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 West Virginia Public Employees Insurance Agency (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 Finance Board, and required the board to have an actuarial valuation conducted at least biannually.

All retired employees are eligible to obtain health insurance coverage through PEIA with the retired employee's premium contribution established by the PEIA Finance Board. The PEIA 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.

Plan Description:

The West Virginia Other Postemployment Benefit Plan (the Plan) is a cost sharing, multiple employer, defined benefit other post-employment benefit plan and covers the retirees of State agencies, colleges and universities, county boards of education, and other government entities as set forth in the West Virginia Code §5-16D-2. The financial activities of the Plan are accounted for in the RHBT, a fiduciary fund of the State of West Virginia, established July 1, 2006 as an irrevocable trust. The Plan is administered by a combination of PEIA and RHBT staff. The Plan administers and provides medical and prescription drug benefits to certain retired members receiving pension benefits under the PERS, TRS, TDCRS, TIAA-CREF, Plan G, Troopers Plan A or Troopers Plan B pension systems, as administered by the CPRB.

The Plan sponsor provides a capped pay-as-you-go subsidy to each covered retired member, as well as a fully insured retiree life insurance program.

Retiree contributions are set each year by the RHBT and approved by the PEIA Finance Board. Increases to retiree contributions may reflect healthcare inflation, claim experience, and premium increases above the plan sponsor capped pay-as-you-go subsidy. Retiree contributions depend on date of hire and years of

service at retirement. Members hired on or after July 1, 2010, pay retiree healthcare contributions with no sponsor provided implicit or explicit subsidy. Members hired before July 1, 2010, pay retiree healthcare contributions that are reduced by a sponsor subsidy which depends on the member's years of service at retirement.

Details regarding this plan and a copy of the RHBT financial report can be obtained by contacting Public Employees Insurance Agency, 601 57th Street SE, Suite 2, Charleston, West Virginia 25304-2345, or by calling (888) 680-7342.

Benefits provided:

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.

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 prior to July 1, 2015, 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.

Contributions:

WVC §5-16D-3 states that contribution requirements of the members and the participating employers are set each year by the RHBT and approved by the PEIA Finance Board. All participating employers are required by statute to contribute to the RHBT this premium at the established rate for every active policyholder per month. The pay-go rates for June 30, 2019 and 2018, respectively, were:

	2019	2018
Pay-go premium	$168	$177

Contributions to the OPEB plan from the School Board were $4,410,902 for the year end June 30, 2019. Employees are not required to contribute to the OPEB plan.

The State of West Virginia (the State) is a non-employer contributing entity that provides funding through Senate Bill 469 which was passed February 10, 2012, granting OPEB liability relief to the 55 County Boards of Education effective July 1, 2012. This special funding under the school aid formula subsidizes employer contributions of the county boards of education and contributes to the overall unfunded OPEB liability.

The State is a non-employer contributing entity that provides funding through Senate Bill 419, effective July 1, 2012 and amended by West Virginia Code §11-21-96. For fiscal years beginning on and after July 1, 2016, this Senate Bill and corresponding State Code section requires that an annual amount of $30 million from the State shall be dedicated for payment of the unfunded liability of the RHBT fund. The $30 million annual contribution is to continue through July 1, 2037, or until the unfunded liability has been eliminated, whichever comes first.

The State is a non-employer contributing entity that provides funding through West Virginia State Code §11B-2-32. The Financial Stability Fund is a plan to transfer an annual amount of $5 Million to the RHBT from special revenue funds to be used to lower retiree premiums, to help reduce benefit cuts, to help reduce premium increases or any combination thereof. The $5 million transferred pursuant to this Code shall be transferred annually into the RHBT through June 30, 2020.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2019, the School Board reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the School Board. The amount recognized by the School Board as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the School Board were as follows:

School Board's proportionate share of the net OPEB liability	$	17,598,768
State's proportionate share of the net OPEB liability associated with the School Board.		45,486,439
Total portion of net OPEB liability associated with the school board	$	63,085,207

The net OPEB liability was measured as of June 30, 2018 and the total OPEB liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to the measurement date. The School Board's proportion of the net OPEB liability was based on its proportionate share of employer and non-employer contributions to the OPEB Plan for the fiscal year ended on the measurement date.

For the year ended June 30, 2019, the School Board's proportion was .820289 percent, which was an increase of .489850% from its proportion measured as of June 30, 2018 .330439 percent.

For the year ended June 30, 2019, the School Board recognized OPEB expense of $4,853,627 and for support provided by the State, revenue of $3,781,331. At June 30, 2019, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resource	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	$ -	$ 325,750
Differences between expected and actual experience	-	260,321
Changes in proportion and differences between School Board contributions and proportionate share of contributions	7,469,556	927,720
Changes in assumptions	-	1,757,210
School Board contributions subsequent to the measurement date	629,571	-
Total	**$ 8,099,127**	**$ 3,271,001**

School Board contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

Years ending June 30,	
2020	$ 1,051,043
2021	1,051,043
2022	1,154,008
2023	942,460
2024	-
Thereafter	-
Total	**$ 4,198,554**

Actuarial Assumptions:

The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions. These assumptions were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2015 and apply to all periods included in the measurement, unless otherwise specified.

Inflation – 2.75%

Salary increases – Dependent upon pension system. Ranging from 3.0% to 6.5% including inflation

Investment rate of return – 7.15%, net of OPEB plan investment expense, including inflation

Mortality – Post-Retirement: RP – 2000 Health Annuitant Mortality Table projected with Scale AA on a fully generational basis

Discount rate – 7.15%

Healthcare cost trend rates – Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.5% and 9.75% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend rate of 4.50%. Excess trend rate of 0.14% and 0.29% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2020 to account for the Excise Tax.

Investment Asset Allocation:

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. Those ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following tables:

Asset Class	Target Allocation
U.S. Equity	27.5%
International Equity	27.5%
Fixed Income	15.0%
Real Estate	10.0%
Private Equity	10.0%
Hedge Funds	10.0%
Total	**100.0%**

Asset Class	Long-Term Expected Real Rate of Return
Large Cap Domestic	17.0%
Non-Large Cap Domestic	22.0%
International Qualified	24.6%
International Non-Qualified	24.3%
International Equity	26.2%
Short-Term Fixed	0.5%
Total Return Fixed Income	6.7%
Core Fixed Income	0.1%

Hedge Fund	5.7%
Private Equity	19.6%
Real Estate	8.3%
Opportunistic Income	4.8%
Cash	0.0%

The discount rate used to measure the total OPEB liability was percent. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the School Board's proportionate share of its net pension liability calculated using the discount rate of percent and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease 6.15%	Current Discount Rate 7.15%	1.0% Increase 8.15%
School Board's proportionate share of the RHBT net OPEB liability	$ 20,683,849	$ 17,598,768	$ 15,027,022

Healthcare Cost Trend Rate:

The following table presents the School Board's proportionate share of its net pension liability calculated using the healthcare cost trend rate of percent and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease	Current Healthcare Cost Trend Rate	1.0% Increase
School Board's proportionate share of the RHBT net OPEB liability	$ 14,562,033	$17,598,768	$21,298,927

Payables to the OPEB Plan:

At June 30, 2019, the School Board reported a liability of $660,724 for its unpaid legally required contributions to the OPEB plan. The liability is included in the balance of salaries payable and related payroll liabilities on the Governmental Funds Balance Sheet and the Statement of Net Position.

In 2017, W. Va. Code § 18-2-26 was amended and reenacted by the State legislature, leading to the ultimate abolishment and dissolution of all regional education service agencies (RESAs) by no later than July 1, 2018.

The School Board is a formal fiscal agent of RESA VIII. For financial statement purposes up through the fiscal year ended June 30, 2018, the amounts presented on the audited WV RHBT allocation schedules for the fiscal agent county board of education were split proportionately between the School Board and the RESA by estimating the RESA amount of the net OPEB liability, OPEB expense, deferred inflows, and deferred outflows. This estimate was based on the breakdown of payroll data available to the School Board. Specifically, each entities' contributions for the fiscal year pertaining to the measurement date to the plan were used to estimate their proportionate share of the net OPEB liability, OPEB expense, deferred inflows, and deferred outflows.

For the year-ended June 30, 2019, the audited allocation schedules from WV RHBT will be based on a measurement date of June 30, 2018; therefore, the amounts for the School Board will continue to include the final year of RESA-related amounts, but the dissolved RESAs are no longer preparing financial statements to report these amounts. For the net OPEB liability, OPEB expense, deferred inflows, and deferred outflows required by GASB 75 to be properly reported on the 2019 financial statements, the School Board will no longer estimate the RESA portion of the net OPEB liability, OPEB expense, deferred inflows, and deferred outflows. Instead, the School Board will include the total amount of the net OPEB liability, OPEB expense, deferred inflows, and outflows reported on the audited allocation schedules on their June 30, 2019 financial statements.

The fiscal year 2018 RESA financial statements reported the following amounts related to OPEB:

Net OPEB Liability: $2,702,432

Deferred Outflows of Resources: $223,139

Deferred Inflows of Resources: $628,067

The estimated result of including these amounts and the changes to these amounts during fiscal year 2019, was a decrease of $2,954,867 in General Revenue/Unrestricted State Aid.

Certain deferred inflows/outflows related to OPEB amounts are amortized over the average service life reported on the respective years' actuarial report. Due to the dissolution of the RESAs, the School Board will report the deferred inflows/outflows that would have been amortized by the RESA. The prior year RESA proportionate share amounts and average service lives used to calculate the deferred inflows/outflows amortization amounts are as follows:

	2017
RESA Proportionate Share	.109900%
Average Service Life	4.71

Note 12 - Pending Litigation:

The School Board is involved in a number of legal proceedings and claims, involving students, employees and citizens who have sued the School 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 School Board. The School Board's insurance through the State Board of Risk and Insurance Management appears adequate to fully cover any potential liability.

Note 13 - Fund Balance

The detailed components of the various fund balance categories as of June 30, 2019 are as follows:

Fund Balances	General Current Expense	Special Revenue Fund	Debt Service Fund	Bond Construction Fund	Capital Projects Fund	Total Governmental
Restricted for:						
Special Projects	$ -	$ 1,991,453	$ -	$ -	$ -	$ 1,991,453
Capital Projects	-	-	-	911,191	125,000	1,036,191
Debt Service	-	-	4,775,348	-	-	4,775,348
Assigned to:						
Instruction	17,592	-	-	-	-	17,592
Students	4,061	-	-	-	-	4,061
Instructional Staff	1,146	-	-	-	-	1,146
Central Administration	700	-	-	-	-	700
Business	7,783	-	-	-	-	7,783
Operations	82,181	-	-	-	-	82,181
Transportation	1,575	-	-	-	-	1,575
Unassigned	6,926,350	-	-	-	-	6,926,350
Total fund balances	$ 7,041,388	$ 1,991,453	$ 4,775,348	$ 911,191	$ 125,000	$ 14,844,380

Note 14 - Commitments, Contingencies and Subsequent Events:

The School Board had encumbrances totaling $1,975,297 as of June 30, 2019 in the following funds:

	General Current Expense	Debt Service	Bond Construction	Capital Projects	Special Revenue
Total Encumbrances	$ 115,038	$ -	$ 38,755	$ 426,399	$ 1,395,105
Portion in Restricted	-	-	38,755	426,399	1,395,105
Portion in Committed	-	-	-	-	-
Portion in Assigned	115,038	-	-	-	-

Encumbrances are classified as Restricted, Committed, or Assigned fund balance depending on the specific purpose of the encumbrance.

During the fiscal year ended June 30, 2019, the School Board was awarded a grant of $900,000 from the School Building Authority (SBA) to finance the construction of classroom additions to Orchard View Intermediate.

Under the terms of certain federal grant programs, periodic audits may be made, and certain costs may be questioned as not being appropriate expenses. Laws and regulations governing the grant programs and allowability of program costs are complex and subject to interpretation. Accordingly, such audits could lead to disallowances requiring reimbursements to the grantor agencies, which could be material to the School Board's financial statements. Management of the School Board believes that the School Board is in compliance with applicable laws and regulations, in all material respects. Based on prior experience, the School Board believes such disallowances, if any, would be immaterial.

Effective with the fiscal year ended June 30, 2015, the Medicaid school-based health services program through the West Virginia Department of Health and Human Resources (DHHR), Bureau for Medical Services has a cost settlement requirement. This change was required by the federal Centers for Medicare and Medicaid Services (CMS). Revenue for services provided during the fiscal year ended June 30, 2019 has been recognized in accordance with the fee-for-service billings because there is insufficient data to estimate the cost settlement amounts. The interim cost settlement for the fiscal year ended June 30, 2018 was received by the School Board during June 2019. As such, Medicaid revenue has been adjusted accordingly within the accompanying financial statements. The interim cost settlement for the fiscal year ended June 30, 2019 will not be available until spring or summer of 2019. Laws and regulations governing the Medicaid program are complex and subject to interpretation. Management of the School Board believes that it is in compliance, in all material respects, with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing that would have a material effect on its financial statements. Compliance with such laws and regulations can be subject to future government review and interpretation. Accordingly, such reviews could lead to disallowances and/or significant regulatory action, including fines, penalties and exclusion from the Medicaid program resulting in reimbursement of previously reported revenue, which could be material to the School Board's financial statements.

The School Board owns various buildings which are known to contain asbestos and/or other environmental issues. The School Board is not required by federal, state or local law to remove the asbestos from its buildings. The School Board is required under federal environmental health and safety regulations to manage the presence of asbestos and other environmental issues in its buildings in a safe condition. The School Board addresses its responsibility to manage the presence of asbestos and other environmental issues in its buildings on a case by case basis. Significant problems of dangerous asbestos conditions are abated as the conditions become known. The School Board also addresses the presence of asbestos as building renovation or demolition projects are undertaken and through asbestos operation and maintenance programs directed at containing, managing, or operating with the asbestos in a safe condition.

Note 15 – Inter-fund Balances and Transfers

The composition of inter-fund balances as of June 30, 2019 is as follows:

Interfund Transfers:

Transfers in	Transfers out	Amount
Special Revenue Fund	General Current Expense Fund	$ 4,759,807
Bond Construction Fund	Debt Service Fund	-
General Current Expense Fund	Capital Projects Fund	6,509
General Current Expense Fund	Special Revenue Fund	251,108
Capital Projects Fund	General Current Expense Fund	105,000
Intrafund Transfers		4,020,015
Total		$ 9,142,439

Inter-fund Transfers

1.	From General Fund to Special Revune for Early Retirement.	$ 10,283
2.	From General Fund to Special Revune for Staff Development.	79,849
3.	From General Fund to Special Revune for Extra Curricular.	32,934
4.	From General Fund to Special Revenue for Child Nutrition.	4,634,501
5.	From General Fund to Special Revune for Instructional Scholarships.	2,240
6.	From Capital Project Fund to General Fund from a roofing project.	6,509
7.	From General Fund to Capital Projects Fund for auditorium seating project.	105,000
8.	From Special Revenue to the General Fund for indirect costs.	251,108
9.	Intrafund Transfers.	4,020,015
		$ 9,142,439

Note 16 - Major Sources of Revenue:

The largest single source of revenue received by the School Board is state aid funds through the Public School Support Program. In addition, the School 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 School 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 School Board believes such disallowance, if any, would be immaterial.

BERKELEY COUNTY BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND

For The Fiscal Year Ended June 30, 2019

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis	Adjustments for Regulatory Basis	Actual Regulatory Basis	
	Original	Final	Amounts		Amounts	Variance With Final Budget
Revenues:						
Property taxes	$ 67,074,977	$ 66,011,213	$ 64,572,188	$ -	$ 64,572,188	$ (1,439,025)
Other Local sources	1,812,107	2,318,344	1,932,487	-	1,932,487	(385,857)
State sources	120,252,388	125,229,901	125,295,297	-	125,295,297	65,396
Federal sources	1,252,000	5,073,807	5,336,406	-	5,336,406	262,599
Miscellaneous sources	-	-	-	-	-	-
Total revenues	190,391,472	198,633,265	197,136,378	-	197,136,378	(1,496,887)
Expenditures:						
Instruction	120,797,694	117,724,651	113,177,246	-	113,177,246	4,547,405
Supporting services:						
Students	11,920,910	13,981,113	13,040,875	-	13,040,875	940,238
Instructional staff	4,635,470	5,590,742	5,355,497	-	5,355,497	235,245
General administration	1,361,020	1,834,921	1,742,079	-	1,742,079	92,842
School administration	10,806,370	12,660,818	12,401,087	-	12,401,087	259,731
Central services	4,117,700	5,296,615	4,849,485	-	4,849,485	447,130
Operation and maintenance of facilities	15,392,732	17,963,073	16,994,570	-	16,994,570	968,503
Student transportation	20,542,830	23,831,490	23,236,026	-	23,236,026	595,464
Food services	-	784,122	784,122	-	784,122	-
Community services	321,500	321,500	321,500	-	321,500	-
Capital outlay	530,940	527,675	477,070	-	477,070	50,605
Debt service:						
Principal retirement	1,260,000	1,260,000	1,260,000	-	1,260,000	-
Interest and fiscal charges	622,317	622,317	622,317	-	622,317	-
Total expenditures	192,309,483	202,399,037	194,261,874	-	194,261,874	8,137,163
Excess (deficiency) of revenues over expenditures	(1,918,011)	(3,765,772)	2,874,504	-	2,874,504	6,640,276
Other financing sources (uses):						
Proceeds from disposal of real or personal property	18,000	18,000	35,755	-	35,755	17,755
Transfers in	1,952,221	5,525,764	4,277,632	-	4,277,632	(1,248,132)
Transfers (out)	(5,538,383)	(10,516,311)	(8,884,822)	-	(8,884,822)	1,631,489
Total other financing sources (uses)	(3,568,162)	(4,972,547)	(4,571,435)	-	(4,571,435)	401,112
Change in fund balances	(5,486,173)	(8,738,319)	(1,696,931)	-	(1,696,931)	7,041,388
Fund balances - beginning	5,486,173	8,738,319	8,738,319	-	8,738,319	-
Fund balances - ending	$ -	$ -	$ 7,041,388	$ -	$ 7,041,388	$ 7,041,388

See notes to the required supplementary information

BERKELEY COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND
For The Fiscal Year Ended June 30, 2019

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis	Adjustments for Regulatory	Actual Regulatory Basis	Variance With
	Original	Final	Amounts	Basis	Amounts	Final Budget
Revenues:						
Local sources	$ 1,702,214	$ 1,917,901	$ 1,889,872	$ -	$ 1,889,872	$ (28,029)
State sources	7,422,267	10,680,994	9,293,621	-	9,293,621	(1,387,373)
Federal sources	18,008,478	20,387,677	19,563,531	-	19,563,531	(824,146)
Total revenues	27,132,959	32,986,572	30,747,024	-	30,747,024	(2,239,548)
Expenditures:						
Instruction	12,967,297	15,078,551	12,803,257	-	12,803,257	2,275,294
Supporting services:						
Students	462,400	1,838,889	1,381,941	-	1,381,941	456,948
Instructional staff	392,966	1,912,796	1,349,206	-	1,349,206	563,590
School administration	35,000	14,496	14,496	-	14,496	-
Central services	182,203	210,509	187,713	-	187,713	22,796
Operation and maintenance of facilities	-	18,895	8,926	-	8,926	9,969
Student transportation	34,934	119,821	118,124	-	118,124	1,697
Food services	13,962,290	14,670,994	14,492,909	-	14,492,909	178,085
Capital outlay	3,207,131	3,214,145	2,583,996	-	2,583,996	630,149
Debt service:						
Principal retirement	-	799,533	799,533	-	799,533	-
Total expenditures	31,244,221	37,878,629	33,740,101	-	33,740,101	4,138,528
Excess (deficiency) of revenues over expenditures	(4,111,262)	(4,892,057)	(2,993,077)	-	(2,993,077)	1,898,980
Other financing sources (uses):						
Transfers in	4,339,383	5,180,328	4,759,807	-	4,759,807	(420,521)
Transfers (out)	(228,121)	(288,271)	(251,108)	-	(251,108)	37,163
Total other financing sources (uses)	4,111,262	4,892,057	4,508,699	-	4,508,699	(383,358)
Change in fund balances	-	-	1,515,622	-	1,515,622	1,515,622
Fund balances - beginning	-	-	475,831	-	475,831	475,831
Fund balances - ending	$ -	$ -	$ 1,991,453	$ -	$ 1,991,453	$ 1,991,453

See notes to the required supplementary information

BERKELEY COUNTY BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

FOR THE MEASUREMENT PERIOD ENDED JUNE 30, 2018

	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.436436%	0.322487%	0.356986%	0.284780%	0.222480%
District's proportionate share of the net pension liability (asset)	$ 13,626,640	$ 11,141,847	$ 14,671,541	$ 9,868,354	$ 9,737,799
State's proportionate share of the net pension liability (asset) associated with the district	243,435,287	171,303,541	203,562,761	171,468,667	197,224,847
Total	257,061,927	182,445,388	218,234,302	181,337,021	206,962,646
District's covered payroll	$ 90,278,672	$ 84,341,961	$ 83,464,562	$ 85,970,051	$ 86,207,645
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	15.094%	13.210%	17.578%	11.479%	11.296%
Plan fiduciary net position as a percentage of the total pension liability	71.20%	67.85%	61.42%	66.25%	65.95%

See notes to the required supplementary information

BERKELEY COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM
AS OF JUNE 30, 2019

	2019	2018	2017	2016	2015
Contractually required contribution	$ 7,724,513	$ 7,443,354	$ 7,080,264	$ 7,149,174	$ 7,519,168
Contributions in relation to the contractually required contribution	(7,724,513)	(7,443,354)	(7,080,264)	(7,149,174)	(7,519,168)
Contribution deficiency (excess)	-	-	-	-	-
District's covered payroll	$ 95,616,189	$ 90,278,672	$ 84,341,961	$ 83,464,562	$ 85,970,051
Contributions as a percentage of covered payroll	8.079%	8.245%	8.395%	8.566%	8.746%

Data prior to 2015 is unavailable.

See notes to the required supplementary information

BERKELEY COUNTY BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
FOR THE MEASUREMENT PERIOD ENDED JUNE 30, 2018

	2018	2017
District's proportion of the net OPEB liability (asset)	0.820289%	0.330439%
District's proportionate share of the net OPEB liability (asset)	$ 17,598,768	$ 8,125,456
State's proportionate share of the net OPEB liability (asset) associated with the district	45,486,439	38,001,898
Total	63,085,207	46,127,354
District's covered payroll	$ 113,050,247	$ 109,809,122
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	15.567%	7.400%
Plan fiduciary net position as a percentage of the total OPEB liability	30.98%	25.10%

Data prior to 2017 is unavailable.

See notes to the required supplementary information

BERKELEY COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS
RETIREE HEALTH BENEFIT TRUST FUND
AS OF JUNE 30, 2019

	2019	2018
Contractually required contribution	$ 4,410,902	$ 3,938,156
Contributions in relation to the contractually required contribution	(4,410,902)	(3,938,156)
Contribution deficiency (excess)	-	-
District's covered payroll	$120,284,308	$ 113,050,247
Contributions as a percentage of covered payroll	3.667%	3.484%

Data prior to 2018 is unavailable.

See notes to the required supplementary information

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 regulatory basis of accounting for all governmental funds. The regulatory basis of accounting for West Virginia Boards of Education does 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). Certain other transactions, such as for/on behalf unfunded retirement contributions are also not included in the School Board's regulatory basis budget. Budgets are not adopted for agency funds. The following procedures are followed in preparing the annual budget:

1. Pursuant to State statute, the School 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 School Board adjourns the meeting and submits its Schedule of Proposed Levy Rates to the State Auditor's Office for approval. The School Board then reconvenes its meeting on the third Tuesday of April to formally lay the approved levy.

2. The School 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 School 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.

B. Deficiencies in Net Changes in Fund Balances:

For the year ended June 30, 2019, expenditures exceeded appropriations in the funds listed below.

Fund:	Amount
General Current Expense Fund	$1,696,931

The over-expenditures were funded by a reduction of the available beginning fund balance.

C. Changes in Assumptions

The actuarial assumptions used in the total pension liability calculation can change from year to year. Please see table below which summarizes the actuarial assumptions used for the respective measurement dates.

	2018	2017	2016	2015
Inflation	3%	3%	3%	3%
Salary Increases	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.50%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.75-5.25%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.40-6.50%.
Investment Rate of Return	7.5 %, net of pension plan investment expense, including inflation	7.5 %, net of pension plan investment expense, including inflation	7.5%, net of pension plan investment expense, including inflation.	7.5%, net of pension plan investment expense, including inflation.
Mortality	Active: RP-2000, Non-Annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis, healthy females – 94% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96 % of RP-2000 Disabled Annuitant table, projected with Scale	Active: RP-2000, Non-Annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis, healthy females – 94% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96 % of RP-2000 Disabled Annuitant table, projected with Scale	Active: RP-2000, Non-Annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis, healthy females – 94% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96 % of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis,	Active – RP2000, non-annuitant monthly mortality table, retired – RP2000 healthy annuitant, scale AA; disabled – RP2000 disabled annuitant mortality table, scale AA.

	AA on a fully generational basis, disabled females – 101% of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis.	AA on a fully generational basis, disabled females – 101% of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis.	disabled females – 101% of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis	
Discount Rate	7.5%	7.5%	7.5%	7.5%

The actuarial assumptions used in the total OPEB liability calculation can change from year to year. Please see table below which summarizes the actuarial assumptions used for the respective measurement dates.

	2018	2017
Inflation	2.75%	2.75%
Salary Increases	Dependent upon pension system. Ranging from 3.0% to 6.5%	Dependent upon pension system. Ranging from 3.0% to 6.5%
Investment Rate of Return	7.15%, net of OPEB plan investment expense, including inflation	7.15%, net of OPEB plan investment expense, including inflation
Mortality	Post-Retirement: RP – 2000 Healthy Annuitant Mortality Table projected with Scale AA on a fully generational basis	Post-Retirement: RP – 2000 Healthy Annuitant Mortality Table projected with Scale AA on a fully generational basis
Discount Rate	7.15%	7.15%
Healthcare Cost Trend Rates	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.0% and 10.0% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend rate of 4.50%. Excess trend rate of 0.13% and 0.00% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2022 to account for the Excise Tax.	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.5% and 9.75% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend rate of 4.50%. Excess trend rate of 0.14% and 0.29% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2020 to account for the Excise Tax.

BERKELEY COUNTY BOARD OF EDUCATION

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - DEBT SERVICE FUND

For The Fiscal Year Ended June 30, 2019

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis	Adjustments for Regulatory	Actual Regulatory Basis	
	Original	Final	Amounts	Basis	Amounts	Variance With Final Budget
Revenues:						
Local sources	$ 4,603,843	$ 4,603,843	$ 4,888,245	$ -	$ 4,888,245	$ 284,402
Total revenues	4,603,843	4,603,843	4,888,245	-	4,888,245	284,402
Expenditures:						
Debt service:						
Principal retirement	7,560,000	8,050,445	3,560,000	-	3,560,000	4,490,445
Interest and fiscal charges	1,045,988	1,048,488	1,047,987	-	1,047,987	501
Total expenditures	8,605,988	9,098,933	4,607,987	-	4,607,987	4,490,946
Excess (deficiency) of revenues over expenditures	(4,002,145)	(4,495,090)	280,258	-	280,258	4,775,348
Change in fund balances	(4,002,145)	(4,495,090)	280,258	-	280,258	4,775,348
Fund balances - beginning	4,002,145	4,495,090	4,495,090	-	4,495,090	-
Fund balances - ending	$ -	$ -	$ 4,775,348	$ -	$ 4,775,348	$ 4,775,348

See notes to the other supplementary information

BERKELEY COUNTY BOARD OF EDUCATION

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL PROJECTS-BOND CONSTRUCTION FUND

For The Fiscal Year Ended June 30, 2019

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis	Adjustments for Regulatory	Actual Regulatory Basis	Variance With
	Original	Final	Amounts	Basis	Amounts	Final Budget
Revenues:						
Other local sources	$ -	$ 961,293	$ 19,891	$ -	$ 19,891	$ (941,402)
Total revenues	-	961,293	19,891	-	19,891	(941,402)
Expenditures:						
Capital outlay	-	961,293	50,102	-	50,102	911,191
Total expenditures	-	961,293	50,102	-	50,102	911,191
Excess (deficiency) of revenues over expenditures	-	-	(30,211)	-	(30,211)	(30,211)
Change in fund balances	-	-	(30,211)	-	(30,211)	(30,211)
Fund balances - beginning	-	-	941,402	-	941,402	941,402
Fund balance - ending	$ -	$ -	$ 911,191	$ -	$ 911,191	$ 911,191

See notes to the other supplementary information

BERKELEY COUNTY BOARD OF EDUCATION

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND

For The Fiscal Year Ended June 30, 2019

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis	Adjustments for Regulatory Basis	Actual Regulatory Basis	Variance With
	Original	Final	Amounts		Amounts	Final Budget
Revenues:						
Other Local sources	$ -	$ 5,690,849	$ 80,509	$ -	$ 80,509	$ (5,610,340)
State sources	-	900,000	58,602	-	58,602	(841,398)
Total revenues	-	6,590,849	139,111	-	139,111	(6,451,738)
Expenditures:						
Capital outlay	-	6,584,340	375,782	-	375,782	6,208,558
Total expenditures	-	6,584,340	375,782	-	375,782	6,208,558
Excess (deficiency) of revenues over expenditures	-	6,509	(236,671)	-	(236,671)	(243,180)
Other financing sources (uses):						
Proceeds from capital leases	-	-	263,180	-	263,180	263,180
Transfers in	-	-	105,000	-	105,000	105,000
Transfers (out)	-	(6,509)	(6,509)	-	(6,509)	-
Total other financing sources (uses)	-	(6,509)	361,671	-	361,671	368,180
Change in fund balances	-	-	125,000	-	125,000	125,000
Fund balance - beginning	-	-	-	-	-	-
Fund balance - ending	$ -	$ -	$ 125,000	$ -	$ 125,000	$ 125,000

See notes to the other supplementary information

BERKELEY COUNTY BOARD OF EDUCATION
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN SCHOOL ACTIVITY FUNDS
For The Fiscal Year Ended June 30, 2019

	Cash Balance	Revenues Received	Expenditures Paid	Cash Balance
High Schools:				
Hedgesville High School - General Fund	$ 536,726	$ 572,851	$ 573,507	$ 536,070
Martinsburg High School - General Fund	280,459	532,333	529,489	283,303
Musselman High School - General Fund	480,439	754,499	663,557	571,381
Spring Mills High School - General Fund	412,057	773,824	711,614	474,267
Total High Schools	$ 1,709,682	$ 2,633,508	$ 2,478,167	$ 1,865,022
Middle and Junior High Schools:				
Hedgesville Middle School - General Fund	$ 181,148	$ 226,878	$ 217,625	$ 190,401
Mountain Ridge Middle School - General Fund	108,888	204,391	168,028	145,251
Musselman Middle School - General Fund	299,724	185,750	237,357	248,117
North Middle School - General Fund	63,913	135,359	150,262	49,010
South Middle School - General Fund	119,943	143,644	156,698	106,889
Spring Mills Middle School - General Fund	290,476	191,098	166,902	314,672
Total Middle and Junior High Schools	$ 1,064,093	$ 1,087,120	$ 1,096,872	$ 1,054,340
Elementary Schools:				
Back Creek Valley Elementary School - General Fund	$ 27,480	$ 33,549	$ 33,766	$ 27,262
Bedington Elementary School - General Fund	38,159	32,022	33,002	37,179
Berkeley Heights Elementary School - General Fund	73,234	87,947	84,460	76,721
Bunker Hill Elementary School - General Fund	91,412	94,838	92,798	93,452
Burke Street Elementary School - General Fund	36,879	29,504	30,144	36,239
Eagle School Intermediate School - General Fund	85,345	136,680	142,749	79,277
Gerrardstown Elementary School - General Fund	21,735	52,869	45,059	29,544
Hedgesville Elementary School - General Fund	38,888	118,551	102,381	55,058
Inwood Primary School - General Fund	29,888	36,908	32,335	34,461
Marlowe Elementary School - General Fund	47,799	50,850	59,564	39,085
Mill Creek Intermediate School - General Fund	61,068	89,120	94,015	56,172
Mountain Ridge Intermediate School - General Fund	132,662	111,268	122,235	121,695
Opequon Elementary School - General Fund	129,010	66,504	88,970	106,544
Orchard View Intermediate School - General Fund	87,969	70,345	74,030	84,285
Pikeside Learning Center - General Fund	30,336	68,055	58,777	39,614
Potomack Intermediate School - General Fund	87,422	177,116	179,723	84,816
Rosemont Elementary School - General Fund	37,090	98,454	90,170	45,375
Spring Mills Primary Elementary School - General Fund	41,746	93,389	101,520	33,615
Tomahawk Elementary School - General Fund	97,236	144,055	122,244	119,047
Tuscarora Elementary School - General Fund	57,906	55,295	44,461	68,741
Valley View Elementary School - General Fund	45,567	85,722	76,873	54,415
Winchester Avenue Elementary School - General Fund	28,920	25,997	23,864	31,053
Total Elementary Shcools	$ 1,327,752	$ 1,759,038	$ 1,733,140	$ 1,353,649
Total	$ 4,101,526	$ 5,479,665	$ 5,308,180	$ 4,273,011

See notes to other supplementary information

BERKELEY COUNTY BOARD OF EDUCATION

OTHER SUPPLEMENTARY INFORMATION
SCHEDULE OF EXCESS LEVY REVENUES AND EXPENDITURES
For The Fiscal Year Ended June 30, 2019

	Current Year			Levy To Date		
	Estimated Per Levy Call	Actual	Variance	Estimated Per Levy Call	Actual	Variance
Excess Levy Collections	$ 29,410,000	$ 34,078,153	$ 4,668,153	$ 117,640,000	$ 127,914,672	$ 10,274,672
Expenditures (County Specific Levy Call):						
Excess Levy Expenditure Category Local salary supplements and benefits of all school personnel (excluding the Superintendent).	17,000,000	27,524,330	10,524,330	$ 68,000,000	$ 98,732,768	30,732,768
Excess Levy Expenditure Category To provide instructional materials, textbooks, and instructional equipment.	3,300,000	6,672,741	3,372,741	$ 13,200,000	$ 24,116,194	10,916,194
Excess Levy Expenditure Category To provide support to the following community organizations : Berkeley County Health Department $28,500; Berkeley County Parks and Recreation $112,500; WVU 4-H Extension Office $68,000	209,000	209,000	-	$ 836,000	$ 836,000	-
Excess Levy Expenditure Category To provide support to the Martinsburg-Berkeley County Public Library.	112,500	112,500	-	$ 450,000	$ 450,000	-
Excess Levy Expenditure Category To continue to address increased enrollment in Berkeley County by providing additional staff, equipment and property where necessary.	5,700,920	5,700,920	-	$ 22,803,680	$ 22,803,680	-
Excess Levy Expenditure Category To continue to provide for the upkeep and maintenance of existing facilities by providing the necessary supplies, services, or equipment.	3,087,680	11,687,868	8,600,288	$ 12,360,320	$ 40,726,261	28,375,941
Excess Levy Expenditure Category **Total Expenditures**	29,410,000	51,907,359	22,497,359	117,640,000	187,663,923	70,023,923
Excess (Deficiency) of Collections over Expenditures	$ -	$ (17,829,206)	$ (17,829,206)	$ -	$ (59,749,251)	$ (59,749,251)

See notes to other supplementary information

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 regulatory basis of accounting for all governmental funds. The regulatory basis of accounting for West Virginia Boards of Education does 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). Certain other transactions, such as for/on behalf unfunded retirement contributions are also not included in the School Board's regulatory basis budget. Budgets are not adopted for agency funds. The following procedures are followed in preparing the annual budget:

1. Pursuant to State statute, the School 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 School Board adjourns the meeting and submits its Schedule of Proposed Levy Rates to the State Auditor's Office for approval. The School Board then reconvenes its meeting on the third Tuesday of April to formally lay the approved levy.

2. The School 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 School 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.

B. Deficiencies in Net Changes in Fund Balances:

For the year ended June 30, 2019, expenditures exceeded appropriations in the funds listed below.

Fund:	Amount
Capital Projects Fund	$30,211

The over-expenditures were funded by a reduction of the available beginning fund balance.

BERKELEY COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/ Pass Through Grantor/ Program Title	Pass-Through Number	Federal CFDA Number	Disbursements
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through West Virginia Department of Education:			
Nutrition Cluster:			
School Breakfast Program - Cash Assistance	2019	10.553	$ 3,250,171
National School Lunch Program			
Cash Assistance	2019	10.555	4,755,977
Non-Cash Assistance (Food Distribution)	2019	10.555	597,394
National School Lunch Program Subtotal			5,353,361
Summer Food Service Program for Children - Cash Assistance	2019	10.559	20,348
Total - Nutrition Cluster			8,623,880
Team Nutrition Grants	2019	10.574	359
Fresh Fruits and Vegetable Program-Cash Assistance	2019	10.582	15,213
Total U.S. Department of Agriculture			8,639,452
U.S. DEPARTMENT OF DEFENSE			
Direct:			
ROTC Language and Culture Training Grants	AFJROTC	12.357	87,875
Total U.S. Department of Defense			87,875
U.S. DEPARTMENT OF EDUCATION			
Passed Through West Virginia Department of Education:			
Title I Grants to Local Educational Agencies	GRTAWD04021700000455	84.010	11,451
Title I Grants to Local Educational Agencies	GRTAWD04021800000915	84.010	558,498
Title I Grants to Local Educational Agencies	GRTAWD04021800004607	84.010	15,996
Title I Grants to Local Educational Agencies	GRTAWD04021900001326	84.010	3,971,427
Total - Title I			4,557,372
Special Education Cluster:			
IDEA Part B School Age Entitlement	GRTAWD04021700004579	84.027	1,800
IDEA Part B School Age Entitlement	GRTAWD04021700005054	84.027	2,489
IDEA Part B School Age Entitlement	GRTAWD04021700005418	84.027	7,250
IDEA Part B School Age Entitlement	GRTAWD04021800000639	84.027	3,960
IDEA Part B School Age Entitlement	GRTAWD04021800004015	84.027	89
IDEA Part B School Age Entitlement	GRTAWD04021800005071	84.027	11,538
IDEA Part B School Age Entitlement	GRTAWD04021900001054	84.027	4,004,094
IDEA Part B School Age Entitlement	GRTAWD04021900005685	84.027	260
IDEA Part B School Age Entitlement	GRTAWD04021900006157	84.027	11,974
IDEA Part B School Age Entitlement	GRTAWD04021900006277	84.027	3,340
IDEA Part B School Age Entitlement	GRTAWD04021900002148	84.027	6,269
IDEA Part B School Age Entitlement	GRTAWD04021900002522	84.027	156
IDEA Part B School Age Entitlement	GRTAWD04021900003147	84.027	107,774
IDEA Part B School Age Entitlement	GRTAWD04021900004777	84.027	4,906
IDEA Part B School Age Entitlement	GRTAWD04021900004793	84.027	691
IDEA Part B School Age Entitlement	GRTAWD04021900002027	84.027	30,674
			4,197,264
IDEA Preschool Entitlement	GRTAWD04021900000732	84.173	54,397
Total - Special Education Cluster			4,251,661
Title II Improving Teacher Quality	GRTAWD04021800001396	84.367	76,875
Title II Improving Teacher Quality	GRTAWD04021900002407	84.367	602,257
Total - Title II Improving Teacher Quality			679,132
Title III English Language	GRTAWD04021800001890	84.365	20,803
Title III English Language	GRTAWD04021900002544	84.365	67,865
Total - Title III English Language			88,668
Title IV State Assessments and Related Activities	GRTAWD04021900005264	84.369	18,151
Title IV State Assessments and Related Activities	GRTAWD04021900001751	84.369	200
Total - Title IV State Assessments and Related Activities			18,351
Adult Education Basic Grants to States	GRTAWD04021900000597	84.002	90,250
Education for Homeless Children and Youth	GRTAWD04021700002490	84.196	25,000
Career and Technical Education - Basic Grants to States	GRTAWD04021900000198	84.048	146,573
Student Support and Academic Enrichment Program	GRTAWD04021900002444		46,280
Student Support and Academic Enrichment Program	GRTAWD04021900002592	84.424	290,305
			336,585
Total U.S. Department of Education			10,193,592
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through West Virginia Department of Education			
Substance Abuse and Mental Health Services - PRNS	GRTAWD04021800002343	93.243	22,586
Substance Abuse and Mental Health Services - PRNS	GRTAWD04021800004543	93.243	52,273
Substance Abuse and Mental Health Services - PRNS	GRTAWD04021900002887	93.243	340,515
Total - Substance Abuse and Mental Health Services			415,374
Cooperative Agreements to Promote Adolescent Health Through School-Based HIV/STD Prevention and School-Based Surveillance	GRTAWD04021900005880	93.079	1,800
Total U.S. Department of Health and Human Services			417,174
U.S. OFFICE OF NATIONAL DRUG CONTROL POLICY			
Passed Through University of Baltimore			
Research and Data Analysis	G1799ONDCP06B	95.007	320,534
Total U.S. Office of National Drug Control Policy			320,534
Total Expenditures of Federal Awards			$ 19,658,627

The accompanying notes to this schedule are an integral part of this schedule.

BERKELEY COUNTY BOARD OF EDUCATION
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2019

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Board and is presented on the basis of accounting prescribed by the West Virginia Department of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of the financial statements. The Board has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 2 – 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 has 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.

Note 3 – Donated Food Value

Donated food represents surplus agricultural commodities received from the U.S. Department of Agriculture passed through from the West Virginia Department of Agriculture. Commodities are valued based on amounts as established by the U.S. Department of Agriculture. For the year ended June 30, 2019, the total value of the donated food inventories was $597,384.

PERRY & Associates
Certified Public Accountants, A.C.

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., Suite A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., Suite 300
Wheeling, WV 26003
304 232 1358

749 Wheeling Ave., Suite 300
Cambridge, OH 43725
740 435 3417

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

December 20, 2019

Berkeley County Board of Education
Berkeley County
401 S. Queen Street
Martinsburg, WV 25401

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Berkeley County Board of Education**, Berkeley County, (the Board) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements and have issued our report thereon dated December 20, 2019.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Board's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Board's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Board's financial statements. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Board's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Board's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

PERRY & Associates
Certified Public Accountants, A.C.

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., Suite A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., Suite 300
Wheeling, WV 26003
304 232 1358

749 Wheeling Ave., Suite 300
Cambridge, OH 43725
740 435 3417

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

December 20, 2019

Berkeley County Board of Education
Berkeley County
401 S. Queen Street
Martinsburg, WV 25401

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited **Berkeley County Board of Education's** (the Board) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Berkeley County Board of Education's major federal program for the year ended June 30, 2019. The *Summary of Auditor's Results* in the accompanying schedule of audit findings identifies the Board's major federal program.

Management's Responsibility

The Board's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Board's compliance for the Board's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect the major federal programs occurred. An audit includes examining, on a test basis, evidence about the Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on each of the Board's major program. However, our audit does not provide a legal determination of the Board's compliance.

Opinion on the Major Federal Program

In our opinion, Berkeley County Board of Education complied, in all material respects with the compliance requirements referred to above that could directly and materially affect the major federal program for the year ended June 30, 2019.

Report on Internal Control Over Compliance

The Board's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Board's internal control over compliance with the applicable requirements that could directly and materially affect the major federal programs, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Board'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, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

BERKELEY COUNTY BOARD OF EDUCATION
SCHEDULE OF AUDIT FINDINGS
2 CFR § 200.515
JUNE 30, 2019

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material control weaknesses reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	CFDA# 84.027, 84.173 Special Education Cluster (IDEA)
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee?**	Yes

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None

3. FINDINGS FOR FEDERAL AWARDS

None

ECONOMIC AND DEMOGRAPHIC DATA – COUNTY OF BERKELEY (WEST VIRGINIA)

Location: Berkeley County is located in the Eastern Panhandle section of West Virginia. The county is located 80 miles from Washington DC; 90 miles from Baltimore, Maryland and 93 miles from Harrisburg, Pennsylvania.

County Seat: Martinsburg

Council Persons: Doug Copenhaver, Jr., President
Dan Dulyea, Vice President
Elaine Mauck
James Barnhart
James Whitacre

Population Estimates

Year	Berkeley County	West Virginia	United States
2011	105,718	1,856,074	311,580,009
2012	106,950	1,856,764	313,874,218
2013	108,489	1,853,873	316,057,727
2014	110,187	1,849,467	318,386,421
2015	111,683	1,841,996	320,742,673
2016	113,476	1,830,929	323,071,342
2017	115,007	1,817,048	325,147,121
2018	117,123	1,805,832	327,167,434

Source: U.S. Census Bureau

Economy

The ten (10) largest employers as of March 2019 in the County are:

1. Berkeley County Board of Education
2. Macy's Corporate Services
3. United States Department of Veteran Affairs
4. WVU Medicine
5. Quad Graphics
6. Proctor & Gamble Manufacturing Company
7. Wal-Mart Associate
8. Orgill, Inc.
9. Berkeley County Commission
10. FedEx Corporation

Source: Berkeley County Development Authority at www.developmentauthority.com

Average Annual Unemployment Rates (%)

Year	Berkeley County	West Virginia
2012	6.7	7.5
2013	5.6	6.8
2014	5.5	6.6
2015	4.9	6.7
2016	4.0	6.1
2017	3.6	5.2
2018	4.1	5.3

Source: WORKFORCE West Virginia; U.S. Department of Commerce, Bureau of Economic Analysis

Average Employment by Industry

Industry	2015	2016	2017	2018
Construction	1,017	1,031	1,096	1,433
Manufacturing	1,490	1,473	1,535	2,155
Information	1,464	1,699	1,453	1,345
Financial Activities	916	900	885	924
Professional & Business Services	2,581	2,547	2,729	2,714
Education and Health Services	4,462	4,693	4,690	4,756
Leisure and Hospitality	3,265	3,429	3,574	3,775
Other Services	606	619	662	698
Government	8,212	8,212	8,471	8,451
TOTAL	32,440	32,938	33,539	35,261

Source: WORKFORCE West Virginia

Average Employment and Average Weekly Wage

	Average Employment		Average Weekly Wage	
	2015	2016	2017	2018
Berkeley County	51,250	51,970	784.82	814.70
West Virginia	729,200	735,200	832.36	884.54

Source: WORKFORCE West Virginia

Per Capita Personal Income

County	2015	2016	2017	2017 Rank in State
United States	$48,940	$49,831	$51,640	---
West Virginia	$36,818	$36,958	$38,479	---
Berkeley County	$37,385	$38,342	$39,509	39

Source: U.S. Bureau of Economic Analysis

Wages Per Industry (2018) ($)

Industry	Total Wages	Average Weekly Wage
Construction	85,871,859	1,152.39
Manufacturing	121,099,038	1,080.66
Information	67,121,007	959.69
Financial Activities	44,908.983	934.67
Professional & Business Services	127,730,142	905.07
Education & Health Services	214,776,047	868.44
Leisure and Hospitality	59,279,439	301.98
Other Services	20,582,848	567.08
Government	493,387,357	1,122.73
TOTAL	1,493,816,010	814.70

Source: WORKFORCE West Virginia

Total Wages ($)

Year	Berkeley County	West Virginia
2014	1,236,318,171	28,839,679,821
2015	1,272,759,810	29,063,859,298
2016	1,319,199,966	28,560,707,319
2017	1,368,747,868	29,626,307,630
2018	1,493,816,010	31,965,019,645

Source: WORKFORCE West Virginia

Community Data

Education Facilities	
Elementary	22
Middle or Jr. High	6
High Schools	4
Vocational Schools	1
Colleges (within 30 miles):	4
Shepherd University	
Blue Ridge Community & Technical College	
West Virginia University Robert C. Byrd Health Sciences Center Eastern Campus	
Valley College of Technology	

Recreational Facilities	
State Forests	0
State Parks	0
Wildlife Management Areas	1
Public Hiking Trails (miles)	20
Public Fishing & Boating Lakes	2
Recreational Rivers (boating/rafting)	1
Museums/Art Galleries	5
Golf Courses	3
National Forests	1
National Park & Recreational Areas	0
Amphitheaters/Performing Arts Centers	2
Pro/Semi-pro Sports Teams	0
Regional Shopping Centers/Malls/outlets within 25 miles	3
Major Private Recreation/Resort Areas	1
Civic/Convention Centers	0

Medical	
Hospitals	1
Beds	260
Doctors (within 25 miles)	711
Dentists (within 10 miles)	29
Licensed Nursing Homes	2
Beds	188

Transportation	
Highways:	
Interstates	I-81
WV Routes	9, 45, 51, 901
US Routes	11
Motor freight carriers	12
River, nearest navigable	Potomac (92 miles)
Industrial Parks	0
Industrial Sites	0
Airports:	Eastern West Virginia Regional Hagerstown Regional Airport Dulles International
Railroads:	Freight/Passenger
Motor Freight Carriers	12
Bus Service	1

Media	
Newspapers:	1
Telephone:	1
TV Station	2
Radio Stations	0

Utilities	
Electricity:	3
Sewer:	4
Telephone Service:	2
Natural Gas:	1
Water:	8

Other Data	
Licensed Day Care Centers	41
Banks (including branches)	29
Libraries	5

Sources: West Virginia, Bureau of Employment Programs, Research, Information and Analysis, Berkeley County Development Authority, American Dental Association, except as otherwise noted.

APPENDIX C

PROPOSED FORM OF LEGAL OPINION

_____, 2020

$_____
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

The Board of Education of the
County of Berkeley
Martinsburg, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by The Board of Education of The County of Berkeley (the "Issuer") of its $_____ in aggregate principal amount of Public School Refunding Bonds, Series 2020 (the "Bonds").

The Bonds 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 "Refunding Act") and a Resolution and Order duly adopted by the Issuer on January 6, 2020 (the "Resolution") and are subject to all the terms and conditions of the Resolution. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Resolution.

The Bonds are issued in fully registered form, are dated _____, 2020, upon original issuance, are represented by a single bond for each maturity, numbered R-1 to R-__, inclusive, with interest payable on each May 1 and November 1, commencing May 1, 2020, and principal installments payable each May 1, commencing May 1, 2020, and continuing until the maturity thereof, being May 1, 2025.

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 pay costs necessary to currently refund all of the Issuer's Outstanding Public School Bonds, Series 2010, dated February 17, 2010 (the "Prior Bonds"), originally issued in the aggregate principal amount of $51,500,000, of which $24,755,000 is presently outstanding, 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 Berkeley County School District (the "District") at an election

held in the District on September 26, 2009, 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 Crews & Associates, Inc., Little Rock, Arkansas (the "Purchaser") pursuant to a Bond Purchase Agreement dated _____, 2020, 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 _____, 2020, 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.

Based upon the foregoing, and assuming compliance with the covenants of the Issuer contained in the Resolution, 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, that:

1. The Issuer is a duly organized and 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, with full power and authority to adopt the Resolution, enter into the Escrow Agreement and the Bond Purchase Agreement, perform its obligations under the terms and provisions thereof and to issue and sell the Bonds, all under the provisions of the Refunding Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively adopted the Resolution, has authorized, executed and delivered the Escrow Agreement and the Bond Purchase Agreement and has issued and delivered the Bonds to the Purchaser pursuant to the Bond Purchase Agreement. The Resolution is in full force and effect as of the date hereof.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Escrow Agreement and the Bond Purchase Agreement constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms; and the Bonds, subject to the terms thereof, constitute valid and legally enforceable general obligations of the Issuer, the principal of and interest on which, unless paid from other sources, are payable from ad valorem taxes levied upon all taxable property within the District, without limitation as to rate or amount.

4. Under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, and the regulations promulgated thereunder, as amended (the "Code"), and such interest will not be treated as a preference item in calculating the alternative minimum tax that may be imposed under the Code upon individuals. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may

affect the excludability from gross income of the interest on the Bonds set forth in the Resolution and the Tax Certificate. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such Code provisions or such certifications, covenants and representations could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. Except as set forth in paragraph 5 below, we express no opinion regarding other tax consequences arising with respect to the Bonds.

5. Under the Refunding Act, the Bonds are exempt from all taxation by the State of West Virginia or any political subdivision thereof.

6. 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 Issuer to the holders and owners of such Prior Bonds have been satisfied and discharged.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds and the liens, pledges, rights or remedies with respect to the 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 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.

Very truly yours,

STEPTOE & JOHNSON PLLC

APPENDIX D

BOOK-ENTRY ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds (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.

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 affect 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. 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. 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.

APPENDIX F

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Agreement") dated as of _____, 2020, is by and between the Board of Education of the County of Berkeley (the "Board") and United Bank, as Disclosure Agent (the "Disclosure Agent"), in connection with the issuance of the $21,380,000 The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020 (the "Series 2020 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 January 6, 2020, authorizing issuance of the Series 2020 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 2020 Bonds and in order to assist the Underwriter (as hereinafter defined) in complying with SEC Rule 15c2-12(b)(5) (the "Rule").

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 2020 Bonds in Appendix A entitled "Audit Report of Berkeley County Board of Education for Fiscal Year Ended June 30, 2019," 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 or the West Virginia Auditor's Office.

"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 2020 Bonds (including persons holding Series 2020 Bonds through nominees, depositories or other intermediaries).

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement dated _____, 2020, entered into between Crews & Associates, Inc. (the "Underwriter"), and the Board, by which the Underwriter agreed to purchase the Series 2020 Bonds from the Board upon the terms set forth therein.

"Disclosure Agent" shall initially mean United Bank 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.

"Financial Obligation" shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a

guarantee of either (a) or (b). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the Repository consistent with 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 2020 Bonds which is required to comply with the Rule in connection with the offering of the Series 2020 Bonds.

"Repository" shall mean the Municipal Securities Rulemaking Board, Washington, D.C. or any other repository that may be designated for such purpose.

"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 2020 Bonds" shall mean the $21,380,000 The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020.

SECTION 3. Provision of Annual Reports.

(a) The Board shall, or shall cause the Disclosure Agent to, not later than the last day of the Fiscal Year (presently June 30) immediately following the end of the Board's Fiscal Year for which disclosure is due, commencing with the report for the Fiscal Year ending June 30, 2019, provide to the Repository by filing the same with EMMA or in such other manner as may be required from time to time by the Rule: 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 year changes, 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 this 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.

(e) 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 4. Content of Annual Financial Information and Audited Financial Statements. Not later than the last day of the Fiscal Year immediately following the end of the Board's Fiscal Year for which disclosure is due, the Disclosure Representative on its behalf shall submit to EMMA the Annual Financial Information and Audited Financial Statements of the Board for the prior fiscal year. If the Audited Financial Statements are not then available, the Board or the Disclosure Agent shall submit the unaudited financial statements of the Board for such fiscal year and shall submit the Audited Financial Statements as soon as they become available.

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 2020 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 2020 Bonds, or other events affecting the tax status of the Series 2020 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 2020 Bonds, if material;

11. rating changes;

12. bankruptcy, insolvency, receivership, or similar event of the Board[3];

---

[3] 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.

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;

14. appointment of a successor or additional trustee or the change of name of a trustee, if material.

15. incurrence of a Financial Obligation of the Board, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Board, any of which affect Bondholders, if material; and

16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Board, any of which reflect financial difficulties.

(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), (13), (14) or (15), 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), (14) or (15), 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), (12) or (16), 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), (14) or (15), 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 2020 Bonds. If such termination occurs prior to the final maturity of the Series 2020 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. United Bank 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 2020 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 2020 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 2020 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 2020 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 2020 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 on the Series 2020 Bonds or pursuant to the Resolution, 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 Berkeley
1453 Winchester Avenue

Martinsburg, WV 25405

To the Disclosure Agent: United Bank
ATTN: Corporate Trust
500 Virginia Street, East
Charleston, WV 25392

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 2020 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.

[SIGNATURE PAGE FOLLOWS THIS PAGE]

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 BERKELEY

By: _____
Its: Board President

UNITED BANK, as Disclosure Agent

By: _____

Its: _____

Date: _____, 2020

EXHIBIT A

NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	The Board of Education of the County of Berkeley (the "Board")
Name of Bond Issue:	$21,380,000 The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020
Date of Bond Issue:	_____, 2020

NOTICE IS HEREBY GIVEN that the Board has not provided Annual Financial Information with respect to the above-named Series 2020 Bonds as required by Section 3(b) of that certain Continuing Disclosure Agreement dated as of _____, 2020. The Board anticipates that the Annual Financial Information will be filed by _____, 20__.

Dated: _____, 20___.

United Bank, as Disclosure Agent
on behalf of the Board

cc: Board

NEW ISSUE
BOOK-ENTRY ONLY

Rating: Standard & Poor's "AA–"
(See "Rating" herein)

In the opinion of Steptoe & Johnson PLLC, Bond Counsel, under existing law, assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2020 Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and regulations thereunder (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the opinion of Bond Counsel, under existing laws of the State of West Virginia, the Series 2020 Bonds and the interest thereon are exempt from all taxation by the State of West Virginia, or any county, municipality, political subdivision or agency thereof. See "TAX MATTERS" herein and the form of Opinion of Bond Counsel attached hereto as APPENDIX C.

$22,115,000
The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020

Dated: Date of Delivery

Due: May 1 and November 1, as shown on the inside cover

The Bonds are general obligations of The Board of Education of the County of Berkeley, West Virginia (the "Board"), which Board has the power and is obligated to levy ad valorem taxes upon all the taxable property within the Berkeley 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 of 1931, as amended, 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 Paying Agent. The Board has designated United Bank, Charleston, West Virginia, as Registrar.

Interest on the Bonds will be payable May 1, 2020 and semiannually thereafter (each November 1 and May 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, as described herein.

The Bonds shall be issued in the principal amounts and have the maturities, interest rates, yields and CUSIP numbers as indicated on the inside cover hereof.

The Bonds are offered for delivery when, as and if issued, subject to approval of legality by Steptoe & Johnson PLLC, Bridgeport, West Virginia, Bond Counsel. Certain legal matters will be passed upon for the Board by Steptoe & Johnson PLLC, Bridgeport, West Virginia, Counsel to the Board. Certain legal matters will be passed upon for the Underwriter by Bowles Rice LLP, Charleston, West Virginia, as Counsel to the Underwriter. It is expected that the Bonds will be available for delivery to DTC, New York, New York on or about February 5, 2020.

Dated: January 23, 2020

Crews&Associates
A First Security Company

SERIES 2020 BONDS

MATURITIES, AMOUNTS, RATES, YIELDS AND CUSIPS*

Maturing (May 1)	Principal Amount ($)	Interest Rate (%)	Yield (%)	CUSIP*
2020	3,430,000	3.000	1.000	084239FT4
2021	3,455,000	3.000	1.100	084239FU1
2022	3,595,000	4.000	1.130	084239FV9
2023	3,780,000	2.000	1.170	084239FW7
2024	3,885,000	2.000	1.210	084239FX5
2025	3,970,000	5.000	1.250	084239FY3

---

* CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services is managed on behalf of the American Bankers Association by S&P Capital IQ. CUSIP data herein are provided by CUSIP Global Services. 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 Series 2020 Bonds only at the time of issuance of the Series 2020 Bonds. The Board makes no representation with respect to the accuracy of such CUSIP numbers as indicated in the above table and undertakes no 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 Series 2020 Bonds.

$22,115,000
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

ELECTED OFFICIALS
Dr. William Queen, President
Dr. Darin Gilpin, Vice President
Michelle Barnes-Russell
Todd Beckwith
Patrick Murphy

APPOINTED OFFICIALS
Dr. Patrick K. Murphy, Ed.D., Superintendent
James V. Butts, Jr., CPA, Chief School Business Official and Treasurer
Donald Dellinger, Jr. , Deputy Superintendent
Dr. Justin L. Schooley, Assistant Superintendent
Ronald E. Stephens, Assistant Superintendent
David E. Dilly, Assistant Superintendent
Dr. Veronique N. Walker, Associate Superintendent

BOARD'S COUNSEL
Steptoe & Johnson PLLC
Bridgeport, West Virginia

BOND COUNSEL
Steptoe & Johnson PLLC
Bridgeport, West Virginia

UNDERWRITER
Crews & Associates, Inc.
Morgantown, West Virginia

UNDERWRITER'S COUNSEL
Bowles Rice LLP
Charleston, West Virginia

No dealer, broker, salesman or other person has been authorized by The Board of Education of the County of Berkeley, 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.

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 Resolution, as hereinafter defined, has not been qualified under the Trust Indenture Act of 1939, as amended, because of available exemptions therefrom.

TABLE OF CONTENTS

INTRODUCTION 1
THE BONDS 2
General 2
Authority and Purpose 2
Redemption Provisions for Bonds 3
Plan of Financing 3
Sources and Uses of Funds 3
Nature of Obligation, Security and Source of Payments 4
Debt Administration 4
BERKELEY COUNTY SCHOOL DISTRICT 5
General 5
Historical School Enrollment 5
Projected Enrollment 6
Facilities 7
Tax Collection Procedures 8
Tax Levies and Collections 8
Assessment Procedure. 9
Property Classification 9
Assessed Valuations 9
Assessed Valuation by Property Class 10
Assessed Valuation by Property Category 10
Largest Real Property Assessed Valuations 10
Tax Rate Comparisons 11
County Tax Rates 11
School Tax Rates 11
Rates of Levy 12
Summary of Statistical Debt Information 13
Debt Service Requirements 13
Overlapping Debt 13
CERTAIN FINANCIAL INFORMATION 14
Description of Funds 14
Investment of Certain Funds 14
Accounting Practices 15
Annual Audit 15
Budgetary Procedures 15
Internal Control 16
Statement of Revenues and Expenditures -- Budget and Actual 16
Retirement Plans 17
Other Post-Employment Benefits (OPEB) 18
Insurance Coverage 19
TAX MATTERS 20
Original Issue Premium 21
Information Reporting and Backup Withholding 21
West Virginia Tax 22
LITIGATION IN THE STATE CONCERNING THE SCHOOL FINANCING SYSTEM 22
LITIGATION 23
CONTINUING DISCLOSURE 24
LEGAL MATTERS 25
RATINGS 25
VERIFICATION AGENT 25
UNDERWRITING 25
CONCLUDING STATEMENT 25

APPENDIX A
Audit Report of Berkeley County Board of Education for the Fiscal Year Ended June 30, 2019
APPENDIX B
Economic and Demographic Data – County of Berkeley (West Virginia)
APPENDIX C
Proposed Form of Legal Opinion
APPENDIX D
Book-Entry Only System
APPENDIX E
Elected Officials of the Board
Appointed Officials of the Board
APPENDIX F
Continuing Disclosure Agreement

Forward-Looking Statements

This Official Statement, and particularly the information contained in the caption "BERKELEY 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."

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

OFFICIAL STATEMENT
RELATING TO

$22,115,000
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

INTRODUCTION

This Official Statement provides certain information in connection with the sale of $22,115,000 in aggregate principal amount of The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020 (the "Bonds"). A brief description of The Board of Education of the County of Berkeley, West Virginia (the "Board"), the Berkeley County School District (the "School District") and the County of Berkeley, West Virginia (the "County" or "Berkeley 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 2010 Bonds, as hereinafter defined, to provide for the current refunding of the Board's Public School Bonds, Series 2010 issued in the original aggregate principal amount of $51,500,000 (the "Series 2010 Bonds") of which $24,755,000 is outstanding. Proceeds of the Bonds will also be used to pay legal, consulting and other professional fees, printing and other issuance costs.

The Series 2010 Bonds were issued to fund a portion of the cost of certain improvements in the School District, including site preparation and construction of Spring Mills High School, site preparation and construction of Mountain Ridge Middle School, improvements to Musselman High School and improvements to North Middle School (collectively, the "Projects"), which facilities are all located within Berkeley County and the School District. Proceeds of the Series 2010 Bonds were also used to pay legal, consulting and other professional fees, printing and other issuance costs related to the issuance of the Series 2010 Bonds.

At a special election held on September 26, 2009, the issuance of the Series 2010 Bonds and the levy of taxes sufficient to pay principal of and interest on such bonds were authorized and approved by the qualified voters of the School District for the purposes of paying costs of the Projects and paying costs of issuance of the Series 2010 Bonds. The Series 2020 Bonds will refund the outstanding Series 2010 Bonds.

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.

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

THE BONDS

General

The Bonds will be dated the date of delivery thereof and are issued as fully registered bonds in $5,000 denominations, or integral multiples thereof, and are payable on May 1 as set forth on the cover of this Official Statement.

Pursuant to Chapter 13, Article 1 of the Code of West Virginia of 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 the Paying Agent therefore (the "Paying Agent"). The Board has designated United Bank, Charleston, West Virginia, as the Registrar.

Interest on the Bonds will be payable on May 1, 2020 and semi-annually thereafter (each November 1 and May 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 $1,000,000 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 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. 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 an order duly entered by the Board on July 1, 2009, the issuance of bonds in the aggregate principal amount of $51,500,000 and the levy of taxes sufficient to pay principal of and interest on such bonds were authorized and approved at a special election by 63.6% of the participating voters. Proceeds of the Series 2010 Bonds were applied, together with certain funds received by the Board from the State of West Virginia (the "State") and other sources, to the cost of acquisition and construction of the Projects in the School District. The ballot question limited the term of the bonds to fifteen years and six months from their date and limited the rate of interest on the bonds to a rate not exceeding 7% per annum. Pursuant to the Bond Act, the Series 2010 Bonds were issued on February 17, 2010 and designated Public School Bonds, Series 2010.

The Board is issuing the Bonds pursuant to Article 2 of Chapter 13 of the Code of West Virginia, as amended (the "Refunding Act") and a resolution of the Board adopted on January 6, 2020 (the "Resolution"). The Board is issuing the Bonds for the purpose of refunding the Series 2010 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 2010 Bonds will be deemed paid upon the completion of the current refunding. Certain funds of the Board on deposit with the West Virginia Municipal Bond Commission (the "Bond Commission") relating to the Series 2010 Bonds will become surplus funds as a result of the current refunding and will be available for release to the Board.

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

Redemption Provisions for Bonds

The Bonds are not subject to optional redemption or mandatory redemption prior to maturity.

Plan of Financing

Net proceeds of the Bonds in the amount of $23,220,730.23 (consisting of $1,302,491.60 of original issue premium and $22,115,000.00 of original principal par amount of the Bonds, less Underwriter's Discount, costs of issuance and the rounding amount totaling $196,761.37) will be combined with the sum of $1,914,305.06, which will be transferred from accounts of the Board held at the Bond Commission in connection with the Series 2010 Bonds and applied towards the funding of an escrow to refund the Series 2010 Bonds. Such escrow funds, totaling $25,135,035.29, will be used to pay the redemption price of the Series 2010 Bonds called for redemption, together with the interest that will accrue on the Series 2010 Bonds to the redemption date thereof. The above referenced escrow funds in the total amount of $25,135,035.29 will be held by the Bond Commission, as Escrow Agent under an Escrow Agreement to be entered into on or about February 5, 2020 (the "Escrow Agreement"), by and among the Board and the Bond Commission. The Series 2010 Bonds are expected to be called for redemption on or about April 1, 2020, and the redemption date is expected to be May 1, 2020 (the "Redemption Date"). During the period in which the proceeds of the Bonds and other funds of the Issuer are deposited with the Bond Commission pursuant to the Escrow Agreement (except amounts necessary for costs of issuance), such funds will be invested in United States Government 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	$22,115,000.00
Reoffering Premium	$1,302,491.60
Amounts Transferred from Bond Commission (Funds and Accounts for Series 2010 Bonds)	$1,914,305.06
TOTAL	$25,331,796.66

Uses

Deposit to Escrow Fund [1]	$25,135,035.29
Underwriter's Discount	$77,402.50
Costs of Issuance[2]	$118,400.00
Rounding Amount	$958.87
TOTAL	$25,331,796.66

[1] The amount set forth in the Escrow Agreement as required, to affect the current refunding of the Series 2010 Bonds as described herein.

[2] Includes fees and expenses of Rating Agency, Bond Counsel, Underwriter's Counsel, Printing, Accounts' Verification Report, Registrar and other fees and expenses associated with the issuance of the Bonds.

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, the West Virginia Municipal Bond Commission (the "Bond Commission") shall serve as fiscal agent for all issues of general obligation bonds issued by counties, municipalities, and school districts of the State when appointed by the issuer for such purpose 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 of Berkeley County (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 for such bonds 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 2019 Budget Bill is indicative:

> Sec. 16. 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 municipal bond commission as provided by W. Va. Code §31-18-20b, or in the funds of the 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 municipal bond commission as may be necessary for these purposes. The municipal bond commission shall reimburse the state of West Virginia through the Governor from the first remittance collected from the West Virginia housing development fund or from any state agency or local taxing district for which the Governor advanced funds, with interest at the rate carried by the bonds for security or payment of which the advance was made.

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 Berkeley. 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.

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

BERKELEY 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 2020, the terms of two (2) 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 2019-2020, the Berkeley County school system had a central office professional staff of 48 with the overall responsibility to coordinate and supervise the activities of 74 school administrators, 1,503 instructional staff (teachers and other professionals), and 1,021 service personnel. Total Full Time Equivalent positions are 2,619.

Historical School Enrollment (School Year)

Grades	2016	2017	2018	2019	2020
Pre-K/Early Childhood	850	879	989	892	1,080
K	1,356	1,359	1,347	1,421	1,196
1	1,383	1,372	1,356	1,374	1,454
2	1,452	1,379	1,403	1,359	1,380
3	1,467	1,443	1,391	1,397	1,384
4	1,386	1,443	1,493	1,451	1,413
5	1,415	1,421	1,466	1,499	1,462
6	1,406	1,407	1,438	1,528	1,540
7	1,428	1,398	1,418	1,471	1,543
8	1,416	1,418	1,388	1,438	1,496
9	1,539	1,590	1,578	1,556	1,575
10	1,442	1,469	1,546	1,507	1,493
11	1,215	1,220	1,255	1,307	1,336
12	1,122	1,202	1,225	1,271	1,302
Total	18,877	19,000	19,293	19,471	19,654

Rate of Increase (Decrease) in Enrollment	
2016-2020	4.12%
Annualized	1.03%

Source: Berkeley County Board of Education

Projected Enrollment (School Year)

Year (October)	Enrollment
2020	19,700
2021	19,850
2022	19,900
2023	20,050
2024	20,200

Source: West Virginia Department of Education

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

Facilities

School	Grades	Construction Type	Construction Date	Renovation or Addition Date
Back Creek Valley	K-2	Masonry/Frame	1955	1968, 1975, 1981, 1984, 1989, 2002
Bedington Elem.	K-2	Masonry	1929	1971, 1975, 1989
Berkeley Heights Elem.	K-3	Masonry	1971	1975
Bunker Hill Elem.	K-3	Masonry	1962	1971, 1975, 1989
Burke Street Elem.	K-3	Masonry	1929	1951
Eagle School Intermediate	3-5	Masonry	2001	N/A
Gerrardstown Elem.	K-2	Masonry	1961	1971, 1976, 1989
Hedgesville Elem.	K-2	Masonry	1949	1955, 1976, 2004, 2007
Hedgesville High	9-12	Masonry	1977	1981, 1983, 1989, 1995, 2004, 2006
Hedgesville Middle	6-8	Masonry	1926	1962, 1969, 1989, 1995
Inwood Primary	K-2	Masonry	1924	1951, 1960
Marlowe Elem.	K-2	Masonry	1922	1971, 1975, 1989
Martinsburg High	9-12	Masonry	1927	1958, 1960, 1964, 1971, 1976, 1991, 1993, 2006
Martinsburg North Middle	6-8	Masonry	1962	1975, 1982, 2011
Martinsburg South Middle	6-8	Masonry	1955	1971, 1985, 2006, 2007
Mill Creek Intermediate	3-5	Masonry	1987	1989, 2005
Mountain Ridge Intermed.	3-5	Masonry	2005	N/A
Mountain Ridge Middle	6-8	Masonry	2014	N/A
Musselman High	9-12	Masonry	1998	2004, 2011
Opequon Elem.	K-2	Masonry	1971	1975
Orchard View Interm.	4-5	Masonry	2002	N/A
Pikeside Learning Center	All	Masonry	1925	1975
Potomack Intermediate	3-5	Masonry	1998	2016
Rosemont Elem.	K-3	Masonry	1960	1970, 1975
Spring Mills High	9-12	Masonry	2013	N/A
Spring Mills Middle	6-8	Masonry	2004	N/A
Spring Mills Primary	K-2	Masonry	2012	N/A
Tomahawk Intermediate	3-5	Masonry	1998	2016
Tuscarora Elem.	K-2	Masonry	1976	2004, 2009
Valley View Elem.	K-2	Masonry	1970	1975
Winchester Ave. Elem.	K-3	Masonry	1921	1999

Source: Berkeley County Board of Education

Tax Collection Procedures

All taxes for real estate and personal property are collected by the Berkeley County Sheriff (the "Sheriff") and are remitted by him to the State and other local levying bodies. Public utility taxes are collected directly by the State Auditor (the "Auditor") and are remitted by him 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 his office during the preceding month. The Auditor, each month, draws his warrant upon the State treasury payable to the Sheriff of the County for that part of the taxes, interest and charges received by him upon the redemption of the property included in his 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 him 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
2014-2015				
General Current	25,437,760	23,113,995	25,911,048	112.10%
Bond Levy	7,618,215	6,926,318	7,537,823	108.83%
Excess Levy	29,502,557	27,466,880	30,756,909	111.98%
2015-2016				
General Current	26,038,951	23,654,627	26,700,257	112.87%
Bond Levy	7,570,086	6,991,518	7,553,949	108.04%
Excess Levy	30,199,814	28,116,027	31,675,051	112.66%
2016-2017				
General Current	26,858,100	24,415,017	27,024,943	110.69%
Bond Levy	5,579,285	5,280,379	5,702,322	107.99%
Excess Levy	31,149,859	29,000,519	32,052,663	110.52%
2017-2018				
General Current	28,048,414	25,498,981	28,242,508	110.76%
Bond Levy	4,828,954	4,597,588	4,785,786	104.09%
Excess Levy	32,530,376	30,285,780	33,495,795	110.60%
2018-2019				
General Current	29,771,517	27,078,889	29,846,265	110.22%
Bond Levy	4,603,844	4,605,988	4,532,042	98.39%
Excess Levy	34,528,822	32,146,333	35,359,267	109.99%

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 2020 assessment year valuations are made as of July 1, 2019, with taxes levied and collected during the fiscal year July 1, 2020, through June 30, 2021.

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 State 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 of 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 of 1931, as amended, provides 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 Berkeley County School District includes all of Berkeley 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. 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. The legislation limits the increase in property taxes that could result from the new calculations to one percent per year, unless, in the case of school boards, the legislature, after a public hearing, deems a greater increase is necessary. The legislation specifically provided that assessors should not implement the reappraisal described

above. The legislation requires that all property except farms and managed timberlands be assessed at 60% of Fair Market Value at the end of the 3-year reappraisal cycle, which became effective July 1, 1994.

Assessed Valuation By Property Class*

Class	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
I	0	0	0	0	0
II	2,870,447,820	2,990,095,228	3,107,892,480	3,271,534,930	3,466,749,404
III	1,487,548,515	1,527,473,628	1,606,836,471	1,722,784,311	1,753,013,597
IV	432,762,534	438,574,137	453,703,454	477,984,003	504,601,022
Total	4,790,758,869	4,956,142,993	5,168,432,405	5,472,303,244	5,724,364,023

Assessed Valuation By Property Category*

Category	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Real	4,037,636,940	4,180,063,810	4,351,174,590	4,613,396,620	4,858,615,660
Personal	578,343,526	606,457,299	642,016,790	678,603,097	689,871,808
Public Utility	174,778,403	169,621,884	175,241,025	180,303,527	175,876,555
Total	4,790,758,869	4,956,142,993	5,168,432,405	5,472,303,244	5,724,364,023

*Excludes property from ad valorem property taxation pursuant to the Homestead and Taxation Amendment. The amount of Class II property so excluded amounted to:

$152,434,174 in 2015-2016
$157,766,948 in 2016-2017
$161,659,122 in 2017-2018
$164,313,876 in 2018-2019
$167,799,412 in 2019-2020

Largest Real Property Assessed Valuations (tax year 2019)

Property Owner	Assessed Valuation ($)
Berkeley Business Park Assoc.	23,363,740
Argos USA LLC	16,378,830
Martinsburg IRS OC LLC	16,164,150
Knauf Insulation Inc	15,150,170
BRE RC Commons WV LLC	14,384,350
Distribution Center of America (WV) LLC	13,970,340
Martinsburg Development Partners LLC	13,648,600
DAR LLC	10,941,440
Walmart Real Estate Business Trust	10,821,160
Boyd Kearneysville GSA II LLC	10,754,490

Source: Berkeley County Assessor and West Virginia State Auditor's Office

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

Tax Rate Comparisons (Source: West Virginia State Auditor)

The following shows Berkeley 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 2019; Fiscal Year 2019 - 2020.

Rates of Levy*

County	Class I	Class II	Class III/IV
BERKELEY	14.06	28.12	56.24
Morgan	14.30	28.60	57.20
Jefferson	14.30	28.60	57.20
Hampshire	14.30	28.60	57.20

*Includes the total levy for State, County and schools in each County.

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 (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 of 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.

Tax Rates - By Property Class (Cents Per $100)

School Current Levy

Class	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
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

Class	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
I	22.50	22.50	22.50	22.50	22.5
II	45.00	45.00	45.00	45.00	45.0
III and IV	90.00	90.00	90.00	90.00	90.0

School Bonds

Class	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
I	5.64	4.03	3.34	3.00	2.90
II	11.28	8.06	6.68	6.00	5.80
III and IV	22.56	16.12	13.36	12.00	11.60

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 of 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 Berkeley County Board of Education, but not including those relating to the proposed bond issue, in cents per $100 assessed valuation for the 2019-2020 fiscal year, are as follows:

Tax Type	Class I	Class II	Class III/IV
State Current	0.25	0.5	1.0
County Current	14.06	28.12	56.24
School Current	19.40	38.80	77.60
School Bonds	2.9	5.8	11.6
School Excess	22.5	45.0	90.0

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 2019-2020 fiscal year.

Municipality	Class I	Class II	Class III/IV
Martinsburg	12.37	24.74	49.48
Hedgesville	5.43	10.86	21.72

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:

[TABLE IS SET FORTH ON THE FOLLOWING PAGE]

Summary of Statistical Debt Information

Population (2018)	117,123
Assessed Valuation*	$5,724,364,023
Debt Limit (5% of Assessed Valuation)	$286,218,201
Outstanding Debt (includes the principal amount of the Bonds principal balances of $26,198,630 of the Board's Capital Lease Obligations per the Board's Audit for FY 2019)	$48,313,630
Debt Contracting Margin	$237,904,571
Per Capita Debt	$412.50
Outstanding Debt as percentage of Assessed Valuation	0.844%

*The assessed valuation provided by the Assessor of Berkeley County for the Fiscal Year ending June 30, 2020 (FY 2020). The assessed value is 60% of appraised or market value, under West Virginia law (Assessment Year 2019, Fiscal Year 2020).

Debt Service Requirements

Upon issuance of the Bonds, based on the interest rates and yields set forth on the inside cover page, the Board will have the following debt:

Schedule of Bond Indebtedness
Public School Bonds

Year Ending June 30	Series 2020 Principal	Series 2020 Interest	Total
2020	$3,430,000.00	$167,735.83	$3,597,735.83
2021	3,455,000.00	599,250.00	4,054,250.00
2022	3,595,000.00	495,600.00	4,090,600.00
2023	3,780,000.00	351,800.00	4,131,800.00
2024	3,885,000.00	276,200.00	4,161,200.00
2025	3,970,000.00	198,500.00	4,168,500.00
TOTAL	$22,115,000.00	$2,089,085.83	$24,204,085.83

Overlapping Debt

There is no overlapping county or city general obligation debt.

[REMAINDER OF PAGE IS INTENTIONALLY LEFT BLANK]

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 State 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 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").

The Bonds will not have a debt service reserve facility.

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 Berkeley County Board of Education for the Fiscal Year Ended June 30, 2019."

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 (Source: Berkeley County Board of Education)

Revenues, Expenditures and Changes in Fund Balance – Regulatory Basis
Budget and Actual
General Current Expense Fund
Year ended June 30

	2018 Budget	2018 Actual	2019 Budget	2019 Actual	2020 Budget
Revenues Collected:					
Local Sources:					
Property Taxes	62,951,761	61,687,028	66,011,213	64,572,188	69,283,186
Other Local Sources	1,848,387	1,826,907	2,318,344	1,932,487	2,041,002
State Sources					
Other Unrestricted	117,684,193	117,609,854	125,229,901	125,295,297	143,011,388
Federal Sources	2,295,793	3,092,758	5,073,807	5,336,406	2,121,984
Miscellaneous Sources					
Total Revenues Collected	184,780,134	184,216,547	198,633,265	197,136,378	216,457,560
Expenditures Paid:					
Instruction	112,577,124	106,074,721	117,724,651	113,177,246	129,577,014
Supporting Services:					
Students	12,539,085	12,326,841	13,981,113	13,040,875	13,684,989
Instructional Staff	5,063,868	4,990,189	5,590,742	5,355,497	4,891,852
General Administration	1,638,255	1,580,019	1,834,921	1,742,079	1,431,373
School Administration	11,830,053	11,724,256	12,660,818	12,401,087	11,517,208
Central Services	4,152,807	3,991,761	5,296,615	4,849,485	5,466,507
Operation & Maintenance of Facilities	16,382,365	16,184,489	17,963,073	16,994,570	17,005,577
Student Transportation	21,706,963	21,454,421	23,831,490	23,236,026	22,632,236
Food Services	705,115	705115	784,122	784,122	807,433
Community Services	321,500	321,500	321,500	321,500	321,500
Capital Outlay	726,185	687,022	527,675	477,070	2,885,935
Debt Service:					
Principal Retirement	500,000	500,000	1,260,000	1,260,000	1,240,000
Interest & Fiscal Charges	636,470	636,467	622,137	622,137	792,282
Reserves					
Total Expenditures	188,780,420	181,176,801	202,399,037	194,261,874	212,189,500
Excess (Deficiency) of Revenues over Expenditures	(4,000,286)	3,039,746	(3,765,772)	2,874,504	4,203,654

Total Other Financing Sources (Uses)	(4,512,574)	(4,413,353)	(4,972,547)	(4,571,435)	(4,203,654)
Net change in Fund Balance	(8,512,860)	(1,373,607)	(8,738,319)	(1,696,931)	0
Fund Balance at July 1,	8,512,860	10,111,926	8,738,319	8,738,319	7,041,388
Fund Balance at June 30,	0	8,738,319	0	7,041,388	7,041,388

Retirement Plans (Source: State of West Virginia Consolidated Public Retirement Board)

Teachers' Retirement System (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. According to the 2018 Comprehensive Annual Financial Report, the plan currently has approximately 33,891 members and 35,911 retirees receiving annuity benefits. 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, 2018 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, 2017, the unfunded liability of TRS was $7.720 billion. The funded percentage was 71.2%. Under the current funding arrangement, the State expects the TRS unfunded accrued liability to be extinguished on or about June 30, 2034.

During the 2015 First Regular Session of the 82nd Legislature, the State Legislature passed Senate Bill 529 which ultimately created a Tier II retirement benefit structure for those employees who are hired for the first time on or after July 1, 2015. Some distinctions of Tier II of TRS are that (i) qualification for normal retirement age is increased from 60 with 5 years of contributory service to 62 with 10 years of contributory service and deferred retirement age is increased from 62 with 5 years of contributory service to 64 with 10 years of contributory service, all as described above; (ii) it changes military service provisions from current noncontributory military service for draft era service to permitting members to purchase up to five years of active military service with the Armed Forces or National Guard by paying the actuarial reserve purchase amount within 48 months of the member's date of hire; (iii) it removes the provisions for members to receive additional retirement service credit based upon their unused sick and/or annual leave; (iv) it removes the current eligibility provisions of any age with 35 years of service or age 55 with 30 years of service; and (vii) it removes the reciprocity provisions between TRS and the Public Employees Retirement System if one changes employment and no longer permits highest salary in either plan to be used for final average salary.

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, 2018, there were approximately 3,407 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.

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.

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.

On February 10, 2010, the West Virginia Legislature passed Senate Bill 469, granting relief to the 55 county boards of education regarding liability for OPEBs effective 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. 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 compliance with Senate Bill 469, for fiscal year 2010, the RHBT transferred $715 million in annual required contribution liability from the county boards of education to the State.

Senate Bill 419, adopted by the West Virginia Legislature on February 26, 2016, requires $30 million of annual personal income tax proceeds to be dedicated to the payment of RHBT's unfunded liability until such time

as the Governor certifies to the Legislature that an independent actuarial study has determined that the unfunded liability of RHBT has been provided for in its entirety or July 1, 2037, whichever date is later. Presently, the RHBT expects to receive the aforementioned $30 million transfer beginning in fiscal year 2017. The first payment of $5 million was received in October 2016 and then $5 million per month was received for the five months subsequent.

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.

Effective July 1, 2018, the Board adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension. The Statement addresses accounting and financial reporting for OPEB provided to Board employees who participate in the State OPEB plan. The Statements also requires various note disclosures and required supplementary information. As a result, beginning net position has been restated.

For additional information regarding the Board's liabilities and expenses, see "APPENDIX A - Audit Report of Berkeley County Board of Education for the Fiscal Year Ended June 30, 2019" and the accompanying notes to the financial statements.

Sources: West Virginia Public Employees Insurance Agency; Berkeley County Board of Education

Insurance Coverage (Source: Berkeley County Board of Education)

1. Type		Amount in Force (FY 2020)
Deductible per occurrence		$2,500
Machinery and Equipment insurance		$10,000,000 per occurrence
Deductible per occurrence		$2,500
Flood insurance		$1,000,000 per specified locations
Deductible per occurrence		$2,500
Earthquake insurance		$1,000,000 per specified locations
Deductible per occurrence		$2,500
Public official position bond:	Superintendent	$10,000
	Board President	$10,000
	Treasurer	$600,000
Fidelity Honesty Bond		$100,000

Liability Insurance: The Board is insured for the coverage indicated below under a general liability policy and an automobile policy issued to the State of West Virginia by National Union Fire Insurance Co. of Pittsburgh, Pennsylvania. The Board is an Additional Insured under the policies for a coverage period July 1, 2019 to July 1, 2020. The Board is insured for the following coverages:

Comprehensive general liability insurance
Personal injury liability insurance
Professional liability insurance
Stop gap liability insurance
Wrongful act liability insurance
Comprehensive auto liability insurance
Auto physical damage insurance, including comprehensive and collision, and
Garagekeepers insurance.

2. Limits of Liability

EACH OCCURRENCE: $1,000,000 each occurrence for all coverage combined. This limit is not increased if a claim is insured under more than one coverage or if claim is made against more than one insured.

SPECIAL LIMITS: The auto physical damage limit is the actual cash value of each vehicle subject to a deductible of $2,500.

DEFENSE COSTS: Defense costs are in addition to each occurrence limit of liability.

TAX MATTERS

The following discussion of "Tax Matters" is a brief discussion of certain income tax matters with respect to the Series 2020 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 Series 2020 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 Series 2020 Bonds.

In the opinion of Bond Counsel, under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Series 2020 Bonds (i) is excludable from gross income of the holders thereof for federal income tax purposes, assuming compliance with certain provisions described herein pertaining to the Code; and (ii) is not a specific item of tax preference, under Section 57(a)(5) of the Code, in computing the federal alternative minimum tax imposed on individuals. A complete copy of the proposed opinion of Bond Counsel is set forth in Appendix C hereto.

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 Series 2020 Bonds. The Board has covenanted to comply with certain restrictions designed to ensure that interest on the Series 2020 Bonds will not be included in federal gross income. Failure to comply with these covenants may result in interest on the Series 2020 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2020 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 Series 2020 Bonds may adversely affect the value of, or the tax status of interest on, the Series 2020 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 Series 2020 Bonds. Prospective purchasers of the Series 2020 Bonds are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Although Bond Counsel is of the opinion that interest on the Series 2020 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 Series 2020 Bonds may otherwise affect an owner's federal tax 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 legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2020 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 Series 2020 Bonds. Prospective purchasers of the Series 2020 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 and represents Bond Counsel's judgment as to the proper treatment of the Series 2020 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 Board, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Board has covenanted, however, to comply with the requirements of the Code.

Ownership of the Series 2020 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Series 2020 Bonds. Bond Counsel will express no opinion regarding any such consequences.

Bond Counsel's engagement with respect to the Series 2020 Bonds ends with the issuance of the Series 2020 Bonds, and unless separately engaged, Bond Counsel is not obligated to defend the Board or the beneficial owners regarding the tax-exempt status of the Series 2020 Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the Board and its 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 Board legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2020 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 Series 2020 Bonds, and may cause the Board or the beneficial owners to incur significant expense.

Original Issue Premium

The Bonds maturing in May 1, 2020 through May 1, 2025 (each a "Premium Obligation" and collectively, the "Premium Obligations") are being sold at a premium. An amount equal to the excess of the issue price of a Premium Obligation over its stated redemption price at maturity constitutes premium on such Premium Obligation. An initial purchaser of a Premium Obligation must amortize any premium over such Premium Obligation's term using constant yield principles, based on the purchaser's yield to maturity (or, in the case of Premium Obligations callable prior to their maturity, by amortizing the premium to the call date, based on the purchaser's yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period and the purchaser's basis in such Premium Obligation is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Obligation prior to its maturity. Even though the purchaser's basis may be reduced, no federal income tax deduction is allowed.

Owners of Premium Obligations should consult their own tax advisors as to the determination for federal income tax purposes of the premium properly accruable in any period with respect to such Premium Obligations and as to other federal tax consequences and the premium for state and local tax purposes.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on debt obligations of state and local governments, including the Series 2020 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 and Certification," or the recipient is one of a limited class of exempt recipients. 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 inclusion of the interest on the Series 2020 Bonds in gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding may be allowed as a refund or credit against the owner's Federal income tax liability, depending on the purchaser's federal tax liability once the required information is furnished to the Internal Revenue Service.

West Virginia Tax

In the opinion of Bond Counsel, under existing laws of the State of West Virginia, the Series 2020 Bonds are exempt from all taxation by the State of West Virginia or any political subdivision thereof.

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. The Secretary of the Board has reviewed the current status of all pending and threatened litigation with such counsel, and expresses the opinion of the Board 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.

On February 22, 2010, forty-nine (49) county boards of education, including the Board, filed a Complaint in the Circuit Court of Kanawha County against the West Virginia Public Employees Insurance Agency ("PEIA"), the PEIA Finance Board and the West Virginia State Auditor (the "OPEB Litigation") seeking legislative funding through the Public School Support Program (the "Program") to offset the costs of providing other post-employment benefits to employees otherwise funded through the Program. The Circuit Court of Kanawha County dismissed the suit on the grounds that it was a political question better answered by the West Virginia Legislature. The county boards of education appealed this decision to the West Virginia Supreme Court. The West Virginia Supreme Court upheld the Circuit Court of Kanawha County's decision to dismiss the suit.

The West Virginia Legislature enacted Senate Bill 469 subsequent to the West Virginia Supreme Court's decision in the OPEB Litigation above described. Senate Bill 469 provides that OPEB premiums associated with the PEIA for certain County School Board employees which are employed within the foundation allowance of the State school aid formula are to be charged to the State of West Virginia rather than the County School Boards. However, the County School Boards retain liability for such OPEB premiums for employees which are employed outside of the foundation allowance of the State school aid formula (see Other Post Employment Benefits discussion in this Official Statement for additional detail).

The State of West Virginia's OPEB liability and the Board's OPEB liability may be subject to additional lawsuits and legislative action in the future which could have an effect on the amount of the Board's OPEB liability. No representation can be made regarding the potential outcome of any such lawsuits, if initiated, or the likelihood of any future legislative actions and any effect on the amount of the Board's OPEB liability.

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 (the "Continuing Disclosure Agreement"), to provide financial information not later than the last day of the fiscal year immediately following the end of the Board's fiscal year for which the disclosure is due, commencing with the report for the fiscal year ended June 30, 2019, and to provide notice of the occurrence of the enumerated events listed therein, if material (for those enumerated events which specify a materiality determination). The Annual Information and each notice of enumerated events will be filed electronically on behalf of the Board by United Bank, Charleston, West Virginia, as dissemination agent (the "Dissemination Agent"), with the Electronic Municipal Markets Access system maintained by the Municipal Securities Rulemaking Board ("EMMA").

This continuing disclosure obligation is being undertaken to comply with Rule 15c2-12 (the "Rule") promulgated by the Securities Exchange Commission. The Dissemination Agent has agreed to give notice in a timely manner to EMMA of any failure to supply the required information. However, any failure to supply information pursuant to the terms of the Continuing Disclosure Agreement will not constitute a default under the terms of the Bonds or any document executed and delivered in connection therewith. 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 Board issued its Series 2010 Bonds in the amount of $51,500,000 on February 17, 2010. In connection with the issuance of the Series 2010 Bonds, the Board entered into a Continuing Disclosure Agreement dated as of February 17, 2010 (the "2010 Disclosure Agreement"), by and between the Board and United Bank, as dissemination agent. Pursuant to the 2010 Disclosure Agreement, the Board agreed to provide its annual audited financial statements to the Dissemination Agent for filing with EMMA for purposes of the Rule within 270 days

following the completion of the Board's June 30 Fiscal Year end. The Board also agreed in the 2010 Disclosure Agreement to file notice of the enumerated events listed therein, if material, to EMMA for purposes of the Rule.

In the past five years, the Board (i) filed notice of its failure to timely file its annual financial information for the fiscal year ending June 30, 2016 to EMMA on January 4, 2017, and has since filed such information to EMMA on March 30, 2017; and (ii) failed to timely file its annual financial information for the fiscal year ending June 30, 2018, filed such information to EMMA on December 19, 2019, and filed notice of its failure to timely file such information to EMMA on January 15, 2020.

LEGAL MATTERS

All legal matters incident to the authorization, issuance, sale and delivery of the Bonds are subject to the approval of Steptoe & Johnson PLLC, Bridgeport, 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 Steptoe & Johnson PLLC, Bridgeport, West Virginia, Counsel to the Board and for the Underwriter by its counsel, Bowles Rice LLP, Charleston, West Virginia.

RATINGS

S&P Global Ratings, a division of S&P Global, Inc., 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 West Virginia 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

The Arbitrage Group Inc., Buhl, Alabama, has been retained as verification agent for the Bonds (the "Verification Agent"). The Verification Agent shall provide a verification of the sufficiency of the escrow for the repayment of the Series 2010 Bonds on the redemption date thereof.

UNDERWRITING

The Bonds are being purchased by Crews & Associates, Inc., 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 $23,340,089 (par of $22,115,000, less an Underwriter's Discount of $77,402.50, plus original issue premium in the amount of $1,302,491.60).

CONCLUDING STATEMENT

The information furnished in this Official Statement is set forth for the benefit of prospective purchasers of the Bonds. The material contained in the Official Statement was compiled for and at the direction of The Board of Education of the County of Berkeley.

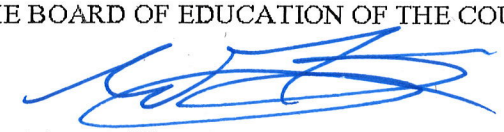
All statements, estimates, assumptions and summaries of documents in this Official Statement have been made on the basis of the best information available and are believed to be correct and reliable, but no

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 undersigned at 1453 Winchester Avenue, Martinsburg, West Virginia, 25405, telephone (304) 267-3500.

[SIGNATURE PAGE FOLLOWS THIS PAGE]

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY



By: /s/ Dr. William Queen
President

APPENDIX A

AUDIT REPORT OF BERKELEY COUNTY BOARD OF EDUCATION FOR THE FISCAL YEAR ENDED JUNE 30, 2019

PERRY & Associates

Certified Public Accountants, A.C.

BERKELEY COUNTY BOARD OF EDUCATION
BERKELEY COUNTY
Single Audit
For the Year Ended June 30, 2019

RFP# 18-015

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., #A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., #300
Wheeling, WV 26003
304 232 1358

749 Wheeling Ave., #300
Cambridge, OH 43725
740 435 3417

www.perrycpas.com

BERKELEY COUNTY BOARD OF EDUCATION
TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Governmental Fund Financial Statements:	
Balance Sheet - Governmental Funds	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Fiduciary Net Position – Fiduciary Funds	20
Notes to the Basic Financial Statements	21
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Current Expense Fund	54
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Fund	55
Schedule of the Board's Proportionate Share of the Net Pension Liability	56
Schedule of Board Contributions – Teachers Retirement System	57
Schedule of the Board's Proportionate Share of the Net OPEB Liability	58
Schedule of Board Contributions – Retiree Health Benefit Trust Fund	59
Notes to the Required Supplementary Information	60
Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Debt Service Fund	64
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Bond Construction Fund	65

TITLE	PAGE
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Capital Projects Fund	66
Schedule of Changes in School Activity Funds	67
Schedule of Excess Levy Revenues and Expenditures	68
Notes to the Other Supplementary Information	69
Other Information	
Schedule of Expenditures of Federal Awards	70
Notes to the Schedule of Expenditures of Federal Awards	71
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards*	72
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	74
Schedule of Audit Findings - 2 CFR § 200.515	76

PERRY & Associates
Certified Public Accountants, A.C.

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., Suite A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., Suite 300
Wheeling, WV 26003
304 232 1358

749 Wheeling Ave., Suite 300
Cambridge, OH 43725
740 435 3417

INDEPENDENT AUDITOR'S REPORT

December 20, 2019

Berkeley County Board of Education
Berkeley County
401 S. Queen Street
Martinsburg, WV 25401

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Berkeley County Board of Education**, Berkeley County, West Virginia (the Board), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Board's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation. We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Berkeley County Board of Education, Berkeley County, West Virginia, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis*, schedules of net pension liabilities and pension contributions and required budgetary comparisons for the General Current Expense and Special Revenue Funds, as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the Board's basic financial statements taken as a whole.

The budgetary comparison information for the Debt Service Fund, Bond Construction Fund, Capital Projects Fund and the Schedule of Changes in School Activity Funds, and Schedule of Excess Levy Revenues and Expenditures provide additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

The schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected the schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2019, on our consideration of the Board'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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

BERKELEY COUNTY BOARD OF EDUCATION
STATEMENT OF NET POSITION
June 30, 2019

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Assets:	
Cash and cash equivalents	$ 24,654,054
Investments	8,030,035
Taxes receivable, net of allowance for uncollectible taxes	1,396,155
Food service receivable	274,518
Other receivables	138,000
Other prepaid expenses	31,766
Due from other governments:	
PEIA allocation receivable	2,488,595
Reimbursements receivable	4,454,105
Capital Assets:	
Land	4,856,659
Land improvements	7,180,223
Buildings and improvements	261,290,879
Furniture and equipment	9,445,414
Vehicles	23,998,930
Construction in process	392,144
Less accumulated depreciation	(91,449,745)
Total capital assets, net of depreciation	215,714,504
Total assets	257,181,732
Deferred outflows of resources:	
Pension	4,145,479
Other post employment benefit (OPEB)	8,099,127
Total deferred outflows of resources	12,244,606
Total assets and deferred outflows of resources	$ 269,426,338
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND NET POSITION	
Liabilities:	
Salaries payable and related payroll liabilities	$ 19,840,703
PEIA premiums payable	3,493,568
Compensated absences	207,424
Accounts payable	1,680,392
Long-term obligations:	
Due within one year:	
Bonds, capital leases, and contracts	4,950,000
Due beyond one year:	
Bonds, capital leases, and contracts	40,773,630
Net pension liability - Proportionate Share	13,626,640
Net other post employment benefit (OPEB) liability - Proportionate Share	17,598,768
Total liabilities	102,171,125
Deferred inflows of resources:	
Pension	2,063,983
Other post employment benefit (OPEB)	3,271,001
Total deferred inflows of resources	5,334,984
Total liabilities and deferred inflows of resources	$ 107,506,109
Net Position:	
Net Investment in Capital Assets	169,990,874
Restricted for:	
Debt service	4,775,348
Special projects	1,991,453
Capital projects	1,036,191
Unrestricted (Deficit)	(15,873,637)
Total net position	$ 161,920,229

The accompanying notes are an integral part of the financial statements

BERKELEY COUNTY BOARD OF EDUCATION

STATEMENT OF ACTIVITIES

For The Fiscal Year Ended June 30, 2019

Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense), Revenue & Changes in Net Position Governmental Activities
Governmental activities:					
Instruction	$ 124,680,560	$ 2,822,266	$ 9,382,508	$ -	$ (112,475,786)
Supporting services:					
Students	13,708,228	452,007	1,031,577	685,850	(11,538,794)
Instructional staff	6,336,495	208,936	476,836	317,028	(5,333,695)
General administration	1,651,504	54,456	124,280	82,628	(1,390,140)
School administration	11,753,137	387,541	884,451	588,033	(9,893,112)
Central services	4,762,485	157,035	358,388	238,277	(4,008,785)
Operation and maintenance of facilities	19,578,890	645,583	1,473,358	979,571	(16,480,378)
Student transportation	22,306,140	735,509	1,678,590	1,116,021	(18,776,020)
Other support services	263,744	8,697	19,847	13,196	(222,004)
Food services	15,824,154	1,032,446	6,512,538	-	(8,279,170)
Community services	321,500	-	-	-	(321,500)
Interest on long-term debt	1,670,304	-	-	-	(1,670,304)
Total governmental activities	222,857,141	6,504,476	21,942,373	4,020,604	(190,389,688)
General revenues:					
Property taxes					68,386,298
Unrestricted state aid					111,144,870
Unrestricted investment earnings					696,792
Unrestricted grants and contributions					1,433,018
Gain (loss) on disposal of capital assets					30,089
Total general revenues, extraordinary items and transfers					181,691,067
Change in net position					(8,698,621)
Net position - beginning					170,618,850
Net position - ending					$ 161,920,229

The accompanying notes are an integral part of the financial statements

BERKELEY COUNTY BOARD OF EDUCATION

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2019

	General Current Expense	Special Revenue Fund	Debt Service Fund	Bond Construction Fund	Capital Projects Fund	Total Governmental
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Assets:						
Cash and cash equivalents	$ 21,178,692	$ 2,335,728	$ -	$ 910,933	$ 228,801	$ 24,654,054
Investments	3,303,723	-	4,726,054	258	-	8,030,035
Taxes receivable, net	1,229,222	-	166,933	-	-	1,396,155
Food service receivable, net	-	274,518	-	-	-	274,518
Other receivables	138,000	-	-	-	-	138,000
Other prepaid expenses	31,766					31,766
Due from other governments:						
PEIA allocation receivable	2,488,695	-	-	-	-	2,488,695
Reimbursements receivable	1,659,640	2,511,659	-	-	282,806	4,454,105
Due from other funds	264,287	-	-	-	-	264,287
Total assets	30,293,825	5,121,905	4,892,987	911,191	511,607	41,731,515
Deferred outflows of resources	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS PLUS DEFERRED OUTFLOWS OF RESOURCES	$ 30,293,825	$ 5,121,905	$ 4,892,987	$ 911,191	$ 511,607	$ 41,731,515
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Salaries payable and related payroll liabilities	$ 17,873,469	$ 1,967,234	$ -	$ -	$ -	$ 19,840,703
PEIA premiums payable	2,828,839	664,729	-	-	-	3,493,568
Accounts payable & Payable to others	1,334,101	117,490	-	-	228,801	1,680,392
Due to other funds	-	106,481	-	-	157,806	264,287
Total liabilities	22,036,409	2,855,934	-	-	386,607	25,278,950
Deferred inflows of resources	1,216,028	274,518	117,639	-	-	1,608,185
Total deferred inflows of resources	1,216,028	274,518	117,639	-	-	1,608,185
Fund Balances:						
Restricted	-	1,991,453	4,775,348	911,191	125,000	7,802,992
Assigned	115,038	-	-	-	-	115,038
Unassigned	6,926,350	-	-	-	-	6,926,350
Total fund balances	7,041,388	1,991,453	4,775,348	911,191	125,000	14,844,380
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 30,293,825	$ 5,121,905	$ 4,892,987	$ 911,191	$ 511,607	$ 41,731,515

Amounts reported for governmental activities in the statement of net position differ due to:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	215,714,604
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	1,608,185
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds	
Deferred outflows of resources related to pensions	4,146,479
Deferred inflows of resources related to pensions	(2,063,983)
Deferred outflows of resources related to OPEB	8,099,127
Deferred inflows of resources related to OPEB	(3,271,001)
Some liabilities, including net pension and OPEB obligations, are not due and payable in the current period and, therefore, are not reported in the funds	
Bonds payable, due within one year	(3,710,000)
Bonds payable, due beyond one year	(21,045,000)
Capital leases payable	(20,968,630)
Compensated absences	(207,424)
Net pension liability - proportionate share	(13,626,640)
Net OPEB liability - proportionate share	(17,698,768)
Net position of governmental activities	$ 161,920,229

The accompanying notes are an integral part of the financial statements

BERKELEY COUNTY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For The Fiscal Year Ended June 30, 2019

	General Current Expense	Special Revenue	Debt Service Fund	Bond Construction Fund	Capital Projects Fund	Total Governmental
Revenues:						
Property taxes	$ 64,572,188	$ -	$ 4,888,245	$ -	$ -	$ 69,460,433
Other Local sources	1,932,487	1,889,872	-	19,891	80,509	3,922,759
State sources	125,295,297	9,293,621	-	-	58,602	134,647,520
Federal sources	5,336,406	19,563,531	-	-	-	24,899,937
Total revenues	197,136,378	30,747,024	4,888,245	19,891	139,111	232,930,649
Expenditures:						
Instruction	113,177,246	12,803,257	-	-	-	125,980,503
Supporting services:						
Students	13,040,875	1,381,941	-	-	-	14,422,816
Instructional staff	5,355,497	1,349,206	-	-	-	6,704,703
General administration	1,742,079	-	-	-	-	1,742,079
School administration	12,401,087	14,496	-	-	-	12,415,583
Central Services	4,849,485	187,713	-	-	-	5,037,198
Operation and maintenance of facilities	16,994,570	8,926	-	-	-	17,003,496
Student transportation	23,236,026	118,124	-	-	-	23,354,150
Food services	784,122	14,492,909	-	-	-	15,277,031
Community services	321,500	-	-	-	-	321,500
Capital outlay	477,070	2,583,996	-	50,102	375,782	3,486,950
Debt service:						
Principal retirement	1,260,000	799,533	3,560,000	-	-	5,619,533
Interest and fiscal charges	622,317	-	1,047,987	-	-	1,670,304
Total expenditures	194,261,874	33,740,101	4,607,987	50,102	375,782	233,035,846
Excess (deficiency) of revenues over expenditures	2,874,504	(2,993,077)	280,258	(30,211)	(236,671)	(105,197)
Other financing sources (uses):						
Proceeds from disposal of real or personal property	35,755	-	-	-	-	35,755
Proceeds from capital lease	-	-	-	-	263,180	263,180
Total other financing sources (uses)	(4,571,435)	4,508,699	-	-	361,671	298,935
Net change in fund balances	(1,696,931)	1,515,622	280,258	(30,211)	125,000	193,738
Fund balances - beginning	8,738,319	475,831	4,495,090	941,402	-	14,650,642
Fund balances - ending	$ 7,041,388	$ 1,991,453	$ 4,775,348	$ 911,191	$ 125,000	$ 14,844,380

The accompanying notes are an integral part of the financial statements

BERKELEY COUNTY BOARD OF EDUCATION

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, 2019

Net change in fund balances - total governmental funds	$ 193,738
Amounts reported for governmental activities in the statement of activities are different due to:	
Governmental funds report capital outlays as expenditures. However, in the statement of net position, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The effect on net position is the amount by which capital outlays exceed depreciation in the current period.	
Depreciation expense	(8,791,458)
Capital outlays	3,442,609
Certain receivables will be collected this year but are not available soon enough to pay for the current period's expenditures. This is the amount by which such receivables increased (decreased).	
Property taxes receivable	(953,610)
Operating Grants and Contributions	(357,561)
A portion of the change in fund balances is the proceeds from capital leases. Those proceeds are not considered revenue items for the purpose of this statement.	(263,180)
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 position.	5,619,533
Differences in the cost and accumulated depreciation on disposed capital assets are reported as a loss and reduction in net position in the statement of activities.	
Cost of assets disposed	(1,491,214)
Accumulated depreciation of assets disposed	1,485,548
Compensated absences are reported as liabilities in the statement of net position, 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	157,043
Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense	
District pension contributions	777,242
Cost of benefits earned net of employee contributions	(3,460,513)
Governmental funds report district OPEB contributions as expenditures. However, in the Statement of Activities, the cost of OPEB benefits earned net of employee contributions is reported as OPEB expense	
District OPEB contributions	629,571
Cost of benefits earned net of employee contributions	(5,686,369)
Change in net position of governmental activities	$ (8,698,621)

The accompanying notes are an integral part of the financial statements

BERKELEY COUNTY BOARD OF EDUCATION

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

June 30, 2019

	Agency Funds		
	Dental Funds	School Activity Funds	Multi County Vocational Center
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and cash equivalents	$ 69,343	$ 4,273,011	$ 633,223
Total assets	69,343	4,273,011	633,223
Deferred outflows of resources:			
Total deferred outflows of resources	-	-	-
Total assets and deferred outflows of resources	$ 69,343	$ 4,273,011	$ 633,223
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Due to other funds	$ 69,343	$ 4,273,011	$ 633,223
Total liabilities	69,343	4,273,011	633,223
Deferred inflows of resources:			
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	$ 69,343	$ 4,273,011	$ 633,223

The accompanying notes are an integral part of the financial statements

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 Berkeley 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 position 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 Position 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.

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 School 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 School 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.

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 School 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 School 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.

Agency Funds: Agency funds are used to account for assets that the School Board holds for others in an agency capacity. These include: Regional education service agencies (RESA's) and multi-county vocational centers (MCVC's) for the purpose of providing high quality, cost effective educational programs and to provide vocational training, respectively, in which the county board of education serves as the fiscal agent; 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 Position 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, and 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 School Board considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded generally when the related fund liability is incurred, except for un-matured 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.

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 or other highly liquid investments with an original maturity of three months or less are presented as cash in the accompanying financial statements.

Boards of education are authorized by statute to provide excess funds to either the State Consolidated Investment Pool or the West Virginia Municipal Bond Commission (MBC) 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 School Board are temporarily invested by the MBC specifically on behalf of the School Board as part of the MBC's consolidated investment pool. Deposits with the State Consolidated Investment Pool are held by the West Virginia Board of Treasury Investments (BTI). The deposits with the MBC are held for debt service requirements of the School Board. The deposits with the BTI and MBC are not separately identifiable as to specific types of securities. Investment income is prorated to the School Board at rates specified by the BTI and MBC. The amounts on deposit are available for immediate withdrawal and, accordingly, are presented as cash and cash equivalents in the accompanying basic financial statements. These investments are considered cash and cash equivalents due to their liquid nature. The BTI is directed by the State Treasurer to invest the funds in specific external investment pools in accordance with West Virginia code, policies set by the BTI, and by provisions of bond indentures and trust agreements, when applicable. Balances in the investment pools are recorded at fair value or amortized cost which approximates fair value. Fair value is determined by a third-party pricing service based on asset portfolio pricing models and other sources, in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. The BTI was established by the State Legislature and is subject to oversight by the State Legislature.

All deposit accounts and investments of the School Board at June 30, 2019 consisted of the following:

	Carrying Amount	Estimated Fair Value	Bank Balance
State Investment Pool	$ 3,303,982	$ 3,303,982	$ 3,303,982
Municipal Bond Commission	4,726,053	4,726,053	4,726,053
Deposits with financial institutions - Individual Schools	4,273,011	4,273,011	4,161,169
Deposits with financial institutions - Board of Education	24,654,054	24,654,054	24,654,054
Total investments	$ 32,684,089	$ 32,684,089	$ 32,684,089

Deposits 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 School Board's name. Custodian credit risk is the risk that in event of a bank failure, the School Board's deposits may not be returned to it. The School Board has limited its custodial credit risk by assuring that these deposits with financial institutions are adequately collateralized.

Cash on deposit with the MBC is held by the BTI in the West Virginia Government Money Market Pool and is subject to the following BTI policies and limits.

The BTI has adopted an investment policy in accordance with the "Uniform Prudent Investor Act." The "prudent investor rule" guides those with responsibility for investing the money for others. Such fiduciaries must act as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income; preserve capital; and, in general, avoid speculative investments. The BTI's investment policy is to invest assets in a manner that strives for maximum safety, provides adequate liquidity to meet all operating requirements, and achieves the highest possible investment return consistent with the primary objectives of safety and liquidity. The BTI recognizes that risk, volatility, and the possibility of loss in purchasing power are present to some degree in all types of investments. Due to the short-term nature of BTI's Consolidated Fund, the BTI believes that it is imperative to review and adjust the investment policy in reaction to interest rate market fluctuations/trends on a regular basis and has adopted a formal review schedule. Investment policies have been established for each investment pool and account of the BTI's Consolidated Fund. Of the BTI's Consolidated Fund pools and accounts in which the School Board invests, all are subject to credit risk. The following BTI investment risk information has been extracted from the notes to BTI's financial statements.

WV Government Money Market Pool - *Credit Risk* - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. For the year ended June 30, 2018, the WV Government Money Market Pool has been rated AAAm by Standard & Poor's. A fund rated "AAAm" has extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market, and/or liquidity risks. "AAAm" is the highest principal stability fund rating assigned by Standard & Poor's.

The BTI limits the exposure to credit risk in the WV Government Money Market Pool by limiting the pool to U.S. Treasury issues, U.S. government agency issues, money market funds investing in 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 obligations or obligations guaranteed as to repayment of interest and principal by the United States of America.

The BTI limits the exposure to credit risk in the WV Government Money Market Pool by limiting the pool to U.S. Treasury issues, U.S. government agency issues, money market funds investing in 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 obligations or obligations guaranteed as to repayment of interest and principal by the United States of America.

At June 30, 2018, the WV Government Money Market Pool investments had a total carrying value of $212,304,000 of which the School Board's ownership represents 15%.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. All the BTI's Consolidated Fund pools and accounts are subject to interest rate risk.

The overall weighted average maturity of the investments of the WV Government Money Market Pool cannot exceed 60 days. Maximum maturity of individual securities cannot exceed 397 days from date of purchase, except for government floating rate notes, which can be up to 762 days.

The following table provides information on the weighted average maturities for the various asset types in the WV Government Money Market Pool:

	2018	
Security Type	**Carrying Value (In thousands)**	**WAM (Days)**
Repurchase agreements	$ 10,973	76
U.S. Treasury notes	23,950	43
U.S. Treasury bills	52,300	17
U.S. agency discount notes	76,734	20
U.S. agency bonds and notes	48,100	3
Money market funds	247	3
	$ 212,304	21

Other Investment Risks - Other investment risks include concentration of credit risk, custodial credit risk, and foreign currency risk.

Concentration of credit risk is the risk of loss attributed to the magnitude of the BTI's Consolidated Fund pool or account's investment in a single corporate issuer. The BTI investment policy prohibits those pools and accounts permitted to hold corporate securities from investing more than 5% of their assets in any one corporate name or one corporate issue.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the BTI will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Repurchase agreements are required to be collateralized by at least 102% of their value, and the collateral is held in the name of the BTI. The BTI or its agent does not release cash or securities until the counterparty delivers its side of the transaction.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. None of the BTI's Consolidated Fund's investment pools or accounts holds interests in foreign currency or interests valued in foreign currency.

Deposits - Custodial credit risk of deposits is the risk that in the event of failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. Deposits include nonnegotiable certificates of deposit. WV Government Money Market Pool does not contain nonnegotiable certificates of deposit. The BTI does not have a deposit policy for custodial credit risk.

F. Food Service receivables:

The accounts receivable for the Food Service Program has been reduced by $148,657 for uncollectible accounts. The allowance for uncollectible accounts was calculated based upon historical data maintained by the School Board.

G. Inter-fund 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 inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund 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.

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.

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 School 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 acqusition 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 School Board are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Site Improvements	20 – 35
Furniture and Equipment	5 – 20
Vehicles	8 – 12

K. Deferred Outflow of Resources:

A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period.

L. Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Teacher Retirement System (TRS) and additions to/deductions from the TRS fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 10 for further discussion.

M. Compensated Absences and Other Post Employment Benefit Liability:

Compensated Absences:

It is the School Board's policy to permit employees to accumulate earned but unused vacation pay benefits. Vacation benefits can be accumulated up to 20 days and carried forward to the subsequent fiscal year. All vacation pay is accrued when incurred and the liability for these amounts is reported in the general long-term debt account group. Upon termination employees may be compensated for vacation benefits accumulated. In lieu of a cash payment at retirement, employees hired prior to July 1, 2015 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.

Other Post Employment Benefit (OPEB) Liability:

It is the School Board's policy to permit employees to accumulate earned but unused sick pay benefits. Sick benefits can be accumulated for unlimited days and carried forward to the subsequent fiscal year. When separated from employment, employees' sick leave benefits are considered ended and no reimbursement is provided. However, upon retirement, an employee's accumulated annual sick leave may be converted to a greater retirement benefit or payment of the retired employee's health insurance premiums. The cost of the increased retirement option is the liability of the West Virginia Consolidated Public Retirement Board. The payment of health insurance premiums must be absorbed by the last agency employing the retiree and is included as part of the OPEB liability.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by West Virginia Retiree Health Benefit Trust Fund (RHBT). For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 11 for further discussion.

N. 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 position. Bond premiums and discounts 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses during the period in which the bonds were issued.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

O. Deferred Inflow of Resources

A deferred inflow of resources is an acquisition of net position by the government that is applicable to a future reporting period.

P. Net Position:

Net position is classified into four categories according to external donor restrictions or availability of assets for satisfaction of School Board obligations. The School Board's net position is classified as follows:

- **Net investment capital assets -** This represents the School Board's total investment in capital assets, net of accumulated depreciation and reduced by the balances of any outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested capital assets, net of related debt.

- **Restricted net position, expendable -** This includes resources in which the School Board is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties including grantors, donors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

- **Unrestricted net position -** This represents resources derived from other than capital assets or restricted net position. These resources are used for transactions relating to the general operation of the School Board, and may be used at the discretion of the School Board to meet current expenses for any lawful purpose.

Q. Fund Equity:

Effective July 1, 2010, the School 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 School 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:

- Nonspendable fund balances include amounts that cannot be spent because they are in a nonspendable 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.

- 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 School Board minutes of the fiscal year ended June 30, 2019. 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 which 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 School 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.

R. Elimination and Reclassifications:

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as inter-fund activity and balances in the funds were eliminated or reclassified. Inter-fund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

S. 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.

T. Restricted Resources:

Restricted resources should be applied first when an expense is incurred for purposes for which both restricted and unrestricted net positions 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.

U. Newly Adopted Statements Issued by the GASB:

The Governmental Accounting Standards Board has also issued Statement No. 83, *Certain Asset Retirement Obligations*, effective for fiscal years beginning after June 15, 2018. The objective of this Statement is to enhance comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure asset retirement obligations (AROs), including obligations that may not have been previously reported. This statement will also enhance the decision-usefulness of the information provided to financial statement users by requiring disclosures related to those AROs. The School Board has not yet determined the effect that the adoption of GASB Statement No. 83 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, effective for fiscal years beginning after June 15, 2018. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The School Board has not yet determined the effect that the adoption of GASB Statement No. 88 may have on its financial statements.

V. Recent Statements Issued by the GASB:

The Governmental Accounting Standards Board has also issued Statement No. 84, *Fiduciary Activities*, effective for fiscal years beginning after December 15, 2018. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The School Board has not yet determined the effect that the adoption of GASB Statement No. 84 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 87, *Leases*, effective for fiscal years beginning after December 15, 2019. This Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements. The School Board has not yet determined the effect that the adoption of GASB Statement No. 87 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for fiscal years beginning after December 15, 2019. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. The School Board has not yet determined the effect that the adoption of GASB Statement No. 89 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 90, *Majority Equity Interests*, effective for fiscal years beginning after December 15, 2018. The primary objectives of the I Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The School Board has not yet determined the effect that the adoption of GASB Statement No. 90 may have on its financial statements.

Note 2 - Stewardship, Compliance and Accountability:

Deficiencies in Net Changes in Fund Balances and Deficit Fund Balances:

The following funds had deficiencies in net changes in fund balances for the year ended June 30, 2019:

Fund	Amount
General Current Expense Fund	$1,696,931
Bond Construction Fund	30,211

Funds sufficient to provide for the excess expenditures were made available from other sources within each fund and the deficiency had no impact on the financial results of the Funds.

Note 3 - Risk Management:

The School 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 School 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 School 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 School 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.

Health coverage under these programs has no lifetime maximum benefit, while life insurance coverage is limited to $10,000. 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): Traveler's Insurance Company provides workers' compensation coverage to Berkeley 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's risk pool retains the risk related to the compensation of injured employees under the program.

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 School Board per $100 of assessed valuation for each class of property for the fiscal year ended June 30, 2019 were:

Class of Property	Assessed Valuations For Tax Purposes	Current Expense	Excess Levy	Bond Purposes
Class I	$	19.40¢	22.50¢	3.00¢
Class II	$ 3,271,534,930	38.80¢	45.00¢	6.00¢
Class III	$ 1,722,784,311	77.60¢	90.00¢	12.00¢
Class IV	$ 477,984,003	77.60¢	90.00¢	12.00¢

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 June 30, 2019 for the School Board's funds are as follows:

	General Current Expense Fund	Debt Service Fund
Taxes receivable	$ 4,572,007	$ 361,230
Less: allowance for uncollectible	(3,342,785)	(194,297)
Taxes receivable, net	$ 1,229,222	$ 166,933

Note 5 - Excess Levy:

The School Board had an excess levy in effect during the fiscal year ended June 30, 2019. The levy was authorized by the voters of the county at an election held on August 29, 2014 for the fiscal years ended June 30, 2016 through June 30, 2020 to provide funds for the following purposes:

A total of $34,078,153 was received by the School Board from the excess levy during the fiscal year ended June 30, 2019.

Note 6 – Tax Abatement:

During the fiscal year ended June 30, 2017, the School Board's property tax revenues were reduced by $4,458,503 pursuant to agreements entered into by the County Commission of Berkeley County. Authority is given to the Tax Commissioner under WVC 11-10-7A and is given to the County Commission under WVC 31-15-17 for corporations developed under the economic development authority. Under the agreements, payments in lieu of taxes (PILOTs) are remitted to the sheriff of Berkeley County by property owners who are parties to the agreement(s). The sheriff is then required to remit the PILOTs to all public bodies within the County in the same proportion as property taxes. The School Board received $1,340,680 for its share of PILOT collections during the fiscal year ended June 30, 2019.

Note 7 - Capital Assets:

Capital asset balances and activity for the year ended June 30, 2019, is as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets, non-depreciable:				
Land	$ 4,856,659	$ -	$ -	$ 4,856,659
Construction in process	-	392,144	-	392,144
Total non-depreciable capital assets	4,856,659	392,144	-	5,248,803
Capital assets, depreciable:				
Land improvements	7,180,223	-	-	7,180,223
Buildings and improvements	261,290,879	-	-	261,290,879
Furniture and equipment	8,581,938	883,058	(19,582)	9,445,414
Vehicles	23,303,155	2,167,407	(1,471,632)	23,998,930
Total depreciable capital assets	300,356,195	3,050,465	(1,491,214)	301,915,446
Less accumulated depreciation for:				
Land improvements	(3,076,841)	(220,315)	-	(3,297,156)
Buildings and improvements	(62,831,407)	(5,684,265)	-	(68,515,672)
Furniture and equipment	(4,262,721)	(1,110,344)	13,918	(5,359,147)
Vehicles	(13,972,866)	(1,776,534)	1,471,630	(14,277,770)
Total accumulated depreciation	(84,143,835)	(8,791,458)	1,485,548	(91,449,745)
Total depreciable capital assets, net	216,212,360	(5,740,993)	(5,666)	210,465,701
Total capital assets, net	$ 221,069,019	$ (5,348,849)	$ (5,666)	$ 215,714,504

Depreciation expense was charged to functions/programs of the governmental activities as follows:

Instruction	$ 4,835,302
Supporting Services:	
Central administration	175,829
Operation and maintenance of facilities	703,317
Transportation	1,934,120
Other support services	263,744
Food services	879,146
Total Depreciation expense - governmental activities	$ 8,791,458

Note 8 - Long-term Debt:

Long-term liability activity for the year ended June 30, 2019 is as follows:

	Balance, Beginning of Year	Additions	Deductions	Balance, End of Year	Amounts due within one year	Amounts due past one year
General obligation debt	$ 28,315,000	$ -	$ 3,560,000	$ 24,755,000	$ 3,710,000	$ 21,045,000
Proportionate share of net pension liability	11,141,847	2,484,793	-	13,626,640	-	13,626,640
Proportionate share of net OPEB liability	8,125,456	9,473,312	-	17,598,768	-	17,598,768
Capital lease payable	22,764,983	263,180	2,059,533	20,968,630	1,240,000	19,728,630
Long-term liabilities	$ 70,347,286	$ 12,221,285	$ 5,619,533	$ 76,949,038	$ 4,950,000	$ 71,999,038

General Obligation Bonds – General obligation bonds payable at June 30, 2019, with their outstanding balance are comprised of the following individual issues:

Bond Issue of 2010	$51,500,000

The School Board's future debt service requirements for bonded debt is as follows:

Year Ending June 30	Interest Rate	Principal	Interest	Total
2020	4.00%	3,710,000	903,588	4,613,588
2021	3.25%	3,865,000	755,188	4,620,188
2022	3.75%	4,030,000	629,575	4,659,575
2023	3.50%	4,205,000	493,563	4,698,563
2024 - 2025	3.5-4.00%	8,945,000	517,576	9,462,576
Total		$ 24,755,000	$ 3,299,490	$ 28,054,490

Bond Issue of 2010:

On February 17, 2010, the School Board issued $51,500,000 in general obligation bonds to provide funds for the improvement of existing facilities and the construction of new schools. The bonds mature in varying annual increments through May, 2025 and interest is payable semiannually at 3.5 to 4.0%. Payments on the general obligation bonds payable during the year were made from the debt service fund.

Of the total amount required to amortize all general obligation bonds outstanding as of June 30, 2019, including interest payments, the following summarizes the current and long-term portions:

Total bonds payable at June 30, 2019	$24,755,000
Less: Current portion	(3,710,000)
Long-term bonds payable	$21,045,000

Note 9 - Leases:

The School 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. Operating lease expenditures for the year ended June 30, 2019 were $408,192.

The School Board has entered into a capital lease-purchase agreement pursuant to the provisions of West Virginia Code §18-5-9a whereby energy conservation equipment has been installed in several of the schools The equipment is leased from Bank of America Public Capital Corporation for a period of 15 years beginning November 19, 2016. At the end of the contract period, the School Board will have ownership of the equipment. By contract, the School 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, 2019, are as follows:

Year Ending June 30	Interest Rate	Principal	Interest	Total
2020	2.83%	1,240,000.00	586,659.00	1,826,659.00
2021	2.83%	1,325,000.00	551,567.00	1,876,567.00
2022	2.83%	1,410,000.00	514,069.50	1,924,069.50
2023	2.83%	1,480,000.00	474,166.50	1,954,166.50
2024	2.83%	1,570,000.00	432,282.50	2,002,282.50
2025	2.83%	1,675,000.00	387,851.50	2,062,851.50
2026	2.83%	1,780,000.00	340,449.00	2,120,449.00
2027	2.83%	1,885,000.00	290,075.00	2,175,075.00
2028	2.83%	2,000,000.00	236,729.50	2,236,729.50
2029	2.83%	2,060,000.00	180,129.50	2,240,129.50
2030	2.83%	2,115,000.00	121,831.50	2,236,831.50
2031	2.83%	2,165,450.00	61,977.00	2,227,427.00
2032		263,180.00	-	263,180.00
Total		$ 20,968,630.00	$ 4,177,787.50	$ 25,146,417.50

The assets acquired through capital leases are as follows:

Asset:	
Building Improvements	$28,097,036
Less: Accumulated Depreciation	
Building Improvements	(2,231,310)
Total Assets, net accumulated depreciation	$25,865,726

The Board has entered into a capital lease-purchase agreement pursuant to the provisions of West Virginia Code §18-5-9a whereby iPad classroom equipment has been installed in all elementary schools. The equipment is leased from Apple Inc. for a period of three years beginning February 23, 2017. At the end of the contract period, the School 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, 2019, is $0.

The assets acquired through capital leases are as follows:

Asset:		
Furniture and equipment	$	2,398,599
Less: Accumulated Depreciation		
Furniture and equipment		(1,039,393)
Total Assets, net accumulated depreciation	$	1,359,206

The following is a summary of the future minimum required lease payments by year under operating leases as of June 30, 2019:

Year	
2020	$197,760
2021	197,760
Total minimum operating lease payments	$395,520

Note 10 - 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' Retirement System (TRS) or the Teachers' Defined Contribution Retirement System (TDC). For the year ended June 30, 2019, the School Board's total payroll for all employees was $120,284,308 and the payroll was $95,616,188 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 School Board's financial statements prepared using the current financial resources measurement focus and the modified accrual basis of accounting. 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 School Board's financial statements prepared using the current financial resources measurement focus and the modified accrual basis of accounting. The State's contribution to TRS on-behalf of the School Board meets the GASB Statement No. 68 definition of a special funding source. Therefore, the School Board has recorded pension expense and revenue for the portion of the State's total proportionate share of collective pension expense that is associated with the School Board in the financial statements prepared on the economic resources focus and accrual basis of accounting.

Conversion of leave for post-retirement: For employees hired for the first time and first becoming a member of the Teachers' Retirement System (TRS) before July 1, 2016, 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. For employees hired for the first time and first becoming a member of the Teachers' Retirement System (TRS) on or after July 1, 2016, there is no provision to convert an employee's unused vacation and sick leave to a greater retirement benefit or payment of health insurance premiums.

A. Teachers' Retirement System (TRS):

Plan Description:

The Teachers' 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. The West Virginia Legislature passed Senate Bill 529 in 2015 essentially adding a second tier of retirement benefits for those eligible to be a member of TRS who are hired for the first time and first become a member of TRS on or after July 1, 2015. Chapter 18, Article 7A of the West Virginia State Code assigns the authority to establish and amend the provisions of the plan to the State Legislature.

Benefits provided: Prior to the passage of Senate Bill 529, 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. With the passage of Senate Bill 529, to qualify for full benefits, employees hired for the first time and first becoming a member of TRS on or after July 1, 2015 must meet the following conditions:

- age 62 for an employee who goes directly into retirement with no break in service,
- age 64 for employees with a break in service between employment and retirement and less than 20 years of TRS service,
- age 63 for those with a break in service between employment and retirement and 20 or more years of TRS service,

With the passage of Senate Bill 529, to qualify for reduced annuity benefits employees hired for the first time and first becoming a member of TRS on or after July 1, 2015 must meet the following conditions:

- between the ages of 60 and 62 and having a minimum of 10 years of contributing service,
- between the ages of 57 and 62 and having 20 or more years of contributing service.
- between the ages of 55 and 62 and having 30 or more years of contributing service.

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.

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.

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.

Net Pension Liability, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources:

At June 30, 2019, the School Board reported a liability for its proportionate share of the TRS net pension liability that reflected a reduction for State pension support provided to the School Board. The amount recognized by the School Board as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the School Board were as follows:

School Board's proportionate share of the net pension liability	$ 13,626,640
State's proportionate share of the net pension liability associated with the School Board.	243,435,287
Total portion of net pension liability associated with the school board	$ 257,061,927

The TRS net pension liability was measured as of June 30, 2018, and the total pension liability was determined by an actuarial valuation as of July 1, 2017 rolled forward to the measurement date. The School Board's proportion of the net pension liability was based on its proportionate share of employer and non-employer contributions to the TRS Plan for the fiscal year ended on the measurement date.

For the year ended June 30, 2018, the School Board's proportion was .436436 percent, which was an increase of .1139479% from its proportion measured as of June 30, 2017 .322487 percent.

For the year ended June 30, 2019, the School Board recognized pension expense of $20,466,651 and for support provided by the State, revenue of $17,006,139. At June 30, 2019, the School Board reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resource	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 709,439
Differences between expected and actual experience	97,988	274,727
Changes in proportion and differences between School Board contributions and proportionate share of contributions	2,846,840	1,079,816
Changes in assumptions	423,408	-
District contributions subsequent to the measurement date	777,242	-
Total	**$ 4,145,478**	**$ 2,063,982**

School Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30,	
2020	$ 1,030,694
2021	437,100
2022	(62,119)
2023	(237,745)
2024	136,324
Thereafter	-
Total	**$ 1,304,254**

Actuarial Assumptions:

For TRS, the actuarial assumptions used in the July 1, 2017 valuation, with update procedures used to roll forward the total pension liability to June 30, 2018, were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2015. These assumptions are as follows:

Inflation – 3.0%

Salary increases – For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.50%.

Investment rate of return – 7.5%, net of pension plan investment expense, including inflation.

Mortality – Active: RP-2000, Non-Annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis, healthy females – 94% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96 % of RP-2000

Disabled Annuitant table, projected with Scale AA on a fully generational basis, disabled females – 101% of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis.

Discount Rate – 7.5%

Investment Asset Allocation:

The long-term rate of return on pension plan investments was determined using the building block method in which estimates of expected real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class ae summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.5%	4.5%
International Equity	27.5%	8.6%
Core Fixed Income	15.0%	3.3%
Real Estate	10.0%	6.0%
Private Equity	10.0%	6.4%
Hedge Funds	10.0%	4.0%
Total	**100.0%**	

Discount Rate:

The discount rate used to measure the total pension liability was 7.5%. The projections of cash flows used to determine the discount rates assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position of the TRS Plan was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rates of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liability.

The following table presents the School Board's proportionate share of its net pension liability calculated using the discount rate of 7.5% and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease 6.50%	Current Discount Rate 7.50%	1.0% Increase 8.50%
School Board's proportionate share of the TRS net pension liability	$ 18,393,468	$ 13,626,640	$ 9,551,349

Payables to the pension plan:

At June 30, 2019, the School Board reported a liability of $13,626,640 for its unpaid legally required contributions to the pension plan. The liability is included in the balance of salaries payable and related payroll liabilities on the Governmental Funds Balance Sheet and the Statement of Net Position.

6 - B. Teachers' Defined Contribution Retirement System:

Plan Description: All School 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 were 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: Great-West SF Balanced Trust, Great-West Lifetime 2015 Trust II, Great-West Lifetime 2025 Trust II, Great-West Lifetime 2035 Trust II, Great-West Lifetime 2045 Trust II, Great-West Lifetime 2055 Trust II, American Funds EuroPacific R5, Franklin Mutual Global Discovery Fund – Z, DFA US Targeted Value R1, T. Rowe Price Diversified Small Cap Growth, Vanguard Small-Cap Index Fund – Inv, American Century Heritage Inv, Scout Mid Cap, Fidelity New Millennium, Putnam Equity Income Y, Vanguard Large Cap Index Inv, Western Asset Core Plus Bond A, TIAA-CREF High-Yield Inst, Vanguard Interm-Term Bond Index Fund, and VALIC Fixed Annuity Option.

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, 2018, this plan had approximately $516.9 million in net position held in trust 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 Great West Retirement Services, 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.

Total payments reflected in the School Board's financial statements to the defined contribution plan for the fiscal year ended June 30, 2019 were:

Employees' contributions (4.5%)	$	585,399
Employer's contributions (7.5%)		1,087,888
Total contributions	$	1,673,287

In 2017, W. Va. Code § 18-2-26 was amended and reenacted by the State legislature, leading to the ultimate abolishment and dissolution of all regional education service agencies (RESAs) by no later than July 1, 2018.

The School Board is a formal fiscal agent of RESA VIII. For financial statement purposes up through the fiscal year ended June 30, 2018, the amounts presented on the audited CPRB allocation schedules for the fiscal agent county board of education were split proportionately between the School Board and the RESA by estimating the RESA amount of the net pension liability, pension expense, deferred inflows, and deferred outflows. This estimate was based on the breakdown of payroll data available to the School Board. Specifically, each entities' contributions for the fiscal year pertaining to the measurement date to the plan were used to estimate their proportionate share of the net pension liability, pension expense, deferred inflows, and deferred outflows.

For the year-ended June 30, 2019, the audited allocation schedules from CPRB will be based on a measurement date of June 30, 2018; therefore, the amounts for the School Board will continue to include the final year of RESA-related amounts, but the dissolved RESAs are no longer preparing financial statements to report these amounts. For the net pension liability, pension expense, deferred inflows, and deferred outflows required by GASB 68 to be properly reported on the 2019 financial statements, the School Board will no longer estimate the RESA portion of the net pension liability, pension expense, deferred inflows, and deferred outflows. Instead, the School Board will include the total amount of the net pension liability, pension expense, deferred inflows, and outflows reported on the audited allocation schedules on their June 30, 2019 financial statements.

The fiscal year 2018 RESA financial statements reported the following amounts related to pensions:

Net Pension Liability: $2,758,646

Deferred Outflows of Resources: $713,828

Deferred Inflows of Resources: $456,690

The estimated result of including these amounts and the changes to these amounts during fiscal year 2019, was a decrease of $1,564,761 in General Revenue/Unrestricted State Aid.

Certain deferred inflows/outflows related to pension amounts are amortized over the average service life reported on the respective years' actuarial report. Due to the dissolution of the RESAs, the School Board will report the deferred inflows/outflows that would have been amortized by the RESA. The prior year RESA proportionate share amounts and average service lives used to calculate the deferred inflows/outflows amortization amounts are as follows: *(amounts come from the RSI schedule titled "Schedule of the District Proportionate Share of the Net Pension Liability")*

	2017	2016	2015	2014
RESA Proportionate Share	.079846%	.028049%	.022636%	.196560%
Average Service Life	5.98	5.96	6.00	5.91

Note 11 - Post-Employment Benefits Other Than Pension:

General Information:

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 West Virginia Public Employees Insurance Agency (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 Finance Board, and required the board to have an actuarial valuation conducted at least biannually.

All retired employees are eligible to obtain health insurance coverage through PEIA with the retired employee's premium contribution established by the PEIA Finance Board. The PEIA 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.

Plan Description:

The West Virginia Other Postemployment Benefit Plan (the Plan) is a cost sharing, multiple employer, defined benefit other post-employment benefit plan and covers the retirees of State agencies, colleges and universities, county boards of education, and other government entities as set forth in the West Virginia Code §5-16D-2. The financial activities of the Plan are accounted for in the RHBT, a fiduciary fund of the State of West Virginia, established July 1, 2006 as an irrevocable trust. The Plan is administered by a combination of PEIA and RHBT staff. The Plan administers and provides medical and prescription drug benefits to certain retired members receiving pension benefits under the PERS, TRS, TDCRS, TIAA-CREF, Plan G, Troopers Plan A or Troopers Plan B pension systems, as administered by the CPRB.

The Plan sponsor provides a capped pay-as-you-go subsidy to each covered retired member, as well as a fully insured retiree life insurance program.

Retiree contributions are set each year by the RHBT and approved by the PEIA Finance Board. Increases to retiree contributions may reflect healthcare inflation, claim experience, and premium increases above the plan sponsor capped pay-as-you-go subsidy. Retiree contributions depend on date of hire and years of

service at retirement. Members hired on or after July 1, 2010, pay retiree healthcare contributions with no sponsor provided implicit or explicit subsidy. Members hired before July 1, 2010, pay retiree healthcare contributions that are reduced by a sponsor subsidy which depends on the member's years of service at retirement.

Details regarding this plan and a copy of the RHBT financial report can be obtained by contacting Public Employees Insurance Agency, 601 57th Street SE, Suite 2, Charleston, West Virginia 25304-2345, or by calling (888) 680-7342.

Benefits provided:

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.

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 prior to July 1, 2015, 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.

Contributions:

WVC §5-16D-3 states that contribution requirements of the members and the participating employers are set each year by the RHBT and approved by the PEIA Finance Board. All participating employers are required by statute to contribute to the RHBT this premium at the established rate for every active policyholder per month. The pay-go rates for June 30, 2019 and 2018, respectively, were:

	2019	2018
Pay-go premium	$168	$177

Contributions to the OPEB plan from the School Board were $4,410,902 for the year end June 30, 2019. Employees are not required to contribute to the OPEB plan.

The State of West Virginia (the State) is a non-employer contributing entity that provides funding through Senate Bill 469 which was passed February 10, 2012, granting OPEB liability relief to the 55 County Boards of Education effective July 1, 2012. This special funding under the school aid formula subsidizes employer contributions of the county boards of education and contributes to the overall unfunded OPEB liability.

The State is a non-employer contributing entity that provides funding through Senate Bill 419, effective July 1, 2012 and amended by West Virginia Code §11-21-96. For fiscal years beginning on and after July 1, 2016, this Senate Bill and corresponding State Code section requires that an annual amount of $30 million from the State shall be dedicated for payment of the unfunded liability of the RHBT fund. The $30 million annual contribution is to continue through July 1, 2037, or until the unfunded liability has been eliminated, whichever comes first.

The State is a non-employer contributing entity that provides funding through West Virginia State Code §11B-2-32. The Financial Stability Fund is a plan to transfer an annual amount of $5 Million to the RHBT from special revenue funds to be used to lower retiree premiums, to help reduce benefit cuts, to help reduce premium increases or any combination thereof. The $5 million transferred pursuant to this Code shall be transferred annually into the RHBT through June 30, 2020.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2019, the School Board reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the School Board. The amount recognized by the School Board as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the School Board were as follows:

School Board's proportionate share of the net OPEB liability	$	17,598,768
State's proportionate share of the net OPEB liability associated with the School Board.		45,486,439
Total portion of net OPEB liability associated with the school board	$	63,085,207

The net OPEB liability was measured as of June 30, 2018 and the total OPEB liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to the measurement date. The School Board's proportion of the net OPEB liability was based on its proportionate share of employer and non-employer contributions to the OPEB Plan for the fiscal year ended on the measurement date.

For the year ended June 30, 2019, the School Board's proportion was .820289 percent, which was an increase of .489850% from its proportion measured as of June 30, 2018 .330439 percent.

For the year ended June 30, 2019, the School Board recognized OPEB expense of $4,853,627 and for support provided by the State, revenue of $3,781,331. At June 30, 2019, the School Board reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resource	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	$ -	$ 325,750
Differences between expected and actual experience	-	260,321
Changes in proportion and differences between School Board contributions and proportionate share of contributions	7,469,556	927,720
Changes in assumptions	-	1,757,210
School Board contributions subsequent to the measurement date	629,571	-
Total	**$ 8,099,127**	**$ 3,271,001**

School Board contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

Years ending June 30,	
2020	$ 1,051,043
2021	1,051,043
2022	1,154,008
2023	942,460
2024	-
Thereafter	-
Total	**$ 4,198,554**

Actuarial Assumptions:

The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the following actuarial assumptions. These assumptions were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2015 and apply to all periods included in the measurement, unless otherwise specified.

Inflation – 2.75%

Salary increases – Dependent upon pension system. Ranging from 3.0% to 6.5% including inflation

Investment rate of return – 7.15%, net of OPEB plan investment expense, including inflation

Mortality – Post-Retirement: RP – 2000 Health Annuitant Mortality Table projected with Scale AA on a fully generational basis

Discount rate – 7.15%

Healthcare cost trend rates – Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.5% and 9.75% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend rate of 4.50%. Excess trend rate of 0.14% and 0.29% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2020 to account for the Excise Tax.

Investment Asset Allocation:

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. Those ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following tables:

Asset Class	Target Allocation
U.S. Equity	27.5%
International Equity	27.5%
Fixed Income	15.0%
Real Estate	10.0%
Private Equity	10.0%
Hedge Funds	10.0%
Total	**100.0%**

Asset Class	Long-Term Expected Real Rate of Return
Large Cap Domestic	17.0%
Non-Large Cap Domestic	22.0%
International Qualified	24.6%
International Non-Qualified	24.3%
International Equity	26.2%
Short-Term Fixed	0.5%
Total Return Fixed Income	6.7%
Core Fixed Income	0.1%

Hedge Fund	5.7%
Private Equity	19.6%
Real Estate	8.3%
Opportunistic Income	4.8%
Cash	0.0%

The discount rate used to measure the total OPEB liability was percent. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the School Board's proportionate share of its net pension liability calculated using the discount rate of percent and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease 6.15%	Current Discount Rate 7.15%	1.0% Increase 8.15%
School Board's proportionate share of the RHBT net OPEB liability	$ 20,683,849	$ 17,598,768	$ 15,027,022

Healthcare Cost Trend Rate:

The following table presents the School Board's proportionate share of its net pension liability calculated using the healthcare cost trend rate of percent and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease	Current Healthcare Cost Trend Rate	1.0% Increase
School Board's proportionate share of the RHBT net OPEB liability	$ 14,562,033	$17,598,768	$21,298,927

Payables to the OPEB Plan:

At June 30, 2019, the School Board reported a liability of $660,724 for its unpaid legally required contributions to the OPEB plan. The liability is included in the balance of salaries payable and related payroll liabilities on the Governmental Funds Balance Sheet and the Statement of Net Position.

In 2017, W. Va. Code § 18-2-26 was amended and reenacted by the State legislature, leading to the ultimate abolishment and dissolution of all regional education service agencies (RESAs) by no later than July 1, 2018.

The School Board is a formal fiscal agent of RESA VIII. For financial statement purposes up through the fiscal year ended June 30, 2018, the amounts presented on the audited WV RHBT allocation schedules for the fiscal agent county board of education were split proportionately between the School Board and the RESA by estimating the RESA amount of the net OPEB liability, OPEB expense, deferred inflows, and deferred outflows. This estimate was based on the breakdown of payroll data available to the School Board. Specifically, each entities' contributions for the fiscal year pertaining to the measurement date to the plan were used to estimate their proportionate share of the net OPEB liability, OPEB expense, deferred inflows, and deferred outflows.

For the year-ended June 30, 2019, the audited allocation schedules from WV RHBT will be based on a measurement date of June 30, 2018; therefore, the amounts for the School Board will continue to include the final year of RESA-related amounts, but the dissolved RESAs are no longer preparing financial statements to report these amounts. For the net OPEB liability, OPEB expense, deferred inflows, and deferred outflows required by GASB 75 to be properly reported on the 2019 financial statements, the School Board will no longer estimate the RESA portion of the net OPEB liability, OPEB expense, deferred inflows, and deferred outflows. Instead, the School Board will include the total amount of the net OPEB liability, OPEB expense, deferred inflows, and outflows reported on the audited allocation schedules on their June 30, 2019 financial statements.

The fiscal year 2018 RESA financial statements reported the following amounts related to OPEB:

Net OPEB Liability: $2,702,432

Deferred Outflows of Resources: $223,139

Deferred Inflows of Resources: $628,067

The estimated result of including these amounts and the changes to these amounts during fiscal year 2019, was a decrease of $2,954,867 in General Revenue/Unrestricted State Aid.

Certain deferred inflows/outflows related to OPEB amounts are amortized over the average service life reported on the respective years' actuarial report. Due to the dissolution of the RESAs, the School Board will report the deferred inflows/outflows that would have been amortized by the RESA. The prior year RESA proportionate share amounts and average service lives used to calculate the deferred inflows/outflows amortization amounts are as follows:

	2017
RESA Proportionate Share	.109900%
Average Service Life	4.71

Note 12 - Pending Litigation:

The School Board is involved in a number of legal proceedings and claims, involving students, employees and citizens who have sued the School 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 School Board. The School Board's insurance through the State Board of Risk and Insurance Management appears adequate to fully cover any potential liability.

Note 13 - Fund Balance

The detailed components of the various fund balance categories as of June 30, 2019 are as follows:

Fund Balances	General Current Expense	Special Revenue Fund	Debt Service Fund	Bond Construction Fund	Capital Projects Fund	Total Governmental
Restricted for:						
Special Projects	$ -	$ 1,991,453	$ -	$ -	$ -	$ 1,991,453
Capital Projects	-	-	-	911,191	125,000	1,036,191
Debt Service	-	-	4,775,348	-	-	4,775,348
Assigned to:						
Instruction	17,592	-	-	-	-	17,592
Students	4,061	-	-	-	-	4,061
Instructional Staff	1,146	-	-	-	-	1,146
Central Administration	700	-	-	-	-	700
Business	7,783	-	-	-	-	7,783
Operations	82,181	-	-	-	-	82,181
Transportation	1,575	-	-	-	-	1,575
Unassigned	6,926,350	-	-	-	-	6,926,350
Total fund balances	$ 7,041,388	$ 1,991,453	$ 4,775,348	$ 911,191	$ 125,000	$ 14,844,380

Note 14 - Commitments, Contingencies and Subsequent Events:

The School Board had encumbrances totaling $1,975,297 as of June 30, 2019 in the following funds:

	General Current Expense	Debt Service	Bond Construction	Capital Projects	Special Revenue
Total Encumbrances	$ 115,038	$ -	$ 38,755	$ 426,399	$ 1,395,105
Portion in Restricted	-	-	38,755	426,399	1,395,105
Portion in Committed	-	-	-	-	-
Portion in Assigned	115,038	-	-	-	-

Encumbrances are classified as Restricted, Committed, or Assigned fund balance depending on the specific purpose of the encumbrance.

During the fiscal year ended June 30, 2019, the School Board was awarded a grant of $900,000 from the School Building Authority (SBA) to finance the construction of classroom additions to Orchard View Intermediate.

Under the terms of certain federal grant programs, periodic audits may be made, and certain costs may be questioned as not being appropriate expenses. Laws and regulations governing the grant programs and allowability of program costs are complex and subject to interpretation. Accordingly, such audits could lead to disallowances requiring reimbursements to the grantor agencies, which could be material to the School Board's financial statements. Management of the School Board believes that the School Board is in compliance with applicable laws and regulations, in all material respects. Based on prior experience, the School Board believes such disallowances, if any, would be immaterial.

Effective with the fiscal year ended June 30, 2015, the Medicaid school-based health services program through the West Virginia Department of Health and Human Resources (DHHR), Bureau for Medical Services has a cost settlement requirement. This change was required by the federal Centers for Medicare and Medicaid Services (CMS). Revenue for services provided during the fiscal year ended June 30, 2019 has been recognized in accordance with the fee-for-service billings because there is insufficient data to estimate the cost settlement amounts. The interim cost settlement for the fiscal year ended June 30, 2018 was received by the School Board during June 2019. As such, Medicaid revenue has been adjusted accordingly within the accompanying financial statements. The interim cost settlement for the fiscal year ended June 30, 2019 will not be available until spring or summer of 2019. Laws and regulations governing the Medicaid program are complex and subject to interpretation. Management of the School Board believes that it is in compliance, in all material respects, with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing that would have a material effect on its financial statements. Compliance with such laws and regulations can be subject to future government review and interpretation. Accordingly, such reviews could lead to disallowances and/or significant regulatory action, including fines, penalties and exclusion from the Medicaid program resulting in reimbursement of previously reported revenue, which could be material to the School Board's financial statements.

The School Board owns various buildings which are known to contain asbestos and/or other environmental issues. The School Board is not required by federal, state or local law to remove the asbestos from its buildings. The School Board is required under federal environmental health and safety regulations to manage the presence of asbestos and other environmental issues in its buildings in a safe condition. The School Board addresses its responsibility to manage the presence of asbestos and other environmental issues in its buildings on a case by case basis. Significant problems of dangerous asbestos conditions are abated as the conditions become known. The School Board also addresses the presence of asbestos as building renovation or demolition projects are undertaken and through asbestos operation and maintenance programs directed at containing, managing, or operating with the asbestos in a safe condition.

Note 15 – Inter-fund Balances and Transfers

The composition of inter-fund balances as of June 30, 2019 is as follows:

Interfund Transfers:

Transfers in	Transfers out	Amount
Special Revenue Fund	General Current Expense Fund	$ 4,759,807
Bond Construction Fund	Debt Service Fund	-
General Current Expense Fund	Capital Projects Fund	6,509
General Current Expense Fund	Special Revenue Fund	251,108
Capital Projects Fund	General Current Expense Fund	105,000
Intrafund Transfers		4,020,015
Total		$ 9,142,439

Inter-fund Transfers

1.	From General Fund to Special Revune for Early Retirement.	$ 10,283
2.	From General Fund to Special Revune for Staff Development.	79,849
3.	From General Fund to Special Revune for Extra Curricular.	32,934
4.	From General Fund to Special Revenue for Child Nutrition.	4,634,501
5.	From General Fund to Special Revune for Instructional Scholarships.	2,240
6.	From Capital Project Fund to General Fund from a roofing project.	6,509
7.	From General Fund to Capital Projects Fund for auditorium seating project.	105,000
8.	From Special Revenue to the General Fund for indirect costs.	251,108
9.	Intrafund Transfers.	4,020,015
		$ 9,142,439

Note 16 - Major Sources of Revenue:

The largest single source of revenue received by the School Board is state aid funds through the Public School Support Program. In addition, the School 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 School 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 School Board believes such disallowance, if any, would be immaterial.

BERKELEY COUNTY BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND

For The Fiscal Year Ended June 30, 2019

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis	Adjustments for Regulatory	Actual Regulatory Basis	
	Original	Final	Amounts	Basis	Amounts	Variance With Final Budget
Revenues:						
Property taxes	$ 67,074,977	$ 66,011,213	$ 64,572,188	$ -	$ 64,572,188	$ (1,439,025)
Other Local sources	1,812,107	2,318,344	1,932,487	-	1,932,487	(385,857)
State sources	120,252,388	125,229,901	125,295,297	-	125,295,297	65,396
Federal sources	1,252,000	5,073,807	5,336,406	-	5,336,406	262,599
Miscellaneous sources	-	-	-	-	-	-
Total revenues	190,391,472	198,633,265	197,136,378	-	197,136,378	(1,496,887)
Expenditures:						
Instruction	120,797,694	117,724,651	113,177,246	-	113,177,246	4,547,405
Supporting services:						
Students	11,920,910	13,981,113	13,040,875	-	13,040,875	940,238
Instructional staff	4,635,470	5,590,742	5,355,497	-	5,355,497	235,245
General administration	1,361,020	1,834,921	1,742,079	-	1,742,079	92,842
School administration	10,806,370	12,660,818	12,401,087	-	12,401,087	259,731
Central services	4,117,700	5,296,615	4,849,485	-	4,849,485	447,130
Operation and maintenance of facilities	15,392,732	17,963,073	16,994,570	-	16,994,570	968,503
Student transportation	20,542,830	23,831,490	23,236,026	-	23,236,026	595,464
Food services	-	784,122	784,122	-	784,122	-
Community services	321,500	321,500	321,500	-	321,500	-
Capital outlay	530,940	527,675	477,070	-	477,070	50,605
Debt service:						
Principal retirement	1,260,000	1,260,000	1,260,000	-	1,260,000	-
Interest and fiscal charges	622,317	622,317	622,317	-	622,317	-
Total expenditures	192,309,483	202,399,037	194,261,874	-	194,261,874	8,137,163
Excess (deficiency) of revenues over expenditures	(1,918,011)	(3,765,772)	2,874,504	-	2,874,504	6,640,276
Other financing sources (uses):						
Proceeds from disposal of real or personal property	18,000	18,000	35,755	-	35,755	17,755
Transfers in	1,952,221	5,525,764	4,277,632	-	4,277,632	(1,248,132)
Transfers (out)	(5,536,383)	(10,516,311)	(8,884,822)	-	(8,884,822)	1,631,489
Total other financing sources (uses)	(3,568,162)	(4,972,547)	(4,571,435)	-	(4,571,435)	401,112
Change in fund balances	(5,486,173)	(8,738,319)	(1,696,931)	-	(1,696,931)	7,041,388
Fund balances - beginning	5,486,173	8,738,319	8,738,319	-	8,738,319	-
Fund balances - ending	$ -	$ -	$ 7,041,388	$ -	$ 7,041,388	$ 7,041,388

See notes to the required supplementary information

BERKELEY COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND
For The Fiscal Year Ended June 30, 2019

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis	Adjustments for Regulatory	Actual Regulatory Basis	
	Original	Final	Amounts	Basis	Amounts	Variance With Final Budget
Revenues:						
Local sources	$ 1,702,214	$ 1,917,901	$ 1,889,872	$ -	$ 1,889,872	$ (28,029)
State sources	7,422,267	10,680,994	9,293,621	-	9,293,621	(1,387,373)
Federal sources	18,008,478	20,387,677	19,563,531	-	19,563,531	(824,146)
Total revenues	27,132,959	32,986,572	30,747,024	-	30,747,024	(2,239,548)
Expenditures:						
Instruction	12,967,297	15,078,551	12,803,257	-	12,803,257	2,275,294
Supporting services:						
Students	462,400	1,838,889	1,381,941	-	1,381,941	456,948
Instructional staff	392,966	1,912,796	1,349,206	-	1,349,206	563,590
School administration	35,000	14,496	14,496	-	14,496	-
Central services	182,203	210,509	187,713	-	187,713	22,796
Operation and maintenance of facilities	-	18,895	8,926	-	8,926	9,969
Student transportation	34,934	119,821	118,124	-	118,124	1,697
Food services	13,962,290	14,670,994	14,492,909	-	14,492,909	178,085
Capital outlay	3,207,131	3,214,145	2,583,996	-	2,583,996	630,149
Debt service:						
Principal retirement	-	799,533	799,533	-	799,533	-
Total expenditures	31,244,221	37,878,629	33,740,101	-	33,740,101	4,138,528
Excess (deficiency) of revenues over expenditures	(4,111,262)	(4,892,057)	(2,993,077)	-	(2,993,077)	1,898,980
Other financing sources (uses):						
Transfers in	4,339,383	5,180,328	4,759,807	-	4,759,807	(420,521)
Transfers (out)	(228,121)	(288,271)	(251,108)	-	(251,108)	37,163
Total other financing sources (uses)	4,111,262	4,892,057	4,508,699	-	4,508,699	(383,358)
Change in fund balances	-	-	1,515,622	-	1,515,622	1,515,622
Fund balances - beginning	-	-	475,831	-	475,831	475,831
Fund balances - ending	$ -	$ -	$ 1,991,453	$ -	$ 1,991,453	$ 1,991,453

See notes to the required supplementary information

BERKELEY COUNTY BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

FOR THE MEASUREMENT PERIOD ENDED JUNE 30, 2018

	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.436436%	0.322487%	0.356986%	0.284780%	0.222480%
District's proportionate share of the net pension liability (asset)	$ 13,626,640	$ 11,141,847	$ 14,671,541	$ 9,868,364	$ 9,737,799
State's proportionate share of the net pension liability (asset) associated with the district	243,435,287	171,303,541	203,562,761	171,468,667	197,224,847
Total	257,061,927	182,445,388	218,234,302	181,337,031	206,962,646
District's covered payroll	$ 90,278,672	$ 84,341,961	$ 83,464,562	$ 85,970,051	$ 86,207,645
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	15.094%	13.210%	17.578%	11.479%	11.296%
Plan fiduciary net position as a percentage of the total pension liability	71.20%	67.86%	61.42%	66.25%	65.95%

See notes to the required supplementary information

BERKELEY COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM
AS OF JUNE 30, 2019

	2019	2018	2017	2016	2015
Contractually required contribution	$ 7,724,513	$ 7,443,354	$ 7,080,264	$ 7,149,174	$ 7,519,168
Contributions in relation to the contractually required contribution	(7,724,513)	(7,443,354)	(7,080,264)	(7,149,174)	(7,519,168)
Contribution deficiency (excess)	-	-	-	-	-
District's covered payroll	$ 95,616,189	$ 90,278,672	$ 84,341,961	$ 83,464,562	$ 85,970,051
Contributions as a percentage of covered payroll	8.079%	8.245%	8.395%	8.566%	8.746%

Data prior to 2015 is unavailable.

See notes to the required supplementary information

BERKELEY COUNTY BOARD OF EDUCATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
FOR THE MEASUREMENT PERIOD ENDED JUNE 30, 2018

	2018	2017
District's proportion of the net OPEB liability (asset)	0.820289%	0.330439%
District's proportionate share of the net OPEB liability (asset)	$ 17,598,768	$ 8,125,456
State's proportionate share of the net OPEB liability (asset) associated with the district	45,486,439	38,001,898
Total	63,085,207	46,127,354
District's covered payroll	$ 113,050,247	$ 109,809,122
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	15.567%	7.400%
Plan fiduciary net position as a percentage of the total OPEB liability	30.98%	25.10%

Data prior to 2017 is unavailable.

See notes to the required supplementary information

BERKELEY COUNTY BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS
RETIREE HEALTH BENEFIT TRUST FUND
AS OF JUNE 30, 2019

	2019	2018
Contractually required contribution	$ 4,410,902	$ 3,938,156
Contributions in relation to the contractually required contribution	(4,410,902)	(3,938,156)
Contribution deficiency (excess)	-	-
District's covered payroll	$120,284,308	$ 113,050,247
Contributions as a percentage of covered payroll	3.667%	3.484%

Data prior to 2018 is unavailable.

See notes to the required supplementary information

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 regulatory basis of accounting for all governmental funds. The regulatory basis of accounting for West Virginia Boards of Education does 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). Certain other transactions, such as for/on behalf unfunded retirement contributions are also not included in the School Board's regulatory basis budget. Budgets are not adopted for agency funds. The following procedures are followed in preparing the annual budget:

1. Pursuant to State statute, the School 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 School Board adjourns the meeting and submits its Schedule of Proposed Levy Rates to the State Auditor's Office for approval. The School Board then reconvenes its meeting on the third Tuesday of April to formally lay the approved levy.

2. The School 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 School 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.

B. Deficiencies in Net Changes in Fund Balances:

For the year ended June 30, 2019, expenditures exceeded appropriations in the funds listed below.

Fund:	Amount
General Current Expense Fund	$1,696,931

The over-expenditures were funded by a reduction of the available beginning fund balance.

C. Changes in Assumptions

The actuarial assumptions used in the total pension liability calculation can change from year to year. Please see table below which summarizes the actuarial assumptions used for the respective measurement dates.

	2018	2017	2016	2015
Inflation	3%	3%	3%	3%
Salary Increases	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.50%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.75-5.25%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.40-6.50%.
Investment Rate of Return	7.5 %, net of pension plan investment expense, including inflation	7.5 %, net of pension plan investment expense, including inflation	7.5%, net of pension plan investment expense, including inflation.	7.5%, net of pension plan investment expense, including inflation.
Mortality	Active: RP-2000, Non-Annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis, healthy females – 94% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96 % of RP-2000 Disabled Annuitant table, projected with Scale	Active: RP-2000, Non-Annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis, healthy females – 94% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96 % of RP-2000 Disabled Annuitant table, projected with Scale	Active: RP-2000, Non-Annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis, healthy females – 94% of RP-2000 Healthy Annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96 % of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis,	Active – RP2000, non-annuitant monthly mortality table, retired – RP2000 healthy annuitant, scale AA; disabled – RP2000 disabled annuitant mortality table, scale AA.

	AA on a fully generational basis, disabled females – 101% of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis.	AA on a fully generational basis, disabled females – 101% of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis.	disabled females – 101% of RP-2000 Disabled Annuitant table, projected with Scale AA on a fully generational basis	
Discount Rate	7.5%	7.5%	7.5%	7.5%

The actuarial assumptions used in the total OPEB liability calculation can change from year to year. Please see table below which summarizes the actuarial assumptions used for the respective measurement dates.

	2018	2017
Inflation	2.75%	2.75%
Salary Increases	Dependent upon pension system. Ranging from 3.0% to 6.5%	Dependent upon pension system. Ranging from 3.0% to 6.5%
Investment Rate of Return	7.15%, net of OPEB plan investment expense, including inflation	7.15%, net of OPEB plan investment expense, including inflation
Mortality	Post-Retirement: RP – 2000 Healthy Annuitant Mortality Table projected with Scale AA on a fully generational basis	Post-Retirement: RP – 2000 Healthy Annuitant Mortality Table projected with Scale AA on a fully generational basis
Discount Rate	7.15%	7.15%
Healthcare Cost Trend Rates	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.0% and 10.0% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend rate of 4.50%. Excess trend rate of 0.13% and 0.00% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2022 to account for the Excise Tax.	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.5% and 9.75% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend rate of 4.50%. Excess trend rate of 0.14% and 0.29% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2020 to account for the Excise Tax.

BERKELEY COUNTY BOARD OF EDUCATION

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - DEBT SERVICE FUND

For The Fiscal Year Ended June 30, 2019

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis	Adjustments for Regulatory	Actual Regulatory Basis	Variance With
	Original	Final	Amounts	Basis	Amounts	Final Budget
Revenues:						
Local sources	$ 4,603,843	$ 4,603,843	$ 4,888,245	$ -	$ 4,888,245	$ 284,402
Total revenues	4,603,843	4,603,843	4,888,245	-	4,888,245	284,402
Expenditures:						
Debt service:						
Principal retirement	7,560,000	8,050,445	3,560,000	-	3,560,000	4,490,445
Interest and fiscal charges	1,045,988	1,048,488	1,047,987	-	1,047,987	501
Total expenditures	8,605,988	9,098,933	4,607,987	-	4,607,987	4,490,946
Excess (deficiency) of revenues over expenditures	(4,002,145)	(4,495,090)	280,258	-	280,258	4,775,348
Change in fund balances	(4,002,145)	(4,495,090)	280,258	-	280,258	4,775,348
Fund balances - beginning	4,002,145	4,495,090	4,495,090	-	4,495,090	-
Fund balances - ending	$ -	$ -	$ 4,775,348	$ -	$ 4,775,348	$ 4,775,348

See notes to the other supplementary information

BERKELEY COUNTY BOARD OF EDUCATION

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL PROJECTS-BOND CONSTRUCTION FUND

For The Fiscal Year Ended June 30, 2019

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis	Adjustments for Regulatory	Actual Regulatory Basis	
	Original	Final	Amounts	Basis	Amounts	Variance With Final Budget
Revenues:						
Other local sources	$ -	$ 961,293	$ 19,891	$ -	$ 19,891	$ (941,402)
Total revenues	-	961,293	19,891	-	19,891	(941,402)
Expenditures:						
Capital outlay	-	961,293	50,102	-	50,102	911,191
Total expenditures	-	961,293	50,102	-	50,102	911,191
Excess (deficiency) of revenues over expenditures	-	-	(30,211)	-	(30,211)	(30,211)
Change in fund balances	-	-	(30,211)	-	(30,211)	(30,211)
Fund balances - beginning	-	-	941,402	-	941,402	941,402
Fund balance - ending	$ -	$ -	$ 911,191	$ -	$ 911,191	$ 911,191

See notes to the other supplementary information

BERKELEY COUNTY BOARD OF EDUCATION

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND

For The Fiscal Year Ended June 30, 2019

	Budgeted Amounts Regulatory Basis		Actual GAAP Basis	Adjustments for Regulatory	Actual Regulatory Basis	
	Original	Final	Amounts	Basis	Amounts	Variance With Final Budget
Revenues:						
Other Local sources	$ -	$ 5,690,849	$ 80,509	$ -	$ 80,509	$ (5,610,340)
State sources	-	900,000	58,602	-	58,602	(841,398)
Total revenues	-	6,590,849	139,111	-	139,111	(6,451,738)
Expenditures:						
Capital outlay	-	6,584,340	375,782	-	375,782	6,208,558
Total expenditures	-	6,584,340	375,782	-	375,782	6,208,558
Excess (deficiency) of revenues over expenditures	-	6,509	(236,671)	-	(236,671)	(243,180)
Other financing sources (uses):						
Proceeds from capital leases	-	-	263,180	-	263,180	263,180
Transfers in	-	-	105,000	-	105,000	105,000
Transfers (out)	-	(6,509)	(6,509)	-	(6,509)	-
Total other financing sources (uses)	-	(6,509)	361,671	-	361,671	368,180
Change in fund balances	-	-	125,000	-	125,000	125,000
Fund balance - beginning	-	-	-	-	-	-
Fund balance - ending	$ -	$ -	$ 125,000	$ -	$ 125,000	$ 125,000

See notes to the other supplementary information

BERKELEY COUNTY BOARD OF EDUCATION
OTHER SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN SCHOOL ACTIVITY FUNDS
For The Fiscal Year Ended June 30, 2019

	Cash Balance	Revenues Received	Expenditures Paid	Cash Balance
High Schools:				
Hedgesville High School - General Fund	$ 536,726	$ 572,851	$ 573,507	$ 536,070
Martinsburg High School - General Fund	280,459	532,333	529,489	283,303
Musselman High School - General Fund	480,439	754,499	663,557	571,381
Spring Mills High School - General Fund	412,057	773,824	711,614	474,267
Total High Schools	$ 1,709,682	$ 2,633,508	$ 2,478,167	$ 1,865,022
Middle and Junior High Schools:				
Hedgesville Middle School - General Fund	$ 181,148	$ 226,878	$ 217,625	$ 190,401
Mountain Ridge Middle School - General Fund	108,888	204,391	168,028	145,251
Musselman Middle School - General Fund	299,724	185,750	237,357	248,117
North Middle School - General Fund	63,913	135,359	150,262	49,010
South Middle School - General Fund	119,943	143,644	156,698	106,889
Spring Mills Middle School - General Fund	290,476	191,098	166,902	314,672
Total Middle and Junior High Schools	$ 1,064,093	$ 1,087,120	$ 1,096,872	$ 1,054,340
Elementary Schools:				
Back Creek Valley Elementary School - General Fund	$ 27,480	$ 33,549	$ 33,766	$ 27,262
Bedington Elementary School - General Fund	38,159	32,022	33,002	37,179
Berkeley Heights Elementary School - General Fund	73,234	87,947	84,460	76,721
Bunker Hill Elementary School - General Fund	91,412	94,838	92,798	93,452
Burke Street Elementary School - General Fund	36,879	29,504	30,144	36,239
Eagle School Intermediate School - General Fund	85,345	136,680	142,749	79,277
Gerrardstown Elementary School - General Fund	21,735	52,869	45,059	29,544
Hedgesville Elementary School - General Fund	38,888	118,551	102,381	55,058
Inwood Primary School - General Fund	29,888	36,908	32,335	34,461
Marlowe Elementary School - General Fund	47,799	50,850	59,564	39,085
Mill Creek Intermediate School - General Fund	61,068	89,120	94,015	56,172
Mountain Ridge Intermediate School - General Fund	132,662	111,268	122,235	121,695
Opequon Elementary School - General Fund	129,010	66,504	88,970	106,544
Orchard View Intermediate School - General Fund	87,969	70,345	74,030	84,285
Pikeside Learning Center - General Fund	30,336	68,055	58,777	39,614
Potomack Intermediate School - General Fund	87,422	177,116	179,723	84,816
Rosemont Elementary School - General Fund	37,090	98,454	90,170	45,375
Spring Mills Primary Elementary School - General Fund	41,746	93,389	101,520	33,615
Tomahawk Elementary School - General Fund	97,236	144,055	122,244	119,047
Tuscarora Elementary School - General Fund	57,906	55,295	44,461	68,741
Valley View Elementary School - General Fund	45,567	85,722	76,873	54,415
Winchester Avenue Elementary School - General Fund	28,920	25,997	23,864	31,053
Total Elementary Shcools	$ 1,327,752	$ 1,759,038	$ 1,733,140	$ 1,353,649
Total	$ 4,101,526	$ 5,479,665	$ 5,308,180	$ 4,273,011

See notes to other supplementary information

BERKELEY COUNTY BOARD OF EDUCATION

OTHER SUPPLEMENTARY INFORMATION

SCHEDULE OF EXCESS LEVY REVENUES AND EXPENDITURES

For The Fiscal Year Ended June 30, 2019

	Current Year			Levy To Date		
	Estimated Per Levy Call	Actual	Variance	Estimated Per Levy Call	Actual	Variance
Excess Levy Collections	$ 29,410,000	$ 34,078,153	$ 4,668,153	$ 117,640,000	$ 127,914,672	$ 10,274,672
Expenditures (County Specific Levy Call):						
Excess Levy Expenditure Category Local salary supplements and benefits of all school personnel (excluding the Superintendent).	17,000,000	27,524,330	10,524,330	$ 68,000,000	$ 98,732,788	30,732,788
Excess Levy Expenditure Category To provide instructional materials, textbooks, and instructional equipment.	3,300,000	6,672,741	3,372,741	$ 13,200,000	$ 24,116,194	10,916,194
Excess Levy Expenditure Category To provide support to the following community organizations : Berkeley County Health Department $28,500; Berkeley County Parks and Recreation $112,500; WVU 4-H Extension Office $68,000	209,000	209,000	-	$ 836,000	$ 836,000	-
Excess Levy Expenditure Category To provide support to the Martinsburg-Berkeley County Public Library.	112,500	112,500	-	$ 450,000	$ 450,000	-
Excess Levy Expenditure Category To continue to address increased enrollment in Berkeley County by providing additional staff, equipment and property where necessary.	5,700,920	5,700,920	-	$ 22,803,680	$ 22,803,680	-
Excess Levy Expenditure Category To continue to provide for the upkeep and maintenance of existing facilities by providing the necessary supplies, services, or equipment.	3,087,580	11,687,868	8,600,288	$ 12,360,320	$ 40,726,261	28,376,941
Excess Levy Expenditure Category						
Total Expenditures	29,410,000	51,907,359	22,497,359	117,640,000	187,663,923	70,023,923
Excess (Deficiency) of Collections over Expenditures	$ -	$ (17,829,206)	$ (17,829,206)	$ -	$ (59,749,251)	$ (59,749,251)

See notes to other supplementary information

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 regulatory basis of accounting for all governmental funds. The regulatory basis of accounting for West Virginia Boards of Education does 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). Certain other transactions, such as for/on behalf unfunded retirement contributions are also not included in the School Board's regulatory basis budget. Budgets are not adopted for agency funds. The following procedures are followed in preparing the annual budget:

1. Pursuant to State statute, the School 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 School Board adjourns the meeting and submits its Schedule of Proposed Levy Rates to the State Auditor's Office for approval. The School Board then reconvenes its meeting on the third Tuesday of April to formally lay the approved levy.

2. The School 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 School 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.

B. Deficiencies in Net Changes in Fund Balances:

For the year ended June 30, 2019, expenditures exceeded appropriations in the funds listed below.

Fund:	Amount
Capital Projects Fund	$30,211

The over-expenditures were funded by a reduction of the available beginning fund balance.

BERKELEY COUNTY BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/ Pass Through Grantor/ Program Title	Pass-Through Number	Federal CFDA Number	Disbursements
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through West Virginia Department of Education:			
Nutrition Cluster:			
School Breakfast Program - Cash Assistance	2019	10.553	$ 3,250,171
National School Lunch Program			
Cash Assistance	2019	10.555	4,755,977
Non-Cash Assistance (Food Distribution)	2019	10.555	597,384
National School Lunch Program Subtotal			5,353,361
Summer Food Service Program for Children - Cash Assistance	2019	10.559	20,348
Total - Nutrition Cluster			8,623,880
Team Nutrition Grants	2019	10.574	359
Fresh Fruits and Vegetable Program-Cash Assistance	2019	10.582	15,213
Total U.S. Department of Agriculture			8,639,452
U.S. DEPARTMENT OF DEFENSE			
Direct:			
ROTC Language and Culture Training Grants	AFJROTC	12.357	87,875
Total U.S. Department of Defense			87,875
U.S. DEPARTMENT OF EDUCATION			
Passed Through West Virginia Department of Education:			
Title I Grants to Local Educational Agencies	GRTAWD04021700000455	84.010	11,451
Title I Grants to Local Educational Agencies	GRTAWD04021800000915	84.010	558,498
Title I Grants to Local Educational Agencies	GRTAWD04021800004607	84.010	15,996
Title I Grants to Local Educational Agencies	GRTAWD04021900001326	84.010	3,971,427
Total - Title I			4,557,372
Special Education Cluster:			
IDEA Part B School Age Entitlement	GRTAWD04021700004579	84.027	1,800
IDEA Part B School Age Entitlement	GRTAWD04021700005054	84.027	2,489
IDEA Part B School Age Entitlement	GRTAWD04021700005418	84.027	7,250
IDEA Part B School Age Entitlement	GRTAWD04021800000639	84.027	3,960
IDEA Part B School Age Entitlement	GRTAWD04021800004015	84.027	89
IDEA Part B School Age Entitlement	GRTAWD04021800005071	84.027	11,538
IDEA Part B School Age Entitlement	GRTAWD04021900001054	84.027	4,004,094
IDEA Part B School Age Entitlement	GRTAWD04021900005685	84.027	260
IDEA Part B School Age Entitlement	GRTAWD04021900006157	84.027	11,974
IDEA Part B School Age Entitlement	GRTAWD04021900006277	84.027	3,340
IDEA Part B School Age Entitlement	GRTAWD04021900002148	84.027	6,269
IDEA Part B School Age Entitlement	GRTAWD04021900002522	84.027	156
IDEA Part B School Age Entitlement	GRTAWD04021900003147	84.027	107,774
IDEA Part B School Age Entitlement	GRTAWD04021900004777	84.027	4,906
IDEA Part B School Age Entitlement	GRTAWD04021900004793	84.027	691
IDEA Part B School Age Entitlement	GRTAWD04021900002027	84.027	30,674
			4,197,264
IDEA Preschool Entitlement	GRTAWD04021900000732	84.173	54,397
Total - Special Education Cluster			4,251,661
Title II Improving Teacher Quality	GRTAWD04021800001396	84.367	76,875
Title II Improving Teacher Quality	GRTAWD04021900002407	84.367	602,257
Total - Title II Improving Teacher Quality			679,132
Title III English Language	GRTAWD04021800001690	84.365	20,803
Title III English Language	GRTAWD04021900002544	84.365	67,865
Total - Title III English Language			88,668
Title IV State Assessments and Related Activities	GRTAWD04021900005264	84.369	18,151
Title IV State Assessments and Related Activities	GRTAWD04021900001751	84.369	200
Total - Title IV State Assessments and Related Activities			18,351
Adult Education Basic Grants to States	GRTAWD04021900000597	84.002	90,250
Education for Homeless Children and Youth	GRTAWD04021700002490	84.196	25,000
Career and Technical Education - Basic Grants to States	GRTAWD04021900000198	84.048	146,573
Student Support and Academic Enrichment Program	GRTAWD04021800002444		46,280
Student Support and Academic Enrichment Program	GRTAWD04021900002592	84.424	290,305
			336,585
Total U.S. Department of Education			10,193,592
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through West Virginia Department of Education			
Substance Abuse and Mental Health Services - PRNS	GRTAWD04021800002343	93.243	22,586
Substance Abuse and Mental Health Services - PRNS	GRTAWD04021800004543	93.243	52,273
Substance Abuse and Mental Health Services - PRNS	GRTAWD04021900002887	93.243	340,515
Total - Substance Abuse and Mental Health Services			415,374
Cooperative Agreements to Promote Adolescent Health Through School-Based HIV/STD Prevention and School-Based Surveillance	GRTAWD04021900005880	93.079	1,800
Total U.S. Department of Health and Human Services			417,174
U.S. OFFICE OF NATIONAL DRUG CONTROL POLICY			
Passed Through University of Baltimore			
Research and Data Analysis	G1799ONDCP06B	95.007	320,534
Total U.S. Office of National Drug Control Policy			320,534
Total Expenditures of Federal Awards			$ 19,658,627

The accompanying notes to this schedule are an integral part of this schedule.

BERKELEY COUNTY BOARD OF EDUCATION
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2019

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Board and is presented on the basis of accounting prescribed by the West Virginia Department of Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of the financial statements. The Board has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 2 – 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 has 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.

Note 3 – Donated Food Value

Donated food represents surplus agricultural commodities received from the U.S. Department of Agriculture passed through from the West Virginia Department of Agriculture. Commodities are valued based on amounts as established by the U.S. Department of Agriculture. For the year ended June 30, 2019, the total value of the donated food inventories was $597,384.

PERRY & Associates
Certified Public Accountants, A.C.

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., Suite A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., Suite 300
Wheeling, WV 26003
304 232 1358

749 Wheeling Ave., Suite 300
Cambridge, OH 43725
740 435 3417

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

December 20, 2019

Berkeley County Board of Education
Berkeley County
401 S. Queen Street
Martinsburg, WV 25401

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Berkeley County Board of Education**, Berkeley County, (the Board) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements and have issued our report thereon dated December 20, 2019.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Board's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Board's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Board's financial statements. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the Board's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards.*

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Board's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

PERRY & Associates
Certified Public Accountants, A.C.

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., Suite A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., Suite 300
Wheeling, WV 26003
304 232 1358

749 Wheeling Ave., Suite 300
Cambridge, OH 43725
740 435 3417

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

December 20, 2019

Berkeley County Board of Education
Berkeley County
401 S. Queen Street
Martinsburg, WV 25401

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited **Berkeley County Board of Education's** (the Board) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Berkeley County Board of Education's major federal program for the year ended June 30, 2019. The *Summary of Auditor's Results* in the accompanying schedule of audit findings identifies the Board's major federal program.

Management's Responsibility

The Board's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Board's compliance for the Board's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect the major federal programs occurred. An audit includes examining, on a test basis, evidence about the Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on each of the Board's major program. However, our audit does not provide a legal determination of the Board's compliance.

Opinion on the Major Federal Program

In our opinion, Berkeley County Board of Education complied, in all material respects with the compliance requirements referred to above that could directly and materially affect the major federal program for the year ended June 30, 2019.

Report on Internal Control Over Compliance

The Board's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Board's internal control over compliance with the applicable requirements that could directly and materially affect the major federal programs, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Board'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, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

Perry & Associates CPA's A.C.

Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

BERKELEY COUNTY BOARD OF EDUCATION
SCHEDULE OF AUDIT FINDINGS
2 CFR § 200.515
JUNE 30, 2019

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	**Type of Financial Statement Opinion**	Unmodified
(d)(1)(ii)	**Were there any material control weaknesses reported at the financial statement level (GAGAS)?**	No
(d)(1)(ii)	**Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?**	No
(d)(1)(iii)	**Was there any reported material noncompliance at the financial statement level (GAGAS)?**	No
(d)(1)(iv)	**Were there any material weaknesses in internal control reported for major federal programs?**	No
(d)(1)(iv)	**Were there any significant deficiencies in internal control reported for major federal programs?**	No
(d)(1)(v)	**Type of Major Programs' Compliance Opinion**	Unmodified
(d)(1)(vi)	**Are there any reportable findings under 2 CFR § 200.516(a)?**	No
(d)(1)(vii)	**Major Programs (list):**	CFDA# 84.027, 84.173 Special Education Cluster (IDEA)
(d)(1)(viii)	**Dollar Threshold: Type A\B Programs**	Type A: > $ 750,000 Type B: all others
(d)(1)(ix)	**Low Risk Auditee?**	Yes

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None

3. FINDINGS FOR FEDERAL AWARDS

None

APPENDIX B

ECONOMIC AND DEMOGRAPHIC DATA – COUNTY OF BERKELEY (WEST VIRGINIA)

ECONOMIC AND DEMOGRAPHIC DATA – COUNTY OF BERKELEY (WEST VIRGINIA)

Location: Berkeley County is located in the Eastern Panhandle section of West Virginia. The county is located 80 miles from Washington DC; 90 miles from Baltimore, Maryland and 93 miles from Harrisburg, Pennsylvania.

County Seat: Martinsburg

Council Persons: Doug Copenhaver, Jr., President
Dan Dulyea, Vice President
Elaine Mauck
James Barnhart
James Whitacre

Population Estimates

Year	Berkeley County	West Virginia	United States
2011	105,718	1,856,074	311,580,009
2012	106,950	1,856,764	313,874,218
2013	108,489	1,853,873	316,057,727
2014	110,187	1,849,467	318,386,421
2015	111,683	1,841,996	320,742,673
2016	113,476	1,830,929	323,071,342
2017	115,007	1,817,048	325,147,121
2018	117,123	1,805,832	327,167,434

Source: U.S. Census Bureau

Economy

The ten (10) largest employers as of March 2019 in the County are:

1. Berkeley County Board of Education
2. Macy's Corporate Services
3. United States Department of Veteran Affairs
4. WVU Medicine
5. Quad Graphics
6. Proctor & Gamble Manufacturing Company
7. Wal-Mart Associate
8. Orgill, Inc.
9. Berkeley County Commission
10. FedEx Corporation

Source: Berkeley County Development Authority at www.developmentauthority.com

Average Annual Unemployment Rates (%)

Year	Berkeley County	West Virginia
2012	6.7	7.5
2013	5.6	6.8
2014	5.5	6.6
2015	4.9	6.7
2016	4.0	6.1
2017	3.6	5.2
2018	4.1	5.3

Source: WORKFORCE West Virginia; U.S. Department of Commerce, Bureau of Economic Analysis

Average Employment by Industry

Industry	2015	2016	2017	2018
Construction	1,017	1,031	1,096	1,433
Manufacturing	1,490	1,473	1,535	2,155
Information	1,464	1,699	1,453	1,345
Financial Activities	916	900	885	924
Professional & Business Services	2,581	2,547	2,729	2,714
Education and Health Services	4,462	4,693	4,690	4,756
Leisure and Hospitality	3,265	3,429	3,574	3,775
Other Services	606	619	662	698
Government	8,212	8,212	8,471	8,451
TOTAL	32,440	32,938	33,539	35,261

Source: WORKFORCE West Virginia

Average Employment and Average Weekly Wage

	Average Employment		Average Weekly Wage	
	2015	2016	2017	2018
Berkeley County	51,250	51,970	784.82	814.70
West Virginia	729,200	735,200	832.36	884.54

Source: WORKFORCE West Virginia

Per Capita Personal Income

County	2015	2016	2017	2017 Rank in State
United States	$48,940	$49,831	$51,640	---
West Virginia	$36,818	$36,958	$38,479	---
Berkeley County	$37,385	$38,342	$39,509	39

Source: U.S. Bureau of Economic Analysis

Wages Per Industry (2018) ($)

Industry	Total Wages	Average Weekly Wage
Construction	85,871,859	1,152.39
Manufacturing	121,099,038	1,080.66
Information	67,121,007	959.69
Financial Activities	44,908.983	934.67
Professional & Business Services	127,730,142	905.07
Education & Health Services	214,776,047	868.44
Leisure and Hospitality	59,279,439	301.98
Other Services	20,582,848	567.08
Government	493,387,357	1,122.73
TOTAL	1,493,816,010	814.70

Source: WORKFORCE West Virginia

Total Wages ($)

Year	Berkeley County	West Virginia
2014	1,236,318,171	28,839,679,821
2015	1,272,759,810	29,063,859,298
2016	1,319,199,966	28,560,707,319
2017	1,368,747,868	29,626,307,630
2018	1,493,816,010	31,965,019,645

Source: WORKFORCE West Virginia

Community Data

Education Facilities	
Elementary	22
Middle or Jr. High	6
High Schools	4
Vocational Schools	1
Colleges (within 30 miles):	4
Shepherd University	
Blue Ridge Community & Technical College	
West Virginia University Robert C. Byrd Health Sciences Center Eastern Campus	
Valley College of Technology	

Recreational Facilities	
State Forests	0
State Parks	0
Wildlife Management Areas	1
Public Hiking Trails (miles)	20
Public Fishing & Boating Lakes	2
Recreational Rivers (boating/rafting)	1
Museums/Art Galleries	5
Golf Courses	3
National Forests	1
National Park & Recreational Areas	0
Amphitheaters/Performing Arts Centers	2
Pro/Semi-pro Sports Teams	0
Regional Shopping Centers/Malls/outlets within 25 miles	3
Major Private Recreation/Resort Areas	1
Civic/Convention Centers	0

Medical	
Hospitals	1
Beds	260
Doctors (within 25 miles)	711
Dentists (within 10 miles)	29
Licensed Nursing Homes	2
Beds	188

Transportation	
Highways:	
Interstates	I-81
WV Routes	9, 45, 51, 901
US Routes	11
Motor freight carriers	12
River, nearest navigable	Potomac (92 miles)
Industrial Parks	0
Industrial Sites	0
Airports:	Eastern West Virginia Regional Hagerstown Regional Airport Dulles International
Railroads:	Freight/Passenger
Motor Freight Carriers	12
Bus Service	1

Media	
Newspapers:	1
Telephone:	1
TV Station	2
Radio Stations	0

Utilities	
Electricity:	3
Sewer:	4
Telephone Service:	2
Natural Gas:	1
Water:	8

Other Data	
Licensed Day Care Centers	41
Banks (including branches)	29
Libraries	5

Sources: West Virginia, Bureau of Employment Programs, Research, Information and Analysis, Berkeley County Development Authority, American Dental Association, except as otherwise noted.

APPENDIX C

PROPOSED FORM OF LEGAL OPINION

_____, 2020

$22,115,000
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

The Board of Education of the
County of Berkeley
Martinsburg, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by The Board of Education of The County of Berkeley (the "Issuer") of its $22,115,000 in aggregate principal amount of Public School Refunding Bonds, Series 2020 (the "Bonds").

The Bonds 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 "Refunding Act") and a Resolution and Order duly adopted by the Issuer on January 6, 2020 (the "Resolution") and are subject to all the terms and conditions of the Resolution. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Resolution.

The Bonds are issued in fully registered form, are dated February 5, 2020, upon original issuance, are represented by a single bond for each maturity, numbered R-1 to R-__, inclusive, with interest payable on each May 1 and November 1, commencing May 1, 2020, and principal installments payable each May 1, commencing May 1, 2020, and continuing until the maturity thereof, being May 1, 2025.

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 pay costs necessary to currently refund all of the Issuer's Outstanding Public School Bonds, Series 2010, dated February 17, 2010 (the "Prior Bonds"), originally issued in the aggregate principal amount of $51,500,000, of which $24,755,000 is presently outstanding, 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 Berkeley County School District (the "District") at an election

held in the District on September 26, 2009, 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 Crews & Associates, Inc., Little Rock, Arkansas (the "Purchaser") pursuant to a Bond Purchase Agreement dated January 23, 2020, 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 February 5, 2020, 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.

Based upon the foregoing, and assuming compliance with the covenants of the Issuer contained in the Resolution, 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, that:

1. The Issuer is a duly organized and 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, with full power and authority to adopt the Resolution, enter into the Escrow Agreement and the Bond Purchase Agreement, perform its obligations under the terms and provisions thereof and to issue and sell the Bonds, all under the provisions of the Refunding Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively adopted the Resolution, has authorized, executed and delivered the Escrow Agreement and the Bond Purchase Agreement and has issued and delivered the Bonds to the Purchaser pursuant to the Bond Purchase Agreement. The Resolution is in full force and effect as of the date hereof.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Escrow Agreement and the Bond Purchase Agreement constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms; and the Bonds, subject to the terms thereof, constitute valid and legally enforceable general obligations of the Issuer, the principal of and interest on which, unless paid from other sources, are payable from ad valorem taxes levied upon all taxable property within the District, without limitation as to rate or amount.

4. Under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, and the regulations promulgated thereunder, as amended (the "Code"), and such interest will not be treated as a preference item in calculating the alternative minimum tax that may be imposed under the Code upon individuals. The opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may

affect the excludability from gross income of the interest on the Bonds set forth in the Resolution and the Tax Certificate. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such Code provisions or such certifications, covenants and representations could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. Except as set forth in paragraph 5 below, we express no opinion regarding other tax consequences arising with respect to the Bonds.

5. Under the Refunding Act, the Bonds are exempt from all taxation by the State of West Virginia or any political subdivision thereof.

6. 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 Issuer to the holders and owners of such Prior Bonds have been satisfied and discharged.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds and the liens, pledges, rights or remedies with respect to the 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 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.

Very truly yours,

STEPTOE & JOHNSON PLLC

APPENDIX D

BOOK-ENTRY ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds (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.

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 affect 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. 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. 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.

APPENDIX F

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Agreement") dated as of February 5, 2020, is by and between the Board of Education of the County of Berkeley (the "Board") and United Bank, as Disclosure Agent (the "Disclosure Agent"), in connection with the issuance of the $22,115,000 The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020 (the "Series 2020 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 January 6, 2020, authorizing issuance of the Series 2020 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 2020 Bonds and in order to assist the Underwriter (as hereinafter defined) in complying with SEC Rule 15c2-12(b)(5) (the "Rule").

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 2020 Bonds in Appendix A entitled "Audit Report of Berkeley County Board of Education for Fiscal Year Ended June 30, 2019," 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 or the West Virginia Auditor's Office.

"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 2020 Bonds (including persons holding Series 2020 Bonds through nominees, depositories or other intermediaries).

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement dated January 23, 2020, entered into between Crews & Associates, Inc. (the "Underwriter"), and the Board, by which the Underwriter agreed to purchase the Series 2020 Bonds from the Board upon the terms set forth therein.

"Disclosure Agent" shall initially mean United Bank 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.

"Financial Obligation" shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a

guarantee of either (a) or (b). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the Repository consistent with 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 2020 Bonds which is required to comply with the Rule in connection with the offering of the Series 2020 Bonds.

"Repository" shall mean the Municipal Securities Rulemaking Board, Washington, D.C. or any other repository that may be designated for such purpose.

"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 2020 Bonds" shall mean the $22,115,000 The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020.

SECTION 3. Provision of Annual Reports.

(a) The Board shall, or shall cause the Disclosure Agent to, not later than the last day of the Fiscal Year (presently June 30) immediately following the end of the Board's Fiscal Year for which disclosure is due, commencing with the report for the Fiscal Year ending June 30, 2019, provide to the Repository by filing the same with EMMA or in such other manner as may be required from time to time by the Rule: 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 year changes, 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 this 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.

(e) 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 4. Content of Annual Financial Information and Audited Financial Statements. Not later than the last day of the Fiscal Year immediately following the end of the Board's Fiscal Year for which disclosure is due, the Disclosure Representative on its behalf shall submit to EMMA the Annual Financial Information and Audited Financial Statements of the Board for the prior fiscal year. If the Audited Financial Statements are not then available, the Board or the Disclosure Agent shall submit the unaudited financial statements of the Board for such fiscal year and shall submit the Audited Financial Statements as soon as they become available.

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 2020 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 2020 Bonds, or other events affecting the tax status of the Series 2020 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 2020 Bonds, if material;

11. rating changes;

12. bankruptcy, insolvency, receivership, or similar event of the Board[3];

---

[3] 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.

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;

14. appointment of a successor or additional trustee or the change of name of a trustee, if material.

15. incurrence of a Financial Obligation of the Board, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Board, any of which affect Bondholders, if material; and

16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Board, any of which reflect financial difficulties.

(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), (13), (14) or (15), 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), (14) or (15), 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), (12) or (16), 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), (14) or (15), 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 2020 Bonds. If such termination occurs prior to the final maturity of the Series 2020 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. United Bank 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 2020 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 2020 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 2020 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 2020 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 2020 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 on the Series 2020 Bonds or pursuant to the Resolution, 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 Berkeley
1453 Winchester Avenue

Martinsburg, WV 25405

To the Disclosure Agent: United Bank
ATTN: Corporate Trust
500 Virginia Street, East
Charleston, WV 25392

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 2020 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.

[SIGNATURE PAGE FOLLOWS THIS PAGE]

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 BERKELEY

By: _____
Its: Board President

UNITED BANK, as Disclosure Agent

By: _____

Its: _____

Date: _____, 2020

EXHIBIT A

NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	The Board of Education of the County of Berkeley (the "Board")
Name of Bond Issue:	$22,115,000 The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020
Date of Bond Issue:	February 5, 2020

NOTICE IS HEREBY GIVEN that the Board has not provided Annual Financial Information with respect to the above-named Series 2020 Bonds as required by Section 3(b) of that certain Continuing Disclosure Agreement dated as of February 5, 2020. The Board anticipates that the Annual Financial Information will be filed by _____, 20__.

Dated: _____, 20___.

United Bank, as Disclosure Agent
on behalf of the Board

cc: Board

S&P Global
Ratings

55 Water Street, 38th Floor
New York, NY 10041-0003
tel 212-438-2000
reference no.: 1601344

January 8, 2020

Berkeley County Board of Education
1453 Winchester Avenue
Martinsburg, WV 25401
Attention: Mr. Patrick K. Murphy, Superintendent

Re: ***US$21,000,000 Berkeley County Board Of Education, West Virginia, Public School Refunding Bonds, Series 2020, dated: Date of delivery, due: May 01, 2025***

Dear Mr. Murphy:
Pursuant to your request for an S&P Global Ratings rating on the above-referenced obligations, S&P Global Ratings has assigned a rating of "AA-" . S&P Global Ratings views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

This letter constitutes S&P Global Ratings' 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 or to allow the Issuer to comply with its regulatory obligations) will become effective only after we have released the ratings 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. Any such dissemination shall not be done in a manner that would serve as a substitute for any products and services containing S&P Global Ratings' intellectual property for which a fee is charged.

To maintain the rating, S&P Global Ratings 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. Relevant financial and other information includes, but is not limited to, information about direct bank loans and debt and debt-like instruments issued to, or entered into with, financial institutions, insurance companies and/or other entities, whether or not disclosure of such information would be required under S.E.C. Rule 15c2-12. You understand that S&P Global Ratings 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@spglobal.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:
S&P Global Ratings
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 rating is subject to the attached Terms and Conditions. The applicable Terms and Conditions are incorporated herein by reference.

S&P Global Ratings 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 S&P Global Ratings.

Sincerely yours,

S&P Global Ratings
a division of Standard & Poor's Financial Services LLC

rm
enclosures

cc: ***Mr. James V. Butts, Treasurer/ Chief Business Officer***
Berkeley County Board of Education

S&P Global
Ratings

S&P Global Ratings
Terms and Conditions Applicable To Public Finance Credit Ratings

General. The credit ratings and other views of S&P Global Ratings are statements of opinion and not statements of fact. Credit ratings and other views of S&P Global Ratings are not recommendations to purchase, hold, or sell any securities and do not comment on market price, marketability, investor preference or suitability of any security. While S&P Global Ratings bases its credit ratings and other views on information provided by issuers and their agents and advisors, and other information from sources it believes to be reliable, S&P Global Ratings does not perform an audit, and undertakes no duty of due diligence or independent verification, of any information it receives. Such information and S&P Global Ratings' opinions should not be relied upon in making any investment decision. S&P Global Ratings does not act as a "fiduciary" or an investment advisor. S&P Global Ratings neither recommends nor will recommend how an issuer can or should achieve a particular credit rating outcome nor provides or will provide consulting, advisory, financial or structuring advice. Unless otherwise indicated, the term "issuer" means both the issuer and the obligor if the obligor is not the issuer.

All Credit Rating Actions in S&P Global Ratings' Sole Discretion. S&P Global Ratings may assign, raise, lower, suspend, place on CreditWatch, or withdraw a credit rating, and assign or revise an Outlook, at any time, in S&P Global Ratings' sole discretion. S&P Global Ratings may take any of the foregoing actions notwithstanding any request for a confidential or private credit rating or a withdrawal of a credit rating, or termination of a credit rating engagement. S&P Global Ratings will not convert a public credit rating to a confidential or private credit rating, or a private credit rating to a confidential credit rating.

Publication. S&P Global Ratings 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 S&P Global Ratings or its affiliates, S&P Global Ratings 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 S&P Global Ratings are not issued by or on behalf of the issuer or at the issuer's request. S&P Global Ratings 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. S&P Global Ratings may publish explanations of S&P Global Ratings' credit ratings criteria from time to time and S&P Global Ratings may modify or refine its credit ratings criteria at any time as S&P Global Ratings deems appropriate.

Reliance on Information. S&P Global Ratings relies on issuers and their agents and advisors for the accuracy and completeness of the information submitted in connection with credit ratings and the surveillance of credit ratings including, without limitation, information on material changes to information previously provided by issuers, their agents or advisors. Credit ratings, and the maintenance of credit ratings, may be affected by S&P Global Ratings' opinion of the information received from issuers, their agents or advisors.

Confidential Information. S&P Global Ratings has established policies and procedures to maintain the confidentiality of certain non-public information received from issuers, their agents or advisors. For these purposes, "Confidential Information" shall mean verbal or written information that the issuer or its agents or advisors have provided to S&P Global Ratings and, in a specific and particularized manner, have marked or otherwise indicated in writing (either prior to or promptly following such disclosure) that such information is "Confidential."

S&P Global Ratings Not an Expert, Underwriter or Seller under Securities Laws. S&P Global Ratings has not consented to and will not consent to being named an "expert" or any similar designation under any applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation, Section 7 of the U.S. Securities Act of 1933. S&P Global Ratings has not performed and will not perform the role or tasks associated with an "underwriter" or "seller" under the United States federal securities laws or other regulatory guidance, rules or recommendations in connection with a credit rating engagement.

Disclaimer of Liability. S&P Global Ratings does not and cannot guarantee the accuracy, completeness, or timeliness of the information relied on in connection with a credit rating or the results obtained from the use of such information. S&P GLOBAL RATINGS GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS

FOR A PARTICULAR PURPOSE OR USE. S&P Global Ratings, its affiliates or third party providers, or any of their officers, directors, shareholders, employees or agents shall not be liable to any person for any inaccuracies, errors, or omissions, in each case regardless of cause, actions, damages (consequential, special, indirect, incidental, punitive, compensatory, exemplary or otherwise), claims, liabilities, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in any way arising out of or relating to a credit rating or the related analytic services even if advised of the possibility of such damages or other amounts.

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.

The Depository Trust Company

A subsidiary of the Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

(To be completed by Issuer and Co-Issuer(s), if applicable)

The Board of Education of the County of Berkeley (West Virginia)

(Name of Issuer and Co-Issuer(s), if applicable)

January 28, 2020

(Date)

The Depository Trust Company
18301 Bermuda Green Drive
Tampa, FL 33647
Attention: Underwriting Department

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request to be made eligible for deposit by The Depository Trust Company ("DTC").

Issuer is: **(Note: Issuer shall represent one and cross out the other.)**

~~[incorporated in]~~ [formed under the laws of] West Virginia.

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.

Very truly yours,

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.

The Board of Education of the County of Berkeley (West Virginia)

(Issuer)

By: _____

(Authorized Officer's Signature)

Dr. Patrick K. Murphy

(Print Name)

1453 Winchester Avenue

(Street Address)

Martinsburg, West Virginia USA 25405

(City) (State) (Country) (Zip Code)

304-267-3500

(Phone Number)

patrick.murphy@k12.wv.us

(E-mail

DTCC

Address)

BLOR 06-2013

The Depository Trust Company

A subsidiary of the Depository Trust & Clearing Corporation

Additional Signature Page to
BLANKET ISSUER LETTER OF REPRESENTATIONS
For use with Co-Issuers

_____

(Name of Issuer and Co-Issuer(s), if applicable)

In signing this Blanket Issuer Letter of Representations dated as of _____, Co-Issuer agrees to and shall be bound by all "Issuer" representations.

_____

(Co-Issuer)

By: _____

(Authorized Officer's Signature)

_____

(Print Name)

_____

(Street Address)

_____

(City) (State) (Country) (Zip Code)

_____

(Phone Number)

_____

(E-mail Address)

SCHEDULE A
(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 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 m ay 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 DT C'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 [Ten der/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 an y 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.

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

400 White Oaks Boulevard
Bridgeport, WV 26330
(304) 933-8000 (304) 933-8183 Fax
www.steptoe-johnson.com

Writer's Contact Information

February 5, 2020

$22,115,000
The Board of Education of the
County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

The Board of Education of the
County of Berkeley
Martinsburg, West Virginia

Crews & Associates, Inc.
Morgantown, West Virginia

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by The Board of Education of The County of Berkeley (the "Issuer") of its $22,115,000 in aggregate principal amount of Public School Refunding Bonds, Series 2020 (the "Bonds").

The Bonds 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 "Refunding Act") and a Resolution and Order duly adopted by the Issuer on January 6, 2020 (the "Resolution") and are subject to all the terms and conditions of the Resolution. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Resolution.

The Bonds are issued in fully registered form, are dated February 5, 2020, upon original issuance, are represented by a single bond for each maturity, numbered R-1 to R-6, inclusive, with interest payable on each May 1 and November 1, commencing May 1, 2020, and principal installments payable each May 1, commencing May 1, 2020, and continuing until the maturity thereof, being May 1, 2025.

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 pay costs necessary to currently refund all of the Issuer's Outstanding Public School Bonds, Series 2010, dated February 17, 2010 (the "Prior Bonds"), originally issued in the aggregate principal amount of $51,500,000, of which $24,755,000 is presently outstanding, 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 Berkeley County School District (the "District") at an election held in the District on

September 26, 2009, 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 Crews & Associates, Inc., Little Rock, Arkansas (the "Purchaser") pursuant to a Bond Purchase Agreement dated January 23, 2020, 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 February 5, 2020, 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.

Based upon the foregoing, and assuming compliance with the covenants of the Issuer contained in the Resolution, 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, that:

1. The Issuer is a duly organized and 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, with full power and authority to adopt the Resolution, enter into the Escrow Agreement and the Bond Purchase Agreement, perform its obligations under the terms and provisions thereof and to issue and sell the Bonds, all under the provisions of the Refunding Act and other applicable provisions of law.

2. The Issuer, through its governing body, has legally and effectively adopted the Resolution, has authorized, executed and delivered the Escrow Agreement and the Bond Purchase Agreement and has issued and delivered the Bonds to the Purchaser pursuant to the Bond Purchase Agreement. The Resolution is in full force and effect as of the date hereof.

3. Assuming due authorization, execution and delivery by the other parties thereto, the Escrow Agreement and the Bond Purchase Agreement constitute valid, legal, binding and enforceable instruments of the Issuer in accordance with their respective terms; and the Bonds, subject to the terms thereof, constitute valid and legally enforceable general obligations of the Issuer, the principal of and interest on which, unless paid from other sources, are payable from ad valorem taxes levied upon all taxable property within the District, without limitation as to rate or amount.

4. Under existing laws, regulations, published rulings and judicial decisions of the United States of America, as presently written and applied, the interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, and the regulations promulgated thereunder, as amended (the "Code"), and such interest will not be treated as a preference item in calculating the alternative minimum tax that may be imposed under the Code upon individuals. The

opinions set forth above are subject to the condition that the Issuer comply, on a continuing basis, with all requirements of the Code that must be satisfied subsequent to issuance of the Bonds for interest thereon to be or continue to be excludable from gross income for federal income tax purposes and all certifications, covenants and representations which may affect the excludability from gross income of the interest on the Bonds set forth in the Resolution and the Tax Certificate. The Issuer has covenanted to comply with each such requirement. Failure to comply with certain of such Code provisions or such certifications, covenants and representations could cause the interest on the Bonds to be includable in gross income retroactive to the date of issuance of the Bonds. Except as set forth in paragraph 5 below, we express no opinion regarding other tax consequences arising with respect to the Bonds.

5. Under the Refunding Act, the Bonds are exempt from all taxation by the State of West Virginia or any political subdivision thereof.

6. 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 Issuer to the holders and owners of such Prior Bonds have been satisfied and discharged.

It is to be understood that the rights of the holders of the Bonds and the enforceability of the Bonds and the liens, pledges, rights or remedies with respect to the 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 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.

Very truly yours,

Steptoe & Johnson PLLC

STEPTOE & JOHNSON PLLC

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

400 White Oaks Boulevard
Bridgeport, WV 26330
(304) 933-8000 (304) 933-8183 Fax
www.steptoe-johnson.com

Writer's Contact Information

February 5, 2020

The Board of Education of the
County of Berkeley
1453 Winchester Ave.
Martinsburg, West Virginia 25405

Crews & Associates, Inc.
First Security Center
521 President Clinton Ave., Ste. 800
Little Rock, AR 72201

Re: $22,115,000 The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020

Ladies and Gentlemen:

We have served as bond counsel to the Board (hereinafter defined) in connection with the issuance and sale by The Board of Education of the County of Berkeley (West Virginia) (the "Board") of its $22,115,000 aggregate principal amount of Public School Refunding Bonds, Series 2020 (the "Series 2020 Bonds"). In our capacity as Bond Counsel, we are delivering an opinion of even date herewith concerning the legality of the Series 2020 Bonds (the "Bond Opinion"). We have examined the documents and instruments as described in the Bond Opinion, the Official Statement 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 January 23, 2020, between the Board and Crews & Associates, Inc. (the "Underwriter").

Based upon the foregoing, we are of opinion that:

(1) The Purchase Agreement has been duly authorized, executed and delivered by the Board, and, assuming due authorization, execution and delivery by the other party thereto, is a legal, valid, binding and enforceable obligation of the Board (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 Board, 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 Board has duly ratified the distribution of the Preliminary Official Statement, the Official Statement has been duly approved, executed and delivered by the Board, and the Board has authorized the distribution of the Official Statement and the use thereof by the Underwriter in connection with the sale of the Series 2020 Bonds.

(4) The statements and information contained in the Official Statement under the captions or subcaptions "Introduction," "The Bonds," "Tax Matters," "Legal Matters," "Ratings," "Concluding Statement" and "Appendix C" do not 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.

(5) The Series 2020 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 Series 2010 Bonds are deemed to have been paid and the covenants, agreements and other obligations of the Board to the holders of the Series 2010 Bonds have been discharged and satisfied, and that such refunding will not adversely affect the excludability of the interest on the Series 2010 Bonds or the Series 2020 Bonds from gross income for federal income taxation.

Very truly yours,



STEPTOE & JOHNSON PLLC

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

400 White Oaks Boulevard
Bridgeport, WV 26330
(304) 933-8000 (304) 933-8183 Fax
www.steptoe-johnson.com

Writer's Contact Information

February 5, 2020

The Board of Education of the
County of Berkeley
1453 Winchester Ave.
Martinsburg, West Virginia 25405

Crews & Associates, Inc.
First Security Center
521 President Clinton Ave., Ste. 800
Little Rock, AR 72201

Re: $22,115,000 The Board of Education of the County of Berkeley Public School Refunding Bonds, Series 2020

Ladies and Gentlemen:

We have served as counsel to The Board of Education of the County of Berkeley, West Virginia (the "Board") in connection with the sale of the above-referenced bonds (the "Series 2020 Bonds"), which are being delivered and sold pursuant to a Bond Purchase Agreement dated as of January 23, 2020 (the "Purchase Agreement"), between Crews & Associates, Inc. (the "Underwriter") and the Board. 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 Series 2020 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 of the Board, the Escrow Agreement, the Purchase Agreement, the Preliminary Official Statement dated January 15, 2020, and the Final Official Statement dated January 23, with respect to the issuance and offering of the Series 2020 Bonds (collectively, the "Official Statement") and a closing certificate of the Board. 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 Board is a validly existing statutory corporation charged with the supervision and control of the Berkeley 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 Series 2020 Bonds. The Board 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 Resolution, the Escrow Agreement and the Purchase Agreement.

2. The Board has full power and authority to consummate all transactions contemplated by the Series 2020 Bonds, the Purchase Agreement, the Escrow Agreement and any and other agreements relating thereto, to which the Board is a party.

3. The Board has duly authorized all action necessary to be taken by it or on its behalf for (i) the execution and delivery of the Escrow Agreement and the Purchase Agreement; (ii) the approval of the distribution of the Official Statement; (iii) the ratification of the actions of the Board and the issuance and delivery of the Series 2020 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 Escrow Agreement and the Purchase Agreement have been duly and validly authorized, executed and delivered by the Board and the same are in full force and effect as of the date hereof and are valid and legally binding obligations of the Board, enforceable against the Board 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 Series 2020 Bonds has been duly adopted and entered at meetings of the Board 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 Escrow Agreement and the Purchase Agreement by the Board 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 Board or, to the best of our knowledge, any agreement or other instrument to which the Board is a party or by which it or its properties are bound.

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

8. To our knowledge based on reasonable inquiry, there are no legal or governmental actions, proceedings, inquiries or investigations pending or threatened by governmental authorities or to which the Board is a party or of which any property of the Board is subject, except as described in the Official Statement, which, if determined adversely to the Board, would individually or in the aggregate (i) materially and adversely affect the validity or the enforceability of the Series 2020 Bonds, the Escrow Agreement or the Purchase Agreement, (ii) otherwise materially or adversely affect the ability of the Board to comply with its obligations under the Escrow Agreement or the Purchase Agreement, or (iii) materially and adversely affect the transactions contemplated by the Official Statement to be engaged in by the Board.

9. Based upon our experience as counsel to the Board in this bond issue and on our review of the Official Statement, and after diligent inquiry, but without having undertaken to verify the same through independent investigation, the statements and information contained in the Official Statement under the captions or subcaptions "Berkeley County School District," "Certain Financial Information," "Litigation in the State Concerning the School Financing System," "Litigation," "Legal Matters," "Continuing Disclosure," and "Appendix E" do not 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 with respect to statistical data, financial statements, operating statistics and other financial data in the Official Statement, including Appendix A thereto.

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,



STEPTOE & JOHNSON PLLC

Bowles Rice
Attorneys at Law

600 Quarrier Street, Charleston, WV 25301
P.O. Box 1386, Charleston, WV 25325-1386
304.347.1100

101 South Queen Street
Martinsburg, WV 25401

125 Granville Square, Suite 400
Morgantown, WV 26501

501 Avery Street
Parkersburg, WV 26101

1217 Chapline Street
Wheeling, WV 26003

Southpointe Town Center
1800 Main Street, Suite 200
Canonsburg, PA 15317

480 West Jubal Early Drive, Suite 130
Winchester, VA 22601

bowlesrice.com

February 5, 2020

Crews & Associates, Inc.
69 Clay Street
Suite 202
Morgantown, West Virginia 26501

Re: $22,115,000 The Board of Education of The County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020

Ladies and Gentlemen:

We have acted as counsel to you, Crews & Associates, Inc. (the "Underwriter"), in connection with the issuance and sale by The Board of Education of The County of Berkeley (West Virginia) (the "Issuer") of its Public School Refunding Bonds, Series 2020 in the aggregate principal amount of $22,115,000 (the "Bonds").

In connection with rendering this opinion, we have examined the Official Statement of the Issuer dated Janaury 23, 2020, (the "Official Statement"), the Bond Purchase Agreement dated Janaury 23, 2020, by and between the Issuer and the Underwriter (the "Purchase Agreement"), the Continuing Disclosure Agreement, dated February 5, 2020, between the Issuer and United Bank, as disclosure agent (the "Continuing Disclosure 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"). Capitalized terms used but not defined herein shall have the meanings set forth in the Purchase Agreement.

Based upon the foregoing review, it is our opinion that the Continuing Disclosure Agreement in all material respects satisfies the requirements of subparagraph (b)(5)(i) of the Rule in effect as of the date hereof.

Without having undertaken to determine independently the accuracy or completeness of the statements contained in the Preliminary Official Statement or Official Statement, but solely on the basis of our conferences with representatives of the Issuer, Bond Counsel and the Underwriter, and our examination of certain documents referred to in the Preliminary Official Statement and the Official Statement, nothing has come to our attention that would lead us to believe that the Preliminary Official Statement, as of its date, and the Official Statement, as of its date and the date of Closing, (except for information relative to the securities depository, the rating agency, and any financial

statements, forecasts, financial or statistical data, estimates, assumptions and expressions of opinions, as to which we express no opinion) contained or contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. We express no opinion as to the financial statements included in Appendix A to the Official Statement.

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,

Bowles Rice LLP

BOWLES RICE LLP

Preliminary Transaction Summary

$21,085,000*
Berkeley County Board of Education (West Virginia)
Public School Refunding Bonds, Series 2020

November 4, 2019

Table of Contents

Part I: Refunding Summary

Part II: Moving Forward

Part I: Refunding Summary

Part I: Refunding Summary

Characteristics of the Series 2010 Bonds to be Refunded:

- Call Date: May 1, 2020
- Refunded Principal: $24,755,000
- Average Coupon: 3.69%

Refunded Debt Service - Series 2010 Bonds

Date	Principal	Interest Rate	Interest	Refunded D/S
2/5/2020				
5/1/2020	3,710,000.00	4.000%	451,793.75	4,161,793.75
11/1/2020	-	-	377,593.75	377,593.75
5/1/2021	3,865,000.00	3.250%	377,593.75	4,242,593.75
11/1/2021	-	-	314,787.50	314,787.50
5/1/2022	4,030,000.00	3.375%	314,787.50	4,344,787.50
11/1/2022	-	-	246,781.25	246,781.25
5/1/2023	4,205,000.00	3.500%	246,781.25	4,451,781.25
11/1/2023	-	-	173,193.75	173,193.75
5/1/2024	4,380,000.00	4.000%	173,193.75	4,553,193.75
11/1/2024	-	-	85,593.75	85,593.75
5/1/2025	4,565,000.00	3.750%	85,593.75	4,650,593.75
Total	**$ 24,755,000.00**		**$ 2,847,693.75**	**$ 27,602,693.75**

**Preliminary. Subject to Change. As of October 30, 2019.*

Part I: Refunding Summary

Series 2020 Refunding Bonds – Assumptions for this Packet:

❑ Estimated Closing Date*:	February 5, 2020
❑ Method of Sale*:	Public Offering or Private Placement
❑ Tax Status*:	Tax-Exempt
❑ Credit Rating*:	Anticipated S&P "AA-"
❑ Optional Redemption*:	None
❑ Interest Rate*:	1.783% True Interest Cost As of Market Conditions on October 30, 2019
❑ Transfers*:	This preliminary number run does not assume transfers from the Series 2010 Bond Fund. There are estimated transfers from the Series 2010 GO Surplus Account as outlined in the following slides of this presentation.

**Preliminary. Subject to Change. As of October 30, 2019.*

Part I: Refunding Summary

Series 2020 Refunding Bonds – Estimated Sources and Uses of Funds:

Estimated Sources of Funds*	$ Amount
Par Amount of Bonds	21,085,000.00
Reoffering Premium	1,941,630.50
Transfers from Series 2010 GO Surplus Account(1)	2,287,288.21
Total Sources of Funds	$25,313,918.71

Estimated Uses of Funds*	$ Amount
Deposit to Series 2010 Escrow Fund	25,110,030.95
Costs of Issuance(2)	130,000.00
Underwriter's Discount ($3.50 per $1,000)	73,797.50
Rounding Amount	90.26
Total Uses of Funds	$25,313,918.71

(1) The estimated transfer amount equals the 9/30/2019 Balance in the Series 2010 GO Surplus Account held at the West Virginia Municipal Bond Commission minus $1,500,000 needed for projects outlined in the Series 2010 Ordinance and the estimated fund balance threshold required to be maintained at the West Virginia Municipal Bond Commission. The Board will apply the $1,500,000 to projects that match the purposes and projects stated in the Ordinance of the Series 2010 Bonds.

(2) Includes the estimated Bond Counsel Fee, Underwriter's Counsel Fee, Rating Agency Fee, Registrar Fee and other costs associated with issuing the Bonds.

(3) Please note that this preliminary number run does not assume transfers from the Bond Fund. The Board and the Financing Team will discuss the Board's options of applying these funds as the transaction moves forward.

**Preliminary. Subject to Change. As of October 30, 2019.*

Part I: Refunding Summary

Series 2020 Refunding Bonds – Estimated Debt Service Savings Analysis*:

Bond Year (May 1)	Interest Rate (Coupon)*	Yield*	Price*	Principal*	Interest*	Series 2020 Debt Service*	Prior Debt Service	Savings*
2020	5.000%	1.420%	100.847%	3,325,000.00	251,848.61	3,576,848.61	4,161,793.75	584,945.14
2021	5.000%	1.490%	104.290%	3,150,000.00	888,000.00	4,038,000.00	4,620,187.50	582,187.50
2022	5.000%	1.560%	107.537%	3,345,000.00	730,500.00	4,075,500.00	4,659,575.00	584,075.00
2023	5.000%	1.630%	110.587%	3,550,000.00	563,250.00	4,113,250.00	4,698,562.50	585,312.50
2024	5.000%	1.660%	113.614%	3,760,000.00	385,750.00	4,145,750.00	4,726,387.50	580,637.50
2025	5.000%	1.760%	116.144%	3,955,000.00	197,750.00	4,152,750.00	4,736,187.50	583,437.50
Total				21,085,000.00	3,017,098.61	24,102,098.61	27,602,693.75	3,500,595.14

Savings Analysis:	
Gross Present Value of Debt Service Savings	3,345,162.90
Minus: Estimated Transfers from the Series 2010 GO Surplus Account	(2,287,288.21)
Net Present Value Benefit	$ 1,057,874.69
Net Present Value Benefit / $24,755,000 Refunded Principal	4.273%

*The interest rates and refunding analysis provided above are estimates based on market conditions as of October 30, 2019. All of the analysis above is preliminary and subject to change due to changing market conditions.

**Preliminary. Subject to Change. As of October 30, 2019.*

Part II: Moving Forward

Part II: Moving Forward

Date	Event
November 4, 2019	Board consideration and approval of Inducement Resolution containing parameters for issuance and sale of refunding bonds.
December 2, 2019	Legal counsel circulates drafts of Preliminary Official Statement (POS) Bond Resolution and related documents for review.
December 17, 2019	Underwriter submits Board's rating application to S&P Rating Agency.
January 10, 2020	Board receives S&P bond rating for Series 2020 Refunding Bonds and finalizes POS and other bond documents in preparation for marketing.
January 13, 2020	Board approves Bond Authorizing Resolution and the Form of Certificate of Determinations.
January 15, 2020	Underwriter posts the POS and markets the Series 2020 Refunding Bonds.

Part II: Moving Forward

Date	Event
January 22, 2020	Underwriter prices the Refunding Bonds, holds a pricing call to review results. If results are acceptable, Board signs a Bond Purchase Agreement and Certificate of Determinations.
January 27, 2020	Circulate closing documents to working group for review.
February 4, 2020	Pre-Closing to sign documents.
February 5, 2020	Close and wire funds.

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY

INDUCEMENT RESOLUTION OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (THE "BOARD") AUTHORIZING AND APPROVING THE ISSUANCE OF ITS PUBLIC SCHOOL REFUNDING BONDS, SERIES 2020 (THE "REFUNDING BONDS"), IN AN AMOUNT SUFFICIENT TO REFUND THE BOARD'S OUTSTANDING PUBLIC SCHOOL BONDS, SERIES 2010, TO ACHIEVE DEBT SERVICE SAVINGS FOR THE BOARD AND TAXPAYERS AND OTHER BENEFITS TO THE SCHOOL DISTRICT; APPROVING AND CONFIRMING THE ENGAGEMENT OF BOND COUNSEL AND UNDERWRITER IN CONNECTION WITH THE ISSUANCE AND SALE OF THE REFUNDING BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS TO COMPLETE THE ENGAGEMENT THEREOF; AUTHORIZING AND DIRECTING THE BOARD AND ITS STAFF (INCLUDING THE SUPERINTENDENT AND THE TREASURER/CHIEF SCHOOL BUSINESS OFFICER) TO WORK WITH BOND COUNSEL AND THE UNDERWRITER TO STRUCTURE THE REFUNDING BONDS AND TO PREPARE A PRELIMINARY OFFICIAL STATEMENT AND ALL OTHER BOND DOCUMENTS AS MAY BE NECESSARY UPON THE ADVICE OF BOND COUNSEL; AND REQUIRING A FINAL BOND AUTHORIZING RESOLUTION BE PREPARED AND ACTED UPON BY THE BOARD PRIOR TO THE ISSUANCE AND SALE OF THE REFUNDING BONDS AND THE CLOSING OF THE TRANSACTION CONTEMPLATED HEREIN.

WHEREAS, at a special election held on September 26, 2009, the voters of Berkeley County, West Virginia approved the issuance of the Board's public school general obligation bonds;

WHEREAS, on February 17, 2010, the Board issued its $51,500,000 in aggregate principal amount of The Board of Education of the County of Berkeley (West Virginia) Public School Bonds, Series 2010 (the "Prior Bonds"), in accordance with Chapter 13, Article 1 of the Code of West Virginia, 1931, as amended, and the duly adopted and entered resolutions and orders of the Board;

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 prior to 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;

WHEREAS, current low interest rates, and other aspects of the current market for municipal bonds, provide an opportunity for the Board to achieve significant savings in its annual bond debt service and achieve other related benefits for the Berkeley County School District (the "School District"), by a refunding of the Prior Bonds (the "Refunding") pursuant to the Refunding Act through the issuance of refunding bonds designated as "The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020", in an aggregate principal amount not to exceed $26,000,000 (the "Refunding Bonds"), as further provided in this Inducement Resolution (this "Resolution"); and

WHEREAS, to achieve such debt service savings and other benefits, the Board desires to adopt this Resolution in order to, among other things, approve in concept the issuance and sale of the Refunding Bonds, approve and confirm Bond Counsel (Steptoe & Johnson PLLC) and Underwriter (Crews & Associates, Inc.) in connection therewith, and to approve in concept the refunding of the Prior Bonds, by using proceeds of such Refunding Bonds plus certain other available reserve funds now held at the Commission in connection with the Prior Bonds, to provide for the payment and discharge of the Prior Bonds, and to authorize and direct Board staff including the Superintendent and the Treasurer/Chief School Business Officer to work with Bond Counsel and the Underwriter to structure the Refunding Bonds and related transactions and to prepare a preliminary official statement, a final bond approving resolution, and other bond documents as they determine to be necessary or advisable, upon the advice of Bond Counsel, to issue and sell the Refunding Bonds and accomplish the refunding/refinancing and the debt service savings and other benefits contemplated by the Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board that:

Section 1. The Board finds and determines that issuance and sale of the Refunding Bonds and the refunding of the Prior Bonds will benefit the School District and the students thereof, as well as the taxpayers of the County, through lower bond debt service savings and other benefits.

Section 2. The Board hereby approves, in concept, the proposed issuance and sale of the Refunding Bonds; provided, that (a) the aggregate principal amount of the Refunding Bonds shall not exceed $26,000,000, (b) the maximum interest rate shall not exceed six percent (6.0%) *per annum* and (c) the final maturity date of the Refunding Bonds shall not be later than May 1, 2025.

Section 3. The Board hereby approves and confirms the engagement of Steptoe & Johnson PLLC as Bond Counsel, and Crews & Associates, Inc. as Underwriter, for and in connection with the Refunding Bonds; provided, that transaction fees shall be contingent upon successful closing of the issuance and sale of the Refunding Bonds and shall be payable from the proceeds of the sale of the Refunding Bonds. The President and the Superintendent of the Board shall be, and are each hereby, authorized to execute and deliver agreements and/or engagement letters evidencing and confirming the engagement of Bond Counsel and of Underwriter.

Section 4. The Board hereby authorizes and directs the staff of the Board, including, without limitation, the Superintendent and the Treasurer/Chief School Business Officer to work

with Bond Counsel and the Underwriter to structure the Refunding Bonds and related transactions and to prepare a preliminary official statement, a final bond authorizing resolution (an "Authorizing Resolution"), and other agreements, certificates and bond documents as they determine to be necessary or advisable, upon the advice of Bond Counsel, to issue and sell the Refunding Bonds and accomplish the Refunding and the debt service savings and other benefits contemplated by this Resolution; provided, however, that the distribution of such preliminary official statement, the issuance and sale of the Refunding Bonds, and the distribution of a final official statement, respectively, shall be subject to, and shall require, the adoption by the Board of the Authorizing Resolution.

Section 5. The President, Vice President, Secretary, Superintendent, and Treasurer/Chief School Business Officer of the Board are each hereby authorized and directed to execute any agreements, resolutions, certificates, instruments, filings and/or other bond documents and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 6. This Resolution shall take effect immediately upon its adoption.

[*Signature page follows this page.*]

Adopted and entered on this 4th day of November, 2019.

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY

By: _____
Its: President

Attest:

By: _____
Its: Superintendent and Secretary

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

REGISTRAR'S AGREEMENT

THIS AGREEMENT, dated as of February 5, 2020, by and between THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY (West Virginia), a statutory corporation of the State of West Virginia (the "Issuer"), and UNITED BANK, a Virginia banking corporation (the "Bank"), as Registrar under a Resolution and Order of the Issuer adopted January 6, 2020 (the "Resolution") and Certificate of Determinations delivered by the Issuer on January 22, 2020 (the "Certificate of Determinations").

WHEREAS, the Issuer has, contemporaneously with the execution hereof, issued and sold its $22,115,000 aggregate principal amount of Public School Refunding Bonds, Series 2020, in fully registered form (the "Bonds"), pursuant to the Resolution and Certificate of Determinations;

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 a Registrar for the Bonds; and

WHEREAS, the Issuer desires to appoint, and by the Resolution, the Certificate of Determinations and this Agreement does appoint the Bank to act as Registrar under the Resolution and 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 in connection with the Issuer's redemption on May 1, 2020 of all of the Issuer's outstanding Public School Bonds, Series 2010. 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 Berkeley
1453 Winchester Avenue
Martinsburg, West Virginia 25405
Attention: President

BANK: United Bank
500 Virginia Street, East
Charleston, West Virginia 25392
Attention: Corporate Trust

8. The Bank, as Registrar, is hereby requested and authorized to authenticate and deliver the Bonds in accordance with the Resolution.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY and UNITED BANK 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 BERKELEY

By: _____
Its President

UNITED BANK

By: _____
Its _____

IN WITNESS WHEREOF, THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY and UNITED BANK 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 BERKELEY

By: _____
Its: President

UNITED BANK

By: _____
Its: Vice President

Surplus Funds Resolution-Second Withdrawal

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

RESOLUTION

WHEREAS, the Board of Education of the County of Berkeley issued the above-captioned Refunding Bonds (the "Refunding Bonds") on February 5, 2020;

WHEREAS, as a result of the issuance of such Refunding Bonds and the current refunding of the Board's Public School Bonds, Series 2010, certain surplus funds were made available at the West Virginia Municipal Bond Commission for release to the Board (the "Special Surplus Account");

WHEREAS, under the Resolution providing for the issuance of the Refunding Bonds, the Board was permitted to withdraw $1,500,000 of such surplus funds from the Bond Commission on February 5, 2020; and is permitted to withdraw an additional amount of surplus funds from the Bond Commission on or after May 15, 2021, but only following the Board's review of the balances in the Debt Service Account and Surplus Collections Account for the Refunding Bonds, and upon its determination in writing that sufficient funds will be on hand at the Commission to assure payment of the debt service due on the Refunding Bonds on November 1, 2021 (interest) and May 1, 2022 (principal and interest); and

WHEREAS, the Board has reviewed the amount of funds on deposit in the Debt Service Account and Surplus Collection Account for the Refunding Bonds as of May 15, 2021, and has determined and hereby determines that sufficient funds exist, together with anticipated additional tax collections to be received on or before November 1, 2021 and May 1, 2022, to assure payment of the November 1, 2021 and May 1, 2022, debt service on the Refunding Bonds in the respective amounts of $247,800 and $3,842,800;

NOW, THEREFORE, the Board hereby resolves, that the amounts on deposit in the Debt Service Account and Surplus Collection Account for the Refunding Bonds are sufficient, together with the anticipated additional tax collections to be received on or before November 1, 2021 and May 1, 2022, to enable the Board to pay in full the debt service on the Refunding Bonds due on November 1, 2021 and May 1, 2022, in the respective amounts of $247,800 and $3,842,800.

IT IS HEREBY FURTHER RESOLVED that the amount of $_____ shall be withdrawn from the Special Surplus Account and that the balance remaining therein after such withdrawal shall be not less than $1,156,000.

IT IS HEREBY FURTHER RESOLVED that the Board requests that the West Virginia Municipal Bond Commission withdraw from the Special Surplus Account and deliver to the Board the sum of $_____, and certifies that all of such funds will be used solely by the Board to finance the costs of capital improvements, repairs or replacements for school facilities in Berkeley County, West Virginia, which were specified in the bond referendum approved by the voters on September 26, 2009. The projects to which such surplus funds shall be applied, together with the estimated costs of such projects, are described in Exhibit A attached hereto.

This Resolution shall take effect immediately upon its adoption.

Adopted and entered this ____ day of _____, 20____.

THE BOARD OF EDUCATION OF
THE COUNTY OF BERKELEY

By:_____
Its President

EXHIBIT A

Description of Projects and Estimated Costs

Surplus Funds Resolution-Third Withdrawal

$22,115,000
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
Public School Refunding Bonds, Series 2020

RESOLUTION

WHEREAS, the Board of Education of the County of Berkeley issued the above-captioned Refunding Bonds (the "Refunding Bonds") on February 5, 2020;

WHEREAS, as a result of the issuance of such Refunding Bonds and the current refunding of the Board's Public School Bonds, Series 2010, certain surplus funds were made available at the West Virginia Municipal Bond Commission for release to the Board (the "Special Surplus Account");

WHEREAS, under the Resolution providing for the issuance of the Refunding Bonds, the Board was permitted to withdraw $1,500,000 of such surplus funds from the Bond Commission on February 5, 2020; and is permitted to withdraw an additional amount of surplus funds from the Bond Commission on or after May 15, 2022, but only following the Board's review of the balances in the Debt Service Account and Surplus Collections Account for the Refunding Bonds, and upon its determination in writing that sufficient funds will be on hand at the Commission to assure payment of the debt service due on the Refunding Bonds on November 1, 2022 (interest) and May 1, 2023 (principal and interest); and

WHEREAS, the Board has reviewed the amount of funds on deposit in the Debt Service Account and Surplus Collection Account for the Refunding Bonds as of May 15, 2022, and has determined and hereby determines that sufficient funds exist, together with anticipated additional tax collections to be received on or before November 1, 2022 and May 1, 2023, to assure payment of the November 1, 2022 and May 1, 2023, debt service on the Refunding Bonds in the respective amounts of $175,900 and $3,955,900;

NOW, THEREFORE, the Board hereby resolves, that the amounts on deposit in the Debt Service Account and Surplus Collection Account for the Refunding Bonds are sufficient, together with the anticipated additional tax collections to be received on or before November 1, 2022 and May 1, 2023, to enable the Board to pay in full the debt service on the Refunding Bonds due on November 1, 2022 and May 1, 2023, in the respective amounts of $175,900 and $3,955,900.

IT IS HEREBY FURTHER RESOLVED that the amount of $_____ shall be withdrawn from the Special Surplus Account and that such withdrawal may deplete the funds in the Special Surplus Account based upon the findings made in this resolution.

IT IS HEREBY FURTHER RESOLVED that the Board requests that the West Virginia Municipal Bond Commission withdraw from the Special Surplus Account and deliver to the Board the sum of $_____, and certifies that all of such funds will be used solely by the Board to finance the costs of capital improvements, repairs or replacements for school facilities in Berkeley County, West Virginia, which were specified in the bond referendum approved by the voters on September 26, 2009. The projects to which such surplus funds shall be applied, together with the estimated costs of such projects, are described in Exhibit A attached hereto.

This Resolution shall take effect immediately upon its adoption.

Adopted and entered this ____ day of _____, 20____.

THE BOARD OF EDUCATION OF
THE COUNTY OF BERKELEY

By:_____
Its President

EXHIBIT A

Description of Projects and Estimated Costs

West's Annotated Code of West Virginia Chapter 13. Public Bonded Indebtedness Article 2. Refunding Bonds

W. Va. Code, § 13-2-1

§ 13-2-1. What political divisions may issue refunding bonds; when issued

Currentness

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.

Credits

Acts 1925, c. 46, § 1; Acts 1984, c. 25.

W. Va. Code, § 13-2-1, WV ST § 13-2-1
Current with legislation of the 2019 Second Extraordinary Session.

End of Document

© 2020 Thomson Reuters. No claim to original U.S. Government Works.

West's Annotated Code of West Virginia Chapter 13. Public Bonded Indebtedness Article 2. Refunding Bonds

W. Va. Code, § 13-2-2

§ 13-2-2. Terms of refunding bonds; time, place and amount of payments

Currentness

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.

Credits

Acts 1925, c. 46, § 2; Acts 1984, c. 25; Acts 1994, c. 13; Acts 1998, c. 320, eff. March 14, 1998.

W. Va. Code, § 13-2-2, WV ST § 13-2-2
Current with legislation of the 2019 Second Extraordinary Session.

End of Document

© 2020 Thomson Reuters. No claim to original U.S. Government Works.

West's Annotated Code of West Virginia Chapter 13. Public Bonded Indebtedness Article 2. Refunding Bonds

W. Va. Code, § 13-2-3

§ 13-2-3. Certain provisions of article one to apply to refunding bonds

Currentness

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.

W. Va. Code, § 13-2-3, WV ST § 13-2-3
Current with legislation of the 2019 Second Extraordinary Session.

End of Document

© 2020 Thomson Reuters. No claim to original U.S. Government Works.

West's Annotated Code of West Virginia Chapter 13. Public Bonded Indebtedness Article 2. Refunding Bonds

W. Va. Code, § 13-2-4

§ 13-2-4. Disposition of bonds; cancellation of original bonds

Currentness

The governing body of the political 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 simultaneously 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.

Credits

Acts 1925, c. 46, § 7; Acts 1937, c. 118; Acts 1984, c. 25; Acts 1994, c. 13.

W. Va. Code, § 13-2-4, WV ST § 13-2-4
Current with legislation of the 2019 Second Extraordinary Session.

End of Document

© 2020 Thomson Reuters. No claim to original U.S. Government Works.

West's Annotated Code of West Virginia Chapter 13. Public Bonded Indebtedness Article 2. Refunding Bonds

W. Va. Code, § 13-2-5

§ 13-2-5. Article sufficient authority for issuing refunding bonds

Currentness

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.

Credits

Acts 1925, c. 46, § 8.

W. Va. Code, § 13-2-5, WV ST § 13-2-5

Current with legislation of the 2019 Second Extraordinary Session.

End of Document

© 2020 Thomson Reuters. No claim to original U.S. Government Works.

West's Annotated Code of West Virginia Chapter 13. Public Bonded Indebtedness Article 2. Refunding Bonds

W. Va. Code, § 13-2-6

§ 13-2-6. Issuance without election or notice

Currentness

The issuance and sale of exchange bonds in this article authorized may be had without an election or publication of any notice.

Credits

Acts 1925, c. 46, § 9; Acts 1937, c. 118.

W. Va. Code, § 13-2-6, WV ST § 13-2-6
Current with legislation of the 2019 Second Extraordinary Session.

End of Document

© 2020 Thomson Reuters. No claim to original U.S. Government Works.

West's Annotated Code of West Virginia Chapter 13. Public Bonded Indebtedness Article 2. Refunding Bonds

W. Va. Code, § 13-2-7

§ 13-2-7. Invalidity of part of article not to affect other parts

Currentness

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.

Credits

Acts 1925, c. 46, § 10.

W. Va. Code, § 13-2-7, WV ST § 13-2-7
Current with legislation of the 2019 Second Extraordinary Session.

End of Document

© 2020 Thomson Reuters. No claim to original U.S. Government Works.

West's Annotated Code of West Virginia Chapter 13. Public Bonded Indebtedness Article 2. Refunding Bonds

W. Va. Code, § 13-2-8

§ 13-2-8. Bonds exempt from taxation

Currentness

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.

W. Va. Code, § 13-2-8, WV ST § 13-2-8
Current with legislation of the 2019 Second Extraordinary Session.

End of Document

© 2020 Thomson Reuters. No claim to original U.S. Government Works.

West's Annotated Code of West Virginia Chapter 13. Public Bonded Indebtedness Article 2. Refunding Bonds

W. Va. Code, § 13-2-9

§ 13-2-9. Funding of orders, drafts or warrants by county courts and boards of education at rate lower than six percent

Currentness

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.

Credits

Acts 1933, c. 43, § 1.

<W.Va. Const., art. IX, § 9, redesignated the office of the county court as county commission.>

W. Va. Code, § 13-2-9, WV ST § 13-2-9
Current with legislation of the 2019 Second Extraordinary Session.

End of Document

© 2020 Thomson Reuters. No claim to original U.S. Government Works.

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Department of the Treasury
Internal Revenue Service Center
Ogden, Utah 84201

9590 9402 4807 8344 3993 55

2. Article Number *(Transfer from service label)*
7017 3040 0000 8955 9268

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

RECEIVED
C326 IRS-OSC
FEB 10 2020
OGDEN, UT

3. Service Type
- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ■ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053 Domestic Return Receipt

7017 3040 0000 8955 9268

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at *www.usps.com®*.

OFFICIAL USE

Certified Mail Fee
$

Extra Services & Fees *(check box, add fee as appropriate)*
- ☐ Return Receipt (hardcopy) $
- ☐ Return Receipt (electronic) $
- ☐ Certified Mail Restricted Delivery $
- ☐ Adult Signature Required $
- ☐ Adult Signature Restricted Delivery $

Postage
$ 7.05

Total Postage and Fees
$

Postmark Here
CLARKSBURG, WV 26301
FEB - 6 2020
UNITED STATES POSTAL SERVICE

Sent To
Department of the Treasury
Street and Apt. No., or
Internal Revenue Service Center
City, State, ZIP+4®
Ogden, Utah 84201

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

STEPTOE & JOHNSON PLLC
ATTORNEYS AT LAW

400 White Oaks Boulevard
Bridgeport, WV 26330
(304) 933-8000 (304) 933-8183 Fax
www.steptoe-johnson.com

Writer's Contact Information
Thomas.Aman@steptoe-johnson.com
(304) 933-8136 – Telephone
(304) 933-8183 - Fax

February 5, 2020

The Board of Education of the County of Berkeley (West Virginia)
Public School Refunding Bonds, Series 2020

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Department of the Treasury
Internal Revenue Service Center
Ogden, Utah 84201

Ladies and Gentlemen:

Enclosed herewith is a completed and executed Internal Revenue Service Form 8038-G and a file copy thereof with regard to the above-captioned issue. Please file the original form in the appropriate Internal Revenue Service records and return the copy marked as the "Acknowledgement Copy" to me (after acknowledging receipt of the same) in the enclosed stamped, self-addressed envelope.

Thank you for your attention to this letter. If you have any questions regarding any of the issues set forth herein, or if I can be of any service, please do not hesitate to call.

My best regards.

Very truly yours,

Thomas L. Aman, Jr.

TLA
Enclosures

BERKELEY COUNTY BOARD OF EDUCATION
BOND ELECTION ORDER

AN ORDER OF THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY DIRECTING THAT A SPECIAL ELECTION BE HELD FOR THE PURPOSE OF SUBMITTING TO THE VOTERS OF BERKELEY COUNTY SCHOOL DISTRICT ALL QUESTIONS CONNECTED WITH THE CONTRACTING OF A DEBT AND THE ISSUING OF BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN FIFTY-ONE MILLION FIVE HUNDRED THOUSAND DOLLARS ($51,500,000) FOR SITE PREPARATION, CONSTRUCTION, EQUIPPING AND FURNISHING OF NEW SCHOOLS AND ADDITIONS, RENOVATIONS AND IMPROVEMENTS FOR EXISTING SCHOOLS IN BERKELEY COUNTY SCHOOL DISTRICT

BE IT ORDERED AND ENTERED OF RECORD BY THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY:

It appears to The Board of Education of the County of Berkeley (herein called the "Board") and the Board does accordingly hereby find:

1. As a result of continued growth in student enrollment, and inadequate school buildings and related facilities in Berkeley County School District (the "District") in the State of West Virginia (the "State"), 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, construct, erect, furnish and equip two new schools and undertake renovation and improvements for certain other existing schools, 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 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 therefor.

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 the acquisition, construction, erection, equipping and furnishing of two new schools, together with site preparation costs, and additions, renovations and improvements for certain existing schools and all necessary appurtenances (collectively, the "Project"), to pay interest during the period of construction of the Project and for up to six months thereafter, to pay architectural, engineering and inspection costs and to pay costs of issuance of the Bonds, all as more fully hereinafter described. Investigation and studies by this Board show that at least the sum of **$96,500,000** should be spent for such purposes, **$51,500,000** of which would be provided from proceeds of the hereinafter described Bonds and **$45,000,000** of which would be provided by a grant or grants from the School Building Authority of West Virginia (the "SBA"), **$25,000,000** of which grant or grants from the SBA has been committed, contingent upon passage of the bond election described herein, with the remaining **$20,000,000** not yet committed, but expected (but not guaranteed) to be committed, subject to certain conditions having been met by the Board, or a grant or grants from another source, all to the end of providing adequate, safe and convenient school 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 **$5,383,735,227**, and the valuation of each class of property within the District is as follows:

Class I	**$ -0-**
Class II	**3,380,515,434**
Class III	**1,509,926,451**
Class IV	**493,293,342**
TOTAL	**$5,383,735,227**

4. There is bonded indebtedness for school purposes in the District in the outstanding amount of **$18,900,000**. The unbonded indebtedness of the District is negligible and can be paid from current levy funds. Accordingly, Bonds in the aggregate principal amount of **$51,500,000**, together with the existing bonded indebtedness of **$18,900,000**, being 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 not more than **$51,500,000**, 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, that if any part of the bond proceeds should not be needed for completion of the Project, such unneeded part shall be deposited with the West Virginia Municipal Bond Commission to be used

solely for the purchase or redemption of any Bonds of this issue outstanding 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.

6. The Bonds shall bear interest at a rate or rates not exceeding **7.0% per annum**, payable semiannually, but it is anticipated that the best bid for the Bonds will provide a much lower interest rate (which will result in a lower levy rate needed to pay the Bonds and the interest thereon), and the Bonds shall be payable for a maximum term of **15-1/2 years** from the date of issuance thereof.

7. It is further hereby ordered by the Board of Education of the County of Berkeley 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 Berkeley County School District at a special election to be held in the District on **Saturday, September 26, 2009.**

(B) The names of the Commissioners for holding said election shall be as follows (provided that, if any of such Commissioners are unavailable or otherwise unable to serve, substitutes will be appointed):

Willard Wynn

Ronald Wasson

(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 Berkeley 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 (**$51,500,000**), if authorized by the voters and the expected grants from the School Building Authority of West Virginia (**$45,000,000**), are to be expended are as follows:

	PROJECT	LOCATION	ESTIMATED COST
1.	**NEW SPRING MILLS AREA HIGH SCHOOL** Site preparation and construct, furnish and equip a new high school to house approximately 1,500 students containing approximately 228,000 square feet, together with all necessary furnishings, fixtures, equipment and appurtenances.	Site adjacent to existing Spring Mills Area Middle School	**$53,500,000***
2.	**NEW MOUNTAIN RIDGE AREA MIDDLE SCHOOL** Site preparation and construct, furnish and equip a new middle school to house approximately 600 students containing approximately 84,000 square feet, together with all necessary furnishings, fixtures, equipment and appurtenances.	Site adjacent to existing Mountain Ridge Intermediate School	**$20,000,000**
3.	**EXISTING MUSSELMAN HIGH SCHOOL** Construct new classrooms, new science labs, restrooms, stairwells, and other improvements to existing building, together with all necessary furnishings, fixtures, equipment and appurtenances.	Existing Musselman High School	**$ 7,000,000**
4.	**EXISTING NORTH MIDDLE SCHOOL** Construct new classrooms, new science labs, restrooms and other improvements to existing building, together with all necessary furnishings, fixtures, equipment and appurtenances.	Existing North Middle School	**$16,000,000**

APPROXIMATE TOTAL COST TO BE PAID FROM BOND PROCEEDS	**$51,500,000**
APPROXIMATE TOTAL COST TO BE PAID FROM SBA (OR OTHER) GRANTS	**$45,000,000**
APPROXIMATE TOTAL COST OF ALL PROJECTS	**$96,500,000**

*$25,000,000 of the $53,500,000 would be provided by a grant currently committed by the School Building Authority of West Virginia, which grant is contingent upon passage of this bond issue as submitted to the voters of Berkeley County.

The above amounts include costs of site improvement, construction, erection, renovation, repair, furnishing, equipping and improving of such projects, architectural, engineering and other professional 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, whether any such sum remains unused upon such completion by reason of lower than estimated costs for such project or projects or a grant or grants 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 at the approximate rates as follows:

Upon Class I property, approximately **4.29** cents
Upon Class II property, approximately **8.58** cents
Upon Class III property, approximately **17.16** cents
Upon Class IV property, approximately **17.16** 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 not exceeding 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 BERKELEY
SPECIAL SCHOOL BOND ELECTION
SATURDAY, SEPTEMBER 26, 2009

Shall the Board of Education of the County of Berkeley incur debt and issue Bonds in the amount of not more than **FIFTY-ONE MILLION FIVE HUNDRED THOUSAND DOLLARS ($51,500,000)**, maturities on such Bonds to run not more than **15-1/2 years** from the date of such Bonds, with interest not exceeding the rate of **7% per annum**, payable semi-annually, for the purpose of making the following improvements in Berkeley County School District (Estimated Costs to include both Bond proceeds and proceeds of grants expected to be received from the School Building Authority of West Virginia or other source, as shown below) to provide adequate, safe and convenient educational facilities for the School District, and levy taxes sufficient to pay the interest on and the principal of such Bonds?

	PROJECT	LOCATION	ESTIMATED COST
1.	**NEW SPRING MILLS AREA HIGH SCHOOL** Site preparation and construct, furnish and equip a new high school to house approximately 1,500 students containing approximately 228,000 square feet, together with all necessary furnishings, fixtures, equipment and appurtenances.	Site adjacent to existing Spring Mills Area Middle School	**$53,500,000***
2.	**NEW MOUNTAIN RIDGE AREA MIDDLE SCHOOL** Site preparation and construct, furnish and equip a new middle school to house approximately 600 students containing approximately 84,000 square feet, together with all necessary furnishings, fixtures, equipment and appurtenances.	Site adjacent to existing Mountain Ridge Intermediate School	**$20,000,000**

3.	**EXISTING MUSSELMAN HIGH SCHOOL** Construct new classrooms, new science labs, restrooms, stairwells, and other improvements to existing building, together with all necessary furnishings, fixtures, equipment and appurtenances.	Existing Musselman High School	**$ 7,000,000**
4.	**EXISTING NORTH MIDDLE SCHOOL** Construct new classrooms, new science labs, restrooms and other improvements to existing building, together with all necessary furnishings, fixtures, equipment and appurtenances.	Existing North Middle School	**$16,000,000**

APPROXIMATE TOTAL COST TO BE PAID FROM BOND PROCEEDS	**$51,500,000**
APPROXIMATE TOTAL COST TO BE PAID FROM SBA (OR OTHER) GRANTS	**$45,000,000**
APPROXIMATE TOTAL COST OF ALL PROJECTS	**$96,500,000**

*$25,000,000 of the $53,500,000 would be provided by a grant currently committed by the School Building Authority of West Virginia, which grant is contingent upon passage of this bond issue as submitted to the voters of Berkeley County.

The above amounts include costs of site improvement, construction, erection, renovation, repair, furnishing, equipping and improving of such projects, architectural, engineering and other professional 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, whether any such sum remains unused upon such completion by reason of lower than estimated costs for such project or projects or a grant or grants 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

INSTRUCTIONS TO VOTERS: To vote in favor of the proposition submitted on this ballot, place an X mark in the square before the word "YES".

To vote against the proposition, place a similar mark in the square before the word "NO".

* * * * * * * * * * * *

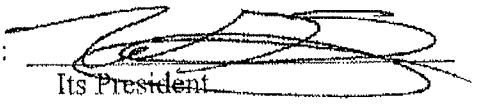
8. The Secretary of the Board with the assistance of the Clerk of the County Commission of Berkeley County, which Clerk is hereby designated and appointed as an agent of the Board for this election, is hereby authorized and directed to procure and furnish to the election commissioners at each voting 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 Friday, October 2, 2009**, that being the 5th day, Sunday excepted, after such 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 Berkeley in accordance with the laws of the State of West Virginia, 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 such 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 *Martinsburg Journal*, being the only qualified newspaper published or of general circulation in Berkeley County, West Virginia, the publication dates to be September 15, 2009 and September 22, 2009.

Given under my hand this July 1, 2009.

THE BOARD OF EDUCATION OF
THE COUNTY OF BERKELEY

By: 
Its President

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 Berkeley at a regular meeting thereof duly and regularly called and held upon lawful notice to all members thereof and to the public and news media, on July 1, 2009, at Martinsburg, Berkeley 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 February 17, 2010.

By: _____
Secretary of The Board of Education of the County of Berkeley

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
RESOLUTION AND ORDER DIRECTING ISSUANCE OF BONDS

WHEREAS, The Board of Education of the County of Berkeley (the "Issuer"), has heretofore, on July 1, 2009, made and entered of record a Bond Election Order (the "Order") upon the question of authorizing bonds in the amount of Fifty-one Million Five Hundred Thousand Dollars ($51,500,000) to be issued and sold for the purpose of providing funds for making certain improvements in Berkeley County School District (the "District");

WHEREAS, in pursuance of said order, an election was held on September 26, 2009, at each of the legally established voting precincts in the District for the purpose of ascertaining the will of the voters upon the question of whether or not said bonds should be issued. The result of said election, as shown by a canvass of the returns thereof made by The County Commission of Berkeley County and The Board of Education of the County of Berkeley, sitting as a canvassing board on October 2, 2009, and as certified on October 2, 2009, was 4,595 votes for and 2,629 votes against the issuance of said bonds; so that more than 50% of the voters, to wit, 63.6% at said election, voted for the issuance of said bonds; and

WHEREAS, the Issuer has accordingly determined to proceed with the issuance of bonds as hereinafter provided.

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

1. Bonds in the aggregate principal amount of $51,500,000 (the "Bonds"), shall be issued and sold in denominations of $5,000 or integral multiples thereof, the proceeds of which sale shall be used for the purposes hereinafter set forth, the sale of such Bonds to be made in whole, or from time to time in part, as the Issuer may in its discretion, deem proper, advisable and in the best interests of the residents of the District. Upon completion of the Project and payment of all costs thereof in full, any unused sum remaining from the sale of the Bonds shall be deposited with the West Virginia Municipal Bond Commission to be used for the purchase of any outstanding Bonds or for the payment of the Bonds hereby authorized and the interest thereon at the maturities thereof.

2. The Bonds shall bear interest at a rate or rates not exceeding seven per centum (7.00%) per annum, payable semiannually, but it is hoped that the best bid for the Bonds will provide a lower interest rate (which will result in somewhat lower levy rates needed to pay the Bonds and the interest thereon), and the Bonds shall be payable annually in the principal amounts and shall mature on May 1 in the years as follows:

Maturity (May 1)	Principal Amount	Maturity (May 1)	Principal Amount
2011	2,025,000	2019	3,560,000
2012	2,660,000	2020	3,710,000
2013	2,770,000	2021	3,865,000
2014	2,890,000	2022	4,030,000
2015	3,010,000	2023	4,205,000
2016	3,140,000	2024	4,380,000
2017	3,275,000	2025	4,565,000
2018	3,415,000		
TOTAL			**$51,500,000**

3. Both the Bonds and the interest thereon shall be payable in lawful money of the United States of America at the office of the West Virginia Municipal Bond Commission (the "Paying Agent"), as the West Virginia State Treasurer's designated paying agent, and the Issuer shall annually, at the levy term thereof, make up and lay a levy upon all taxable property within the District sufficient to provide funds for paying the interest on the Bonds as the same accrues and becomes payable and the principal thereof at their respective maturities.

4. The Bonds shall be issued under the 5% limitation of the Better Schools Amendment, and will be payable from a direct annual tax on all taxable property in the District, in the ratio, as between the several classes or types of such taxable property specified in Section 1, Article X of the Constitution, separate and apart from and in addition to all other taxes for all other purposes, sufficient to pay, annually, the interest of such debt and the principal thereof, within and not exceeding 34 years, which may be levied outside the limits fixed by Section 1, Article X of the Constitution, and the Issuer covenants with the registered owners from time to time of the Bonds that the District shall include in its budget the amount of the debt service for each fiscal year of the District in which such sums are payable, shall appropriate such amount from its revenues for the payment of such debt service and shall duly and punctually pay or cause to be paid from its sinking fund or any other of its available revenues or funds the principal amount of each of the Bonds and the interest due thereupon at the date and place and in the manner stated therein, according to the true intent and meaning thereof; and, for such budgeting, appropriation and payment, subject to the limitations fixed by the District shall and does pledge, irrevocably, its full faith, credit and taxing power.

5. It is hereby found and determined by the Issuer that the aggregate amount of such Bonds, to wit, Fifty-one Million Five Hundred Thousand Dollars ($51,500,000), does not exceed or violate any provisions or limitations in any manner provided by the School Bond Amendment and the Better Schools Amendment.

6. The Bonds hereby authorized shall be exempt from all taxation by the State of West Virginia or any political subdivision thereof and shall contain the

following recital: "It is certified 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."

7. Each Bond shall be signed by and on behalf of the Issuer by its President and countersigned by its Secretary, and the corporate seal of the Issuer shall be affixed to each Bond, which signatures and seal may be manual or by facsimile, and the Bonds herein authorized to be issued shall be upon the terms and in form or effect substantially as set forth in "**Exhibit A**," attached hereto as a part hereof. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution and Order unless and until the Registrar's Certificate of Authentication and Registration on such Bond, substantially in the form set forth in said "**Exhibit A**" shall have been manually executed by the registrar for the Bonds to be set forth and designated in the Bonds (the "Registrar").

8. The Bonds shall be payable as to principal at the office of the Paying Agent, in any coin or currency which, on the dates of payment of principal is legal tender for the payment of public or private debts under the laws of the United States of America. Interest on the Bonds shall be paid by wire or by check or draft of the Paying Agent mailed to the registered owner thereof at the address as it appears on the books of the Registrar.

9. Subject to the provisions for transfer of registration set forth below, the Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder, in accepting any of said Bonds shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the State of West Virginia, and each successive Holder shall further be conclusively deemed to have agreed that said Bonds shall be incontestable in the hands of a bona fide holder for value.

So long as any of the Bonds remain outstanding, the Issuer, through the Registrar, shall keep and maintain books for the registration and transfer of the Bonds.

The Bonds shall be transferable only upon the books of the Registrar, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereto together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney.

In all cases in which the privileges of exchanging Bonds or transferring the registered Bonds is exercised, Bonds shall be delivered in accordance with the provisions of this Bond Resolution and Order. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled by the Registrar. Transfers and exchanges of Bonds shall be made by the Registrar without

charge to the holder or the transferee thereof, except as provided below. For every such exchange or transfer of Bonds, the Registrar may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer, and such tax or other governmental charge shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The Registrar shall not be obliged to make any such exchange or transfer of Bonds during the period commencing on the 15th day of the month preceding an interest payment date on the Bonds.

10. The Bonds may be subject to redemption prior to their stated dates of maturity at the option of the Issuer, on or after such date, in such order of maturity as may be determined by the Issuer and by lot within a maturity, and at the redemption price or prices to be set forth in the Notice of Sale of the Bonds. At the option of the Issuer, the Bonds or portions thereof may also be subject to mandatory sinking find redemption in lieu of serial maturities in the years and in the amounts set forth in the Bonds. The Issuer shall not levy taxes in connection with the redemption of any Bonds in excess of the taxes that would have been levied for the payment of principal of and interest on the Bonds in such year.

11. The 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 Issuer determines that it is in the best interest of the beneficial owners of the Bonds that they obtain Bond certificates, the Issuer 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 Bonds at any time by giving notice to the Issuer or the Registrar and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the Issuer 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 Issuer and the Registrar to do so, the Registrar and the Issuer will cooperate with DTC in taking appropriate action after reasonable notice (a) to make available one or more separate certificates evidencing the Bonds to any participant having the Bonds credited to its DTC account or (b) to arrange for another securities depository to maintain custody of certificates evidencing the Bonds. The President of the Issuer is hereby authorized and directed to execute and deliver to DTC a Letter of Representations in substantially the form presented to this meeting and the Issuer is authorized to comply with all requirements of DTC.

12. The Issuer shall assure that (i) not in excess of 10% of the Net Proceeds of the Bonds are used for Private Business Use if, in addition, the payment

of more than 10% of the principal or 10% of the interest due on the Bonds during the term thereof is, under the terms of the Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of 5% of the Net Proceeds of the Bonds are used for a Private Business Use, and (B) in excess of 5% of the principal or 5% of the interest due on the Bonds during the term thereof is, under the terms of the Bonds or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the Issuer, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds of the Bonds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of the Project, or if the Bonds are for the purpose of financing more than one project, a portion of the Project, and shall not exceed the proceeds used for the governmental use of that portion of the Project to which such Private Business Use is related.

13. The Issuer shall assure that not in excess of 5% of the Net Proceeds of the Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting Nonpurpose Investments) to persons other than state or local government units.

14. The Issuer shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code and Regulations promulgated thereunder.

15. The Issuer will file all statements, instruments and returns necessary to assure the tax-exempt status of the Bonds and the interest thereon, including without limitation, the information return required under Section 149(e) of the Code.

16. The Issuer covenants with the registered owners from time to time of the Bonds that it will make no use of the proceeds of such issue or do or suffer any other action which, if such use or action had been reasonably expected on the date of issue of such Bonds, would cause such Bonds to be "arbitrage bonds," as that term is defined in Section 148 of the Internal Revenue Code of 1986, as amended, or any successor provision, and the applicable regulations thereunder (the "Code"). The Issuer further covenants that it will comply with the requirements of such Section 148 and with the regulations thereunder throughout the term of this issue. In addition, the President of the Issuer being the official responsible for issuing the Bonds, is hereby authorized and directed to execute and deliver, in the name and on behalf of the District, any and all documents or other instruments which Bond Counsel may reasonably request in connection with the providing of its opinion that the Bonds are not "arbitrage bonds" within the meaning of said Section 148 and the

regulations promulgated thereunder, including, without limitation, a certificate dated the date of issuance, sale and delivery of the Bonds, which certificate shall set forth the reasonable expectations of the District as to the amount and use of the proceeds of the Bonds and other matters relating to such Section 148.

17. The Issuer hereby covenants to take all actions necessary to comply with the "rebate" provisions of Section 148(f) of the Code and shall employ such professionals as may be necessary in order to ensure such compliance.

18. The Issuer hereby approves the Tax and Non-Arbitrage Certificate to be dated that date of delivery of the Bonds, in substantially the form presented to this meeting, and the President of the Issuer is hereby authorized and directed to execute such certificate with such changes, insertions and deletions as shall be approved by the President.

19. The Issuer hereby covenants to take all actions necessary to comply with SEC Rule 15c2-12 and to deliver a continuing disclosure agreement or similar document to the successful bidder or bidders for the Bonds.

20. The Bonds may, at the option of the Issuer, be insured by a policy of municipal bond insurance or other surety guarantying the payment of the principal of and interest on the Bonds.

21. The Secretary of the Issuer shall transmit to the Attorney General of the State of West Virginia a duly certified copy of all orders, resolutions, proclamations, notices, advertisements, affidavits and records of all proceedings connected with or pertaining to this Bond issue, and any and all other matters relative thereto which the Attorney General may require, as provided by Section 25, Article 1, Chapter 13 of the Code of West Virginia.

22. The Bonds hereby authorized shall be advertised for sale to the public on sealed bids or electronic bids, in the manner set forth in Chapter 13, Article 1, Section 21 of the West Virginia Code of 1931, as amended, at such time or times as shall be determined by the Board. The Issuer may issue the Bonds in one or more series and may reject any and all bids.

23. All officers, members and employees of the Issuer are hereby authorized, empowered and directed to do any and all things proper and necessary to cause valid Bonds to be issued as authorized by the voters of the District at the election held on September 26, 2009, pursuant to the calling thereof, and to do all things proper and necessary to obtain the approval and sale of said Bonds, and no further authority shall be necessary to authorize any such officers or employees to give further assurance, to execute such additional documents and do such further acts as may legally be required by any individual or corporate purchaser of the Bonds hereby authorized or any of them.

24. This resolution and order shall be effective immediately upon its adoption and entry of record.

Adopted and entered of record this October 19, 2009.

THE BOARD OF EDUCATION OF
THE COUNTY OF BERKELEY

By: _____
Its President

CERTIFICATE

Certified a true and correct copy of the Resolution and Order Directing Issuance of Bonds, adopted and entered of record by The Board of Education of the County of Berkeley at a meeting thereof duly and regularly called and held upon lawful notice to all members thereof on October 19, 2009, at 401 South Queen Street, Martinsburg, Berkeley County, West Virginia, a quorum of said members being present at said meeting and acting throughout the same. Such resolution and order is in full force and effect.

Given under my hand this February 17, 2010..

By: _____
Secretary of The Board of Education of The County of Berkeley

EXHIBIT A

[FORM OF BOND]

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.

UNITED STATES OF AMERICA
STATE OF WEST VIRGINIA
THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY
(WEST VIRGINIA)
PUBLIC SCHOOL BONDS, SERIES 2010

No. _____ $_____

INTEREST RATE	MATURITY DATE	BOND DATE	CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY, (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 _____ 1 and _____ 1 in each year, beginning _____ 1, 20__, (each an "Interest Payment Date"), until maturity. The Treasurer of the State of West Virginia has designated _____, _____, West Virginia, as its agent to act as registrar for the Bonds (the "Registrar") and the West Virginia

Municipal Bond Commission, Charleston, West Virginia, as its agent to act 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 _____ 15 and _____ 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 Paying Agent, 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 Paying Agent at least 5 days prior to such Record Date. Principal and premium, if any, 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 Paying Agent 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 Bonds, Series 2010" (the "Bonds"), issued by the Issuer in the aggregate principal amount of Fifty-one Million Five Hundred Thousand Dollars ($51,500,000). 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 1 of the West Virginia Code of 1931, as amended (the "Act") and a Resolution and Order Directing Issuance of Bonds as supplemented and amended (the "Order") duly adopted by the Issuer, for the purpose of providing funds for the acquisition, construction and equipping of public school facilities, together with all necessary appurtenances, in Berkeley County School District. 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 form 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 maturing on _____ 1, 20__ and thereafter are subject to redemption at the option of the Issuer prior to their respective dates of maturity on or after_____, 20__, in whole at any time or in part on any interest payment date, in any order of maturity selected by the Issuer, and by lot within a maturity, at a redemption price equal to ____% of the principal amount of the Bonds to be redeemed, together with interest accrued to the date fixed for redemption.]

[Notice of any redemption of Bonds shall be given by the Registrar, on behalf of the Issuer, to the registered owners of the Bonds to be redeemed at least thirty (30) and not more than sixty (60) days prior to the date fixed for redemption, by registered or certified mail, at the address appearing in the Bond Register or at such other address as is furnished in writing by the registered owner to the Registrar. Failure to receive such notice or any defect therein or in the mailing thereof shall not affect the validity of any proceedings for the redemption of the Bonds and failure to mail such notice shall not affect the validity of any such proceedings for any Bond with respect to which no such failure has occurred. Notice of redemption having been given in the manner described herein, and moneys necessary for the redemption of the Bonds having been deposited, the Bonds specified in such notice shall, on the date fixed for redemption, become due and payable and from and after such date (unless the Issuer shall default in the payment of the redemption price), such Bonds shall cease to bear interest.]

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.

[The Bonds are additionally secured, but only to the extent described in the Statement of Insurance printed on the Bonds, by a policy of municipal bond insurance issued by _____.]

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, 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.

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 BERKELEY 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 _____, 2010.

THE BOARD OF EDUCATION OF
THE COUNTY OF BERKELEY

(SEAL)

By: _____
Its President

By: _____
Its Secretary

REGISTRAR'S CERTIFICATE OF
AUTHENTICATION AND REGISTRATION

This Bond is one of the Bonds of the Series designated therein, described in the within-mentioned Resolution and Order Directing Issuance of Bonds, and has been duly registered in the name of the Registered Owner set forth above, as of the date set forth below. Attached hereto is the complete text of the opinion of Steptoe & Johnson PLLC, bond counsel, a signed original of which is on file with the undersigned, delivered and dated on the date of the original delivery of and payment for the Bonds of said Series.

Dated: _____.

_____,
as Registrar

By: _____
Its Authorized Officer

STATEMENT OF INSURANCE

[Language to be provided by Bond Insurer]

ATTORNEY GENERAL'S APPROVAL

I, DARRELL V. McGRAW, JR., Attorney General of the State of West Virginia, do hereby certify that this Bond has been approved by me by virtue of the authority vested in me by Article 1, Chapter 13, of the West Virginia Code of 1931, as amended; that notice of my approval hereof was published as required by Section 25 of said Chapter 13, Article 1; that 10 days have elapsed since the date of the last publication of such notice; that there has been no appeal from my decision to the Supreme Court of Appeals; and that this Bond has become incontestable, under and by virtue of the provisions of said Article 1, Chapter 13, and is a binding obligation upon The Board of Education of the County of Berkeley a corporation, the authority issuing the same, and upon the taxable property within Berkeley County School District, and that by reason of the provisions of said Article 1, Chapter 13, no one has the right hereafter to contest in any court or in any action or proceeding the validity of this Bond for any cause whatsoever.

WITNESS my hand this _____, 2010.

By: _____
Attorney General of the State
of West Virginia

ASSIGNMENT

Social Security or Other Identifying Number of Assignee: _____

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

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.

WEST VIRGINIA MUNICIPAL BOND COMMISSION
900 Pennsylvania Avenue, Suite 1117, Charleston, WV 25302
Phone:(304) 558-3971 FAX: (304) 558-1280 **mbc.wv.gov**

NEW ISSUE REPORT FORM

Date of Report: February 5, 2020

ISSUE: The Board of Education of the County of Berkeley (West Virginia) Public School Refunding Bonds, Series 2020

ADDRESS: 1453 Winchester Avenue, Martinsburg, WV 25405 COUNTY: Berkeley

PURPOSE OF ISSUE: ____ New Money
X Refunding

Refunding issue(s) dated: February 17, 2010

ISSUE DATE: February 5, 2020 RATE: See Schedule A ADMIN FEE:

ISSUE AMOUNT: $22,115,000

1st DEBT SERVICE DUE: May 1, 2020 1st PRINCIPAL DUE: May 1, 2020

1st DEBT SERVICE AMOUNT: $3,597,735.83 PAYING AGENT: WV Municipal Bond Commission

BOND COUNSEL: Steptoe & Johnson PLLC

Contact Name: Thomas L. Aman, Esq.
Phone: 304-933-8136
Email: thomas.aman@steptoe-johnson.com

UNDERWRITERS COUNSEL: Bowles Rice LLP

Contact Name: Roger D. Hunter, Esq.
Phone: 304-347-1101
Email: rhunter@bowlesrice.com

CLOSING BANK: United Bank

Contact Name: Thomas Provenzano
Phone: 304-348-8356
Email: Thomas.Provenzano@bankwithunited.com

ESCROW TRUSTEE: *WV Municipal Bond Commission*

Contact Name: Sara L. Rogers
Phone: (304) 558-3971
Email: sara.l.rogers@wv.gov

KNOWLEDGEABLE ISSUER CONTACT:

Contact Name: James Butts, CPA
Title: Treasurer
Phone: 304-267-3510 ext. 13219
Email: jvbutts@k12.wv.us

OTHER: Crews & Associates (Underwriter)

Contact Name: Robert Steptoe
Title: Director
Phone: (304) 276-5273
Email: rsteptoe@crewsfs.com

DEPOSITS TO MBC AT CLOSE: $ 23,220,730.23

By: Wire X
Check ____
In-house Transfer ____

Accrued Interest:
Capitalized Interest:
Reserve Account:
Other: 2010 Debt Svc Fnd to 2020 Debt Svc Fnd: $2,825,672.83
Other: 2010 Surplus Acct to Escrow Fnd: $1,914,305.06

REFUNDS & TRANSFERS BY MBC AT CLOSE:

By: Wire X
Check ____
IGT ____

To Escrow Trustee: $ 23,220,730.23
To Issuer: Release of Surplus Funds $ 1,500,000.00
To Cons.Invest Fund:
To Other:

ISSUER NUMBERS:

BANK ID NUMBER: CUSIP:
ACCOUNT NUMBER: PROGRAM NUMBER:

NOTES: See Schedule B for Debt Service Schedule

FOR MUNICIPAL BOND COMMISSION USE ONLY:
Documents Required: Transfers Required:

Final

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
05/01/2020	Serial Coupon	3.000%	1.000%	3,430,000.00	100.474%	3,446,258.20
05/01/2021	Serial Coupon	3.000%	1.100%	3,455,000.00	102.330%	3,535,501.50
05/01/2022	Serial Coupon	4.000%	1.130%	3,595,000.00	106.325%	3,822,383.75
05/01/2023	Serial Coupon	2.000%	1.170%	3,780,000.00	102.629%	3,879,376.20
05/01/2024	Serial Coupon	2.000%	1.210%	3,885,000.00	103.253%	4,011,379.05
05/01/2025	Serial Coupon	5.000%	1.250%	3,970,000.00	118.957%	4,722,592.90
Total	-	-	-	**$22,115,000.00**	-	**$23,417,491.60**

Bid Information

Par Amount of Bonds	$22,115,000.00
Reoffering Premium or (Discount)	1,302,491.60
Gross Production	$23,417,491.60
Total Underwriter's Discount (0.350%)	$(77,402.50)
Bid (105.540%)	23,340,089.10
Total Purchase Price	$23,340,089.10
Bond Year Dollars	$62,658.03
Average Life	2.833 Years
Average Coupon	3.3341072%
Net Interest Cost (NIC)	1.3789083%
True Interest Cost (TIC)	1.3181449%

Crews

Final

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S	Fiscal Total
02/05/2020	-	-	-	-	-	-
05/01/2020	3,430,000.00	3.000%	167,735.83	3,597,735.83	3,597,735.83	-
06/30/2020	-	-	-	-	-	3,597,735.83
11/01/2020	-	-	299,625.00	299,625.00	299,625.00	-
05/01/2021	3,455,000.00	3.000%	299,625.00	3,754,625.00	3,754,625.00	-
06/30/2021	-	-	-	-	-	4,054,250.00
11/01/2021	-	-	247,800.00	247,800.00	247,800.00	-
05/01/2022	3,595,000.00	4.000%	247,800.00	3,842,800.00	3,842,800.00	-
06/30/2022	-	-	-	-	-	4,090,600.00
11/01/2022	-	-	175,900.00	175,900.00	175,900.00	-
05/01/2023	3,780,000.00	2.000%	175,900.00	3,955,900.00	3,955,900.00	-
06/30/2023	-	-	-	-	-	4,131,800.00
11/01/2023	-	-	138,100.00	138,100.00	138,100.00	-
05/01/2024	3,885,000.00	2.000%	138,100.00	4,023,100.00	4,023,100.00	-
06/30/2024	-	-	-	-	-	4,161,200.00
11/01/2024	-	-	99,250.00	99,250.00	99,250.00	-
05/01/2025	3,970,000.00	5.000%	99,250.00	4,069,250.00	4,069,250.00	-
06/30/2025	-	-	-	-	-	4,168,500.00
Total	**$22,115,000.00**	**-**	**$2,089,085.83**	**$24,204,085.83**	**$24,204,085.83**	**-**

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Sources & Uses

Dated 02/05/2020 | Delivered 02/05/2020

Sources Of Funds	
Par Amount of Bonds	$22,115,000.00
Reoffering Premium	1,302,491.60
Net Transfers from the Series 2010 Surplus Account	1,914,305.06
Total Sources	**$25,331,796.66**

Uses Of Funds	
Total Underwriter's Discount (0.350%)	77,402.50
Costs of Issuance	118,400.00
Deposit to Series 2010 Escrow Fund	25,135,035.29
Rounding Amount	958.87
Total Uses	**$25,331,796.66**

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Gross Debt Service Comparison

Date	Principal	Coupon	Interest	New D/S	Old D/S	Savings
05/01/2020	3,430,000.00	3.000%	167,735.83	3,597,735.83	4,161,793.75	564,057.92
05/01/2021	3,455,000.00	3.000%	599,250.00	4,054,250.00	4,620,187.50	565,937.50
05/01/2022	3,595,000.00	4.000%	495,600.00	4,090,600.00	4,659,575.00	568,975.00
05/01/2023	3,780,000.00	2.000%	351,800.00	4,131,800.00	4,698,562.50	566,762.50
05/01/2024	3,885,000.00	2.000%	276,200.00	4,161,200.00	4,726,387.50	565,187.50
05/01/2025	3,970,000.00	5.000%	198,500.00	4,168,500.00	4,736,187.50	567,687.50
Total	**$22,115,000.00**	-	**$2,089,085.83**	**$24,204,085.83**	**$27,602,693.75**	**$3,398,607.92**

PV Analysis Summary (Gross to Gross)

Gross PV Debt Service Savings	3,291,301.06
Net Transfers from the Series 2010 Surplus Account	(1,914,305.06)
Net Present Value Benefit	$1,376,996.00
Net PV Benefit / $24,755,000 Refunded Principal	5.562%
Net PV Benefit / $22,115,000 Refunding Principal	6.227%

Refunding Bond Information

Refunding Dated Date	2/05/2020
Refunding Delivery Date	2/05/2020

Crews

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Net New D/S	Fiscal Total
02/05/2020	-	-	-	-	-	-
05/01/2020	3,430,000.00	3.000%	167,735.83	3,597,735.83	3,597,735.83	-
06/30/2020	-	-	-	-	-	3,597,735.83
11/01/2020	-	-	299,625.00	299,625.00	299,625.00	-
05/01/2021	3,455,000.00	3.000%	299,625.00	3,754,625.00	3,754,625.00	-
06/30/2021	-	-	-	-	-	4,054,250.00
11/01/2021	-	-	247,800.00	247,800.00	247,800.00	-
05/01/2022	3,595,000.00	4.000%	247,800.00	3,842,800.00	3,842,800.00	-
06/30/2022	-	-	-	-	-	4,090,600.00
11/01/2022	-	-	175,900.00	175,900.00	175,900.00	-
05/01/2023	3,780,000.00	2.000%	175,900.00	3,955,900.00	3,955,900.00	-
06/30/2023	-	-	-	-	-	4,131,800.00
11/01/2023	-	-	138,100.00	138,100.00	138,100.00	-
05/01/2024	3,885,000.00	2.000%	138,100.00	4,023,100.00	4,023,100.00	-
06/30/2024	-	-	-	-	-	4,161,200.00
11/01/2024	-	-	99,250.00	99,250.00	99,250.00	-
05/01/2025	3,970,000.00	5.000%	99,250.00	4,069,250.00	4,069,250.00	-
06/30/2025	-	-	-	-	-	4,168,500.00
Total	$22,115,000.00	-	$2,089,085.83	$24,204,085.83	$24,204,085.83	-

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
05/01/2020	Serial Coupon	3.000%	1.000%	3,430,000.00	100.474%	3,446,258.20
05/01/2021	Serial Coupon	3.000%	1.100%	3,455,000.00	102.330%	3,535,501.50
05/01/2022	Serial Coupon	4.000%	1.130%	3,595,000.00	106.325%	3,822,383.75
05/01/2023	Serial Coupon	2.000%	1.170%	3,780,000.00	102.629%	3,879,376.20
05/01/2024	Serial Coupon	2.000%	1.210%	3,885,000.00	103.253%	4,011,379.05
05/01/2025	Serial Coupon	5.000%	1.250%	3,970,000.00	118.957%	4,722,592.90
Total	-	-	-	**$22,115,000.00**	-	**$23,417,491.60**

Bid Information

Par Amount of Bonds	$22,115,000.00
Reoffering Premium or (Discount)	1,302,491.60
Gross Production	$23,417,491.60
Total Underwriter's Discount (0.350%)	$(77,402.50)
Bid (105.540%)	23,340,089.10
Total Purchase Price	$23,340,089.10
Bond Year Dollars	$62,658.03
Average Life	2.833 Years
Average Coupon	3.3341072%
Net Interest Cost (NIC)	1.3789083%
True Interest Cost (TIC)	1.3181449%

Crews

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Proof of Bond Yield @ 1.1969764%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
02/05/2020	-	1.0000000x	-	-
05/01/2020	3,597,735.83	0.9971531x	3,587,493.58	3,587,493.58
11/01/2020	299,625.00	0.9912208x	296,994.53	3,884,488.11
05/01/2021	3,754,625.00	0.9853238x	3,699,521.19	7,584,009.30
11/01/2021	247,800.00	0.9794618x	242,710.63	7,826,719.93
05/01/2022	3,842,800.00	0.9736347x	3,741,483.43	11,568,203.36
11/01/2022	175,900.00	0.9678423x	170,243.46	11,738,446.82
05/01/2023	3,955,900.00	0.9620843x	3,805,909.35	15,544,356.17
11/01/2023	138,100.00	0.9563606x	132,073.40	15,676,429.57
05/01/2024	4,023,100.00	0.9506710x	3,824,644.33	19,501,073.89
11/01/2024	99,250.00	0.9450152x	93,792.75	19,594,866.65
05/01/2025	4,069,250.00	0.9393930x	3,822,624.95	23,417,491.60
Total	**$24,204,085.83**	-	**$23,417,491.60**	-

Derivation Of Target Amount

Par Amount of Bonds	$22,115,000.00
Reoffering Premium or (Discount)	1,302,491.60
Original Issue Proceeds	$23,417,491.60

Crews

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Coupon	Price	Issuance Price	Exponent	Bond Years
02/05/2020	-	-	-	-	-	-
05/01/2020	3,430,000.00	3.000%	100.474%	3,446,258.20	0.2388889x	823,272.79
05/01/2021	3,455,000.00	3.000%	102.330%	3,535,501.50	1.2388889x	4,380,093.53
05/01/2022	3,595,000.00	4.000%	106.325%	3,822,383.75	2.2388889x	8,557,892.51
05/01/2023	3,780,000.00	2.000%	102.629%	3,879,376.20	3.2388889x	12,564,868.47
05/01/2024	3,885,000.00	2.000%	103.253%	4,011,379.05	4.2388889x	17,003,790.08
05/01/2025	3,970,000.00	5.000%	118.957%	4,722,592.90	5.2388889x	24,741,139.47
Total	**$22,115,000.00**	-	-	**$23,417,491.60**	-	**$68,071,056.85**

Description of Bonds	
Final Maturity Date	5/01/2025
Issue price of entire issue	23,417,491.60
Stated Redemption at Maturity	22,115,000.00
Weighted Average Maturity = Bond Years/Issue Price	2.907 Years
Bond Yield for Arbitrage Purposes	1.1969764%

Uses of Proceeds of Issue	
Proceeds used for accrued interest	-
Proceeds used for bond issuance costs (including underwriters' discount)	195,802.50
Proceeds used for credit enhancement	-
Proceeds allocated to reasonably required reserve or replacement fund	-

Description of Refunded Bonds	
Proceeds used to currently refund prior issue	25,135,035.29
Proceeds used to advance refund prior issue	-
Remaining weighted average maturity of the bonds to be currently refunded	2.860 Years
Remaining weighted average maturity of the bonds to be advance refunded	-
Last date on which the refunded bonds will be called	5/01/2020

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Form 8038 Refunded Bonds

Date	Type of Bond	Coupon	FV Principal	Price	Issue Price
Series 2010					
05/01/2020	Serial Coupon	4.000%	3,710,000.00	100.000%	3,710,000.00
05/01/2021	Serial Coupon	3.250%	3,865,000.00	100.000%	3,865,000.00
05/01/2022	Serial Coupon	3.375%	4,030,000.00	100.000%	4,030,000.00
05/01/2023	Serial Coupon	3.500%	4,205,000.00	100.000%	4,205,000.00
05/01/2024	Serial Coupon	4.000%	4,380,000.00	100.000%	4,380,000.00
05/01/2025	Serial Coupon	3.750%	4,565,000.00	100.000%	4,565,000.00
Subtotal		-	**$24,755,000.00**	-	**$24,755,000.00**
Total		-	**$24,755,000.00**	-	**$24,755,000.00**

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Current Refunding Escrow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
02/05/2020	-	-	-	0.29	-	0.29
05/01/2020	25,135,035.00	1.215%	71,758.46	25,206,793.46	25,206,793.75	-
Total	**$25,135,035.00**	**-**	**$71,758.46**	**$25,206,793.75**	**$25,206,793.75**	**-**

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	0.29
Cost of Investments Purchased with Bond Proceeds	25,135,035.00
Total Cost of Investments	$25,135,035.29
Target Cost of Investments at bond yield	$25,135,033.51
Actual positive or (negative) arbitrage	(1.78)
Yield to Receipt	1.1969467%
Yield for Arbitrage Purposes	1.1969764%
State and Local Government Series (SLGS) rates for	1/23/2020

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Current Refunding Escrow Summary Cost

Maturity	Type	Coupon	Yield	$ Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
Current Refunding Escrow								
05/01/2020	SLGS-CI	1.215%	1.215%	100.0000000%	25,135,035	25,135,035.00	-	25,135,035.00
Subtotal		-	-	-	**$25,135,035**	**$25,135,035.00**	-	**$25,135,035.00**
Total		-	-	-	**$25,135,035**	**$25,135,035.00**	-	**$25,135,035.00**

Current Refunding Escrow	
Cash Deposit	0.29
Cost of Investments Purchased with Bond Proceeds	25,135,035.00
Total Cost of Investments	$25,135,035.29

Delivery Date	2/05/2020

Crews

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Primary Purpose Fund Proof Of Yield @ 1.1969467%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
02/05/2020	-	1.0000000x	-	-
05/01/2020	25,206,793.46	0.9971532x	25,135,035.00	25,135,035.00
Total	**$25,206,793.46**	-	**$25,135,035.00**	-

Composition Of Initial Deposit

Cost of Investments Purchased with Bond Proceeds	25,135,035.00
Adjusted Cost of Investments	25,135,035.00

Crews

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

SLGS Payment Table

DATE	1.215% CD	TOTAL
05/01/2020	25,206,793.46	25,206,793.46
Total	25,206,793.46	25,206,793.46

Crews

$38,145,000

Berkeley County Board of Education (West Virginia)

Public School Bonds

Series 2010

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
02/05/2020	-	-	-	-	-	-	-
05/01/2020	24,755,000.00	451,793.75	25,206,793.75	3,710,000.00	4.000%	451,793.75	4,161,793.75
11/01/2020	-	-	-	-	-	377,593.75	377,593.75
05/01/2021	-	-	-	3,865,000.00	3.250%	377,593.75	4,242,593.75
11/01/2021	-	-	-	-	-	314,787.50	314,787.50
05/01/2022	-	-	-	4,030,000.00	3.375%	314,787.50	4,344,787.50
11/01/2022	-	-	-	-	-	246,781.25	246,781.25
05/01/2023	-	-	-	4,205,000.00	3.500%	246,781.25	4,451,781.25
11/01/2023	-	-	-	-	-	173,193.75	173,193.75
05/01/2024	-	-	-	4,380,000.00	4.000%	173,193.75	4,553,193.75
11/01/2024	-	-	-	-	-	85,593.75	85,593.75
05/01/2025	-	-	-	4,565,000.00	3.750%	85,593.75	4,650,593.75
Total	**$24,755,000.00**	**$451,793.75**	**$25,206,793.75**	**$24,755,000.00**	**-**	**$2,847,693.75**	**$27,602,693.75**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	2/05/2020
Average Life	2.860 Years
Average Coupon	3.6889904%
Weighted Average Maturity (Par Basis)	2.860 Years
Weighted Average Maturity (Original Price Basis)	2.860 Years

Refunding Bond Information

Refunding Dated Date	2/05/2020
Refunding Delivery Date	2/05/2020

Crews

$22,115,000

The Board of Education of the County of Berkeley (West Virginia)

Public School Refunding Bonds, Series 2020

Detail Costs Of Issuance

Dated 02/05/2020 | Delivered 02/05/2020

COSTS OF ISSUANCE DETAIL

Bond Counsel	$50,000.00
Underwriter's Counsel	$40,000.00
Registrar	$650.00
Rating Agency Fee	$22,750.00
Verification Agent	$2,500.00
Miscellaneous	$2,500.00
TOTAL	**$118,400.00**

CONTINUING DISCLOSURE COMPLIANCE PROCEDURES

These Continuing Disclosure Compliance Procedures (these "Procedures") are established as of February 5, 2020, and set forth specific procedures of The Board of Education of the County of Berkeley [West Virginia] (the "Issuer"). These Procedures are designed to assist in compliance with applicable requirements set forth in undertakings of the Board ("Continuing Disclosure Undertakings") providing for ongoing disclosure in connection with the issuance of obligations (whether or not tax-exempt/tax-advantaged) that are subject to the continuing disclosure requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

These Procedures document practices and describe various procedures for preparing and disseminating related reports and information and reporting "listed events" for the benefit of the holders of the Issuer's obligations and to assist the Participating Underwriters (within the meaning of the Rule) in complying with the Rule and the Continuing Disclosure Undertaking.

The Issuer recognizes that compliance with pertinent law is an ongoing process; is necessary during the entire term of any obligations issued by the Issuer that are subject to (and not exempt from) the Rule's continuing disclosure requirements; and is an integral component of the Issuer's debt management. Accordingly, implementation of these Procedures will require ongoing monitoring and consultation with legal counsel that prepared these Procedures and is familiar with the Rule's requirements ("disclosure counsel") as well as the Issuer's accountants and advisors.

General Policies and Procedures

The following policies relate to procedures and systems for monitoring post-issuance compliance generally.

1. The Treasurer/Chief School Business Officer (the "Compliance Officer") shall be responsible for monitoring post-issuance compliance issues.

2. The Compliance Officer will coordinate procedures for record retention and review of such records.

3. All documents and other records relating to obligations issued by the Issuer shall be maintained by or at the direction of the Compliance Officer.

4. The Compliance Officer will review post-issuance compliance procedures and systems on a periodic basis, but not less than annually.

5. The Compliance Officer will review the annual information required to be filed pursuant to each Continuing Disclosure Undertaking.

Continuing Disclosure

Under the provisions of the Rule, Participating Underwriters are required to reasonably determine that issuers (such as the Issuer) have entered into written Continuing Disclosure Undertakings to make ongoing disclosure in connection with offerings of obligations to investors subject to the Rule. Unless the Issuer is exempt from compliance with the Rule or the continuing disclosure provisions of the Rule as a result of certain permitted exemptions, a Continuing Disclosure Undertaking executed by the Issuer will be required.

In order to monitor compliance by the Issuer with its Continuing Disclosure Undertakings, the Compliance Officer will take the actions listed below, if and as required by such Continuing Disclosure Undertakings. The Compliance Officer may coordinate with staff, and may engage a dissemination agent, disclosure counsel, and/or other professionals to assist in discharging the Compliance Officer's duties under these Procedures as the Compliance Officer deems necessary.

A. Compilation of Currently Effective Continuing Disclosure Undertakings

The Compliance Officer shall compile and maintain a set of all currently effective Continuing Disclosure Undertakings of the Issuer. Such agreements are included in the transcript of proceedings for the Issuer's respective obligation issue. Continuing Disclosure Undertakings are "Currently Effective" for purposes of these Procedures (and hence shall be included in the set of Currently Effective Continuing Disclosure Undertakings) for so long as the obligations to which they relate are outstanding. As obligations are completely repaid or redeemed, the Compliance Officer shall remove the related Continuing Disclosure Undertakings from the set of Currently Effective Continuing Disclosure Undertakings.

B. Annual Review and Annual Reporting Requirements

The Compliance Officer shall ensure that all necessary financial statements, financial information and operating data is filed in the manner and by the filing dates set forth in the Currently Effective Continuing Disclosure Undertakings. The Compliance Officer shall review the set of Currently Effective Continuing Disclosure Undertakings annually, prior to each annual filing, keeping in mind:

- The financial information and operating data required to be reported under a particular Continuing Disclosure Undertaking may differ from the financial information and operating data required to be reported under another Continuing Disclosure Undertaking; and

- The timing requirements for reporting under a particular Continuing Disclosure Undertaking may differ from the timing requirements for filing under another Continuing Disclosure Undertaking.

C. Calendar; EMMA Notification System

The Compliance Officer shall keep a calendar of all pertinent filing dates required under the Issuer's Currently Effective Continuing Disclosure Undertakings. The Compliance Officer shall also subscribe to notification services made available through the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board.

D. Annual Review of Prior Filings

As part of the annual review process, the Compliance Officer shall also review prior filings made within the past five years subsequent to the last such review of prior filings. If the Compliance Officer discovers any late or missing filings, the Compliance Officer (after discussing the circumstances with the Issuer's dissemination agent, disclosure counsel or other agents as necessary) shall file the missing information.

E. Monitoring of Listed events

The Compliance Officer shall monitor the occurrence of any of the following events and/or other events set forth in the Currently Effective Continuing Disclosure Undertakings. As needed and shall provide notice of the same in the required manner and by the relevant reporting deadline (generally within 10 days of the occurrence):

- Principal and interest payment delinquencies;
- Non-payment related defaults, if material;
- Unscheduled draws on debt service reserves reflecting financial difficulties;
- Unscheduled draws on credit enhancements reflecting financial difficulties;
- Substitution of credit or liquidity providers, or their failure to perform;
- 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 Issuer's obligations, or other material events affecting the tax status of the Issuer's obligations;
- Modification to rights of holders of the Issuer's obligations, if material;
- Calls of the Issuer's obligations, if material, and tender offers;
- Defeasances of the Issuer's obligations;
- Release, substitution or sale of property securing repayment of the Issuer's obligations, if material;
- Rating changes;

- Bankruptcy, insolvency, receivership or similar event of the Issuer;

- The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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 terms, if material;

- Appointment of a successor or additional trustee or the change of name of a trustee, if material;

- Incurrence of a Financial Obligation of the Board, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Board, any of which affect Bondholders, if material; and

- Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Board, any of which reflect financial difficulties.

F. Review of Official Statements

The Compliance Officer shall review drafts of any offering document for a new offering of obligations, with assistance from its dissemination agent, disclosure counsel or other agents of the Issuer as necessary, and shall determine that the offering document accurately and completely describes the Issuer's continuing disclosure compliance history within the five years prior to the date of the respective Official Statement. This compliance review is not meant to limit the Issuer's other reviews of or diligence procedures relating to its offering documents.

G. Record Retention

The Compliance Officer shall retain documentation evidencing the Issuer's annual reviews and its reviews of offering documents in connection with new offerings as set forth above. This Issuer shall retain this documentation, for each Continuing Disclosure Undertaking, for the period that the related obligations are outstanding.

H. Annual Review Checklist

The Compliance Officer may (or may not) choose to use and retain the attached Annual Review Checklist to assist in implementing these Procedures.

Dated as of February 5, 2020

THE BOARD OF EDUCATION OF THE COUNTY OF BERKELEY

By: _____
Superintendent

CONTINUING DISCLOSURE ANNUAL REVIEW CHECKLIST

1. **Fiscal Year Ending:** _____

2. **Compliance Officer:** _____

3. **Checklist Completion Date:** _____

4. **Obligations for which there are Currently Effective Continuing Disclosure Undertakings - Attach Agreements:**

$_____, _____, dated _____, 20___

$_____, _____, dated _____, 20___

$_____, _____, dated _____, 20___

$_____, _____, dated _____, 20___

$_____, _____, dated _____, 20___

$_____, _____, dated _____, 20___

$_____, _____, dated _____, 20___

5. **Have any new Obligations subject to Continuing Disclosure Been Issued this Year?**

_____ No

_____ Yes (Add Agreement to Currently Effective Continuing Disclosure Undertakings) If Yes, did the Compliance Officer review the Offering Document's Description of the Issuer's Continuing Disclosure Compliance History within the Prior 5 Years?
Circle: Y/ N (If N, review and discuss any issues with disclosure counsel.)

6. **Have any Obligations subject to Continuing Disclosure Been Completely Paid or Redeemed this Year?**

_____ No

_____ Yes (Remove Agreement from Currently Effective Continuing Disclosure Undertakings)

7. **(a) Has the Compliance Officer Reviewed the Annual Continuing Disclosure Filing to Ensure that all Necessary Financial Statements, Financial Information and Operating Data is Included?**

_____ Yes

_____ No (Compliance Officer must review the Annual Continuing Disclosure Filing)

(b) For purposes of this review, please keep in mind:

	Checked?
Different Continuing Disclosure Undertakings may require different information to be filed (so check each one)	Y / N
Different Continuing Disclosure Undertakings may have different filing timing requirements (so check each one).	Y / N

Have any of the Following Events Occurred this Year?

	Event	Circle
1.	Principal and interest payment delinquencies	Y / N
2.	Non-payment related defaults, if material	Y / N
3.	Unscheduled draws on debt service reserves reflecting financial difficulties	Y / N
4.	Unscheduled draws on credit enhancements reflecting financial difficulties	Y / N
5.	Substitution of credit or liquidity providers, or their failure to perform	Y / N
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 Issuer's obligations, or other material events affecting the tax status of the Issuer's obligations	Y / N
7.	Modification to rights of holders of the Issuer's obligations, if material	Y / N
8.	Calls of the Issuer's obligations, if material, and tender offers	Y / N
9.	Defeasances of the Issuer's obligations	Y / N
10.	Release, substitution or sale of property securing repayment of the Issuer's obligations, if material	Y / N
11.	Rating changes	Y / N
12.	Bankruptcy, insolvency, receivership or similar event of the Issuer	Y / N
13.	The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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 terms, if material	Y / N
14.	Appointment of a successor or additional trustee or the change of name of a trustee, if material	Y / N
15.	Incurrence of a Financial Obligation of the Board, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Board, any of which affect Bondholders, if material	Y / N
16.	Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Board, any of which reflect financial difficulties	Y / N

If any such Event Occurred, was Proper Notice Provided?

_____ Yes

_____ No (Call your dissemination agent or disclosure counsel immediately to discuss)

_____ N/A

Has the Issuer Retained a Dissemination Agent? (i.e., a Paid Third Party that Assists with Filings)

_____ Yes: Name/Contact: _____

_____ No